

B e s c h l u s s

des Burgenländischen Landtages vom, mit dem die Finanztabelle sowie die operationellen Programme Slowakei – Österreich 2014-2020, Österreich – Ungarn 2014-2020 und Slowenien – Österreich 2014-2020 zur Kenntnis genommen werden.

Der Landtag hat beschlossen:

Die Finanztabelle sowie die operationellen Programme Slowakei – Österreich 2014-2020, Österreich – Ungarn 2014-2020 und Slowenien – Österreich 2014-2020 werden gemäß Art. 83 Abs. 1 Z 2 L-VG zur Kenntnis genommen.

INTERREG - Burgenland 2014-2020

Operationelles Programm	2016	2017	2018	2019	2020	2016-2020
(1) Grenzüberschreitende Kooperation						
Österreich - Ungarn	1.098.729,20	1.098.729,20	1.098.729,20	1.098.729,20	1.098.729,20	5.493.646,00
Slowakei - Österreich	229.806,40	229.806,40	229.806,40	229.806,40	229.806,40	1.149.032,00
Slowenien - Österreich	135.529,41	135.529,41	135.529,41	135.529,41	135.529,41	677.647,05
(2) Transnationale Kooperation						
Interreg V B	220.000,00	220.000,00	220.000,00	220.000,00	220.000,00	1.100.000,00
(3) Interregionale Kooperation						
Interreg V C	110.000,00	110.000,00	110.000,00	110.000,00	110.000,00	550.000,00
Interreg insgesamt (2014-2020)	1.794.065,01	1.794.065,01	1.794.065,01	1.794.065,01	1.794.065,01	8.970.325,05

**Final Interreg V-A Slovakia-Austria cooperation
programme
Version 11th June 2015 (PG 26)**

Interreg V-A Slovakia-Austria Description of the Cooperation Programme

CCI	2014TC16RFCB003
Title	Interreg V-A Slovakia-Austria (short title: SK-AT cooperation programme)
Version	Final 11 th June 2015
First Year	2014
Last year	2020
Eligible from	
Eligible until	
EC decision number	
EC decision date	
MS amending decision number	
MS amending decision date	
MS amending decision entry into force date	
NUTS regions covered by the cooperation programme	AT111 Mittelburgenland AT112 Nordburgenland AT121 Mostviertel-Eisenwurzen AT122 Niederösterreich-Süd AT123 Sankt Pölten AT124 Waldviertel AT125 Weinviertel AT126 Wiener Umland/Nordteil AT127 Wiener Umland/Südteil AT130 Wien SK010 Bratislavský kraj SK021 Trnavský kraj

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LIST OF ABBREVIATIONS

AA	Audit Authority
AKK	Alpine-Carpathian Corridor
CA	Certifying Authority
CBC	Cross-border cooperation
CENTROPE	Central European Region
CP	Cooperation Programme
CPR	Common Provisions Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013
DG	Directorate General
EC	European Commission
EGTC	European grouping of territorial cooperation
EIB	European Investment Bank
ERDF	European Regional Development Fund
ESIF	European Structural and Investment Funds
ETC	European Territorial Cooperation
EUSDR	EU Strategy for the Danube Region
FLC	First Level Control
IP	Investment priority
JTS	Joint Technical Secretariat
LB	Lead Beneficiary
LLL	Lifelong learning
MA	Managing Authority
MC	Monitoring Committee
NUTS	Nomenclature of Territorial Units for Statistics
PA	Priority Area of EUSDR
PAC	Priority Area Coordinator
PG	Programming Group
RECOM	Regional Cooperation Management
RTDI	Research, Technology, Development and Innovation
SEA	Strategic Environmental Assessment
SFC2014	Shared Fund Management Common System
SO	Specific Objective
TA	Technical Assistance

TO	Thematic Objective
VET	Vocational Education and Training



Introduction

The Slovak-Austrian (SK-AT) cross-border area offers significant potentialities to further the socio-economic and institutional integration for a well-performing European region.

To contribute to the further integration and sustainable development of the area the SK-AT cross-border co-operation (CBC) programme – as a specific instrument in the portfolio of European and national instruments available for territorial development – aims to improve frameworks and policies and deliver concrete solutions to tackle common challenges.

The SK-AT cooperation programme (the legally binding name is “Interreg V-A Slovakia-Austria”) for the 2014 to 2020 period has to be prepared on the legal basis of common and programme specific regulations (Reg. (EU) 1303/2013 also Common Provisions Regulation (in short CPR), Reg. (EU) 1301/2013 in short ERDF Regulation, and Reg. (EU) 1299/2013 also European Territorial Cooperation in short ETC Regulation) and in line with the Common Strategic Framework and the Partnership Agreements in Slovakia and Austria.

The programming process in order to construct the programme’s intervention logic started in 2012, was coordinated by the Managing Authority (MA) and Joint Technical Secretariat (JTS) of the SK-AT 2007-2013 programme and supported by an external team (Metis GmbH & Consulting Associates s.r.o.) and is based

- on the decisions taken by the Programming Group (so far 21 Programming Group meetings were held since 2012);
- on ongoing surveys targeting Slovak national as well as Slovak and Austrian regional bodies (to identify investment priorities and to establish the financing plan);
- on requirements posed by the European Commission (ongoing process);
- on a situation analysis and a needs assessment carried out in the RECOM framework (potential analysis and network analysis which has been finalized end of 2013 by RM Niederösterreich, mecca consulting and AUREX);
- on stakeholder consultations according to the partnership principle addressing competent regional, local, and other public authorities, economic and social partners, bodies representing civil society, including environmental partners and non-governmental organisations (two major national stakeholder events with thematic focus were carried out in Hainburg at 30th April 2013 and in Senec at 14th May 2013);
- on feedback received by ex-ante evaluators and Strategic Environmental Assessment (SEA) experts;
- on feedback by the SEA consultation process focusing on the likely environmental impacts of the proposed draft programme;
- on the Partnership Agreements of the Slovak Republic and Austria.

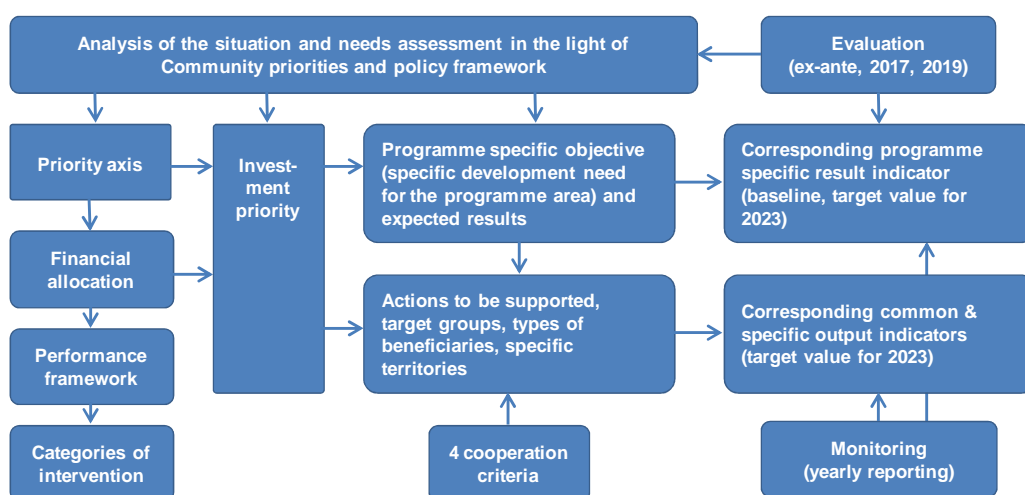
The programme architecture

The outline of the present cooperation programme (CP) document is based on the Implementing Regulation (EU) No 288/2014 which offers in Annex II a model for cooperation programmes under the European territorial cooperation goal from 25th February 2014.

The model reflects the ambition of European cohesion policy to be more performance and result based and introduces a new programming framework focusing more on strategy and result.

The basic, result oriented intervention logic which has to be followed in the cooperation programme is presented in the following illustration.

Figure 1. Programme's intervention logic (model)



Source: Metis on basis of CP model

The overarching policy framework and the programmes priorities

The **Europe 2020 strategy** is the current key-reference strategy of the Community aimed at providing 'more jobs and better lives' by stimulating 'smart, sustainable and inclusive growth' over the coming decade. The link to Cohesion Policy is defined by eleven thematic objectives which are set out in the Common Provisions Regulation (CPR). The link of the present cooperation programme to the Europe 2020 strategy goals is ensured through the definition of thematic objectives (Article 9, Reg. (EU) 1303/2013 in short CPR) and the requirement for thematic concentration (Article 6, Reg. (EU) 1299/2013 in short ETC Reg.).

Moreover, the SK-AT cooperation programme has also to be put into the bigger picture of the **EU Strategy for the Danube Region (EUSDR)** which covers amongst other regions the whole SK-AT CBC programme area. The open-ended EUSDR was adopted in December 2010. The strategy includes four pillars (1) Connecting the Danube Region, (2) Protecting the environment in the Danube Region, (3) Building prosperity in the Danube Region and (4) Strengthening the Danube Region and is accompanied by a "rolling" Action Plan breaking down eleven Priority Areas into actions and project examples. The SK-AT cooperation programme pays due attention

to the EUSDR both in the programming process as well as in the implementation phase.

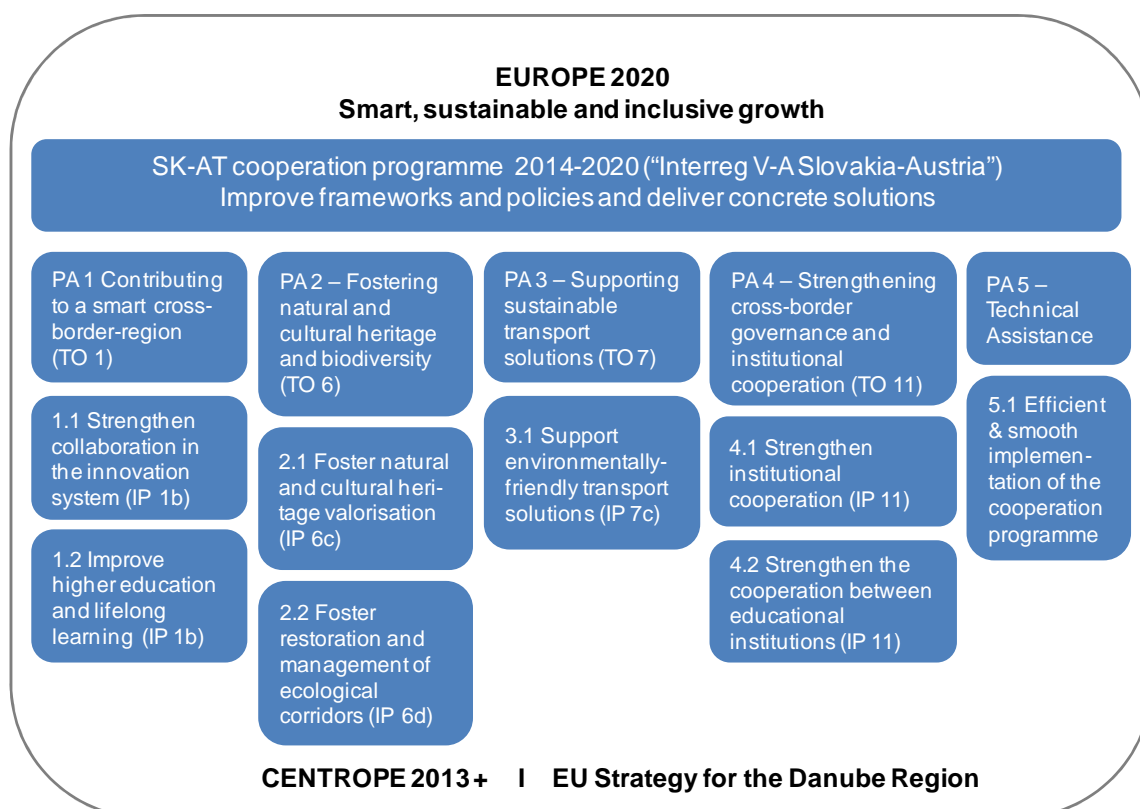
In addition, the **CENTROPE 2013+** Strategy represents a roadmap for future co-operation in the cross-border area.

Regarding its **composition** the SK-AT cooperation programme addresses **five** investment priorities (IP) under four priority axes (PA). In addition a fifth priority axis on technical assistance has been introduced.

The cooperation programme shows a **clear thematic concentration** on the four thematic objectives 1 (Research and innovation), 6 (Environment and culture), 7 (Transport and mobility) and 11 (Governance) which represent 100% of the ERDF allocation to the programme. This is more ambitious as the minimum requirement set by the ETC Regulation (at least 80% of the ERDF finances shall be concentrated on a maximum of four thematic objectives).

The architecture of the SK-AT cooperation programme is presented in the following illustration.

Figure 2. Composition of the cooperation programme (priority axes and investment priorities)



Source: Metis on basis of decisions taken by the Programming Group

1 Strategy for the cooperation programme's contribution to the Union Strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion

1.1 Strategy for the cooperation programme's contribution to the Union Strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion

1.1.1 Description of the cooperation programmes strategy

1.1.1.1 Role of the cooperation programme

Cross-border cooperation programmes are intended to complement other European programme strands such as "rural development" or "investment for growth and jobs" programmes. They are primarily designed for further cooperation in specific policy fields. Given its overall budget size, the cooperation programme cannot compare with programmes under Investment for Growth and Jobs objective in terms of economic impact.

The purpose of the cooperation programme is to tackle common challenges identified jointly in the border regions. Needs are related to the issues how to improve institutional frameworks for cooperation, how to improve the quality of policies and their delivery and how to deliver solutions through concrete investments and smart pilot action.

It has to be considered that in this programme area the Lead Partner Principle has been applied the first time during the period 2007-2013. One clear lesson learnt during the period 2007-2013 was, that the number of institutions which are able to take over the function of a lead partner is clearly limited for a variety of reasons. Thus, the programme for the period 2014-2020 has been developed with a view to cooperation areas in which players and feasible ideas can be expected in sufficient numbers.

1.1.1.2 The process to identify cooperation needs

A brief review of the programming process illustrates the cornerstones and milestones which have led to the programme document. The main actors in the process, i.e. the members of the Programming Group (PG), have gained broad experience in the period 2007-2013. Already at the beginning, the decision was taken to go for a process which should make use of the already available analytical cornerstones. This allowed a broad and intense discussion phase with ample room to strengthen the mutual understanding of needs, the strategy and the priorities.

The analytical cornerstones for the development of the programme were:

- The process of the **ongoing evaluation** undertaken mainly in 2011 and 2012: It prepared the ground for the work of the PG since the evaluation took already the overarching framework for Cohesion Policy 2014-2020 into account. The final steps of the evaluation have included a stock-taking of the outcomes of the 2007-2013 period with a view to the options in the forthcoming period. The final report documents the work of the Steering Group Evaluation (which was transformed into the PG).
- One of the conclusions of the ongoing evaluation was to consider the themes research and innovation, energy efficiency, environmental protection, cultural heritage protection and development, sustainable transport and governance for the 2014-2020 programme.

-
- The preparatory work of the **RECOM project** – the cooperation network of the five participating regions: It included a two-dimensional analysis for the period 2014-2020: the first dimension along key topics of mutual interest and the second the networks of actors which could develop projects of strategic interest in selected areas: The results of the RECOM process were presented to the PG and the studies contributed to the programme document.
 - **CENTROPE 2013+** as a policy-making process spanning over several Member States has been another important resource: Key actors in the Centrope network launched a series of strategy-building processes in key topics. The results and analytic milestones in these processes provided important contributions in particular for the fields of RDTI (Centrope TT) and transport (INAT).
 - Last but not least, within the framework of the **EU Strategy for the Danube Region (EUSDR)** flagship projects are under development which are considered to be supported by the SK-AT cooperation programme, e.g. the development of a Danube river research facility.

On the basis of these four resources, i.e. the ongoing evaluation, the RECOM studies, Centrope and the EUSDR, the analysis of the programme region was developed. The subsequent approach to shaping the intervention logic of the programme went through phases of intense discussion and debate:

- Firstly, the discussion among the members of the Programming Group under guidance of the external experts: The representatives of the regions and the national level in Slovakia agreed on those investment priorities which offer the greatest potentialities (such as RDTI), and/or link to results of the period 2007-2013 where the need for further steps has been definitely identified (such as in transport and in valorisation of natural and cultural heritage and education and qualification) and/or can be seen as essential basis and room for expansion into new topics of cooperation (such as institutional cooperation and governance).
- Secondly, the reality test of the intended intervention logic with potential beneficiaries in the course of thematic workshops which have been held in 2013: The two events organised by the MA/JTS of the programme 2007-2013 in cooperation with the RECOM project have attracted about 250 persons.

The Ex-Ante Evaluation and SEA team joined the process in autumn 2013 and provided important inputs for the finetuning of the programme document. A final step was the public consultation of the draft programme as a second element in the consultation process for the Strategic Environmental Assessment.

1.1.1.3 Analysis of the situation and trends in the programme area

Programme area

The programme area consists of the Austrian *Länder*: Wien, Niederösterreich, Burgenland (only Nordburgenland and Mittelburgenland) and of the Bratislavský kraj and Trnavský kraj on the Slovak side.

It has around **4.7 million inhabitants**, which is a third of the total population in Austria and in Slovakia¹ (34% of total 13.8 million inhabitants in the year 2011). The proposed

¹ In order to enhance the readability, we use the term "Slovakia" for Slovak Republic throughout the text.

programme area for 2014-2020 includes also the “20% regions” of the 2007-2013 programme.

The cross-border programme area has a surface of about 28,000 km² (250 km East-West and 150 km North-South extension) and is characterised by quite strongly contrasting parts with specific needs, challenges and opportunities such as:

- The **twin city situation of Vienna (1.76 million inhabitants) and Bratislava (0.42 million inhabitants)** with two urban agglomerations and capital cities being in close proximity (60 km) with marked urban sprawl in the surrounding areas; both agglomerations are also transport and innovation hubs from a national perspective;
- Smaller cities such as **Trnava** (70,000 inhabitants), **St. Pölten** (52,000 inhabitants) or **Eisenstadt** (13,000 inhabitants) acting as local and regional growth poles;
- **Rural areas** with numerous villages below 2,000 inhabitants, and
- **Nature protection areas** such as the wetlands along the rivers Danube and March/Morava; Neusiedl Lake or the Little Carpathians, which are a important source of biodiversity in Central Europe.

Map 1. The programme area



Source: Metis

Macro-economic development and challenges

In comparison to the EU27² average, the programme area is – as a core economic area of the small and open Austrian and Slovak economies – well developed with a strong and growing economy and low unemployment rates.

About **3 million people** constitute the economically active population in the programme area (2011)³. They generate a yearly gross domestic product (GDP) of around **164 billion EUR** (Purchasing Power Standard) which is **50% of the total GDP** in Austria and Slovakia (337 billion EUR, 2009).

The **GDP per capita** in the two agglomeration areas Bratislava and Vienna is far above the EU27 average (around 150%). In Burgenland, Niederösterreich and Trnava it is around 10%-20% below the EU27 average. Only the NUTS3 region Weinviertel has a specifically weak economic position (around 70%).

The favourable macro-economic situation is also indicated by the average **economic growth** in the programme area, which was substantially higher than the EU27 average throughout the last decade including the crisis period 2009-2011.

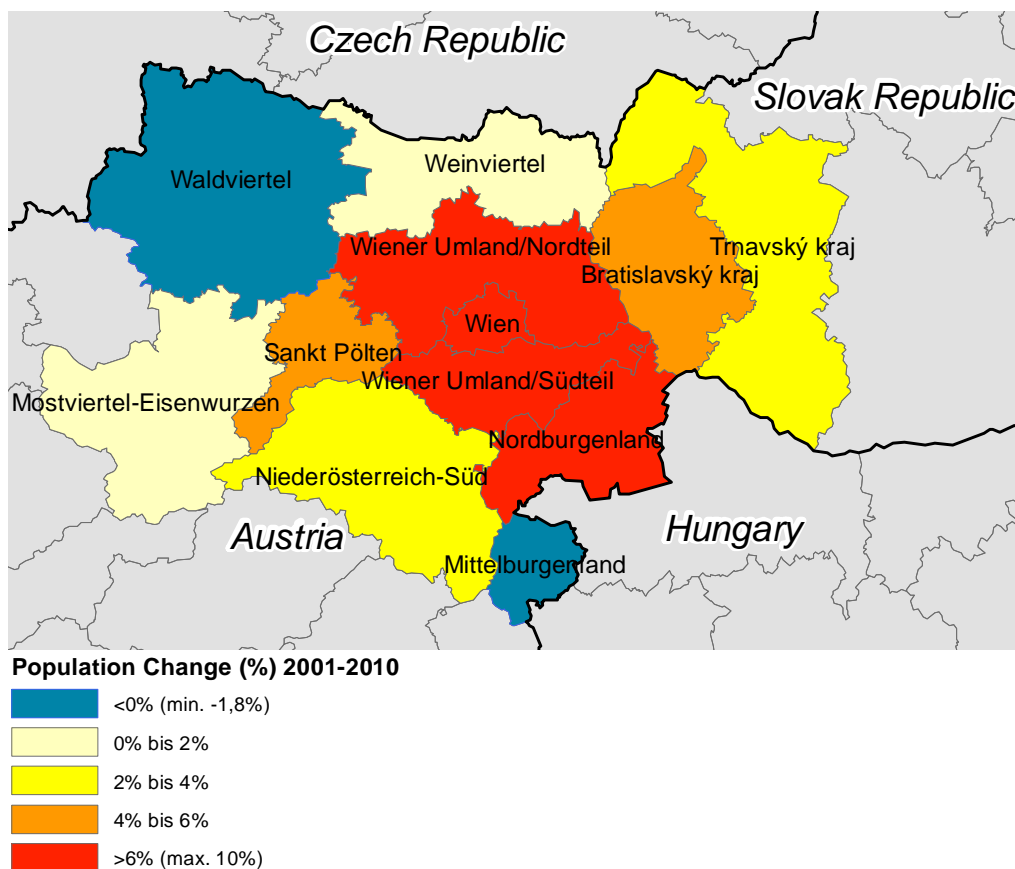
Also in terms of **labour market** conditions the programme area shows a favourable situation since unemployment rates have been continuously below the EU27 average. Similar evidence can be found in employment growth and employment rates. Common problems relate to the low employment rates of elderly people (age of 55 to 64 years) and to a specifically high unemployment rate of low-qualified people.

A further problem concerns **social inclusion** since about 20% of the total population in Slovakia and Austria are at risk of poverty or social exclusion even in the well developed programme area. Due to the lack of data on poverty at NUTS 3-level it is not possible to map the most deprived areas in detail.

Regarding **demographic trends** the programme area is one of those favoured areas in Europe which show a still increasing population (with the exception of small peripheral parts of the programme area such as Mittelburgenland and Waldviertel). In Slovakia the positive population development is strongly focused on the Bratislava agglomeration benefiting from in-migration while the Slovak population in general is expected to shrink by 10% until 2050. Except for the southern part with a shrinking perspective, population in Austria is expected to grow by 10% until 2050.

² Statistical data are based on the EU27 average. The EU reached its current size of 28 member states with the accession of Croatia on 1 July 2013

³ Including the NUTS2 regions AT11 *Burgenland* (AT11) and SK02 *Západné Slovensko* (SK02) (NUTS3 data are not available).

Map 2. Population development

Source: ESPON TERREVI, January 2013, Metis

Ageing of the population is a ubiquitous phenomenon across Europe, however, the Slovak part and more peripheral Austrian regions such as the Waldviertel are more affected. In the next two decades, the increasing share of the economically inactive population and the decreasing active population of an age between 15 and 64 years (i.e. more elderly and less young people) may cause a shortage of labour force and economic strain at regional/local level. The demographic trend can be mitigated by the continuous increase of the activity rate (lifelong learning systems, however, are weak in Slovakia), enhanced labour mobility across borders and integrating labour force with migration background.

1.1.1.4 Needs related to research & innovation

Policy framework

Under its priority “Smart growth” (development of an economy based on knowledge and innovation), the Europe 2020 strategy pursues the Flagship Initiative “Innovation Union”. In order to ensure the diffusion of technology across the EU territory, Member States will need to reform national and regional research and innovation systems to foster excellence and smart specialisation, to reinforce cooperation between universities, research and business, to implement joint programming and enhance

cross-border co-operation in thematic fields with EU value added. Cross-border cooperation programmes are specifically asked to contribute to the “Innovation Union”.

The macro-regional EU Strategy for the Danube Region which is relevant for the programme area is targeting research and innovation in particular under its priority area C7: To develop the knowledge society through research, education and information technologies.

The CENTROPE⁴ 2013+ strategy which covers main parts of the programme area emphasises that policies for growth and employment must increasingly be geared towards research and innovation and proposes a focus on a knowledge region.

Apart from strategies with a supra-regional scope the policy field research and innovation is promoted by a number of strategies on the national and regional level (e.g. regional innovation strategies in Wien, Niederösterreich, Burgenland). The support to innovation is one of the key priorities in the Slovak National reform programme. In November 2013, the Slovak government adopted the National strategy for smart specialisation of research and development (RIS3), which sets the strategic framework for activities to be funded from EU resources.

The specific needs to develop research and innovation within the scope of cross-border cooperation were identified in the RECOM SK-AT potential analysis (November 2013) and by CENTROPE studies⁵.

Characteristics

The SK-AT CBC area is composed of research and innovation systems at very different stages of development with rather heterogeneous starting conditions and institutional settings.

Austria has clearly a regional dimension in the national innovation policy. All Länder took the opportunity and have set up specific agencies, developed strategies and mobilised substantial financial resources to implement regional innovation strategies. Incentives from the central level further contributed to the regionalisation of innovation policies. Regional actors focus on a broad innovation policy (developing R&TD infrastructure, advanced support services, technology transfer and cooperation networks) while R&D is mainly funded by national actors. The regionalisation of innovation policies allows tailor-made solutions to region-specific issues. However, the design and delivery of regional innovation policy is a very demanding task in terms of achieving critical mass and coherence of measures.

In Slovakia the responsibilities for innovation policy are divided between several public sector institutions. The Ministry of Education, Science, Research and Sports, the Ministry of Finance and the Ministry of Economy are key stakeholders with budgetary and legislative powers. On a regional level the self-governing regions are responsible for the implementation of innovation policy through regional innovations strategies. Innovation policy has not been a central strategic priority of any government in Slovakia during the last decades. This resulted in delays in the creation of a coherent and functional innovation system on national and regional level.

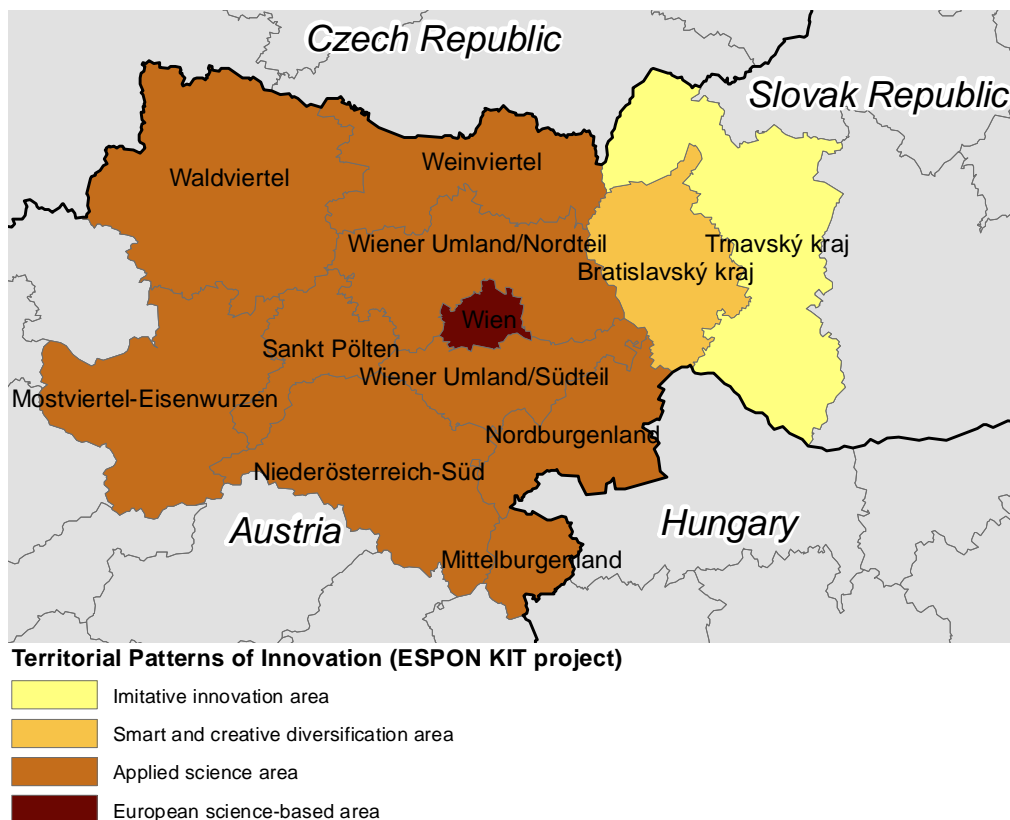
In the Innovation Union Scoreboard 2010 Austria is considered to be an “innovation follower” among the EU27 countries (7th position), whereas Slovakia is classified as “moderate innovator” (23rd position). Both Member States want to improve their

⁴ See <http://www.centrope.com/en/centrope-project/strategy-2013>

⁵ <http://www.centrope.com/en/centrope-project/downloads2>

position through enhancing the national (and regional) innovation system and more spending on R&D. However, Slovakia experienced very slow growth rates in the period from 2005 to 2010.

Map 3. Disparities in the territorial pattern of innovation



Source: TERREVI, January 2013, Metis

The distribution of R&D expenditures and R&D personnel is very unbalanced revealing a high concentration in the capital regions (48,782 R&D personnel out of 56,609 in total is located in Wien and Bratislava, 2009). The two capital cities and their surroundings are the backbone of the research and innovation system. The other, often more industrialised, regions are mostly involved in more practically-oriented innovation activities (applied research).

Challenges and needs for cooperation

- The institutional environment for research and innovation policy is relatively well developed in Austria at national *and* regional level, whereas it is not very stable in Slovakia, where institutions and intermediaries (such as agencies) are largely missing. Thus the framework reveals gaps and there are definitely difficulties for certain institutions to identify adequate counterparts.
- The university system is – despite the lack of world class universities – an advantage of the programme area. There is a strong concentration of research institutions and research personnel in the two capital cities. Also the number of university students per inhabitant is higher than in other EU regions and has

increased more rapidly. However, only a few research institutes have an international reputation.

- Cross-border students exchange seems to be limited due to the insufficient international reputation of universities. Student mobility is mostly directed to countries with higher attractiveness.
- Cluster initiatives exist but co-ordination of institutional support for the formation of cross-border enterprise networks through cluster policies is limited. Moreover it is challenging for (fragmented) cluster initiatives to achieve critical mass and coherence of measures.
- There is some room to develop more locally-based enterprise networks consisting of young and small enterprises, which need substantial support to utilise opportunities in cooperation in the cross-border region.
- Strong specialisation can be found in the automotive sector and related industries. However, in general, only few technology fields with strong specialisation exist and also few signs of functional specialisation of regions.
- Innovation has to be seen from a broader perspective and not only related to advanced technology fields (automotive sector). Instead, innovation comprises also the further development of the cross-border knowledge-intensive service industry and social innovation.
- Environmental technologies are a dynamic sector of the economy and offer the possibility to create more “green jobs”. There is a strong need for a wider application of innovative technologies to improve environmental protection and resource efficiency. Targeted capacity-building for local and regional administration and policy-makers, awareness-raising and know-how transfer meets significant interest.

1.1.1.5 Needs related to preserving biodiversity and natural heritage

Policy framework

The EU's Biodiversity Strategy (2011) in line with the Europe 2020 strategy (2010) sets the goal of halting the loss of biodiversity and the degradation of ecosystem functions by 2020, and of restoring them to the extent feasible. In this respect, the Natura 2000 network, which consists of Special Protection Areas (SPAs) and Special Areas of Conservation (SACs), provides a common EU framework to safeguard natural assets and serves as the main European instrument to achieve the biodiversity objectives.

Currently strategic conservation priorities for Natura 2000 for the 2014-2020 period are defined by the Member States under the “Prioritised Action Frameworks”. Additionally, Slovakia updated its National strategy for the protection of biodiversity (December 2013).

The effective management of Natura 2000 sites and other protected areas and the development of green infrastructures (in order to connect different bio-geographical regions and habitats) are also goals of the EU Strategy for the Danube Region. The macro-regional EU Strategy for the Danube Region is targeting environmental issues in particular under its pillar B) setting out actions to manage environmental risks and challenges, to preserve biodiversity, landscapes and to maintain the quality of air, waters and soils.

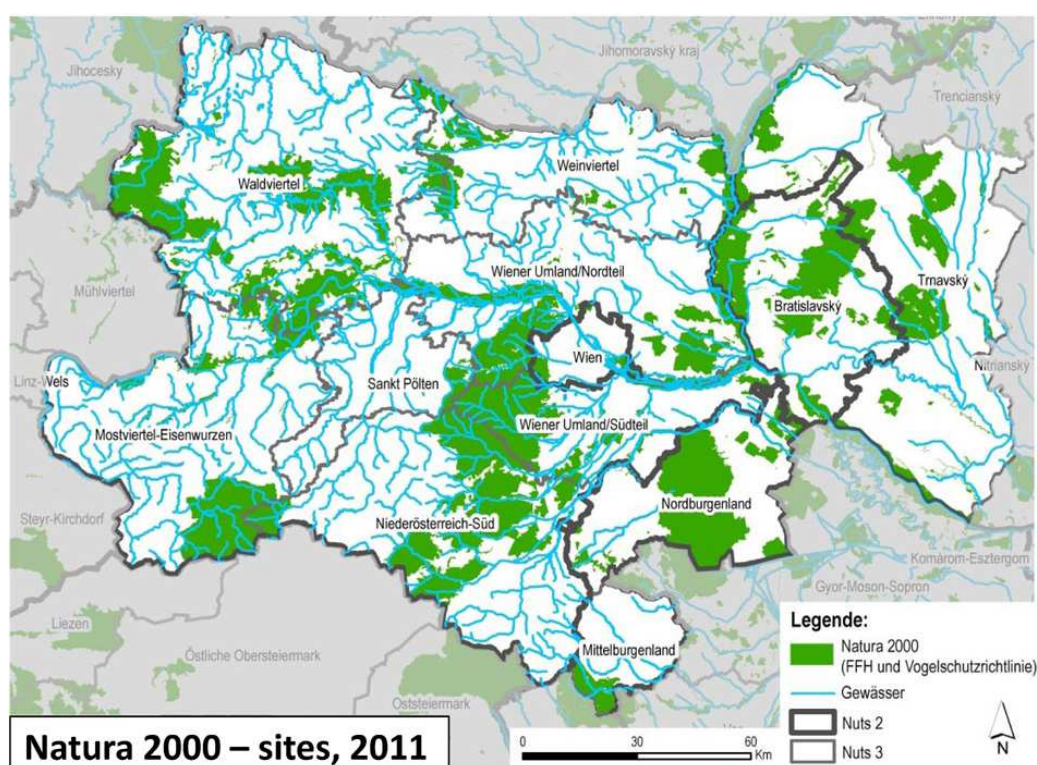
Another relevant policy instrument is the EU Water Framework Directive (2000), which establishes a common basis for actions in the field of water policy and integrated river basin management.

The specific needs to develop biodiversity and natural heritage by cross-border cooperation were identified in the RECOM SK-AT potential analysis (November 2013).

Characteristics

In the Austrian programme area (Wien, Niederösterreich, Burgenland), **56 sites** with an area of around **5,600 km²** and, on the Slovak side (Bratislavský kraj, Trnavský kraj), **98 sites** with an area of around **1,755 km²** are protected under Natura 2000.

Map 4. Environment presenting NATURA 2000 sites



Source: RECOM, Nov. 2013

Overall, there are still gaps in the coverage of Natura 2000 sites designated under the EU Habitats Directive. While in Austria 89% of the proposed areas have been implemented, this share lies at 74% in Slovakia⁶.

Moreover, 118,209 ha are protected under the Ramsar Convention (overlaps exist between Natura 2000 sites, areas under Ramsar Convention and nationally designated sites). The first systematic assessment of the conservation status of Europe's most vulnerable habitats (in the period 2000-2006, composite report from 2009) revealed that only a small proportion of the habitats and species of Community interest are in a favourable conservation status. More specific results for the programme area (covering

⁶ Source: DG Regional Policy, Country Fact Sheets, 2012

parts of continental and Pannonian bio-geographical region) indicate that around 80% of the habitats in Austria are in an unfavourable state of protection and management. In Slovakia 24% of habitats and fauna are in a good preservation status, 17% in an unknown state and the remaining ones are in an unfavourable state of protection.

Challenges and needs for cooperation

- The development of functional ecological networks and green infrastructures (including the large Natura 2000 conservation areas and the existing river systems) for the preservation of biodiversity constitutes a particular challenge for the different policy strands since management and restoration of natural assets has to be based on integrated concepts of land and water management. Partly existing initiatives have to be extended in order to better interlink natural habitats and wildlife corridors, reduce barriers and improve use management and nature protection. Restoration and conservation measures of natural assets should be accompanied by investments in sustainable tourism, awareness-raising, training and education as well as communication and information activities. Focus should be given to green infrastructures such as Alpine-Carpathian Corridor, Danube, March/Morava and Thaya/Dyje, Little Carpathians and Lake Neusiedl.
- Severely conflicting goals exist between the development of ecological networks on the one hand and expansion of transport infrastructure and urban sprawl on the other hand. These have to be negotiated and a sensitive approach is needed for the construction of new road infrastructure and extensive development activities along the contact zones of protected areas.
- For Natura 2000 financing a more integrated approach is needed. Financing from the ESI Funds for Natura 2000 sites should be consistent with measures and financial sources for these measures as set out in “Prioritised Action Frameworks” developed by Member States (which are not yet finalised). Moreover, complementarity and coordination with the LIFE biodiversity strand (which focuses on supporting Natura 2000 sites) should be strengthened.
- A better coordination of environmental protection and flood risk management needs to be achieved. While national flood-protection systems and organisational cooperation (i.e. the integrated protection system, flood forecast and alert services, conceptual strategies) as well as infrastructure development is well functioning, cross-border detailed planning and pilot measures to harmonise flood protection and rehabilitation of river systems are still pending, e.g. along the river March/Morava (first steps, i.e. detailed planning for a pilot stretch of 15 km have been taken in the framework of the ETC-project MoRe).
- A specific need concerns the improved connection between environment and tourism. The development and utilisation of natural heritage (e.g. rural landscape, lakes and rivers) needs to be done in a sustainable way, e.g. through enhanced eco-tourism.

1.1.1.6 Needs related to developing cultural heritage and tourism

Policy framework

Cultural heritage is targeted prominently in the EU-Lisbon Treaty. As said in Article 3.3. TEU “(...) *The Union shall respect its rich cultural and linguistic diversity, and shall ensure that Europe’s cultural heritage is safeguarded and enhanced*”. However, the European Union does not have a specific competence in this field. The upkeep, protection, conservation and renovation of cultural heritage are primarily a national

responsibility. Therefore, the Union's action is complementary to national or regional action. Since the valorisation of cultural heritage will trigger economic opportunities and employment at regional level, it is part of the EU policy to develop SMEs in emerging fields such as cultural industries and new forms of tourism.

Promotion of tourism in a sustainable way is addressed by the EU Strategy for the Danube Region in Priority Area A3 (To promote culture and tourism).

A focus is set by the CENTROPE 2013+ strategy on culture and tourism and it promotes a form of tourism that looks at the cross-border region as a whole and makes attractions and services mutually better accessible, makes the cultural heritage of the neighbours more visible and co-ordinates the development of tourism infrastructure.

The specific need to develop cultural heritage and tourism by cross-border cooperation was identified in the RECOM SK-AT potential analysis (November 2013). On the one hand the analysis reflects on the objectives set for the protection of cultural heritage in Slovakia (2010). The Slovak national development strategy for tourism is supposed to provide a strategic orientation for investments in the period 2014-2020. On the other hand tourism is a major pillar of the Austrian service economy and thus an explicit element of numerous strategies at regional and local level and a substantial number of institutions at regional and micro-regional level is active in tourism development..

Characteristics

Cultural heritage comprises both tangible objects and site such as architecture (churches, castles, monasteries, etc.) and intangible cultural practices such as folk culture and folk tradition.

The Austrian-Slovak border region has a unique diversity of cultural heritage.

Areas highly attractive for tourism development are included on the UNESCO World Heritage List. These are the Palace and Gardens of Schönbrunn, the Historic Centre of Vienna, and the Lake Neusiedl Cultural Landscape. Moreover, three monuments in the Bratislava and Trnava region are currently on the so-called 'Tentative List' of the UNESCO, which is the first step in the registration process for the World Heritage List. These are the Limes Romanus, the Roman antique monuments on the Middle Danube, the Memorial of Chatam Sófer in Bratislava and Serial cross-border property Sites of Great Moravia: the Slavic Fortified Settlement in Mikulčice and the Church of St. Margaret of Antioch in Kopčany.

The strongest concentration of cultural heritage can be found in the cities of Vienna, Bratislava and Trnava, which also offer many and diverse cultural and educational institutions such as theatres, museums and galleries, libraries and others.

Intangible heritage is represented by folk traditions, crafts and music. Historical developments have resulted in diverse patterns of cultural heritage, often at a micro-regional scale. Part of this is, for instance, also the cultural tradition of the Burgenland Croats, a minority which has spread to the urban fringes of Bratislava or the settlements of the Habana in the region Záhorie. Examples of shared heritage can be found in architecture or in typical customs in viticulture.

The link between cultural heritage and tourism development is obvious. In terms of tourist visits the programme area in total shows 9.7 million arrivals and 23.7 million overnight stays in the year 2011. In the period from 2006 to 2011 arrivals in the programme area increased by 20% and overnight stays by 14%. The capital cities of

Vienna and Bratislava account for around 60% of the arrivals and the overnight stays. Vienna and Bratislava are called centres of MICE tourism (Meetings, Incentives, Conferences, Events). In Burgenland a major regional tourist attraction is Lake Neusiedl, in Trnava region the famous spa Piešťany. Lower Austria has diverse tourist offers ranging from ski resorts to vine and spa tourism.

An emerging field is cycle tourism. Some sections of the network of cycle routes in the programme area are part of the European cycle network EuroVelo. The Danube cycle route, for instance, is part of EuroVelo 6. The section between Vienna and Bratislava, however, is the least developed and frequented. Whereas only 33,000 cyclists were counted in 2010 at the reporting point "Orth an der Donau", this figure amounted to 161,000 cyclists in Spitz-Dürnstein (latest figures from 2010, both directions). Also the cycle routes along the river March/Morava and the circular cycle route between Hainburg and Bratislava have untapped potential. It is necessary to invest in the attractiveness of the cycle routes, to eliminate dangerous spots, to develop accompanying offers as well as joint management and marketing activities.

With respect to cross-border marketing of tourist products during the last years some web-based travel guides with cross-border scope have been developed (e.g. www.tourcentrope.eu). Cross-border destination management and common marketing of tourist products, however, are still lacking.

Challenges and needs for cooperation

- The development of the natural and cultural heritage in the programme area strongly needs awareness-raising for a sound strategy/institutional framework in order to better embed local pilot actions. Based on promising sites, theme paths and joint products common approaches have to be established and guided by a shared policy framework. This should allow for a better cross-border coordination of cultural and natural heritage development plans and initiatives.
- Developing a tourism product from the cross-border perspective not only involves producing a facility or (small) infrastructure, or delivering a service, but also planning, conceptualising, branding and packaging this product. Thus, the entire service chain of a journey needs to be considered, from making the customer aware of the product in the first place to ensuring satisfaction during the holiday.
- Another aspect to be targeted is cycle tourism. One development need relates to the improvement of the connections between the regional cycle networks on both sides of the border and their joint promotion in order to improve to the European cycle network.
- The field of natural and cultural heritage includes ecological values, environmental quality and cultural assets which are crucial to well-being and local economic prospects. Overexploitation of natural values and lacking conservation of cultural assets are recognised a threat to territorial development. Accordingly, natural and cultural heritage has to be developed in a sustainable, environment friendly and resource efficient way.

1.1.1.7 Needs related to transport and mobility

Policy framework

The achievement of the targets of the Flagship Initiative "Resource efficient Europe" in the framework of the **Europe 2020 strategy** is a major challenge for transport policy.

This flagship initiative is aimed at modernising and decarbonising the transport sector thereby contributing to increased competitiveness. According to **the Common Strategic Framework** cross-border cooperation programmes can focus on providing support for the coherent planning of transport infrastructure and the development of environmentally friendly and interoperable transport modes in larger geographical areas. Cross-border cooperation, in particular among less developed regions, can focus on missing cross-border links which represent bottlenecks in transport flows.

The EU Strategy for the Danube Region (EUSDR) targets transport, mobility and intermodality under Priority Area A1.

Under its focus area “Spatial integration” the CENTROPE 2013+ strategy promotes efforts to meet the demand for modern, efficient transport links as a basis for improved mutual accessibility taking into account low-impact, sustainable urban and spatial development.

The specific needs to develop transport and mobility by cross-border cooperation were identified in the RECOM SK-AT potential analysis (November 2013) and by the CENTROPE study INAT (Infrastructure Needs Assessment Tool, 2012). Slovakia has developed transport master plans at national and regional level for the period 2014-2020.

Characteristics

In general, the programme area is characterised by favourable accessibility through a dense network of major motorways and railway corridors (existing Trans-European Corridors IV and VII consisting of motorway, railway and waterway axes). However, parts of Trnava region reveal a less favourable position and there are gaps in border-crossings along the river March/Morava.

Despite the fact that the agglomeration area of the programme area benefits from good accessibility, the future development of transport brings about significant challenges for the region. Due to expected further dynamic integration of the AT-SK region, the growth of the cross-border traffic will continue. Nearly 80% of all passenger cross-border trips are car trips. Cross-border freight traffic has nearly doubled in the last decade and is expected to further grow in line with GDP growth.

A significant development trend which affects the whole programme area is the massive growth of the use of cars, in particular in the areas where public transportation services are difficult to access. The only exception is urban centre of Vienna, where the degree of motorisation is decreasing. The trend reversal in Vienna is caused by the high-quality and competitive public transport, a developed system of bicycle transport infrastructure and parking restrictions.

Considering the estimated significant growth of the traffic volume by 2025, the implementation of transport infrastructure development plans is slow and the road network connecting Vienna, Bratislava and Trnava is expected to reach its limits. Another significant bottleneck is the lack of the vital D4-Bratislava motorway bypass.

Transport policy is required to channel the growing demand into sustainable mode of transportation. Under the EUSDR the development of an intermodal strategy for transport and mobility is pursued under the Priority Areas 1a and 1b in order to tackle the dynamic growth of cross border freight traffic. This includes the further development of the Danube waterways and of intermodal hubs. The Danube river is

underutilized and has a large potential to create sustainable transportation in the future. The function of ports as multimodal hubs needs improvement.

With respect to cycling, it is becoming increasingly popular and the cycling network in the border region still has potential for improvement (see section on tourism).

Challenges and needs for cooperation

- Improve regional mobility by new transport solutions for the capital cities (especially metropolitan region of Bratislava spreading across the border) and growth poles and improve accessibility in rural areas (e.g. by public transport associations, improved (cross-border) public transport information, approaches for more environmentally friendly transportation, mobility management, on demand public transport, promotion of multimodal mobility with car-sharing, (e-)bike-sharing, promoting cycle and pedestrian traffic).
- Continue to improve a coherent network of cycle paths and to close key gaps with a view to safety improvement. An important aspect in the development of cycle routes is the joint development of a comprehensive information platform for cycling in the region.
- Promotion of a more environmentally friendly tourist transport (focus on the last mile to the real destinations, luggage logistics, tourist mobility offers for people with handicaps).
- Strengthen multi-modal hubs along the Danube as inland waterway, promotion of emission reducing and energy efficient freight logistics along the Danube River (multimodal hubs) by the preparation of expert studies and spatial planning documents.

1.1.1.8 Needs related to education and qualification

Policy framework

Education has traditionally been one of the key pillars of the European Union's strategic documents. The importance of a well-educated and qualified labour force is emphasised also in the framework of the Europe 2020 strategy. Systematic modernisation of national educational systems at all levels promoting smart investments to increase quality and relevance of educational outcomes in relation to labour market needs will be pursued through the Europe 2020 flagship initiative "Youth on the Move".

The EU Strategy for the Danube Region is targeting education and qualification under its priority area C7): To develop the knowledge society through research, education and information technologies and C9) To invest in people and skills.

It is a declared goal of the CENTROPE 2013+ strategy to strengthen the "human capital" of the cross-border region through co-operation in training and skill-building measures and among educational institutions.

The specific needs to develop education and qualification in the programme area were identified by CENTROPE studies⁷. The reform of education in Slovakia is stipulated and fostered by strategies at national and regional level. The prominent position of education in the Slovak National Reform Programme documents the comprehensive intents in this field.

⁷ <http://www.centrope.com/en/centrope-project/downloads2>

Characteristics

The education and qualification system in the programme area is at very different stages of development with rather heterogeneous starting conditions and institutional settings.

Slovakia is one of the countries with the lowest expenditure on education and training in EU. The low level of investment has negative impacts on the quality of the education and training system. Available resources are not sufficient for modernisation of infrastructure and attracting young and talented people to the teaching profession.

In Austria the budget for education and training increased and stays above the EU average. Savings due to declining number of pupils are being offset by higher expenditure on the recent reforms (smaller classes, new middle school, quality assurance, all-day schools, etc.). At the same time, Austrian regions need to pay attention to young population with a migrant background since they have high achievement gaps compared to native peers.

Reform initiatives in the system of pre-school education in both countries reflect on the fact that educational deficits in the early childhood lead to further deficits which tend to add up. Both educational systems perform well in attracting pupils into early childhood education (Austria 91% and Slovakia 77%). A growing number of Slovak children participate in early childhood education in Austrian border municipalities. The participation level in primary education is satisfactory in all border regions. However, the key mid-term challenge for actors involved in provision of primary education seems to be the quality of education as an important factor of the further educational/carrier path.

Furthermore, there is a lack of foreign language skills in order to fully utilize the opportunities in the cross border region.

The growing number of young people, who are facing problems in transition from education system to work, puts more emphasis on “dual education” that combines school based education and in-company training. “Dual VET⁸ system” (*Lehre*) constitutes the main scheme related to upper secondary level of education in Austria. At the moment Slovakia lacks of programmes that integrate the company-based training into curricula.

Lifelong learning (LLL) is more widespread in Austria than in Slovakia. 13% of the population aged 25-64 takes part in LLL in Austria, while in Slovakia the value is critically low and reaches only 4%. To address this problem, Slovakia adopted the National strategy for life-long learning in 2011.

The cross border student’s mobility between Austria and Slovakia is low due to lacking attractiveness of universities.

Challenges and needs for cooperation

- Existing partnerships and links between municipalities (and towns), which are providers of pre-school and primary education, offers a good basis for an extension of cooperation also to the field of education.
- Common objectives for increasing the participation of children in early childhood education can be transformed into joint strategies promoting an individualised

⁸ VET = Vocational Education and Training

approach, all-day care programmes, better instruction of language and integration of children with migrant background, etc.

- Existing systems of primary and secondary education seem to have limited capacity in providing a high quality of education leading to improved educational attainments.
- For an increased efficiency in public education it is important to improve the links between the education system and labour market demand, particularly for young people taking part in dual vocational education and training (VET).
- Prospective growth sectors with high added value (knowledge intensive) are expected to demand a considerable amount of university graduates; from a cross-border perspective the need for targeted high-quality education offers may stimulate cooperation between tertiary education institutions.
- A better quality of universities located in the SK-AT programme region through specialisation and cooperation can increase the attractiveness of the universities for domestic as well as for foreign students.
- The critically low participation of the adult population in life-long learning in Slovakia can be seen as a point of departure for know-how transfer and implementation of joint actions.

1.1.1.9 Needs related to regional governance and institutional cooperation

Policy framework

Strengthening institutional and administrative capacity at all levels and in all fields and promoting good governance is a key target addressed by the EU regulations governing the ESI⁹ Funds. Strengthening the institutional cooperation across the border is the major *raison-d'être* of ETC: the relevant EU-regulation acknowledges this fact and even broadens the notion of the corresponding investment priority – next to inter-administrative capacity-building also cooperation of institutions and citizens should be fostered.

Furthermore, to strengthen institutional capacity and cooperation is an objective of the Priority Area 10 (D10) of the EU Strategy for the Danube Region.

Given the dynamic development of the region with two urban growth poles regulatory policies which reconcile resource protection and development deserve particular attention: one of these regulatory policies is spatial planning. Under its focus area “Spatial integration” the CENTROPE 2013+ strategy promotes a co-ordinated approach to regional and spatial planning. Regional development is not only regarded as a task of the individual regions but considered a common, transregional agenda that engages the partners in a continuous information and exchange process to co-ordinate regional and spatial development. Moreover joint planning instruments should be developed and implemented in order to facilitate harmonised spatial development.

Goals for spatial development at the regional level are laid down in development plans (e.g. Landesentwicklungsplan Burgenland, Landesentwicklungskonzept Niederösterreich, STEP 2025 Wien, Územný plan Bratislavského kraja, Územný plan Trnavského kraja, plány hospodárskeho a sociálneho rozvoja krajov).

⁹ EU Structural and Investment Funds (ESIF)

Next to the broad regulatory frameworks set-up in spatial and regional planning a number of specific policy fields require action. A prominent example is social policies and health care but also emergency services, disaster management would benefit significantly from efficient cooperation frameworks. The specific needs to better coordinate spatial planning and social and health infrastructure provision by cross-border cooperation were identified in the RECOM SK-AT potential analysis (November 2013).

Characteristics

While Austria, an EU Member State since 1995, is a federal country with three tiers of government with elected government institutions, independent decision making powers and budgetary autonomy, Slovakia, which joined the EU in 2004, is marked by a much more centralised administration although a framework of territorial self-government was introduced in 2001: The eight Slovak self-governing regions have competencies mainly in the areas of transport, education, social and health services. However, the huge differences in the legal and institutional framework in Austria and Slovakia affect the preparation and implementation of cross-border activities, which depend to a great extent on actors at local and regional level.

Challenges and needs for cooperation

Governance as such and the role of administration and public equivalents is embedded in a dynamic environment. Important challenges for the governance system are the following:

- The rapid pace of economic integration, a higher mobility and growing population in the urban agglomerations requires a strengthening of the strategic planning capacity (development of strategic frameworks and shared perspectives) and to develop new approaches on a common basis. The programme area is today one of the most economically dynamic regions in Europe. Particularly between the two capitals Vienna and Bratislava, the region is characterised by conflicting goals of nature preservation, economic activities, a growing population and the construction of transport infrastructure. The population of the Vienna region is expected to grow by 400,000 inhabitants until 2030. At the same time, the Bratislava region expects an increase of 100,000 inhabitants. This development will also trigger settlement activities in the cities' surroundings, where also economic activities are concentrated. This trend is set to continue in the future. Moreover, the two capital cities constantly work on growing together by improving the connecting transport infrastructure. A number of infrastructure investments will be completed in the near future such as the bypass around Bratislava (D4) and new motorways in Austria (A5, A6, S8). This will further increase the already high pressure on land use. Also the conflicts between economy and ecology are serious, which urgently calls for a solution to combine ecological requirements with economic activities. However, what is actually missing is a more holistic approach how to implement actions across different priority areas in a more concerted way. In this dynamically developing region, problems are largely linked to a lack of coordinated planning, funding and implementation on a distinct operative level. Moreover, participatory planning processes should be strengthened as standard approach to planning in order to move away from hierarchical models and allow for more participation of citizens in a structured way.

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- The dynamic development is an obvious current and future challenge for many types of public or semi-public infrastructures but it also offers many opportunities for win-win situations provided that efficient cooperation frameworks can be established: obvious examples are healthcare infrastructure, services provided at local level, emergency services or approaches to disaster management.
 - The two countries show differences in the capacity and approach to CBC project development as found in the ongoing Evaluation of the SK-AT programme 2007-2013. The enabling environment, the attitudes, the policy framework, regulations, organisational settings and practices that stimulate and support effective and efficient implementation of cross-border cooperation reveal serious bottlenecks. Especially the imbalance in governance capacity at regional level requires a prudent approach to partnership-building.

1.1.1.10 Strategic response by the programme to contribute to Europe 2020

Links to the overarching framework

In 2010, the European Union and its Member States launched the Europe 2020 strategy as a ten years roadmap, which is an overall strategic framework (quantified by five EU headline targets) putting forward three mutually reinforcing priorities:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy.
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

The link of the present cooperation programme to the Europe 2020 strategy goals is ensured through the definition of thematic objectives (Article 9, Reg. (EU) 1303/2013) and the requirement for thematic concentration (Article 6, Reg. (EU) 1299/2013).

The thematic objectives are further broken down into investment priorities (Article 5, Reg. 1301/2013) on ERDF) and specific objectives for ETC programmes (Article 7, Reg. 1299/2013 on ETC). Priority axes are set out to combine investment priorities (IPs) from one or from different thematic objectives in order to achieve synergies.

Programme objectives and priorities

The priorities for the present cooperation programme are based on the specific characteristics and needs of the programme area which have been identified and agreed through an extensive programming and consultation process among the programme stakeholders and a wider cross-border community. Moreover, the programming took into account lessons learned from previous programming periods, the given financial framework and the existence of suitable implementation and administration structures.

The SK-AT cooperation programme will contribute to Europe 2020 through investing in the following thematic objectives (TOs) which are:

- TO 1) Strengthening research, technological development and innovation (IP 1b)
- TO 6) Preserving and protecting the environment and promoting resource efficiency (IPs 6c, 6d)

- TO 7) Promoting sustainable transport and removing bottlenecks in key infrastructure networks (IP 7c)
- TO 11) Enhancing institutional capacity of public authorities, and stakeholders and efficient public administration by promoting cooperation (according to Reg. (EU) 1299/2013, Article 7 (a) iv)

100% of the ERDF allocation of the SK-AT cooperation programme will be concentrated on the four thematic objectives 1, 6, 7 and 11.

Based on the strong and relatively stable economic and political development of the programme area the SK-AT cooperation programme aims at further socio-economic and administrative integration for a well-performing European region based on sustainable development.

Targeted cross-border cooperation will include the

- Development of strategic frameworks and shared perspectives in a number of areas where action cannot be taken effectively without coherent frameworks, and
- Where awareness of shared needs, challenges and opportunities exists, pilot actions can enable actors to develop new approaches on a common basis.

Due to the advanced stage of cooperation in most of the policy fields addressed by the programme, the activities should be implementation-oriented and – depending on the level of development in a particular field – link following elements:

- the definition of joint objectives,
- the development of concrete action plans,
- the establishment of binding commitments of partners,
- the joint implementation and management of action including training and capacity building.

Project proposals should clearly build on achievements and capitalize on the knowledge and experience gained in previous projects.

The cooperation programme aims specifically at achieving the following objectives under five priority axes (including Technical Assistance):

Priority axis 1: Contributing to a smart cross-border-region

- Strengthen the collaboration of key actors in the regional innovation system in order to enhance knowledge transfer, capacity building and the establishment of common frameworks, common research and innovation activities and joint research facilities.
- Improve the capacity of the cross-border educational system to provide human resources knowledge and skills demanded by the regional innovation system.

Priority axis 2: Fostering natural and cultural heritage and biodiversity

- Strengthen common approaches to valorise the natural and cultural heritage in a sustainable way in order to further develop the programme area as an attractive tourism destination.

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- Strengthen the cross-border integration of functional ecological networks and green infrastructures in order to preserve biodiversity and to contribute to the stability of ecosystems.

Priority axis 3: Supporting sustainable transport solutions

- Improve joint planning, coordination and practical solutions for an environmentally-friendly, low-carbon and safer transport network and services in the programme area.

Priority axis 4: Strengthening cross-border governance and institutional cooperation

- Strengthen the institutional cooperation in the cross-border area through mobilizing stakeholders and building the capacities for planning and acting in the framework of multi-level territorial governance.
- Strengthen the links between institutions providing pre-primary and primary education (kindergartens and primary schools) to jointly develop and implement educational programmes.

Priority axis 5: Technical Assistance

- Ensure the efficient and smooth implementation of the cooperation programme.

Contribution to EUSDR¹⁰

The objectives set in the SK-AT cooperation programme will contribute to the implementation of the macro-regional EU Strategy for the Danube Region (EUSDR) in particular to the following Priority Areas:

- PA 1B | Mobility | Rail-Road-Air
- PA 03 | Culture & tourism
- PA 06 | Biodiversity, landscapes, quality of air and soils
- PA 07 | Knowledge society
- PA 09 | People & skills
- PA 10 | Institutional capacity and cooperation

1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities

The justification for the choice of thematic objectives and corresponding investment priorities presented in the following table summarizes briefly the findings of the analysis and needs assessment and takes into account the results of the ex-ante evaluation.

¹⁰ see <http://www.danube-region.eu/about/priorities>

Table 1. Justification for the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
TO 1 Strengthening research, technological development and innovation	1b	The programme area consists of research and innovation systems at very different stages of development with heterogeneous starting conditions and institutional settings. With the capitals Bratislava and Vienna the major RDTI centres of both countries are part of the programme area – the development of these potentialities is vital for the economic competitiveness of both countries. There is a strong need for a better collaboration of research and innovation actors in the programme area by improved networking and exchange, jointly developed solutions and shared research facilities. Furthermore the programme can prepare the ground for a wider application of environmental technologies. Both countries face the challenge to increase the relevance of education to labour market needs and foster lifelong learning. There is a need for high-quality education and training systems in order to support the development of an economy based on knowledge and technology.
TO 6 Preserving and protecting the environment and promoting resource efficiency	6c	Coordination of strategies and development plans developed at regional and/or local level remains a key concern if a critical mass and visibility beyond the local level should be achieved. There is a need to develop a common orientation of cross-border offers in the areas of tourism, leisure and culture in particular in the field of eco tourism.
	6d	Only a small proportion of the habitats and species of Community interest are in a favourable conservation status. Moreover, the goal of developing ecological networks can be in conflict with the expansion of transport infrastructure and urban sprawl. Also a better coordination of environmental protection and flood risk management needs to be achieved. This calls for more integrated concepts for a better cross-border integration of functional ecological networks and green infrastructures.
TO 7 Promoting sustainable transport and removing bottlenecks in key infrastructure networks	7c	The current trend is a massive growth of road transportation which increases energy consumption and environmental pollution. A truly integrated cross-border network of public transport is not yet visible and will require the establishment of a suitable legal and operating framework. There is a strong need for comprehensive approaches to mobility management fostering environment-friendly modes of transport such as public transport, pedestrian and cycle transport.
TO 11 Enhancing institutional capacity of	Reg. (EU) 1299/2013 Article 7 (a) iv	The rapid pace of economic integration and higher mobility requires a strengthening of the institutional and administrative capacity regarding the strategic planning capacity (more coherent spatial planning), information collection and

Selected thematic objective	Selected investment priority	Justification for selection
public authorities, and stakeholders and efficient public administration by promoting cooperation		evaluation, human resource development and the capacity to implement public investments. Moreover there is a great imbalance between the two countries in the capacity and approach to CBC project development which calls for targeted support for project generation with a cross-border scope. Both countries face the challenge to improve school achievements. Common priorities in early childhood and primary education can be effectively transformed into cross-border actions.

1.2 Justification for the financial allocation

The overall programme budget is of EUR 89.3 million (total funding), with an ERDF contribution of around EUR 75.9 million, as detailed in section 3 (Financing Plan). The financial allocation to the chosen thematic objectives reflects:

- The inputs provided by the relevant partners in the course of consultations
- The experiences of the programming period 2007-2013 in particular relating to preparatory steps for key projects and the continuation of efforts in promising policy areas but also with a close view on the capacity of core actors in certain thematic fields
- The estimated financial size of the actions foreseen in each priority axis and the findings of the ex ante evaluation.

Priority axis 1 (TO 1, IP 1b)

The planned ERDF allocation to priority 1 is of around EUR 19.683 million, corresponding to 25.9 % of the programme ERDF, with an estimated number of 9 operations delivering jointly developed major products and services that will be supported. This financial allocation reflects the planned size of actions facing the needs to develop the cross-border innovation system, including the strengthening links between productive sector, R&D and education sector. Education and qualification in a cross-border context is a pre-condition to safeguard economic competitiveness in the long run.

Moreover, the proposed financial allocation reflects the high interest shown by the relevant partners. All partner regions have expressed their interest in this priority and a very high number of project ideas and intents have been collected in the consultation events.

SK-AT stakeholders have a long tradition and a growing need of cooperation in the field of innovation, technology transfer, skills, with around 20 projects committed in these thematic fields¹¹ during the 2007-2013 programming period, further justifying the planned financial allocation.

¹¹ Including activity fields (AF) 1.1, 1.3 and parts of 2.4 of the programme 2007-2013

Priority axis 2 (TO 6, IP 6c, 6d)

The planned ERDF allocation to priority 1 is of around EUR 27.820 million corresponding to 36.7 % of the programme ERDF, with an estimated number of 24 operations delivering jointly developed major products and services that will be supported. This financial allocation reflects the expected size of actions facing the needs to strengthen common approaches to better develop promising sites, theme paths and joint products guided by a shared policy framework (e.g. in the areas of eco-tourism, cycling, agro-tourism, vine culture, antique Roman culture). Accordingly, a better cross-border coordination of cultural and natural heritage development plans and initiatives should be achieved. Furthermore cross-border cooperation is an evident precondition for effective approaches to preservation and management in particular when it comes to large-scale bio-corridors such as the Alpine-Carpathian corridor or the wetlands along the border river March-Morava and the Danube.

Moreover, the financial allocation to this priority is aligned with the high interest shown by the relevant partners in the consultation process. All partner regions expressed their interest in this priority; the potential interest expressed in consultation meetings during programming has been significant.

SK-AT stakeholders have a long tradition and a growing need of cooperation in the field of natural and cultural heritage development and biodiversity protection, with around 30 projects approved in similar thematic field during the 2007-2013 period. The broad variety of beneficiaries and approaches in the period 2007-2013 clearly documents the interest for cooperation.

Priority axis 3 (TO 7, IP 7c)

The planned ERDF allocation to priority 3 is of around EUR 9.655 million corresponding to 12.7 % of the programme ERDF, with an estimated number of 7 operations delivering jointly developed major products and services mainly by soft action but also hard pilot investments may be supported.

Priority 2 focuses on sustainable forms of transport to reduce the environmental impact of transport in terms of air and noise pollution, greenhouse gas emissions and energy consumption.

It is intended to support sustainable multimodal mobility in cities, city-regions and rural areas including improvement of public transport services, mobility management, better integration of the different modes, more attractiveness of walking and cycling and improvement of the efficiency of urban logistics. Also multimodal hubs are promoted to contribute to emission reducing and energy efficient freight transport to tackle the dynamic growth of cross border freight traffic.

Investments in border crossings along the river March / Morava are not foreseen in the programme since the planned projects are either too expensive or are not accepted by parts of the local population.

Programme stakeholders have shown sustained interest in cooperation projects in the 2007-2013 period, with around 9 project approved in this thematic field (AF 2.1), in line with the planned financial allocation. It is important to note that preparatory steps for infrastructure investment in this programme have been agreed and financed in the period 2007-2013.

The allocation is aligned with the interest shown by the relevant partners in the consultation process. All partners expressed their interest in this priority.

Priority axis 4 (TO 11)

The planned ERDF allocation to priority 4 is of around EUR 14.181 million, corresponding to 18.7 % of the programme ERDF, with an estimated number of 13 operations delivering jointly developed major products and services that will be supported.

It is envisaged to improve institutional coordination and strategic planning through development of common planning processes, tools and data bases, enhance institutional cooperation in areas with major societal challenges (e.g. health, risk management) and build up more effective frameworks to support small scale projects.

Also common frameworks and offers for education and qualification should be improved (intercultural learning, basic language training, better school achievements of pupils, and higher quality in early childhood).

Table 2. Overview of the investment strategy of the cooperation programme

Priority axis	ERDF support – in EUR (rounded)	Proportion (%) of the total Union support to the CP			TO	IP	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI	IPA				
1	19,683,142	25.9			1	1b	1.1 Strengthen the collaboration of key actors in the regional innovation system in order to enhance knowledge transfer, capacity building and the establishment of common frameworks, common research and innovation activities and joint research facilities. 1.2 Improve the capacity of the cross-border educational system to provide human resources knowledge and skills demanded by the regional innovation system	Intensity of cooperation of key actors in the programme area in order to strengthen the regional innovation system Intensity of cooperation of key actors in the programme area in order to improve higher education and lifelong learning
2	27,820,000	36.7			6	6c	2.1 Strengthen common approaches to valorise the natural and cultural heritage in a sustainable way in order to further develop the programme area as an attractive tourism destination	Monthly average of cyclists and pedestrians at the counting point "Freiheitsbrücke" (Morava/March)
						6d	2.2 Strengthen the cross-border integration of functional ecological networks and green infrastructures in order to preserve biodiversity and to contribute to the stability of ecosystems	Number of major bottlenecks along the Alpine-Carpathian Corridor which interrupt the wildlife corridor
3	9,655,000	12.7			7	7c	3.1 Improve joint planning, coordination and practical solutions for an environmentally-friendly, low-carbon and safer transport network and services in the programme area	Capacity in public cross-border transport on an average work day
4	14,180,979	18.7			11	ETC Reg. Article 7 (a) iv	4.1 Strengthen the institutional cooperation in the cross-border area through mobilizing stakeholders and building the capacities for planning and acting in the framework of multi-level governance 4.2 Strengthen the links between institutions providing pre-primary and primary education (kindergartens and primary schools) to jointly develop and implement educational programmes	Intensity of cooperation of key actors in the programme area in order to strengthen institutional capacities Intensity of cooperation of key actors in the programme area in order to strengthen the cooperation between educational institutions
5 TA	4,553,560	6.0					5.1 Ensure the efficient and smooth implementation of the cooperation programme	Not applicable

2 Description of the priority axes

2.1 Priority axis 1: Contributing to a smart cross-border-region

The priority axis includes one investment priority (1b) corresponding to the thematic objective 1 (Strengthening research, technological development and innovation).

Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

2.1.1 Investment priority 1b) promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies

2.1.1.1 Specific objective No 1.1 Strengthen collaboration in the innovation system

Strengthen the collaboration of key actors in the regional innovation system in order to enhance knowledge transfer, capacity building and the establishment of common frameworks, common research and innovation activities and joint research facilities.

The result to be achieved

The research and innovation system in the programme area is at very different stages of development. Austria is considered to be an “innovation follower” among the EU27 countries whereas Slovakia is classified as “moderate innovator”.

Moreover the distribution of R&D expenditures and R&D personnel is very unbalanced revealing a high concentration in the capital regions. The other, often more industrialised, regions are mostly lacking of R&D capacities.

As an overall policy objective both Member States want to improve their position through enhancing the national and regional innovation system.

Cross-border cooperation can contribute in particular in developing the innovation system at the regional level by fostering the collaboration of key actors in the regional innovation system which have a specific interest in the programme area (and are not solely focused on global relationships) such as clusters, agencies for economic development, technology-transfer centres, research bodies, universities with research capacities and innovative enterprises.

In order to support the development of a more deeply integrated cross-border knowledge region the cooperation programme could contribute – by improving institutional cooperation and knowledge exchange – to the development of the cross-border university system, fostering of collaborative research and innovation activities, better coordination of cluster policies and the development of joint smart specialisation

approaches. Important is also the involvement of actors with an economic orientation to enhance the commercial use of research results.

Furthermore the cooperation programme can prepare the ground for a wider application of environmental technologies in order to improve environmental protection and resource efficiency through building up partnerships and improving the know-how transfer between Slovak and Austrian regions. This could be done for instance in the framework of Smart City or Smart Region initiatives.

Moreover the programme intends to invest in a research facility to improve the integrated river management along the Danube river as basis for collaborative research.

Fostering innovation in the cross-border area has to be seen from a broader perspective and not only related to advanced technology fields (such as Life Science). Instead, innovation comprises also the further development of the cross-border knowledge-intensive service industry and social innovation.

Overall, the main envisaged results are:

- More collaborative research and innovation activities and competent networks between R&D centres, higher education, enterprises and the public sector to establish longer term cooperation in technological and non-technological fields and to enhance the commercial use of research results
- Establishment of a research facility to improve the integrated river management along the Danube river

The capital cities Bratislava and Vienna are the major RDTI centres of both countries and offer – as part of the programme area – rich potentialities to further collaborative research and innovation activities.

The specific objective to strengthen collaboration of key actors in the regional innovation system is measured by a result indicator which reflects the (evolving) cooperation intensity. The “cooperation” indicator is designed as a “survey based composite indicator” which reflects the intensity of cooperation of key actors in the programme area in the different fields of action addressed by a specific objective. The result indicator is measured at the level of detailed results (specific level) and subsequently aggregated at the level of the specific objective (overall level). The baseline of the result indicator was established through a survey among key actors in the programme area. Actors (non-beneficiaries and beneficiaries) from the programme area were asked to what extent they cooperate with each other partner in the programme area in a specific field of action. Answer options are on a 1 to 7 scale with 1 indicating “no interaction at all” and 7 indicating a fully developed cooperation level between SK and AT actors.

Table 3. Programme specific result indicators for specific objective 1.1

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ¹²	Source of data	Frequency of reporting
Intensity of cooperation of key actors in the programme area in order to strengthen the regional innovation system	Ordinal scale min 1, max 7	2.8	2014	Increasing (qualitative target)	Survey among key actors in SK and AT linked to the regional innovation system (potential actors in the CBC area)	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.1.1.2 Specific objective No 1.2 Improve higher education and lifelong learning to provide competent and skilled work force

Improve the capacity of the cross-border educational system to provide human resources knowledge and skills demanded by the regional innovation system.

The result to be achieved

Despite the differences between the system of higher education in Slovakia and Austria, the cross-border regions face common challenges in the field of education. Firstly, the education sector and its capacity to produce quality human resources is one of the determining factors for competitiveness of regions (countries). Institutions providing higher education and adult education (lifelong learning) must be able to flexibly respond to changing needs of the regional labour markets, especially rapidly growing industries. Additionally, graduates with relevant knowledge, skills and competences have better chances to find a job.

Skilled and competent labour force is a key component of the regional innovation system. The system in order to function effectively requires interaction between the productive sector, R&D and education sector. Therefore, the cross-border activities concentrate on the strategic collaboration of stakeholders in the regional innovations systems resulting in enhanced educational offer. Location of considerable number of universities in the cross-border region, including top universities in both countries, offers good opportunities for development of cooperation. Tertiary education can substantially benefit from strengthening the links with relevant industries. On the other hand, productive and R&D sectors need workforce to actively participate in the innovation processes.

Institutions providing secondary and tertiary education, should concentrate on making the education more relevant to requirements of businesses. Acquisition of knowledge and skills required by productive sector is a critical factor in determining chances of graduates to find a job. Promotion of dual education has also high potential to improve attractiveness of technical secondary schools in the border region. Due to limited intensity of collaboration, supported interventions will seek development of policy framework together with implementation of pilot actions of strategic character.

¹² Target values can be qualitative or quantitative.

The cooperation programme can play an important role in adapting the higher education system through mobilized and committed organisations/entities, jointly developed education programmes, training schemes, joint curricula in cross-border initiatives.

Overall, the main envisaged results are:

- Better cooperation between education institutions and the economic sector to promote dual education at secondary level education
- Improved cooperation between institutions of tertiary education for targeted high-quality education offers

Cooperation projects under the investment priority will be in principle non-investment actions. Small scale investments will be allowed in fully justified cases contributing to the achievement of objectives.

The specific objective to contribute to the enhancement of higher education and lifelong learning schemes by means of cross-border cooperation is measured by a “survey based composite indicator” measuring the intensity of cooperation between key actors in the field of higher education and lifelong learning in the CBC region.

Table 4. Programme specific result indicators for specific objective 1.2

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Intensity of cooperation of key actors in the programme area in order to improve higher education and lifelong learning	Ordinal scale, min 1, max 7	2.5	2014	Increasing (qualitative target)	Survey among higher education and adult education key actors (potential actors in the CBC area)	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

Type and examples of actions to be supported to contribute to specific objective No 1.1 Strengthen collaboration in the innovation system and No 1.2 Improve higher education and lifelong learning to provide competent and skilled work force

In accordance with the SFC2014 model, the following part provides an overview of the types of interventions planned to be supported by the cooperation programme. This overview is complemented by concrete thematic examples.

Types of actions:

- Awareness raising, strategy and action plan development (as the sole result accepted only in fields where early policy development is justified, i.e. in fields which until now have not been touched by significant projects in the previous funding periods; otherwise obviously accepted as one of the elements of a project)

-
- Development and practical implementation of cross-border tools and services (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
 - Development and practical implementation of investments to finance products, infrastructure and construction works and to finance equipment to carry out project activities
 - Development and practical implementation of training and capacity building (e.g. training seminars and courses, study visits, peer reviews)
 - Accompanying information and publicity measures to inform stakeholders and the wider public about project activities and outcomes

Examples of actions under the objective No. 1.1: Strengthen collaboration in the innovation system

The following examples of action should be supported in order to strengthen the collaboration of key actors in the regional innovation system in terms of knowledge transfer, capacity building, common frameworks, common research and development of products and services. Actions have to take into account the Smart Specialization Strategies (RIS3) which have been established in SK and AT.

- Development & expansion of cluster initiatives (joint trainings, joint market research, coordination of cluster support programmes)
- Joint development of innovation related services and qualification offers; improvement of knowledge and skills for an advanced economic and social innovation
- Developing institutional cooperation between Austrian and Slovak universities in order to develop joint offers (e.g. to develop knowledge transfer centres)
- Promoting collaborative research & innovation activities in the fields:¹³ Life Science/Biotechnology, Renewable Energy, Smart Mobility/Post-Carbon transport, Materials, ICT. In addition also in sectors/niches of regional importance such as creative industries, social innovation (examples)
- Promoting innovative environmental technologies and common resource efficiency standards and benchmarks to improve environmental protection and resource efficiency; development of common Smart Regions concepts.
- Investing in research facilities (e.g. laboratory investment and equipment) to improve the integrated river management along the Danube river (water research) as basis for collaborative research of AT, SK (and other) research actors including the support for field research and accompanying activities (e.g. awareness raising and environmental education).

Examples of actions under the objective No. 1.2: Improve higher education and lifelong learning to provide competent and skilled work force

The following examples of action should be supported in order to improve higher education and lifelong learning to provide competent and skilled work force:

- Collaboration on development, upgrade and implementation of joint educational programmes (curricula) with involvement of relevant partners;

¹³ See RECOM potential analysis, November 2013, p 76

- Establishment and development of joint platforms for effective cooperation between the secondary schools and employers/employers associations;
- Elaboration and upgrade the quality of joint education and training schemes reflecting the changes in skills and competences required by labour market;
- Promotion of dual education at secondary level education, especially in technical schools;
- Programmes for ex-change of students, researchers and teachers;
- Development of joint curricula and pilot implementation in universities.

Main target groups supported under the investment priority

- Small and medium enterprises (SMEs)
- Innovation, science and technology centres (parks, incubators)
- Universities and research institutions
- Business support organisations
- Educational institutions
- Pedagogic staff
- Students

Types of beneficiaries supported under the investment priority (indicative)

- Regional authorities and organisations established and managed by regional authorities
- National authorities and organisations established and managed by national authorities
- Networks, clusters and associations
- Research and development institutions
- Universities
- Secondary education institutions
- Training and vocational training institutions
- Business support organisation (e.g. chamber of commerce, business innovations centres, regional development agencies)
- European grouping of territorial cooperation

Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

The guiding principles for the selection of operations under the investment priority

To specify the general principles for project selection described in section 5.3 the following theme specific principles should guide the selection of operations:

- Contribution to longer term cooperation between R&I actors (not only focus on short term research outputs)
- Clear contribution to the dissemination of technologies

- Usability of project deliverables
- Clear elements of awareness-raising, training, capacity building
- Concreteness and usability of project deliverables (e.g. education programmes, training schemes)

The planned use of financial instruments

Not applicable

The planned use of major projects

Not applicable

Common and specific output indicators (by investment priority)

Table 5. Common and programme specific output indicators (by investment priority)

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1b.1.1	No of organisations/entities participating in research & innovation related collaboration activities (P)	Number	25	Monitoring system	yearly
1b.1.2	No of jointly developed major products & services related to research & innovation (P)	Number	5	Monitoring system	yearly
1b.1.3	No of participants in joint training schemes related to research & innovation (P)	Number	125	Monitoring system	yearly
1b.1.4	No of research facilities developed (P)	Number	1	Monitoring system	yearly
1b.1.5	No of new researchers in supported entities (EU)	Number in FTE	20	Monitoring system	yearly
1b.1.6	No of research institutions participating in cross-border projects (EU)	Number organisations	6	Monitoring system	yearly
1b.2.1	No of jointly developed major products & services related to higher education and lifelong learning (P)	Number	4	Monitoring system	yearly
1b.2.2	No of institutions directly involved in cooperation aiming at better quality of higher education and lifelong learning (P)	Number	20	Monitoring system	yearly

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1b.2.3	Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders (EU)	Number persons	500	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator; baseline is zero

2.1.2 Provisions at priority axis level

2.1.2.1 Performance framework by priority axis

Table 6. The performance framework of the priority axis

Priority axis	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data
1	Financial indicator	Total funding certified to EC for Priority axis 1	EUR	3,010,363 (13%)	23,156,638	CA
1	Key implementation step	No of contracted projects (1b)	Number	4	9	MA (monitoring system)
1	Output indicator (ID 1b.1.2)	No of jointly developed major products & services related to research & innovation	Number	0	5	MA (monitoring system)

2.1.2.2 Categories of intervention by priority axis

Table 7. Dimension 1 Intervention field (breakdown of Union support)

Priority axis	Code	Amount (EUR)
1	58 Research and innovation infrastructure (public)	7,000,000
1	60 Research and innovation activities in public research centres and centres of competence including networking	1,512,628
1	62 Technology transfer and university-enterprise cooperation primarily benefiting SMEs	1,512,628
1	63 Cluster support and business networks primarily benefiting SMEs	1,512,628
1	65 Research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on low carbon economy and on resilience to climate change	1,512,630
1	66 Advanced support services for SMEs and groups of SMEs (including management, marketing and design services)	1,512,628
1	117 Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce and promoting flexible learning pathways including through career guidance and validation of acquired competences	2,560,000
1	118 Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality, including through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work-based learning systems, including dual learning systems and apprenticeship schemes	2,560,000

Table 8. Dimension 2 Form of finance (breakdown of Union support)

Priority axis	Code	Amount (EUR)
1	01 non-repayable grant	19,683,142

Table 9. Dimension 3 Territory type (breakdown of Union support)

Priority axis	Code	Amount (EUR)
1	07 Not applicable	00

Table 10. Dimension 6 Territorial delivery mechanisms (breakdown of Union support)

Priority axis	Code	Amount (EUR)
1	07 Not applicable	00

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable

2.2 Priority axis 2: Fostering natural and cultural heritage and biodiversity

The priority axis includes two investment priorities (6c and 6d) corresponding to the thematic objective 6 (Preserving and protecting the environment and promoting resource efficiency).

Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

2.2.1 Investment priority 6c) Conserving, protecting, promoting and developing cultural and natural heritage

2.2.1.1 Specific objective No 2.1 Foster natural and cultural heritage valorisation

Strengthen common approaches to valorise the natural and cultural heritage in a sustainable way in order to further develop the programme area as an attractive tourism destination.

The result to be achieved

Natural and cultural assets are crucial to human well-being and local economic prospects. The valorisation of natural and cultural heritage has to consider ecological functions, restrictions of nature protection and strategies for the revitalisation of cultural assets.

The programme area has a potential to strengthen common approaches to better develop promising sites, theme paths and joint products guided by a shared policy framework (e.g. in the areas of eco-tourism, cycling, agro-tourism, vine culture, antique Roman culture). Accordingly, a better cross-border coordination of cultural and natural heritage development plans and initiatives should be achieved. However, at present a cross-border destination management and marketing of tourist products is still lacking (tourist product means to integrate several elements into a single product which has the potential to attract more visitors).

Cross-border cooperation should encourage actors to develop strategies, plans or new offers which clearly attract the interest of visitors across the border and at the same time strengthen the awareness for natural assets and the cultural ties among the citizens.

With the exception of a few strictly protected nature areas, human influence dominates the programme area and, thus, project approaches will often focus on the combined valorisation of natural and cultural heritage.

Coordination of strategies and development plans developed at regional and/or local level remains a key concern if a critical mass and visibility beyond the local level should be achieved. Support for local approaches which strengthens cross-border linkages in the protection of natural assets and the revitalisation of cultural assets are important cornerstones, but the actions will have to fit into broader strategic frameworks.

Cycle tourism as a particularly environment-friendly type of tourism deserves further attention. Important strategic elements in this regard are to close the gaps between the regional networks on both sides of the border and a consistent and comprehensive guidance and promotion of the common network.

With a view to the urban dimension of the programme region, interesting pilot approaches could focus on cultural niches which highlight cross-border ties.

Overall, through mobilized and committed organisations/entities participating in cultural & natural heritage development, jointly developed products & services and accompanying training a common orientation of cross-border offers in the areas of tourism, leisure and culture should be achieved in particular in the field of eco tourism.

The main envisaged results are:

- Better cross-border coordination of cultural and natural heritage development plans and initiatives by strengthening the governance aspect and capacity development.
- Strengthened common orientations of offers in the areas of tourism, leisure and culture to better develop promising sites, theme paths and joint products with a critical mass and embedded in wider development and growth strategies which contribute to sustainable jobs and growth in a regional dimension.

The specific objective 'to strengthen common approaches to valorise the natural and cultural heritage in a sustainable way' is measured by a statistical result indicator which reflects the monthly average of cyclists and pedestrians at the newly established cross-border counting point "Freiheitsbrücke" (Morava/March). The baseline value is calculated on basis of the period August 2014 to April 2015 where in total 135,590 cyclists and pedestrians crossed the bridge between Slovakia and Austria.

Table 11. Programme specific result indicators for specific objective 2.1

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Monthly average of cyclists and pedestrians at the counting point "Freiheitsbrücke" (Morava/March)	number person	15,066	2014	Increasing (qualitative target)	Counting point	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

Type and examples of actions to be supported to contribute to specific objective No 2.1 Foster natural and cultural heritage valorisation

In accordance with the SFC2014 model, the following part provides an overview of the types of interventions planned to be supported by the cooperation programme. This overview is complemented by concrete thematic examples.

Types of actions:

- Awareness raising, strategy and action plan development (as the sole result accepted only in fields where early policy development is justified, i.e. in fields which until now have not been touched by significant projects in the previous funding periods; otherwise obviously accepted as one of the elements of a project)
- Development and practical implementation of cross-border tools and services (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
- Development and practical implementation of physical investments (infrastructure, equipment) to finance pilot investments in products, infrastructure and construction works and financing of equipment to carry out project activities
- Development and practical implementation of training and capacity building (e.g. training seminars and courses, study visits, peer reviews)
- Accompanying information and publicity measures to inform stakeholders and the wider public about project activities and outcomes

Examples of actions:

The following indicative examples of action should be supported in order to strengthen common approaches to valorise the natural and cultural heritage in a sustainable way.

- Develop joint and integrated approaches for sustainable tourism, e.g. in the areas of eco-tourism (e.g. sustainable tourist activities in national parks and nature reserves), cycling, agro-tourism, vine culture, and antique Roman culture. Common approaches for the protection and sustainable use of natural and cultural heritage as well as resources are determined by the implementation of common strategies. These strategies can be considered as key factors to ensure sustainable development and to avoid fragmented action and conflicts of diverging interests. In the programme context, the development of a marketing strategy – including a common brand – creates an enabling environment for sustainable tourism strategies which is based on natural and cultural heritage valorisation. In this way the development of broad partnership networks incorporating different programmes, central, regional and local administrations and non-governmental organisations, business support centres and mobility networks is an important instrument.
- Supporting the preservation, reconstruction, development and utilization of cultural and natural heritage with tangible and/or intangible character with cross-border dimension in a sustainable way. With regard to financing cultural heritage from ERDF the EC clearly intends that investments in the renovation of historical buildings or sites and monuments should only be supported if they are part of an overall economic development strategy. The programme cannot replace national budgets in terms of maintenance of cultural heritage. It is evident that the limited financial volume foreseen by the cooperation programme does not allow for larger-scale reconstruction and adaption of cultural heritage investments in the two capital cities Wien and Bratislava. Only pilot investments may be envisaged. In this context it is important to note that a basic joint strategy related to city tourism of the two capital cities is currently lacking.
- Joint promotion of cycle tourism and improvement of cycle tracks with a cross-border dimension taking into account environment-friendly construction.

According to the SEA report cycle tracks are a very good opportunity for awareness raising: e.g. information boards can give details on the area of the cycle track, its specific qualities and how to protect this area, especially when the cycle track leads through nature protection areas.

- Support of mobility management (public transport) as part of cross-border destination management and marketing of tourist products. In particular in rural and more peripheral regions the improvement of sustainable transport facilities is a basic asset to support tourism development. Under IP 6c an integrated approach on transport and mobility is envisaged to develop the “last mile” to the destination. Mobility aspects should form an integral part of project approaches and should not be addressed as purely sectoral issues. According to the SEA report special care should be taken to promote eco-tourism and to enhance environmental transport solutions at the same time since an increase in conventional tourism can lead to an increase in the volume of vehicular traffic, which can cause a multitude of negative environmental impacts.
- Development and practical implementation of training and capacity building to support eco-tourism and environmental transport solutions.

Main target groups supported under the investment priority

- Public and private cultural institutions
- Education and training institutions
- Regional and local authorities
- Border-region communities
- Small and medium enterprises (SMEs) in tourism
- Tourist operators
- Tourist information centres (points)

Types of beneficiaries supported under the investment priority (indicative)

- Local and regional authorities and organisations established and managed by local and regional authorities (including KOČR – Krajské organizácie cestovného ruchu and OČR – Oblastné organizácie cestovného ruchu)
- National authorities and organisations established and managed by national authorities
- Non-governmental organisations (including associations and networks)
- European groupings for territorial cooperation

Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

The guiding principles for the selection of operations under the investment priority

To specify the general principles for project selection described in section 5.3 the following theme specific principles should guide the selection of operations:

- Link to a shared policy framework in order to avoid fragmented action and reach a critical mass

- Contribution of a project to the development of the region as a tourist destination
- Link to environment and resource efficiency

The planned use of financial instruments

Not applicable

The planned use of major projects

Not applicable

Common and specific output indicators (by investment priority)

Table 12. Common and programme specific output indicators (by IP)

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6c.1.1	No of organisations/entities participating in cultural & natural heritage development (P)	Number	80	Monitoring system	yearly
6c.1.2	No of jointly developed major products & services related to cultural & natural heritage development (P)	Number	16	Monitoring system	yearly
6c.1.3	No of participants in joint training schemes (P)	Number	400	Monitoring system	yearly
6c.1.4	Increase in expected number of visits at supported sites of cultural or natural heritage and attraction (EU)	Number	32,000	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator; the baseline is zero

Remark: Output indicators relate to the products or services directly co-financed by the CBC Programme while result indicators relate to change in the region or territory.

2.2.2 Investment priority 6d) Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure

2.2.2.1 Specific objective No 2.2 Foster restoration and management of ecological corridors

Strengthen the cross-border integration of functional ecological networks and green infrastructures in order to preserve biodiversity and to contribute to the stability of ecosystems.

The result to be achieved

Suitable habitats and ecological stepping stones are sharply decreasing in the densely populated areas of Europe. The interlinking of natural habitats is of great importance for the sustainment of a functional ecological network. Preserving wildlife corridors ranks among the most important strategies to preserve biodiversity, which enlarges the strategy for the conservation of explicitly protected areas.

However, only a small proportion of the habitats and species of Community interest (Natura 2000 areas) are in a favourable conservation status. Moreover, the goal of developing ecological networks can be in conflict with the expansion of transport infrastructure and urban sprawl. Also a better coordination of environmental protection and flood risk management needs to be achieved. This calls for more integrated concepts with a cross-border perspective.

Cross-border cooperation is an evident precondition for effective approaches to preservation and management in particular when it comes to large-scale bio-corridors such as the Alpine-Carpathian corridor or the wetlands along the border river March-Morava and the Danube river.

An important quality aspect – as well as one of the keys to sustainability – of the initiatives is to include awareness-raising and steps towards local acceptance. The latter point deserves particular attention in the more rural parts of the programme region. Promising examples in terms of awareness-raising are the use of specific species for 'branding' of corridors or pilot actions involving local citizens.

Another major quality aspect refers to the cross-border partnerships. Projects in the period 2007-2013 have provided the room for multi-sectoral partnerships – spanning from universities and NGOs over nature protection authorities to road planning institutions – in order to develop comprehensive approaches. Such broad partnerships could cover all essential results from strategy development to model approaches at local level. Longer-term cooperation of the partners is another key element for the sustainability of results.

Along with the further integration of functional ecological networks and green infrastructures, integrated flood risk prevention plans along the Danube river and March river should be further extended which take into account ecological principles.

Finally, surface waters (e.g. Lake Neusiedl) and in particular the cross-border river systems of the programme region, i.e. mainly March/Morava and Danube, which form the green backbone, have to be highlighted. Plans for prudent preservation of wetlands and water protection have to harmonise a number of conflicting requirements such as flood risk prevention, the role as transport corridors, in case of Danube in particular the role as waterway, tourism development etc.

Overall, the main envisaged results are:

- Better managed, protected and gradually upgraded natural habitats including Natura 2000 areas
- Reduced barriers in wildlife corridors to better interlink natural habitats
- Better coordination of environmental protection and flood risk management in the cross-border river system
- Enhanced awareness of the population and the local communities on natural habitats including Natura 2000 areas

The specific objective to strengthen the cross-border integration of functional ecological networks and green infrastructures is measured by an area-based result indicator which reflects the interconnectivity of protected areas in the framework of the Alpine-Carpathian Corridor (ACC). Interconnectivity of areas is essential for the functioning of the ACC as wildlife corridor. For the calculation of the baseline an aggregate of SPA (Special Protection Areas) and SCI (Sites of Conservation Interest)

was used. The major bottlenecks along the Alpine-Carpathian Corridor which interrupt the wildlife corridor were counted based on a common methodology. Target is the reduction of the number of major bottlenecks by around 25% of the baseline situation.

Table 13. Programme specific result indicators for specific objective 2.2

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Number of major bottlenecks along the Alpine-Carpathian Corridor which interrupt the wildlife corridor	Number	12	2014	9 (reduction by 25%)	Environmental authorities, WWF	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

SPA (Special protection areas) were designated under the directive on the conservation of wild birds (Birds Directive). SCI (sites of conservation interest) were designated under the directive on the conservation of natural habitats and of wild fauna and flora (Habitats Directive).

Type and examples of actions to be supported to contribute to specific objective No 2.2 Foster restoration and management of ecological corridors

In accordance with the SFC2014 model, the following part provides an overview of the types of interventions planned to be supported by the cooperation programme. This overview is complemented by concrete thematic examples.

Types of actions:

- Awareness raising, strategy and action plan development (only in truly justified cases since action plans were established in the 2007-2013 period)
- Development and practical implementation of cross-border tools and services (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
- Development and practical implementation of physical investments to financing infrastructure and construction works (e.g. green bridge) and financing of equipment to carry out project activities
- Development and practical implementation of training and capacity building (e.g. training seminars and courses, study visits, peer reviews)
- Accompanying information and publicity measures to inform stakeholders and the wider public about project activities and outcomes

Examples of actions:

The following examples of action should be supported in order to better integrate cross-border functional ecological networks and green infrastructures

- Interlinking of natural habitats and wildlife corridors by reduction of barriers (e.g. through “green bridges” over transport infrastructures), improvement of land and water management and nature protection; integrated management of habitats, improvement of spatial planning and of the land use policies. Focus should be given on green infrastructures such as Alpine-Carpathian Corridor and other key green infrastructures. Support should target protected areas and their relevant adjacent areas.
- Promoting an integrated approach to better coordinate environmental interest with flood protection, water protection and the further expansion of transport infrastructure by establishing multi-sectoral partnerships.
- Interlinking planning and pilot measures to harmonize flood protection and rehabilitation of cross-border river systems based on the EU Water Framework Directive and EU Flood Directive. It is important to note that this IP does not allow to build flood protection infrastructure (e.g. dams); in general large-scale investment cannot be implemented due to the limited allocations at programme level. **There is a clear focus of specific objective 2.2 on green infrastructure, ‘grey infrastructure’ will not be financed from this programme.**
- Supporting accompanying research and evaluation activities including development of advanced tools for mapping, diagnosing, protecting and managing natural landscapes.
- Promoting of awareness-raising and environmental education as part of wider project action. According to the SEA report teaching activities should promote the integration of environmental education into current curricula. This can trigger a significant environmental change.
- Promoting green infrastructure solutions and urban biodiversity in urban environments.

Main target groups supported under the investment priority

- Organisations responsible for management of protected areas
- Local and regional authorities
- Regional development organisations
- Non-governmental organisations
- Owners of the land in the protected areas
- General public who has an interest in preserving biodiversity

Types of beneficiaries supported under the investment priority (indicative)

- Local and regional authorities and organisations established and managed by local and regional authorities
- National authorities and organisations established and managed by national authorities (including the state nature protection of Slovak Republic Štátna ochrana prírody SR)

- Non-governmental organisations
- Environmental organisations
- Research institutions (including universities with research facilities)
- European grouping for territorial cooperation

Specific territories targeted under the investment priority

- Alpine-Carpathian Corridor, wetlands along the rivers Danube, March and Thaya, Little Carpathians and Lake Neusiedl. Territories targeted include Natura 2000 areas and surrounding / interlinking areas.

The guiding principles for the selection of operations under the investment priority

To specify the general principles described in section 5.3 the following theme specific principles should guide the selection of operations:

- Establishment of multi-sectoral partnerships
- Relevance of actions for the development of wildlife corridors or stability of ecosystems

The planned use of financial instruments

Not applicable

The planned use of major projects

Not applicable

Common and specific output indicators (by investment priority)

Table 14. Common and programme specific output indicators (by IP)

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6d.1.1	No of organisations/entities participating in the development of green infrastructures (P)	Number	34	Monitoring system	yearly
6d.1.2	No of jointly developed major products & services related to ecological networks and green infrastructures (P)	Number	8	Monitoring system	yearly
6d.1.3	No of participants in joint training schemes (P)	Number	194	Monitoring system	yearly
6d.1.4	Surface area of habitats supported to attain a better conservation status (EU)	Hectars	1,000	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator

2.2.3 Provisions at priority axis level

2.2.3.1 Performance framework by priority axis

Table 15. The performance framework of the priority axis

Priority axis	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data
2	Financial indicator	Total funding certified to EC for Priority axis 2	EUR	4,254,824 (13%)	32,729,412	CA
2	Key implementation step	No of contracted projects (6c)	Number	6	16	MA (monitoring system)
2	Output indicator (ID 6c.1.2)	No of jointly developed major products & services related to cultural & natural heritage development (6c)	Number	0	16	MA (monitoring system)
2	Key implementation step	No of contracted projects (6d)	Number	4	8	MA (monitoring system)
2	Output indicator (ID 6d.1.2)	No of jointly developed major products & services related to ecological networks and green infrastructures (6d)	Number	0	8	MA (monitoring system)

2.2.3.2 Categories of intervention by priority axis

Table 16. Dimension 1 Intervention field (breakdown of Union support)

Priority axis	Code	Amount (EUR)
2	85 Protection and enhancement of biodiversity, nature protection and green infrastructure	4,365,000
2	86 Protection, restoration and sustainable use of Natura 2000 sites	4,365,000
2	90 Cycle tracks and footpaths	6,872,400
2	91 Development and promotion of the tourism potential of natural areas	6,108,800
2	94 Protection, development and promotion of public cultural heritage assets	6,108,800

Table 17. Dimension 2 Form of finance (breakdown of Union support)

Priority axis	Code	Amount (EUR)
2	01 non-repayable grant	27,820,000

Table 18. Dimension 3 Territory type (breakdown of Union support)

Priority axis	Code	Amount (EUR)
2	07 Not applicable	00

Table 19. Dimension 6 Territorial delivery mechanisms (breakdown of Union support)

Priority axis	Code	Amount (EUR)
2	07 Not applicable	00

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable

2.3 Priority axis 3: Supporting sustainable transport solutions

The priority axis includes one investment priority (7c) corresponding to the thematic objective 7 (Promoting sustainable transport and removing bottlenecks in key infrastructure networks).

Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

2.3.1 Investment priority 7c) Developing and improving environmentally-friendly (including low noise) and low carbon transport systems, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility

2.3.1.1 Specific objective No 3.1 Support environmentally-friendly transport solutions

Improve joint planning, coordination and practical solutions for an environmentally-friendly, low-carbon and safer transport network and services in the programme area.

The result to be achieved

Economic growth has gone and will also in future go hand in hand with massive growth of transportation. The current trend is a massive growth of road transportation which increases energy consumption and environmental pollution. This overall trend is specifically relevant for the programme area which has in most parts an outstanding economic strength. As a consequence, it is confronted with steadily increasing traffic loads and its adverse effects.

Due to the fact that two capital cities Bratislava and Vienna are located in close proximity, the added value of cross-border approaches is quite evident. First, these cities act as transport hubs and are thus major markets for alternative respectively environmentally-friendly transport modes. Second, suburbanisation is a major driver in traffic development. Finally, the suburbanisation of Bratislava has a growing cross-border dimension.

Given the scale and the dimension of the challenge, the programme interventions will be mostly focused on planning though small-scale pilot investments could accompany promising strategies.

Mobility management fostering environmentally-friendly modes of transport such as public transport, pedestrian and cycle transport should be in the centre of project approaches. The cooperation programme will contribute to greener regional mobility by improved planning tools, new approaches to services on demand, smart integration of transport services in tourism management (specifically under IP 6c) or support to traffic safety programmes.

Investments in environmentally-friendly transport solutions should be based on a clear user and demand orientation and a cost-efficient use of public funds to ensure a broad uptake of the supported solutions and – as a result – better environmental outcomes.

Overall, the main envisaged results are:

- Better provision and organisation of cross-border public transport supply and services (rail, bus interrelated with cycling and walking).
- Improved mobility management in cities, city-regions and rural areas to raise attractiveness and safety of public and non-motorised transport.
- More environmentally-friendly and efficient handling of goods traffic (freight transport).

The specific objective is measured by a result indicator indicating the capacity in public cross-border transport.

The indicator has been established through a traffic study. The target is defined as a **2% increase of the baseline value** until 2023, i.e. **31,314** people (plus 614).

It is evident that the programme allocation to IP 7c) does not allow for large-scale investment in transport infrastructure but still a visible impact of projects in terms of improved policy-making and pilots is expected. This approach is expressed in the result indicator: a modest but still a visible increase of the capacity.

It is important to see that the capacity offered in cross-border public transport is already quite substantial and from the current perspective improvements can be expected rather for bus lines operating in a closer cross-border range around the city of Bratislava.

Table 20. Programme specific result indicators for specific objective 3.1

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Capacity in public cross-border transport on an average work day	Total capacity in person	30,700	2014	31,314	Research in the frame of the project BRAWISIMO	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

Type and examples of actions to be supported to contribute to specific objective No 3.1 Support environmentally-friendly transport solutions

In accordance with the SFC2014 model, the following part provides an overview of the types of interventions planned to be supported by the cooperation programme. This overview is complemented by concrete thematic examples.

Types of actions:

- Awareness raising, strategy and action plan development (as the sole result accepted only in fields where early policy development is justified, i.e. in fields which until now have not been touched by significant projects in the previous funding periods; otherwise obviously accepted as one of the elements of a project)

- Development and practical implementation of cross-border tools and services (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
- Development and practical implementation of physical pilot investments to finance infrastructure and equipment to carry out project activities
- Development and practical implementation of training and capacity building (e.g. training seminars and courses, study visits, peer reviews)
- Accompanying information and publicity measures to inform stakeholders and the wider public about project activities and outcomes

Examples of actions:

The following indicative examples of action should be supported in order to support environmentally-friendly transport solutions.

- Actions to support the removal of specific bottlenecks in cross-border public transport infrastructure (mostly planning approaches but eventually pilot investments). A truly integrated cross-border network of public transport is not yet visible and will require the establishment of a suitable legal, planning and operating framework. The cooperation programme could contribute to improving the framework conditions by soft action but also hard pilot investments may be supported. Action may include support to licences and introduction of new lines of public transport.
- Developing joint strategies, concepts and action plans for sustainable multimodal mobility in cities, city-regions and rural areas, e.g. for better organisation of public transport links (e.g. by transport associations), mobility management, on demand public transport, promoting cycle and pedestrian traffic, e-mobility, traffic safety, including pilot and small scale infrastructure investments.
- Development of cross-border intelligent transport systems, information systems for passengers, on-line time schedules, e-ticketing, mobile applications, common tariff systems.
- Improvement of regional mobility by building cycling routes for connecting municipalities as a part of integrated transport, e.g. in combination with public transport.
- Cycling may be supported under IP 7c as part of sustainable urban mobility linked to functional urban areas (e.g. metropolitan region of Bratislava spreading across the border), whereas mobility management and cycling may be supported under IP 6c as integrated part of sustainable tourism development.
- Promotion of mobility centres and multi-modal platforms in order to enhance the efficiency, reliability and quality of greener transport modes and services.
- Training support for greener regional mobility (training may be necessary to improve planning tools and develop new approaches to services on demand).
- Further develop multimodal hubs and links to promote emission reducing and energy efficient freight transport. The cooperation programme could contribute to the development of an intermodal strategy for transport and mobility which is pursued under the EUSDR Priority Areas 1a and 1b (mainly by coordination and planning approaches which may be complemented by physical pilot

investments) in order to tackle the dynamic growth of cross border freight traffic as outlined in the analysis.

- Investment into corresponding infrastructure may include the purchase of vehicles/cars (in accordance with the respective legal and state aid provisions), small reconstructions and additional equipment for bus and train stations/stops, for improvement of standards of integrated transport system, building multimodal terminals (parking lots, signs, stops, stop information system), building new or investment into existing ports. **It is not planned to finance hard infrastructure in a “fragmented” way. All hard investments must be part of a strategic approach to achieve a critical mass and visibility of actions. Only innovative pilot action contributing to CO₂ reduction can be supported.**

Main target groups supported under the investment priority

- Authorities responsible for transport and mobility
- Transport operators and alliances
- Research institutions, universities
- General public and enterprises who have an interest in improved regional mobility

Types of beneficiaries supported under the investment priority (indicative)

- Local and regional authorities and organisations established and managed by local and regional authorities
- National authorities and organisations established and managed by national authorities
- Specialised agencies
- Universities and research institutions

Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

The guiding principles for the selection of operations under the investment priority

To specify the general principles described in section 5.3 the following theme specific principles should guide the selection of operations:

- Action should be part of cross-border transport solutions and management approaches
- Clear demand responsive and cost-effective solutions to deliver better and sustainable outcomes

The planned use of financial instruments

Not applicable

The planned use of major projects

Not applicable

Common and specific output indicators (by investment priority)

Table 21. Common and programme specific output indicators

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7c.1.1	No of organisations/entities participating in the development of environment-friendly and low-carbon transport systems (P)	Number	23	Monitoring system	yearly
7c.1.2	No of jointly developed major products & services related to environment-friendly and low-carbon transport systems (P)	Number	7	Monitoring system	yearly
7c.1.3	No of participants in joint training schemes (P)	Number	175	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator. Remark: EU common output indicators such as "Total length of new, upgraded or reconstructed railway lines" are not applicable taking into account the small financial allocation for this IP.

2.3.2 Provisions at priority axis level

2.3.2.1 Performance framework by priority axis

Table 22. The performance framework of the priority axis

Priority axis	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data
3	Financial indicator	Total funding certified to EC for Priority axis 3	EUR	764,559 (6.7%)	11,358,824	CA
3	Key implementation step	No of contracted projects (7c)	Number	3	7	MA (monitoring system)
3	Output indicator (ID 7c.1.2)	No of jointly developed major products & services related to environment-friendly and low-carbon transport systems (7c)	Number	0	7	MA (monitoring system)

2.3.2.2 Categories of intervention by priority axis

Table 23. Dimension 1 Intervention field (breakdown of Union support)

Priority axis	Code	Amount (EUR)
3	36 Multimodal transport	2,896,500
3	43 Clean urban transport infrastructure and promotion	3,862,000
3	44 Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring control and information systems)	2,896,500

Table 24. Dimension 2 Form of finance (breakdown of Union support)

Priority axis	Code	Amount (EUR)
3	01 non-repayable grant	9,655,000

Table 25. Dimension 3 Territory type (breakdown of Union support)

Priority axis	Code	Amount (EUR)
3	07 Not applicable	00

Table 26. Dimension 6 Territorial delivery mechanisms (breakdown of Union support)

Priority axis	Code	Amount (EUR)
3	07 Not applicable	00

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable

2.4 Priority axis 4: Strengthening cross-border governance and institutional cooperation

2.4.1 Investment priority 11) Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions (according to ETC regulation Article 7 (a) iv)

2.4.1.1 Specific objective No 4.1 Strengthen the institutional cooperation

Strengthen the institutional cooperation in the cross-border area through mobilizing stakeholders and building the capacities for planning and acting in the framework of multi-level governance.

The result to be achieved

Institutional cooperation is a key target and the vital element of the programme at the same time. Thus it should be considered as a cross-cutting element of the programme: increased cooperation is an implicit result throughout all investment priorities.

Moreover cross-border governance and institutional cooperation should be strengthened in the following areas:

Projects or initiatives which trigger off cooperation in new policy areas, e.g. initiatives with a catalytic function are of importance/interest/etc. Institutions should develop capacities to act as intermediaries and interlocutors thus creating an enabling environment. This is of particular interest in the programme area since there are marked differences in the administrative system and developing partnerships in an environment of multi-level governance remains a challenge.

The increased visibility of new approaches to cooperation at regional and local level is another aspect which should be fostered. Visible actions will help create an interest in neighbouring regions, municipalities or communities and should contribute to increased awareness for various policy issues.

A third major aspect is the support of cooperation in those policy areas where major societal challenges arise in a mid-term or long-term perspective. These challenges are multi-faceted due to the marked urban dimension and the strong rural dimension in the programme region. In policy areas where cooperation is in an early stage the development of shared perspectives based on data analysis can be considered as first a first mile stone. More advanced cooperation will venture into capacity building, mutual learning, and strategy development paired with pilot actions to be tested. These are essential elements on the pathway to sustainable cooperation and new institutional patterns.

Overall, the main envisaged results are:

- Improved institutional coordination and strategic planning through development of common planning processes, tools and data bases (e.g. powerful cross-border information and planning tools in order to deepen the Twin City concept and better coordinated urban-rural development)

- Improved institutional cooperation in areas with major societal challenges such as health, social inclusion and poverty (e.g. better coordinated development of social infrastructure and services)
- Improved governance systems to prepare for emergency situations (e.g. more powerful civil protection schemes in relation to flood protection, strengthening emergency response services)
- More effective frameworks to support small scale projects (e.g. targeted support for project generation with a cross border scope)

The specific objective to strengthen the institutional cooperation is measured by a result indicator which is reflecting the (evolving) cooperation intensity. The baseline of the result indicator was established through a survey among key actors in the programme area. In a brief questionnaire the actors were asked to assess the intensity and current state of cross-border cooperation related to the specific fields of action under this specific objective. The assessment is expressed on an ordinal scale ranging from 1 to 7 with 1 indicating “no interaction at all” and 7 indicating a fully developed cooperation level between SK and AT actors.

Table 27. Programme specific result indicators for specific objective 4.1

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Intensity of cooperation of key actors in the programme area in order to strengthen institutional capacities	Ordinal scale, min 1 - max 7	2.9	2014	Increasing (qualitative target)	Survey among key actors (potential actors in the CBC area)	2018, 2020, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.4.1.2 Specific objective No 4.2 Strengthen the cooperation between educational institutions

Strengthen the links between institutions providing pre-primary and primary education (kindergartens and primary schools) to jointly develop and implement educational programmes.

The result to be achieved

For lower age groups, intercultural learning and basic language training remains a continued focus due to its vital role in establishing a positive notion of the neighbouring country. Cooperation between primary schools will be targeted to systematic actions supporting better school achievements of pupils. Positive change in quality of education will be based on introduction of an innovative content of education and new educational methods. Activities aiming at improvement of educational process (methods, forms and instruments) can effectively support joint efforts in achieving higher quality in early childhood and primary education. Existing networks and already implemented projects in the field offer a good framework for initiating mature and strongly innovative activities.

The cooperation programme can play an important role in adapting the learning system at pre-primary and primary level through collaboration of educational institutions with relevant local and regional stakeholders. The cooperation is expected to produce jointly developed education programmes, joint curricula and participating pupils/teachers/students in cross-border initiatives.

Overall, the main envisaged results are:

- Improved common frameworks and offers for education and qualification (intercultural learning, basic language training, better school achievements of pupils, higher quality in early childhood)

Cooperation projects under the investment priority will be in principle non-investment actions. Small scale investments will be allowed in fully justified cases contributing to the achievement of objectives.

The specific objective to strengthen the links between institutions providing pre-primary and primary education to jointly develop and implement joint educational programmes is measured by a result indicator measuring the intensity of cooperation between key actors in the CBC area.

The baseline value for the indicator was established through a survey among key actors involved in the pre-primary and primary education in CBC area. In a brief questionnaire the actors were asked to assess the intensity and current state of cross-border cooperation. The assessment is expressed on an ordinal scale: 1 stands for no interaction; 7 marks the highest intensity.

Table 28. Programme specific result indicators for specific objective 4.2

Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Intensity of cooperation of key actors in the programme area in order to strengthen the cooperation between educational institutions	Ordinal scale, min 1 - max 7	2.3	2014	Increasing (qualitative target)	Survey among key actors in the field of education (potential actors in the CBC area)	2018, 2020, 2023

Type and examples of actions to be supported to contribute to specific objective No 4.1 Strengthen the institutional cooperation and No 4.2 Strengthening the cooperation between educational institutions

In accordance with the SFC2014 model, the following part provides an overview of the types of interventions planned to be supported by the cooperation programme. This overview is complemented by more concrete thematic examples.

Types of actions:

- Awareness raising, strategy and action plan development (as the sole result accepted only in fields where early policy development is justified, i.e. in fields which until now have not been touched by significant projects in the previous funding periods; otherwise obviously accepted as one of the elements of a project)
- Development and practical implementation of cross-border tools and services (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
- Development and practical implementation of investments to finance products and equipment to carry out project activities
- Development and practical implementation of training and capacity building (e.g. training seminars and courses, study visits, peer reviews)
- Accompanying information and publicity measures to inform stakeholders and the wider public about project activities and outcomes

Examples of actions under the objective No 4.1: Strengthen the institutional cooperation

The following examples of action should be supported in order to strengthen the institutional cooperation and the capacities for planning and acting in the framework of multi-level territorial governance:

- Establishing frameworks to support small scale projects in order to mobilize a wider public for building up of CBC partnerships.
- Developing coherent and integrated frameworks in spatial planning in particular in the Danube-March-Thaya region, in the Bratislava cross-border agglomeration and in the Twin City context (Vienna & Bratislava). Better coordination of spatial planning and mobility and transport planning (CO₂ sensible spatial planning).
- Improving the quality and effectiveness of strategic and regional planning and development (e.g. more suitable composition of partnerships, better mobilization

of financial resources, to improve participative processes, development of common planning tools and data bases, development of a joint academy for capacity building, fostering evaluation of interventions). This includes common planning tools and data bases for a better flood risk management in the cross-border river system.

- Establishing institutional cooperation to tackle health, social inclusion and poverty challenges. Improving legal and policy frameworks, developing strategies and action plans. Development of joint capacities and coordinated delivery of services.
- Improve the preparedness of public authorities and civil protection organisations to better monitor and manage risks such as floods.

Examples of actions under the objective No 4.2: Strengthen the cooperation between educational institutions

The following examples of action should be supported in order to improve education, training and lifelong learning schemes:

- Cooperation projects promoting active involvement of teachers, providers, school management, parents and wider community in the educational process in kindergartens and primary schools;
- Collaboration on development, upgrade and implementation of joint educational programmes (curricula) with involvement of relevant partners;
- Introduction of new forms of education emphasising the individualised approach to pupils in kindergartens and primary schools, complemented by teacher training to effectively support schools achievements of pupils;
- Development of framework for recognition of qualifications demanded in the cross-border region and implementation of pilot actions;

Main target groups supported under the investment priority

- Local and regional authorities
- Regional development organisations
- Social services providers
- Non-governmental organisations
- Pupils
- Pedagogic staff
- Interest groups
- Population of the cross-border region

Types of beneficiaries supported under the investment priority (indicative)

- Local and regional authorities and organisations established and managed by local and regional authorities (including KOČR – Krajské organizácie cestovného ruchu and OČR – Oblastné organizácie cestovného ruchu)
- National authorities and organisations established and managed by national authorities
- Non-governmental organisations
- Associations, networks

-
- Educational institutions (kindergartens, primary schools)
 - Other supporting institutions (e.g. school inspection)
 - European grouping for territorial cooperation (EGTC)

Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

The guiding principles for the selection of operations under the investment priority

To specify to the general principles for project selection described in section 5.3 the following theme specific principles should guide the selection of operations:

- Relevance of an action to develop the policy on the ground
- Clear approach on capacity building for administrative personnel
- Concreteness and usability of project deliverables (e.g. education programmes)

The planned use of financial instruments

Not applicable

The planned use of major projects

Not applicable

Common and specific output indicators (by investment priority)

Table 29. Common and programme specific output indicators (by investment priority)

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
11.1.1	No of organisations/entities participating in institutional cooperation (P)	Number	80	Monitoring system	yearly
11.1.2	No of jointly developed major products & services related to institutional cooperation, integrated frameworks and planning tools (P)	Number	8	Monitoring system	yearly
11.1.3	No of participants in joint training schemes (P)	Number	200	Monitoring system	yearly
11.2.1	No of jointly major products & services related to pre-primary and primary education (P)	Number	5	Monitoring system	yearly
11.2.2	No of educational institutions directly involved in cooperation at pre-primary and primary level of education (P)	Number	25	Monitoring system	yearly
11.2.3	Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders (EU)	Number	625	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator

2.4.2 Provisions at priority axis level

2.4.2.1 Performance framework by priority axis

Table 30. The performance framework of the priority axis

Priority axis	Indicator type	Indicator or key implementation step	Measure ment unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data
4	Financial indicator	Total funding certified to EC for Priority axis 4	EUR	2,168,856 (13%)	16,683,505	CA
4	Key implementation step	No of contracted projects (11)	Number	4	13	MA (monitoring system)
4	Output indicator (ID 11.1.2)	No of jointly developed major products & services related to institutional cooperation, integrated frameworks and planning tools	Number	0	8	MA (monitoring system)

2.4.2.2 Categories of intervention by priority axis

Table 31. Dimension 1 Intervention field (breakdown of Union support)

Priority axis	Code	Amount (EUR)
4	115 Reducing and preventing early school leaving and promoting equal access to good quality early childhood, primary and secondary education including formal, non-formal and informal pathways for reintegrating into education and training	5,050,000
4	119 Investment in institutional capacity and in the efficiency of public administrations and public services at the national, regional and local levels with a view to reforms, better regulation and good governance	7,304,783
4	120 Capacity building for stakeholders delivering education, lifelong learning, training and employment and social policies, including through sectoral and territorial pacts to mobilise for reform at national, regional and local level	1,826,196

Table 32. Dimension 2 Form of finance (breakdown of Union support)

Priority axis	Code	Amount (EUR)
4	01 non-repayable grant	14,180,979

Table 33. Dimension 3 Territory type (breakdown of Union support)

Priority axis	Code	Amount (EUR)
4	07 Not applicable	00

Table 34. Dimension 6 Territorial delivery mechanisms (breakdown of Union support)

Priority axis	Code	Amount (EUR)
4	07 Not applicable	00

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable

2.5 Description of the Priority axis 5 for Technical Assistance

2.5.1 Specific objective No 5.1 Technical Assistance

Ensure the efficient and smooth implementation of the cooperation programme.

The result to be achieved

The use of Technical Assistance funds should ensure the functioning of all major bodies which act in programme implementation, i.e. in particular the Managing Authority, the Joint Secretariat, the FLC, Audit and Certifying Authorities and the Regional Bodies.

The key results of the programme are successful projects with visible outputs. The services supported from Technical Assistance are considered as a mean to achieve this result. The programme management bodies should ensure competent services to the beneficiaries throughout all stages of the Project Management Cycle, i.e. from project generation, selection and contracting to control and closure.

With a view to the European level the programme management bodies will ensure sound reporting which in the end should contribute to the acknowledgement of the programme achievements by the relevant European Commission services. Thus reporting should assist to demonstrate the value-added of ETC-programmes.

A further dimension is the work in information and communication.

- Firstly a key point is to ensure an easy access to information for all interested applicants and beneficiaries. With a view to more technical information for applicants and beneficiaries the options of internet-based online services should be paired with the offer for face-to-face consultation. Thus the broad variety of potential applicants and beneficiaries as well as their differing communication requirements should be taken into account.
- Secondly publicity and information should contribute to the visibility of programme achievements in the programme region through a broad variety of means such as dissemination of good practice, events for a broader audience, campaigns etc.

An important point is the option to introduce specific anti-corruption and anti-fraud measures next to the general ones taken at level of the Member States; the primary intent is to introduce preventive measures.

Finally funds from TA ensure that the Audit Authority fulfils the tasks according to Article 127 of Reg. (EU) 1303/2013 and Article 25 of Reg. (EU) 1299/2013.

Table 35. Programme specific result indicators by specific objective

Indicator	Measure ment unit	Baseline value	Baselin e year	Target value (2023)	Source of data	Frequency of reporting
Not applicable since the contribution of ERDF funds for TA does not exceed EUR 15,000,000 (acc. to Regulation 1299/2013, Article 8, lit. c) and Implementing Regulation 288/2014, Annex II))						

2.5.2 Actions to be supported and their expected contribution to the specific objective 5.1

Examples of actions supported in order to ensure the efficient and smooth implementation of the programme are:

- Adequate staffing of Managing Authority and Joint Technical Secretariat
- Adequate staffing of FLC and RB(s)
- Office and IT cost for these programme bodies
- Services and staff required by the Audit and Certifying Authorities and evt. bodies established for cooperation related to these tasks
- Development and maintenance of the Monitoring System
- Costs related to meetings of the Monitoring Committee (MC), sub-groups established by the MC (e.g. Steering Group Evaluation) and technical working groups (e.g. for the elaboration of templates and guidance documents, eligibility rules etc.)
- Publicity and information measures
- Services related to evaluation, indicator development and programming for the forthcoming period
- Anti-corruption and anti-fraud measures

Output indicators expected to contribute to results

Table 36. Output indicators

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
5.1.1	No of projects committed and successfully closed (P)	Number	53 (without TA)	Monitoring system	yearly
5.1.2	Number of major publicity events (P)	Number	8 (1 per year in the period 2015-2022)	Monitoring system	yearly
5.1.3	Number of compulsory information events for beneficiaries at project start (P)	Number	10 (2 per year in the period 2015-2019)	Monitoring system	yearly
5.1.4	Number of employees (FTEs) whose salaries are co-financed by TA (EU)	Number in Full Time Equivalent	18	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator

2.5.3 Categories of intervention

Table 37. Dimension 1 Intervention field (breakdown of Union support)

Priority axis	Code	Amount (EUR)
5 TA	121 Preparation, implementation, monitoring, inspection	4,027,360
5 TA	122 Evaluation and studies	60,000
5 TA	123 Information and communication	466,200

Table 38. Dimension 2 Form of finance (breakdown of Union support)

Priority axis	Code	Amount (EUR)
5	01 non-repayable grant	4,553,560

Table 39. Dimension 3 Territory type (breakdown of Union support)

Priority axis	Code	Amount (EUR)
5	07 Not applicable	00

Table 40. Dimension 6 Territorial delivery mechanisms (breakdown of Union support)

Priority axis	Code	Amount (EUR)
5	07 Not applicable	00

3 Financing plan

3.1 Financial appropriation from the ERDF (EUR)

Table 41. Financial appropriation from the ERDF

	2014	2015	2016	2017	2018	2019	2020	Total
ERDF	0	9,260,773	7,849,265	14,262,065	14,547,307	14,838,253	15,135,018	75,892,681
IPA amounts (where applicable)								
ENI amounts (where applicable)								
Total	0	9,260,773	7,849,265	14,262,065	14,547,307	14,838,253	15,135,018	75,892,681

3.2 Total financial appropriation from the ERDF and national co-financing (in EUR)

Table 42. Financing Plan

PA	Fund	Basis for the calculation of the Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e)	For information
					National public funding (c)	National private funding (1) (d)			
Priority axis 1	ERDF	Total cost	19,683,142	3,473,496	676,376	2,797,120	23,156,638	85%	
Priority axis 2	ERDF	Total cost	27,820,000	4,909,412	2,023,529	2,885,883	32,729,412	85%	
Priority axis 3	ERDF	Total cost	9,655,000	1,703,824	617,647	1,086,177	11,358,824	85%	
Priority axis 4	ERDF	Total cost	14,180,979	2,502,526	527,001	1,975,525	16,683,505	85%	
Priority axis 5	ERDF	Total cost	4,553,560	803,570	803,570	0	5,357,130	85%	
Total	ERDF		75,892,681	13,392,828	4,648,123	8,744,705	89,285,509		

3.3 Breakdown by priority axis and thematic objective

Table 43. Breakdown by priority axis and thematic objective

Priority axis	Thematic objective	Union support	National counterpart	Total funding
Priority axis 1	Thematic objective 1	19,683,142	3,473,496	23,156,638
Priority axis 2	Thematic objective 6	27,820,000	4,909,412	32,729,412
Priority axis 3	Thematic objective 7	9,655,000	1,703,824	11,358,824
Priority axis 4	Thematic objective 11	14,180,979	2,502,526	16,683,505
Priority axis 5	Technical assistance	4,553,560	803,570	5,357,130
Total		75,892,681	13,392,828	89,285,509

Table 44. Indicative amount of support to be used for climate change objectives

Priority axis	The indicative amount of support to be used for climate change objectives (EUR)	Proportion of the total allocation to the programme (%)
Priority axis 1	1,512,630	2.0%
Priority axis 2	10,364,400	13.7%
Priority axis 3	3,862,000	5.1%
Priority axis 4	0	0%
Priority axis 5	0	0%
Total	15,739,030	20.8%

4 Integrated approach to territorial development

Description of the integrated approach of the cooperation programme

The cooperation programme addresses specifically sub-territories (“hot spots”) within the programme area where an integrated territorial approach – which is mainly understood as a comprehensive and coordinated approach to planning and governance – will be targeted. Such approaches should be supported in the following focus areas:

- Supporting cooperation in spatial planning and social infrastructure provision in the **Bratislava cross-border agglomeration** (focus area 1); cross-border urban sprawl poses a multi-faceted challenge for local and regional governance in the urban territories of Bratislava and the adjacent municipalities on Austrian side.

Priority axis 4 (Strengthening cross-border governance and institutional cooperation) will specifically contribute to improved institutional coordination and strategic planning in the Bratislava cross-border agglomeration through development of common planning processes, tools and data bases. Also a better coordinated development of social infrastructure and services should be achieved in this focus area.

- Strengthening coordinated planning, funding and project implementation in the **Danube-March-Thaya Region** (focus area 2) where the differing demands of nature protection, flood protection, agriculture and forestry, transportation and settlement areas require prudent strategy development and negotiation of compromises.

Priority axis 2 (Fostering natural and cultural heritage and biodiversity) will contribute to better managed, protected and gradually upgraded natural habitats including Natura 2000 areas in the Danube-March-Thaya region. Also a better coordination of environmental protection and flood risk management in the cross-border river system should be achieved. It is also planned to support joint and integrated approaches for sustainable tourism in this highly sensible area. Common approaches for the protection and sustainable use of natural heritage are considered as key factors to ensure sustainable development and to avoid fragmented action and conflicts of diverging interests.

- Strengthening the **Smart City cooperation Vienna-Bratislava** (focus area 3).

The capital cities Bratislava and Vienna are the major RDTI centres of both countries and offer rich potentialities to further collaborative research and innovation activities. Priority axis 1 (Contributing to a smart cross-border-region) aims to foster more collaborative research and innovation activities and competent networks between R&D centres, higher education, enterprises and the public sector to establish longer term cooperation in technological and non-technological fields and to enhance the commercial use of research results.

Moreover, the future development of transport brings about significant challenges for the region. Due to expected further dynamic integration of the growth poles Vienna and Bratislava and ongoing suburbanisation, the growth of the cross-border traffic will continue. Priority axis 3 (Supporting sustainable transport solutions) supports improved mobility management in the Vienna-Bratislava agglomeration area to raise attractiveness and safety of public and non-motorised transport. Also a more environmentally-friendly and efficient handling of goods traffic (e.g. via the connecting Danube river) should be achieved.

In order support integrated approaches the establishment of a **common multi-annual action plan** (an internal document) is envisaged to be set up by the SK and AT programme bodies.

4.1 Community led local development (where appropriate)

Not applicable

4.2 Integrated actions for sustainable urban development (where appropriate)

Not applicable

4.3 Integrated Territorial Investment (ITI) (where appropriate)

Not applicable

4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identified by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate)

The SK-AT cooperation programme pays due attention to the EU Strategy for the Danube Region (EUSDR) both in the programming process as well as in the implementation phase.

A) Programming process

During the programming process, the definition of the strategy, the selection and description of the thematic objectives and investment priorities of the cooperation programme take into consideration in particular the following actions of the EUSDR Action Plan:

TO	IP	Corresponding EUSDR key actions	Related priority areas (PA)
1 Research & innovation	1b	Action: "To cooperate in implementing the flagship initiative "Innovation Union of the Europe 2020 Strategy" in the Danube Region countries"	PA 07 Knowledge Society
1 Research & innovation	1b	Action: "To foster cooperation and exchange of knowledge between SMEs, academia and the public sector in areas of competence in the Danube Region." (e.g. establishing a cluster network for the EUSDR)	PA 08 Competitiveness
1 Research & innovation	1b	Action: "To strengthen the capacities of research infrastructure"	PA 07 Knowledge Society
1 Research & innovation	1b	Action: "To strengthen cooperation among universities and research facilities and to upgrade research and education outcomes by focusing on unique selling points"	PA 07 Knowledge Society
1 Research & innovation	1b	Action: Improvement of the vocational training, subject to participation by the private sector (a dual system of practice and theory) through pilot projects. "To support enterprises through high performing training and qualification schemes.	PA 08 Competitiveness

TO	IP	Corresponding EUSDR key actions	Related priority areas (PA)
1 Research & innovation	1b	Action/Work area: "To support lifelong learning and expanding learning mobility"	PA 09 People & Skills
11 Governance	11	Action: To enhance performance of education systems through closer cooperation of education institutions, systems and policies.	PA 09 People & Skills
11 Governance	11	Action "To build Metropolitan Regions in the Danube Region". Facilitate a network of metropolitan areas and systems of cities.	PA 10 Institutional capacity and cooperation
11 Governance	11	Action: To foster cooperation between key stakeholders of labour market, education and research policies in order to develop learning regions and environments.	PA 09 People & Skills
11 Governance	11	Action: To improve cross-sector policy coordination to address demographic and migration challenges.	PA 09 People & Skills
11 Governance	11	Action "To facilitate the administrative cooperation of communities living in border regions"	PA 10 Institutional capacity and cooperation
6 Environment	6c	Action: To build on cultural diversity as strength of the Danube Region.	PA 03 Culture & Tourism
6 Environment	6c	Action: To promote sustainable tourism.	PA 03 Culture & Tourism
6 Environment	6c	Action: To further develop and intensify Activity Tourism.	PA 03 Culture & Tourism
6 Environment	6c	Action "To raise awareness of the general public, by acknowledging and promoting the potentials of natural assets as drivers of sustainable regional development"	PA 06 Biodiversity, landscapes, quality of air and soils
6 Environment	6d	Action: "To develop and adopt one single overarching floods management plan at basin level or a set of flood risk management plans coordinated at the level of the international river basin". Implement Danube wide flood risk management plans to include significant reduction of flood risk by 2021, also taking into account potential impacts of climate change.	PA 05 Environmental Risks
6 Environment	6d	Action: "To support wetland and floodplain restoration as an effective mean of enhancing flood protection and more generally to analyse and identify the best response to flood risk (including "green infrastructure")"	PA 05 Environmental Risks
6 Environment	6d	Action "To develop green infrastructure in order to connect different bio-geographic regions and habitats". Maintain ecosystems and their services are maintained and enhanced by establishing green infrastructure and restoring at least 15% of degraded ecosystems, including degraded soils.	PA 06 Biodiversity, landscapes, quality of air and soils
6 Environment	6d	Action "To manage Natura 2000 sites and other protected areas effectively"	PA 06 Biodiversity, landscapes, quality of air and soils
7 Transport	7c	Action: "To promote sustainable freight transport in the Danube Region"	PA 1A Mobility Waterways
7 Transport	7c	Action: To ensure sustainable metropolitan transport systems and mobility	PA 1B Mobility Rail-Road-Air

B) Implementation of the programme

During the implementation, the cooperation programme will ensure appropriate coordination with the macro-regional EU Strategy for the Danube Region by

- Governance arrangements for ongoing mutual information exchange, coordination and joint planning in areas of joint interest during the programme implementation: on Austrian side the “working group CBC” in the framework of ÖROK (the Austrian Conference on Spatial Planning) will act as national committee and will ensure a continuous and regular, institutionalised exchange of information on macro-regional strategies among programme partners; vice versa information about programme activities will be reported to the established national coordination platform for the EUSDR (and eventual future macro-regional strategies with AT participation). Furthermore, the implementation of the cross-border cooperation programme will be embedded into the strategic monitoring process STRAT.AT 2020 and the Partnership Agreement of the Slovak Republic. The coordination will be ensured by the Office of Government, which acts as coordinator of EU SDR and ESIF in the country.
- During the inception phase of the programme closer working relationships between programme partners and EUSDR stakeholders will be sought in order to identify issues and activities of joint interest in the implementation phase; this should foster the awareness among programme partners who are involved in project generation as well as prepare the ground for capitalisation actions at a later stage (i.e. once the programme can show relevant results)
- Establishing a EUSDR specific category in the monitoring system. Consequently, funding activities and/or projects contributing to the EUSDR will be identified in an appropriate way. This approach includes the consideration of EUSDR aspects in programme evaluations and reports, specifying how the cooperation programme contributes to the challenges and priority actions identified by the EUSDR.

5 Implementing provision for the cooperation programme

5.1 Relevant authorities and bodies

Table 45. Programme authorities

Authority/body	Name of authority/body	Head of the authority/body
Managing authority	Ministry of Agriculture and Rural Development of the Slovak Republic Dobrovičova 12, 812 66 Bratislava, Slovak Republic	Minister of Agriculture and Rural Development of the Slovak Republic
Certifying authority, where applicable	Section of European Funds, Ministry of Finance of the Slovak Republic Štefanovičova 5, 817 82 Bratislava, Slovak Republic	General director of the Section of European Funds
Audit authority	Audit and Control Section, Ministry of Finance of the Slovak Republic Štefanovičova 5, 817 82 Bratislava, Slovak Republic	General director of the Audit and Control Section

Table 46. The body to which payments will be made by the Commission is:

The Certifying authority	Section of European Funds, Ministry of Finance of the Slovak Republic Štefanovičova 5, 817 82 Bratislava, Slovak Republic
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Table 47. Body or bodies carrying out control and audit tasks

Authority/body	Name of authority/body	Head of the authority/body
Body or bodies designated to carry out control tasks	Ministry of Agriculture and Rural Development of the Slovak Republic Dobrovičova 12, 812 66 Bratislava, Slovak Republic	Minister of Agriculture and Rural Development of Slovak Republic
	Provincial Government of Lower Austria Landhausplatz 1, 3109 St. Pölten, Austria Regionalmanagement Burgenland GmbH Marktstraße 3, 7000 Eisenstadt, Austria City of Vienna Schlesinger Platz 2, 1080 Wien, Austria	Head of the respective control unit
Body or bodies designated to be responsible for carrying out audit tasks	Audit and Control Section, Ministry of Finance of the Slovak Republic Štefanovičova 5, 817 82 Bratislava, Slovak Republic	General director of the Audit and Control Section

5.2 Procedure for setting up the joint secretariat

The Managing Authority in agreement with the programme partners from Austria and Slovakia set up the Joint Technical Secretariat (JTS) for the programme in compliance with the Article 23, paragraph 2 of the Regulation (EU) 1299/2013.

The head office of the JTS is located in the Slovak Republic, within the official structures of the Ministry of Agriculture and Rural Development (MA):

Joint (Technical) Secretariat for the OP Slovakia-Austria 2014-2020
Ministry of Agriculture and Rural Development of the Slovak Republic
Department of the Cross-border Cooperation Programmes
Prievozská 2/B
825 25 Bratislava
Slovak Republic

Next to the head office a branch office of the JTS will be established in Vienna on the location and under the same organisational and employment structure the JTS of the 2007-2013 programme, i.e.

Municipal Department for European Affairs of the City of Vienna
Schlesingerplatz 2
1080 Vienna

The main role of the JTS is to closely cooperate with the MA and Monitoring Committee to effectively support the implementation of the programme. Further activities of the JTS comprise the support to the Audit and Certifying Authorities. Activities of the JTS during the programme period 2014-2020 will be financed from the Technical Assistance resources.

5.3 Summary description of the management and control arrangements

The smooth and effective launch and effective implementation of the programme will be based on the close cooperation between the programme partners, i.e. the programme authorities [Managing Authority, (MA); Certifying Authority (CA) and Audit Authority (AA)] and the five participating regions.

Managing Authority (MA)

The MA acts in accordance with the Article 125 of Regulation 1303/2013 and the additional functions related to programme management in accordance with Regulation 1299/2013, Article 23.

The MA bears the overall responsibility for the programme management, in particular the financial management which is based on the principle of sound financial management and is being documented in a computerised (monitoring) system. More detailed provisions at programme level will be laid down in the management and control system. The MA is also responsible for the comprehensive and complete information for the work of the Monitoring Committee and the reporting towards the European Commission.

A key function of the MA is to guide and supervise the process of project selection based on the approved selection criteria taking into account the criteria set out in Chapter 8 of this document. Adequate provisions at the assessment stage shall ensure that the MC can take its decision in full awareness of the contents and preparedness of the project.

Upon selection the MA is in charge of the contracting procedure (for more details please see the section on the project cycle). The contract will ensure that key obligations of the beneficiary (such as the use of a separate accounting system or an adequate accounting code) are being met.

Prior to contracting also compliance with state aid rules (in particular de-minimis support) will be ensured in close cooperation with the Austrian authorities. Where assistance is granted from the Funds to a large enterprise, the MA will make a plausibility check in order to ensure that the financial contribution from the Funds does not result in a substantial loss of jobs (i.e. a volume of more than 500 jobs) in existing locations within the Union.

The MA will also be in charge of establishing an effective procedure for the handling of complaints. If the applicant considers that basic rules for contribution from ESI Funds were not respected he can follow the legal remedies defined in national legislation (Slovak Republic and Austria). All arrangements for the examination of complaints concerning the ESI Funds will be described in the manuals for applicants/beneficiaries.

With a view to the cornerstones of financial management of the programme the responsibility for the verification process (also briefly labelled as First Level Control – FLC) has been assigned to both Member States. The MA will ensure that the designated controllers carry out the functions in accordance with the relevant Regulations and that control procedures follow the legal hierarchy of the key documents such as the Delegated Act 481/2014 and the eligibility rules at programme level as well as eventual national provisions. Since the participating Member States share the ultimate responsibility for the verification process close cooperation on this key task is foreseen.

The MA has a major role in guiding and coordinating the process for the timely annual accounting. Thus appropriate coordination procedures with CA and AA will be set-up.

The MA will ensure that an evaluation plan is drawn up and submitted for approval to the MC.

Monitoring Committee (MC)

The MC will act in accordance with the provisions in the Regulation (EU) 1299/2013, Articles 12, 18 as well as Regulation (EU) 1303/2013, Articles 49, 110 and 127 and the Rules of Procedure as approved in its first meeting upon constitution.

The MC will ensure that the participating Member States establish eligibility rules at programme level. The MC will select the operations in accordance with the approved selection criteria and the underlying methodology for assessment and selection. Further on the MC will have a supervisory function for the programme management, i.e. it will review regularly the implementation and performance of the programme based on indicators, performance reviews and evaluations and it may make observations to the MA if deemed appropriate. The annual and final implementation reports will be approved by the MC. Proposals for programme amendments will be presented by the MA to the MC for approval.

The MC will meet at least once per year.

Certifying Authority (CA)

The Certifying Authority (CA) acts in accordance with the Article 126 of Reg. (EU) 1303/2013 and bears the main responsibility for drawing up and submitting the payment applications to the European Commission (EC). The shared information basis of MA and CA will be the computerised (monitoring) system which also provides all necessary information on the execution of verifications by the FLC. Based on the financial information delivered through the system the CA will certify the annual account: in order to deliver the information requested by the EC in time, the MA, CA and AA will closely cooperate.

Due emphasis will be paid to ensure quick and full transfer of information between MA, CA and AA related to detected irregularities and recovery procedures. Adequate provisions in the management and control system ensure that information between CA and the Audit Authority (AA) is exchanged regularly and in case of the detection of irregularities. Based on the computerised (monitoring) system the CA will keep an account of the amounts recovered and withdrawn and will ensure respectively control the repayment of recovered funds.

Audit Authority (AA)

The single Audit Authority (AA) will act in accordance with Article 127 of Reg. (EU) 1303/2013 and Reg. (EU) 1299/2013. The AA is mainly responsible to perform system and sample audits in compliance with the relevant Regulations thereby taking internationally accepted audit standards into account. The audits will be performed on basis of an audit strategy. The AA will ensure that the audit opinion and the control report is delivered in due time to draw up the annual account.

Joint Secretariat (JS)

The JS supports the MA and the MC in their functions. The key task is the smooth implementation of the project cycle in the programme. This refers to all stages of the Cycle starting from guidance to applicants over selection and contracting procedures to monitoring project implementation and managing payment requests.

At the application stage the JS will ensure the provision of comprehensive information and consultation for applicants from both Member States. This will be done in close cooperation with the representatives of the regions. Information will be offered on the programme website, in information events and upon request in individual consultation meetings. The advice and information will be supported by comprehensive guidance documents.

As regards registration and assessment of applications the JS will be in charge of the registration of applications and perform the administrative (formal and eligibility) as well as the quality assessment. For the quality assessment the JS might be – where necessary – supported by regional experts.

The JS will be in charge of informing the potential beneficiaries about the results of the selection procedure. At the contracting stage the JS will prepare the draft ERDF contract as well as support the Austrian and Slovak institutions in the elaboration of co-financing contracts through the provision of data.

At the implementation stage the JS will assist beneficiaries in all tasks and requirements in order to safeguard an effective and efficient implementation. The key

function of JS at this stage is the management of payment requests. Throughout the programme period the JS will monitor the performance of projects.

Referring to programme management the JS will support the MA in particular in the set-up of the computerised (monitoring) system, the elaboration of the annual and final reports on implementation, the preparation and implementation of the communication strategy, and upon prior agreement between MA and AA the JS will also support the single AA in the fulfilment of its tasks (mostly through provision of data).

Project cycle

Guidance for applicants

Applicants may use the option to consult their project ideas or applications with the JS or the representatives of the participating regions.

- Burgenland represented by Regionalmanagement Burgenland
- Amt der Niederösterreichischen Landesregierung
- Magistratsabteilung 27 der Stadt Wien
- Bratislava region, department of Strategy, Regional Development and Project Management
- Trnava region

Guidance in writing will be provided in the Manuals which are available as downloads on the programme website.

Assessment and selection

- The JTS has the overall responsibility for carrying out the assessment of received applications and may consult regional experts on certain criteria. For the selection of projects for receiving assistance under the programme, the responsibility stays exclusively with the MC.
- The assessment process consists of three distinctive phases, each of them using a specific set of criteria: 1. Formal Check, 2. Eligibility assessment and 3. Quality assessment.
- During the assessment process the national authorities and organisations responsible for nature protection may be asked for their statement to clarify the impact of the operation on environment. Detailed provisions will be described in the other programme documents.
- Each application will be approved by consensus within the MC. During the selection process the MC should take into account and discuss JTS remarks. In case remarks can be clarified, the reasoning should be specified in the MC meeting minutes.

The lead partners get informed on the results of MC by the JTS which sends the decision on approval/disapproval to the lead partner. In case of conditions formulated by the MC the lead partners should submit required documents or the revised application form to the JTS complying with the conditions set by the MC

Selection criteria

The guiding principles for the selection of operations - as well as for the qualitative assessment by the JTS prior to selection - are based on the principles which have been applied in the 2007-2013 programming period:

- **Relevance of the contents for the programme** (focus on the intended activities and outputs)
- **Quality of methods, management and organisation** (logic of the project, approach and capacity for management)
- **Justification of budget** (economy, efficiency, transparency)
- **Regional dimension** (contribution to respectively coherence with key strategies at regional and national level)
- **Cooperation criteria** (synthesis of several aspects based on the four cooperation criteria as defined for the programme; at this stage the cooperation criteria will be considered from a qualitative perspective; the check whether the minimum requirements according to Article 12.(4) of Regulation 1299/2013 are met (i.e. that a minimum of three criteria is met and that joint development and implementation is among these criteria) will be checked as part of the formal and eligibility assessment)
- **Quality of partnership** (balance, capacity, policy relevance and potential outreach, potentialities for synergies)
- **Cross-border impact** (clear rationale and evidence for increased policy lever or effectiveness due to CBC approach)
- **Sustainability** (provisions for shared use after project end, synergies with other ongoing or planned major projects/initiatives)

The key instrument to ensure the compliance of the selected operations with the three horizontal principles, i.e. sustainable development, equal opportunities and non-discrimination and equality between men and women will be a comprehensive section in the quality assessment of the operations. In this case a thorough front-of-pipe check and eventual subsequent binding agreements related to improvement of the application are considered far more effective than end-of-pipe monitoring. However, the aspect will also be monitored during project implementation.

The quality check will be based on the guiding questions presented in the previous section. At this stage a thorough compliance check of the application with a view to the horizontal principles is most effective since:

- Potentially adverse impacts can be subject to clarification with the applicant in order to provide additional information to the MC prior to the selection procedure.
- The MC can react to potentially non-compliant elements of the application and consider it in decision-making since it is part of the assessment sheet provided by the JTS.
- Remedial action related to visible adverse impacts or neglect of horizontal principles can become a condition as part of the approval.
- Specific reporting duties can be anchored in the contractual agreements with the beneficiary and can be checked as part of the regular project monitoring (based on the regular progress reporting done by the beneficiaries).

The key elements of the compliance check – i.e. primarily the guiding questions the check is based on – will be presented and explained in the guidance documents for the applicants and beneficiaries in order to make sure that the requirement is visible and transparent.

Where assistance is granted from the Funds to a large enterprise, the Managing Authority shall assure itself that the financial contribution from the Funds does not result in a substantial loss of jobs in existing locations within the Union. In order to ensure that the requirement is met a plausibility check will be carried out by the Managing Authority and the JTS as part of the assessment of the operation.

Information to applicants

The applicant will be informed about the result of the selection procedure. The notification of the Monitoring Committee's decision for the applicants will explain eventual conditions and – in case of rejection – also the underlying reasons.

After the applicant has received the Decision on approval/approval with condition or disapproval of the project he can appeal against the Decision. The appeal procedure is defined in more detail in Slovak Act No. 292/2014 (par.22) – the procedure will also be outlined in the Manual for Applicants.

Procedure for the signature of the ERDF subsidy contract

The ERDF subsidy contract is concluded between the Managing Authority as providers of financial contribution and the applicant - the Lead Partner, whose application has been approved by the MC. After project approval the JTS elaborates the draft ERDF subsidy contract and forwards it to the Lead Partner. This draft contract is elaborated in triplicate and shall contain the signature and stamp of the Managing Authority. The Managing Authority shall determine the deadline for acceptance of the draft contract by the applicant.

On behalf of the Managing Authority the ERDF subsidy contract is signed by the Minister of Agriculture and Rural Development. The contract shall be signed after issuing the decision on approval (signed by minister) of the project and after the signing of the Partnership Agreement between the project partners.

The JTS checks the received signed original of the contracts and the electronic versions of the contract are inserted to the programme monitoring system.

Designation of financial control bodies

The body designated to carry out control task in Slovakia is the Ministry of Agriculture and Rural Development of SR. Designated controllers for Interreg V-A SK-AT are within the same body which is responsible for carrying out management verifications for cooperation programmes under the Investment for Growth and Jobs Goal. Controllers for Interreg V-A SK-AT and controllers for the programme under the Investment for Growth and Jobs Goal programme work within different departments in the same ministry. Controllers for four Interreg V-A programmes (SK-AT, HU-SK, PL-SK, SK-CR) are grouped in one ministry unit that is specialized for controlling the CBC projects.

In Austria, the bodies designated to carry out control tasks are the same as in the period 2007-2013:

- Regionalmanagement Burgenland, Abteilung Controlling
- Amt der Niederösterreichischen Landesregierung, Gruppe Raumordnung, Umwelt, Verkehr. EU Finanzkontrolle und Kreditverwaltung
- Magistratsabteilung 27 der Stadt Wien, Dezernat Ausgabenkontrolle

5.4 Apportionment of liabilities among the participating Member States in case of financial corrections imposed by the managing authority or by the Commission

Without prejudice to the Member States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid (according to Article 122(2) of the CPR), the Managing Authority shall ensure that any amount paid as a result of an irregularity is recovered from the Lead Partner. The Project Partners shall repay the Lead Partner the amounts unduly paid in accordance with the agreement existing between them (according to Article 27(2) of the Regulation (EU) 1299/2013).

Upon request of the responsible Member State which reimbursed the amount to the Programme budget, the Managing Authority shall provide to this Member State all relevant information concerning the claim of recourse against a Lead partner and/or a project partner or sole beneficiary within two months from the date of request.

If the Lead Partner does not succeed in securing repayment from other beneficiaries or if the Managing Authority does not succeed in securing repayment from the Lead Partner, the Member State on whose territory the beneficiary concerned is located shall reimburse the Managing Authority any amounts unduly paid to that beneficiary. The Managing Authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union (according to Article 273) of the Regulation (EU) 1299/2013.

For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the ERDF claimed to the European Commission for the period which forms the basis for the financial correction.

For technical assistance expenditure incurred by the MS the liability shall be borne by the MS concerned.

In the case of irregularities that result from the actions taken by the Managing Authority and/or the Joint Technical Secretariat, liability towards the European Commission and the Monitoring Committee shall be borne by the Member State hosting the Managing Authority. In case of irregularities caused by the body hosting and administering the JTS branch in Vienna the liability shall be borne by the host institution.

Detailed provisions on the division of responsibilities between the Member States in case of irregularities will be provided in the relevant programme documentation.

5.5 Use of the Euro

Not applicable.

5.6 Involvement of partners

Developing programmes according to the “partnership principle” is a distinct requirement by EU legislation. According to Article 5 of Reg. (EU) 1303/2013 the preparation of the cooperation programme should involve a partnership with competent regional and local authorities. The partnership shall also include the following partners: competent urban and other public authorities; economic and social partners; and relevant bodies representing civil society, including environmental partners, non governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non discrimination.

The main reason for involving stakeholders in programming is to identify mutual interests and needs, secure commitment and ownership for the programme and ensure its practical implementation.

The programme introduced a number of platforms for effective communication with relevant partners and stakeholders throughout the programming process.

The programming group for preparation of the programme for 2014-2020 was established in January 2012 and held 19 meetings. It encompasses primarily strategic partners for the cross-border cooperation at national and regional level, namely:

- From Slovak national level the Ministry of Agriculture and Rural Development and the Ministry of Finance and the Office of Government
- The five participating regions, i.e. Bratislava and Trnava self-governing regions in Slovakia as well as the Austrian Länder Burgenland, Niederösterreich and Vienna
- From Austrian national level the Austrian Federal Chancellery and Ministry for Labour, Social Affairs and Consumer Protection

All relevant partners involved in the preparation of the cooperation programme including bodies responsible for sustainable development, equal opportunities and non-discrimination are listed in chapter 9 (separate elements).

Representative of the European Commission were regularly invited and participated in the programming group sessions. For particular themes, ad-hoc/thematic sub groups have been used in order to support the work of the programming group.

Additionally, Slovak and Austrian regions (regional bodies) were responsible for ongoing surveys among social and economic actors in respective regions. This process served as important input into the programming, especially in identifying investment priorities, verification of demand for various types of activities and establishing the financial plan.

Within the framework of the preparation of the cross-border cooperation in 2014-2020, two bilateral events addressing competent regional, local, and other public authorities, economic and social partners, bodies representing civil society, including environmental partners and non-governmental organisations were organised. The events with distinct thematic focus were carried out in Hainburg on 30 April 2013 and in Senec on 14 May 2013 with participation of more than 200 persons. They offered a unique opportunity to discuss the programme strategy and priorities with a wide range of stakeholders during its development phase.

The list of participants of the stakeholder meetings at Kulturfabrik Hainburg/Austria and at Hotel Dolphin Senec/Slovakia is annexed.

The Strategic Environmental Assessment (SEA) of the programme was based on a public consultation process. A wider public in Slovakia and Austria had an opportunity to comment the programme, particularly taking into account the expected environmental impacts of implementation.

Representatives of relevant state administration and regional/local authorities as well as other socio-economic partners from both Member states actively participate in the implementation of the programme. They are members of the the Monitoring Committee, which among other tasks is responsible for approval of appraisal and selection criteria and selection of operations to be funded from the programme.

6 Coordination

Coordination in Austria

The overall coordination of ESIF in Austria falls within the competence of the Federal Chancellery which represents the fund corresponding resort for the ERDF. As the coordination function derives from regional policy as well as spatial planning, the execution takes place from the outset in close cooperation with the Länder. The institutional framework for the national coordination of cohesion policy takes place in the Austrian Conference on Spatial Planning (ÖROK), which is also responsible for the elaboration of the Austrian Partnership Agreement “STRAT.AT 2020”. This coordination efforts aim at ensuring the complementarity of ESI funds specific activities and avoiding overlaps.

The coordination platforms organised by the ÖROK for the ERDF are the Working Group “Managing Authorities” for the objective regional competitiveness and employment & convergence phasing out Burgenland, the Working Group “Cross-Border-Cooperation” (AG CBC) for the objective European territorial bilateral cooperation and the National Committee for transnational and network programmes. The AG CBC assures important linkages to other committees, enhances synergies and increases the visibility of Interreg V-A in other committees for structural funds. Through better information on existing concerns and possibilities of other ETC stakeholders it enables more rapid and better harmonized decisions. These three working groups are installed at the ÖROK Subcommittee on Regional Economy, which represents the central coordination committee for regional policy questions in Austria as well as their implementation.

The AG CBC consist of representatives of the Länder (“regional bodies”), managing authorities of the CBC programmes fulfilled by Austrian institutions, representatives of the Federal Chancellery and the federal ministries which are relevant for the implementation of Interreg V-A programmes (Ministry of Agriculture Forestry, Environment and Water Management, Ministry of Labour, Social Affairs and Consumer Protection, Ministry of Economy, Family and Youth, Ministry of Science and Research, Ministry of Education the Arts and Culture, Ministry of Transport, Innovation and Technology) as well as economic and social partners and a representative of the National Contact Point for transnational and network programmes. Thus, Ministries responsible for the national ESF and EAFRD programmes as well as some Priority Area Coordinators for the EUSDR are in direct exchange with the programme partners.

Coordination of the Interreg V-A Slovakia-Austria programme with the EAFRD-funded programme (“Österreichisches Programm für ländliche Entwicklung 2014 – 2020”) is an explicit task of the AG CBC.

As the working group is installed in the framework of the ÖROK, a close coordination with the Investment for Growth and Jobs Goal (IGJ) is ensured as well.

The main focal points of the AG CBC are:

- Co-ordination of perspectives, positions and contents on the role and tasks of cross-border-cooperation ETC programmes in the Austrian EU regional policy: ETC programmes and their anchorage in the partnership agreement “STRAT.AT 2020”, influence of national / macro-regional strategies on ETC programmes (need for co-ordination between cross-border and transnational strand), mutual information, co-ordination and exchange on the programming 2014-2020, project development and selection, etc.

- Recommendations for technical / administrative questions for programme and project implementation: Programme closure, evaluation, cross-programme implementation processes, etc.
- Co-ordination of information flows in Austria and to European processes.

In the framework of the strategic monitoring process of the Partnership Agreement "STRAT.AT 2020" all ESI funds and objectives will be considered be it in common events, seminars, studies, evaluations, etc. The strategic monitoring process will built upon the good experiences gained from the coordination mechanism of the implementation of the NSRF in the current structural funds period, the so called "STRAT.ATplus process". As regards contents, the process pursues the objective of promoting the exchange of experiences and reflection, as well as to generate practical impulses. This establishes a framework in Austria, which in addition to administrative and ESI funding-related issues, supports a content-based or dialogue-driven discussion for information, reflection and learning processes for all Austrian regional policy actors in charge. This coordination mechanism strengthens the strategic discussions, the interaction, exchange of experience and use of synergies among ESI funds.

Besides the coordination between ESI funds, the integration of EU co-financed bilateral measures in various policy fields on national and regional level is of importance. In this respect, the ÖROK takes over a "informative" role as both levels are integrated. However, the embedding of ESI co-financed measures in the (regional) development policy is in the competency of the Länder.

Furthermore, coordination with other union instruments relevant for policy areas concerned by the ERDF is important. In the programme area particularly HORZION 2020 and LIFE are relevant for the selected objectives of the programme.

In Austria HORZION 2020 will be accompanied in its implementation by the Ministry of Science and Research. The regional contact points (for the current 7th Framework Programme) are responsible for the coordination of RTDI policy and regional development strategies as well as for the embedding of the European research and development funding measures at the regional level. As a result of the preparation of the partnership agreement, the corresponding ministry intends to install a platform for responsible ESI funds actors and stakeholders of RTDI policy in Austria.

The LIFE programme will be accompanied by the Ministry of Agriculture Forestry, Environment and Water Management. The thematic objective 6 (environment and resource efficiency) will be addressed in the cooperation programme, where an adequate attention will be paid to the connection with LIFE. A representative of the Ministry of Agriculture Forestry, Environment and Water Management will participate in Monitoring Committee meetings to assure coordination with the LIFE programme.

In view of the described coordination mechanisms, the principle of proportionality has to be considered as the coordination between the cooperating two member states of the cross-border cooperation programme as such is challenging.

Table 48. Complementarities with Investing in Growth and Employment objective programmes in AT

Interreg V-A Slovakia-Austria		AT “Investing in growth and employment” objective programmes (only overlapping IPs are listed)		
Priority axis	IP	Programme	Priority axis	IP
PA 1 Contributing to a smart cross-border-region	1b	OP ERDF Austria	PA 1 RDTI	1b
PA 2 Fostering natural and cultural heritage and biodiversity	6c			
	6d			
PA 3 Supporting sustainable transport solutions	7c			
PA 4 Strengthening cross-border governance and institutional cooperation	11			

Coordination in Slovak Republic

In the programme period 2014-2020, the Slovak Republic will participate in cross-border cooperation programmes, which will be in the line with national and macro-regional strategies. The programming phase was used not only for the elaboration of the Partnership Agreement and operational programmes (OPs), but also for an assessment of potential overlaps and synergies between funding instruments. The Ministry of Agriculture and Rural Development in the function of the Managing Authority for the CP CBC Slovakia-Austria initiated bilateral meetings with representatives of programmes implemented under the *Investing in Growth and Employment Objective*. The complementarities between programmes were identified and mechanisms for coordination between actions agreed.

Cross-border cooperation programmes do not have the financial capacity to trigger off statistically significant socio-economic developments at macro level, but such programmes can contribute to positive changes in the lives of citizens and communities. The impact of investments into cross-border cooperation will be seen in improved quality of living, and it will derive mainly from improved functioning of public and private institutions located in the cross-border regions and a limited number of improved public infrastructures. Therefore, cross-border cooperation will concentrate on exploitation of endogenous potential in favour of balanced development of cross-border territories. Complementarity with EU and national programmes will be sought in the areas such as transport, environment, research and innovations, education, strengthening of institutional capacities and effective public administration.

A demarcation line with the OP Quality of the Environment 2014-2020 will be defined by SK bodies.

Table 49. Complementarities with Investing in Growth and Employment objective programmes in SK (draft version¹⁴)

Interreg V-A Slovakia-Austria		SK “Investing in growth and employment” objective programmes (only overlapping IPs are listed)		
Priority axis	IP	Programme	Priority axis	IP
PA 1 Contributing to a smart cross-border-region	1b	OP Research and Innovation	1 Support to research, development and innovations	1b
		OP Research and Innovation	2 Support to research, development and innovations in Bratislava region	1b
PA 2 Fostering natural and cultural heritage and biodiversity	6c			
	6d	OP Quality of Environment	1 Sustainable use of natural resources through development of environmental infrastructure	6d
PA 3 Supporting sustainable transport solutions	7c	Integrated Regional OP	1 Safe and ecologic transport in regions	7c
PA 4 Strengthening cross-border governance and institutional cooperation	11	OP Effective Public Administration	1 Strengthening of institutional capacities and effectiveness of public administration	11

In the field of nature conservation and biodiversity the links the Slovak OP Quality of the Environment need to be highlighted where complementarity in activities such as linking biocorridors by reducing barriers, support green infrastructure, support awareness raising and environmental education. Projects under Interreg V-A SK-AT are characterized by the focus on the creation, the enhancement of sustainable cross-border interconnectivity of ecological corridors. Moreover, the cross-border projects are characterized by their impact on target groups on the both sides of border. Given the financial allocation SK-AT cooperation programme cannot support large-scale investment activities; such investment will be supported under the OP Quality of the Environment.

The programme Interreg V-A will be open to support for mapping and monitoring of species and habitats but in contrast to the OP Quality of the Environment the cooperation programme will target only areas of cross-border relevance

Moreover, under the investment priority 6d) Interreg V-A SK-AT will support planning and pilot measures in order to harmonize flood protection and the ecological rehabilitation of river systems.

A representative of the Ministry of the Environment of the Slovak Republic will participate in Monitoring Committee meetings to assure coordination with the LIFE programme.

¹⁴ At the stage of drafting this programme, the Slovak programme on “Investing in growth and employment” has not been approved yet.

The Office of Government (Central Coordinating Authority - CCA), bearing the overall responsibility for the coordination of ESI Funds in Slovakia in the 2014-2020 period, will take a set of measures to foster better coordination:

- Active cooperation and provision of guidance in setting up the systems for implementation of operational and cooperation programmes in order to standardize procedures and eliminate potential risks. In the framework of monitoring as one of the tools for the management of ESIF in the period 2014-2020 the CCA will supervise to which extent the objectives of cohesion policy are met. The CCA will report to the Government on the implementation of ESIF and an implementation plan provided by the MA will be part of the report. The CCA will nominate a representative who will take part in MC meetings in the capacity of an observer.
- Establishment of the Working commission, which is supposed to support the coordination between the operational and cooperation programmes implemented under both objectives as well as other funding instruments. A member of the government being responsible for the coordination and absorption of ESIF will chair the Working commission, while representatives of the relevant institutions responsible for implementation of programmes will be members. The call documents and corresponding time schedules of OPs will be submitted on a regular basis for coherence checks to the Commission prior to publication. The chairman may request amendments at this but also at later stages of programme implementation.
- Regular reporting of the Commission's chair, i.e. to the relevant representative of the government, as well as to the government on the application of coordination mechanisms outlining the identified gaps and remedial actions.
- Fostering the establishment of working groups and expert groups as sub-groups to Monitoring Committees in order to discuss and agree upon concrete actions for efficient coordination.

Coordination with EAFRD-funded programmes

A characteristic feature of Programme Interreg V-A Slovakia-Austria is the cross-border dimension and the cross-border effects of the activities financed in the eligible area. This characteristic feature allows determining the demarcation line between cross-border programmes (covering rural areas) and national respectively regional programmes co-financed from EU funds.

In the rural areas measures supported under Priority axis 2 "Fostering natural and cultural heritage and biodiversity" might create synergies with the Rural Development Programme (RDP). The RDP in Slovakia will support also investment in forests and rural areas which is not directly related to production, inter alia, measures to strengthen the leisure function of forests, respectively rural areas (including marking/signposting, building and reconstruction of tourist tracks, cycling tracks, nature pedagogical and educational elements, rest stations, shelters, information boards, etc.), respectively building of small infrastructures. Similar investment can be also supported through activities of local action groups in the frame of LEADER-type actions. By interconnecting investment supported in the Slovak part of the programme region, it might be possible to achieve greater territorial effects (for example, forest tracks can lead to the supported activities and can serve to a greater number of tourists); or investment supported from RDP can be included e.g. in promotion documents and concepts developed and implemented as part of project in this programme. Owing to

options for such complementary actions mutual synergies between both programmes might be achieved.

Coordination between the Interreg V-A SK-AT Programme and the RDP will be strengthened also by the participation of the Ministry of Agriculture and Rural Development of SR (acting as the Managing Authority of the RDP programme) in the Monitoring Committee of the Interreg VA SK-AT programme.

7 Reduction of the administrative burden for beneficiaries

There is a mutual understanding among all stakeholders of programme administration that the administrative burden for beneficiaries is a disincentive for applicants and beneficiaries. However, the need to provide sound documentation for all – even minor – aspects of project cycle management is a requirement which will also govern this funding period. The quality of documentation has to be such that it allows for control and audit activities even after considerable time spans have passed.

Thus one has to acknowledge the fact that significant parts of documentation will be required during the implementation of this programme. The major need for documentation will again be related to the evidence to demonstrate the eligibility of cost. Efforts to reduce the administrative burden will be taken along the following main strategic lines:

Client-oriented guidance

- Sound manuals and ample guidance via internet phone, e-mail and in face-to-face meetings is a key point to support a targeted approach of the applicant respectively the beneficiary in order to avoid trial and error which in many cases leads to frustration for all parties involved
- Guidance of bodies involved in verification of expenditures (also called First Level Control – FLC) upon approval but before start of implementation will be intensified in order to prevent misunderstandings front-of pipe and to minimise time consuming clarification needs at later stages which impede verification procedures

Understandable and concise templates

- Use of more standardized forms in a user-friendly format which do not duplicate unnecessary information should help to save time; to the extent possible forms will be harmonised in order to support the work of actors involved in several programmes

E-Governance

- Guided and stepwise introduction of e-governance which will in a mid-term perspective reduce the need to submit documents in hard copy and electronic version

Simplified requirements for the eligibility of expenditures

- There is the intent to establish eligibility rules at programme level in accordance with the option foreseen in Regulation 1299/2013, Article 18; the basis for these rules will be the provisions of the Delegated Act (EU) 481/2014 – the ultimate aim of these rules is the reduction of the administrative burden for the beneficiary and the control bodies as well as transparency and legal certainty in order to avoid time-consuming end-of-pipe repairs in projects
- With due attention to the provisions in Regulation 1303/2013 (in particular Articles 67 and 68) some of the options for simplifications in the verification of expenditures which are now possible according to regulations and delegated acts will be introduced – in particular those related to staff and overhead cost as cost categories which have entailed a significant workload in terms of documentation on the one hand and disproportionate efforts in verification on the other hand
- These simplifications would reduce the work burden for control bodies and beneficiaries thus reducing the work time and cost imposed by control routines

for all parties involved; at the same time simplifications which are communicated properly and adequately anchored in all relevant programme documents provide more legal certainty for beneficiaries

The Managing Authority will do all necessary steps in order to safeguard that the measures under these strategic lines become effective as soon as possible. The first two items, i.e. consultation offer and user-friendly templates should be effective at the start of the programme implementation, whereas e-governance and simplifications of the control regime will become effective at a later stage, i.e. in 2016.

8 Horizontal principles

8.1 Sustainable development

The principle of sustainable development at programme level will be based on the provisions in the Partnership Agreements of the Slovak Republic and Austria. The overarching objective according to the principle is to ensure that growth is social and inclusive and takes environmental sustainability and the protection of the environment into account.

The Common Provisions Regulation (CPR, Article 8) states: *“Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity and ecosystem protection, disaster resilience and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes.”*

Important sources to systematically consider the sustainable development principle in the programme preparation phase are the Strategic Environmental Assessment (SEA) and the ex-ante evaluation.

The purpose of the SEA is to *“provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development.”*

The ex-ante evaluation verifies the adequacy of planned measures in the programmes to promote sustainable development. The SEA process was introduced in parallel to the ex-ante evaluation, and main findings were incorporated into the ex-ante report.

At the operational level the following aspects should be considered during programme implementation (indicative list to be considered if applicable):

- Selection of investment-related projects in view of highest resource efficiency and sustainability
- Prevention of investments with considerable negative environmental and climate effects
- Develop a long-term perspective when comparing life-cycle costs of various investment options
- Increased use of sustainable procurement (green public procurement).

According to the SEA report networking activities across investment priorities should consider ecological event management (e.g. taking into account mobility behaviour of the participants, choice of a centrally located venue, sustainable catering and accommodation). Moreover the possibility should be examined to use virtual meetings as substitute for some of the physical meetings to limit negative environmental effects.

The assessment of the quality of the eligible project proposals should be based on a set of quality criteria which are common to all priority axes and investment priorities (see the provisions in chapter 5.3 on the selection of operations)

As a technical tool for the assessors the following aspects should to be considered in project selection (indicative list to be considered if applicable):

- Contribution to energy efficiency, renewable energy use and reduction of greenhouse gas (GHG) emissions

- Contribution to efficient water supply, waste-water treatment and water reuse
- Application of green public procurement in a systematic manner
- Contribution to efficient waste management, re-use and recycling
- Contribution to the development of green infrastructures including Natura 2000 sites
- Contribution to reduced transport and mobility-related air pollution
- Contribution to sustainable integrated urban development
- Contribution to enhanced awareness of adaptation to climate change and risk prevention
- Contribution to more employment opportunities, education, training and support services in the context of environment protection and sustainable development

The estimated decrease of greenhouse gas emissions, the increase in energy efficiency and in renewable energy production are EU 2020 headline target indicators and should be monitored across supported operations (if applicable).

The process of monitoring will be based on progress (activity) reports at project level. These reports summarise the activities and the results at project level and allow for an assessment to which extent projects might contribute to the principle of sustainable development. In critical cases (i.e. in case of certain activities or vulnerable areas or large projects with substantial investment elements) on-spot verifications will be undertaken by the MA/JTS. Thus the actual contribution of such projects will be assessed.

In Slovakia the Office of Government is in charge of the analysis and the underlying methodology for the monitoring of the contribution to the principle of sustainable development. The MA will support the Office of Government with data and results of the above mentioned monitoring at programme level.

8.2 Equal opportunities and non-discrimination

The Common Provisions Regulation (Reg. (EU) 1303/2013, Article 7) states: *"Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the preparation and implementation of programmes."*

Non-discrimination covers not only women (and men), but any discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation. While anti-discrimination legislation is an acquired aspect of EU legal systems, the practical implementation of anti-discrimination practices is lagging behind. In terms of equal access to ESI funding this could mean, for example, that ESI funded tourism projects are not accessible to people with disabilities (and that nobody checks whether they are) or that people with a migrant background do not have equal access to e.g. business-related funding because they do not have access to the information on the funding or do not know how to apply. Equal access to information and an adequate system of checking whether equality and non-discrimination requirements are being met are an issue.

The European Commission leaves the implementation of the principles of equal opportunities and non-discrimination in the programming and implementation up to the Member States.

In the preparatory phase of the cooperation programme, the MA provided a wider public, including organisations promoting equal opportunities and non-discrimination, with the opportunity to comment on the content of the programme.

In order to adequately implement the horizontal principles of equal opportunities and non-discrimination the following issues should be taken into account and the following non-exhaustive list of questions can be asked:

- **Project selection:** The principle of equal access is essential for this point. Related question are, for instance: Are different social groups adequately informed of the availability of funding? Are there barriers in terms of how the projects/measures are promoted (e.g. where they are advertised, language etc)? Were special needs of people with disabilities considered during the conception of measures (e.g. eligibility of costs for barrier free solutions)? Is equal access taken into account in the selection criteria for projects? Are projects required to demonstrate their equal opportunity procedures? Equality checklists and questionnaires for the project promoters could be developed. For the fulfilment of equal opportunity and non-discrimination criteria bonus points could be introduced.
- **Project realisation and project implementation:** Are project promoters aware of non-discrimination issues? Have equal opportunity targets been set? Have equal opportunities trainings or diversity management courses been considered? Is childcare available? Are the measures accessible to all in terms of location (e.g. accessible by public transport) and infrastructure (e.g. wheelchair access)?
- **Monitoring:** Are relevant indicators planned and used in order to be able to judge to what extent equal opportunity principles have been respected? Have the relevant stakeholders (NGOs, associations, equal opportunity officers etc.) been involved in the Monitoring Committees? In order to measure the progress of the promotion of equal opportunities and non-discrimination, the involvement of potentially discriminated groups should be considered in monitoring and evaluation planning. If data protection laws allow it, the number of minority groups (migrants, people with migrant backgrounds, Roma, ethnic minorities etc) participating in measures could be counted.
- **Evaluation:** The topic of equal opportunities and non-discrimination and the way the programme contributes to these principles should be taken into consideration.

In practice, each project will be subject to the verification of compliance with equal opportunities and non-discrimination principles defined in EU and national legislation within the assessment and selection procedure. In order to increase the efficiency of the implementation of these principles, internal and external assessors will participate in a special training on this issue. Compliance with equal opportunities and non-discrimination will be part of the assessment criteria (see chapter 5.3 on the selection of operations).

8.3 Equality between men and women

The aim of equality between women and men is part of the fundamental values of the European Union. Article 3 of the Treaty of Lisbon sets out that the Union shall “*combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child*”.

The elimination of inequalities and the promotion of equality between women and men are also included in the consolidated version of the Treaty on the Functioning of the European Union.

These fundamental values must be respected in the implementation of the ESI Funds of the European Union as stated in the Reg. 1303/2013: “*Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective is promoted in the preparation and implementation of programmes*” and that the “*Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes*”.

The following issues should be taken into consideration and the following non-exhaustive list of questions should be asked:

- **Project selection:** Gender mainstreaming means making sure that the principles of equal access are actually applied. Important questions are, for instance: Is gender mainstreaming taken into account in the formulation of the selection criteria for projects? Is a gender expert involved in any stages of the process? Do projects have to demonstrate their equal opportunity procedures?
- **Gender budgeting** takes this approach one step further to ensure the fair distribution of EU funding to women and men by looking at expenditure on women and men and the types of measures being funded. Relevant questions can be, for instance: Are women and men benefiting equally from high-quality measures? Or does a significant number of women take part in cheaper, shorter measures while men take part in more expensive, longer measures?
- **Project realisation and project implementation:** Are project promoters aware of gender and non-discrimination issues? Which significance is given to the gender perspective in the projects? Have gender and equal opportunity targets been set? Has training been considered? Is childcare available? Are the measures accessible to all in terms of location (e.g. accessible by public transport)?
- **Monitoring:** Are the relevant indicators planned and used in order to be able to judge to what extent gender and equal opportunity targets have been reached? In order to measure the progress of the promotion of equality between women and men and non-discrimination, the involvement of women and men and potentially discriminated groups should be considered in the monitoring and evaluation planning. Basic features of ‘gendered’ monitoring include:
 - counting the number of women and men participating in measures
 - counting the number of women and men benefiting from funding
 - calculating how much support and for which measures women and men are receiving funding (broken down by types of measure)

Without indicators broken down by gender, the equal distribution of funding will be impossible to evaluate at a later stage. Therefore, it is proposed to include the monitoring and evaluation measures with respect to gender equality and non-discrimination in the Evaluation Plan (EP).

- **Evaluation:** Have output and financial indicators been set in the programme? Have the necessary steps for monitoring been prepared in the EP? What is the specific contribution of the programme to promote equality between men and women?

In practice, each project will be subject to the verification of compliance with equal opportunities and non-discrimination principles defined in EU and national legislation within the assessment and selection procedure. In order to increase the efficiency of the implementation of these principles, internal and external assessors will participate in a special training on this issue. Compliance with equal opportunities and non-discrimination will be part of the assessment criteria (see chapter 5.3 on the selection of operations).

9 Separate elements

9.1 Major projects to be implemented during the programming period

Not applicable

9.2 Performance framework of the cooperation programme

Table 50. Performance framework (summary table)

Priority axis	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
1	Financial indicator	Total funding certified to EC for Priority axis 1	EUR	3,010,363 (13%)	23,156,638
1	Key implementation step	No of contracted projects (1b)	Number	4	9
1	Output indicator (ID 1b.1.2)	No of jointly developed major products & services related to research & innovation	Number	0	5
2	Financial indicator	Total funding certified to EC for Priority axis 2	EUR	4,254,824 (13%)	32,729,412
2	Key implementation step	No of contracted projects (6c)	Number	6	16
2	Output indicator (ID 6c.1.2)	No of jointly developed major products & services related to cultural & natural heritage development (6c)	Number	0	16
2	Key implementation step	No of contracted projects (6d)	Number	4	8
2	Output indicator (ID 6d.1.2)	No of jointly developed major products & services related to ecological networks and green infrastructures (6d)	Number	0	8
3	Financial indicator	Total funding certified to EC for Priority axis 3	EUR	764,559 (6.7%)	11,358,824
3	Key implementation step	No of contracted projects (7c)	Number	3	7
3	Output indicator (ID 7c.1.2)	No of jointly developed major products & services related to environment-friendly and low-carbon transport systems (7c)	Number	0	7
4	Financial indicator	Total funding certified to EC for Priority axis 4	EUR	2,168,856 (13%)	16,683,505
4	Key implementation step	No of contracted projects (11)	Number	4	13

Priority axis	Indicator type	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
4	Output indicator (ID 11.1.2)	No of jointly developed major products & services related to institutional cooperation, integrated frameworks and planning tools	Number	0	8
Total (PA 1 - 4)		Total funding certified to EC	EUR	10,198,600	83,928,379
		No of contracted projects	Number	21	53

9.3 Relevant partners involved in the preparation of the cooperation programme

The following partners participated in the preparation of the SK-AT cooperation programme as members of the Programming Group:

- Ministry of Agriculture and Rural Development of the Slovak Republic
- Office of Government of the Slovak Republic
- Ministry of Finance of the Slovak Republic
- Ministry of Economy and Labour of Austria
- Federal Chancellery of Austria
- Bratislava region
- Trnava region
- City of Vienna, Magistrat der Stadt Wien, MA 27 - Europäische Angelegenheiten, Dezernat für EU-Förderungen
- Burgenland, Regionalmanagement Burgenland GmbH
- Lower Austria, Amt d. NÖ Landesregierung, Abt. Raumordnung und Regionalpolitik, Geschäftsstelle für EU-Regionalpolitik
- Association of Slovak towns and municipalities

Institutional bodies which were consulted during programme preparation in Slovakia (including bodies responsible for sustainable development, equal opportunities and non-discrimination)

- City of Bratislava (Environmental department)
- City of Trnava (Environmental department)
- Ministry of education, science, research and sport of the Slovak republic (Department of environmental assessment)
- Ministry of Environment of the Slovak republic (Section of the nature conservation and landscape management)
- State nature protection of the Slovak republic
- Ministry of transport, construction and regional development of the Slovak republic (Department of transport infrastructure development)

Institutional bodies which were consulted during programme preparation in Niederösterreich (including bodies responsible for sustainable development, equal opportunities and non-discrimination)

- Büro Landesrat Mag. Schwarz
- Abteilung Landesamtsdirektion-Europareferat
- Land NÖ, Abteilung Raumordnung und Regionalpolitik
- Land NÖ, Abteilung Umweltwirtschaft und Raumordnungsförderung
- Land NÖ, Abteilung Naturschutz
- Land NÖ, Abteilung Gesamtverkehrsangelegenheiten
- Land NÖ, Abteilung Kunst und Kultur
- Kulturvernetzung Niederösterreich
- Land NÖ, Abteilung Wissenschaft und Forschung
- Land NÖ, Abteilung Landesstraßenbau
- Land NÖ, Abteilung Wirtschaft, Tourismus und Technologie
- ecoplus - NÖ Wirtschaftsagentur GmbH
- Land NÖ, Abteilung Landwirtschaftsförderung
- Agrarbezirksbehörde St. Pölten
- Land NÖ, Abteilung Allgemeine Förderungen F3, Frauenreferat
- Land NÖ, Abteilung F3 Arbeitnehmerförderung
- Land NÖ, Abteilung Kindergärten und Schulen
- Land NÖ, Abteilung Wasserwirtschaft
- NÖ Landesakademie
- Wirtschaftskammer Niederösterreich
- NÖ Landesklinikenholding
- Regionalmanagement Niederösterreich, RM-Büro Waldviertel
- Regionalmanagement Niederösterreich, RM-Büro Weinviertel
- Regionalmanagement Niederösterreich, RM-Büro Industrieviertel
- Regionaler Entwicklungsverband Weinviertel - Europaregion Weinviertel
- Regionaler Entwicklungsverband Industrieviertel
- Energie- und Umweltagentur Niederösterreich (ENU)
- Industriellenvereinigung Niederösterreich

Institutional bodies which were consulted during programme preparation in Burgenland (including bodies responsible for sustainable development, equal opportunities and non-discrimination)

- Umweltanwalt Burgenland
- Amt der Burgenländischen Landesregierung - Landesamtsdirektion
- Land Burgenland - Büro Landeshauptmann
- alle mit der Programmerstellung EFRE, ESF und ELER befassten Stellen (Parallelprozess)

Institutional bodies which were consulted during programme preparation in Vienna (including bodies responsible for sustainable development, equal opportunities and non-discrimination)

- Geschäftsgruppe - Bildung, Jugend, Information und Sport
- Geschäftsgruppe - Finanzen, Wirtschaftspolitik und Wiener Stadtwerke
- Geschäftsgruppe - Gesundheit und Soziales
- Geschäftsgruppe - Integration, Frauenfragen, KonsumentInnenchutz und Personal
- Geschäftsgruppe - Kultur und Wissenschaft
- Geschäftsgruppe - Stadtentwicklung, Verkehr, Klimaschutz, Energieplanung und BürgerInnenbeteiligung
- Geschäftsgruppe - Umwelt
- Geschäftsgruppe - Wohnen, Wohnbau und Stadterneuerung
- Hafen Wien
- MA 18 - Stadtentwicklung und Stadtplanung
- MA 19 - Architektur und Stadtgestaltung
- MA 20 - Energieplanung
- MA 22 - Umweltschutz
- MA 23 - Wirtschaft, Arbeit und Statistik
- MA 25 - Stadterneuerung und Prüfstelle für Wohnhäuser
- MA 31 - Wiener Wasser
- MA 42 - Wiener Stadtgärten
- MA 45 - Wiener Gewässer
- MA 48 - Abfallwirtschaft, Strassenreinigung und Fuhrpark
- MA 49 - Forstamt und Landwirtschaftsbetrieb der Stadt Wien
- Magistratsdirektion Baudirektion - Gruppe Planung
- Magistratsdirektion Baudirektion - Gruppe Umwelttechnik
- Magistratsdirektion Baudirektion - Strategische Energieangelegenheiten
- Stadtschulrat für Wien
- TINA VIENNA Urban Technologies & Strategies GmbH
- Wiener Linien
- Wiener Stadtwerke
- Wiener Wissenschafts-, Forschungs- und Technologiefonds
- Wirtschaftsagentur Wien – Cluster Wien
- ZIT Zentrum für Innovation und Technologie GmbH
- EUSDR PAC10 Geschäftsstelle
- departure-die Kreativagentur der Stadt Wien
- Fonds Soziales Wien

During the **public consultation two events** with thematic focus were carried out in Hainburg on 30 April 2013 and in Senec on 14 May 2013 with a participation of more than 200 persons from Slovakia and Austria.

They offered a unique opportunity to discuss the cooperation programmes' strategy and priorities with a wide range of stakeholders during its development phase.

A high proportion of participants came from regional, local, and other public authorities. In addition, participants came from the following areas: regional development agencies in the fields of regional management structures, cluster organisation, environment, SME development, innovation, culture, tourism, mobility; social and economic partners; Non-profit organisation, NGO; private companies and consultants; research institution, universities and education; and other types of organisations.

The list of participants of the stakeholder meetings at Kulturfabrik Hainburg/Austria and at Hotel Dolphin Senec/Slovakia is annexed.

Details on participating type of organisations are given in the following table.

Table 51. Participation at public consultation events according to type of organisation

Type of organisation	Total no of person per type of organisation (Hainburg, Senec)	%
National public authority	17	8%
Regional or local public authority	61	29%
Other public or equivalent body (e.g. regional development agency, cluster organisation, environmental agency, SME development agency, Regionalmanagement, innovation centre, culture agency, tourist agency)	32	15%
Social and economic partners (e. g. ÖGB, Arbeiterkammer)	7	3%
Non-profit organisation, NGO	25	12%
Private company, consultancy	31	15%
Research institution, university, FH	17	8%
Other type of organisation (RECOM, Energiepark; JTS, Naturparke, international organisation)	17	8%
Total	207	100%

Source: participation lists

9.4 Applicable programme implementation conditions governing the financial management, programming, monitoring, evaluation and control of the participation of third countries in transnational and interregional programmes through a contribution of ENI and IPA resources

Not applicable.

10 Annexes (uploaded as separate files)

Uploaded to the electronic data exchange system as separate files

A	Final report of the ex-ante evaluation, with an executive summary (mandatory)
B	Confirmation of agreement in writing to the contents of the cooperation programme (mandatory)
C	NUTS-3 regions covered by the cooperation programme; map of the area

01	Description of the Cooperation Programme
02	List of participants of the stakeholder meeting at Kulturfabrik Hainburg/Austria, 30 April 2013; 09:30
03	List of participants of the stakeholder meeting at Hotel Dolphin Senec/Slovakia, 14 Mai 2013; 09:30
04	Methodological note on programme specific result indicators
05	Documenation of the performance framework

Cooperation Programme

INTERREG V-A Austria - Hungary 2014-2020

Final draft

(adopted by the Programming Group on 14/10/2014)

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SECTION 1 STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION

(Reference: Article 27(1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council and point (a) of Article 8(2) of Regulation (EU) No 1299/2013 of the European Parliament and of the Council)

1.1 Strategy for the cooperation programme's contribution to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion

1.1.1 Description of the cooperation programme's strategy for contributing to the delivery of the Union strategy for smart, sustainable and inclusive growth and for achieving economic, social and territorial cohesion

1.1.1.1 The aim of the cooperation programme

European Territorial Cooperation programmes contribute to the overall – economic, social and territorial – cohesion of the EU. They want to create a common identity, an integrated physical space, a balanced development and improved policies and governance. For this, cross-border cooperation programmes aim to tackle common challenges identified jointly in the border regions. The focus is to strengthen cooperation structures in defined areas which are linked to the fields of activity of EU priorities. As the number of cooperating players is limited the programme tries to concentrate on areas with sufficient institutions and enough potential for cooperation.

The strategy is based on the following European documents:

- Europe 2020
- Territorial Agenda of the European Union 2020
- Commission's legislative package for the new Cohesion policy
- 5th Report on Economic, Social and Territorial cohesion,
- Regional challenges in the perspectives of 2020 – Regions 2020

Due to its dimension the programme will not create a large-scale financial impact. Therefore its objective is to prepare strategic action and pilot projects in fields such as the improvement of poor accessibility or inappropriate business environment, the lack of networks among local and regional administrations, environmental pollution or risk prevention. A second focus is to exploit the untapped potentials in the border area and to concentrate on issues close to the needs of the population in the border region.

1.1.1.2 The situation in the programme area

The programme area covers the Austrian NUTS 3 regions Nordburgenland, Mittelburgenland and Südburgenland, Niederösterreich Süd, Wiener Umland/Südteil, Wien, Graz and Ost-steiermark and the Hungarian NUTS3 regions Győr-Moson-Sopron, Vas and

Zala, which, in combination, form the NUTS2 region Western Transdanubia. The core programme area remained in large part the same as in 2007 – 2013, with the addition of the metropolitan area of Graz being the only exception. Graz is an important transport hub and impulse centre in the southern part of the programme region.

- The region consists of a broad variety of **urban agglomerations**, small- and medium-sized towns and several rural communalities. The largest cities¹ in the region are Wien (1.7 Mio. inhabitants), Graz (265 318), Győr (131 267), Szombathely (79 590), Zalaegerszeg (61 970), Sopron (60 755), Nagykanizsa (49 850), Wiener Neustadt (41 537), Mosonmagyaróvár (32 493) and Baden (25 142).
- The region shows a **distinct north-south-divide**. While Wien and its surroundings have grown over the last decade (overall due to migration from other parts of the programme region and from outside), the regions of Südburgenland and Oststeiermark have stagnated, and the Hungarian regions Vas and Zala have lost over 4% of their population. Only Graz and its urban hinterland differ positively from this trend in the south.
- There are **positive demographic trends in the northern** part of the region: A growing population and migration into the area have positive effects on the labour market and generate demand for higher level of services (eg. higher education, health and wellness, spas) and for quality products (eg. organic food products). Urban areas are continuously becoming more attractive to inhabitants due to pull-factors such as job opportunities, good infrastructure, better access to social services and health care as well as education.
- At the same time, the **southern region (aside from Graz)** is characterized by rural areas with numerous small villages which face **decreasing population** and emigration. The trend of an ever ageing population threatens to accelerate this phenomena.
- Especially Mittel- and Südburgenland and the counties of Vas and Zala are confronted with **disadvantages because they are less accessible**.
- The demographic trends and the spatial structure is also reflected by the **economic performance** of the border region. Combined, **the northern regions** comprise one of **the strongest economic regions of Europe**. In comparison, the region of Mittel- and Südburgenland, as well as the Hungarian counties achieves less than 80% (GDP per capita - PPS) of the European average. The greatest gap can be observed between the Austrian regions Wien, Wiener Umland and Graz on one hand and the Hungarian counties of Zala and Vas on the other hand. Additionally, the negative impact of the economic crises was considerably larger on the Hungarian side of the border region than on the Austrian side.
- The great variety of ecosystems and the rich natural heritage has led to the creation of a considerable **number of nature parks and national parks (NP)** such as the NP and world heritage site Neusiedler See/Fertő tó or the wetlands of Danube and Drava. Moreover, there are numerous sensitive areas, Natura 2000 and protected areas, all

¹ Source: Statistik Austria, 2012; Központi statisztikai hivatal, 2011

contributing substantially to Europe's biodiversity.

- An important specificity of the programme area stems from the fact that cross-border economic and social relations exist not only in the field of tourism, education, production and workforce availability, but also in territorial supply chain systems (logistics).

For more detailed information about the programme area, please see the regional analysis in the annex.

1.1.1.3 Needs related to enhancing the competitiveness of small and medium enterprises (Thematic objective 3)

European, national and regional policy context

One of the aims of **EU 2020** strategy is to focus on "Smart growth". In order to ensure the diffusion of technology across the EU territory, Member States will need to reform national and regional research and innovation systems to foster excellence and smart specialisation in the economy and to reinforce cooperation between universities, research and business institutions.

The **National Reforms Programmes (NRP)** of both member states put a strong emphasis on R&D. The Austrian NRP emphasises the importance of investment in research, development and innovation and sets the target of 3.76% in 2020 compared to 2.76% in 2010. The Hungarian NRP sets a similarly challenging target, however, against a less developed background in this field: the mere 1.16% of 2010 GRD shall reach 1.8% by 2020, marking a 55% increase.

The **Hungarian Partnership Agreement 2014-20** sets the aim of smart growth in its priority 1 (Improving the competitiveness and global performance of the business sector) and also priority 2 (Increasing the level of employment through economic development, employment education and social inclusion policies...).

Austria's Partnership Agreement **StratAT 2020** amongst others aims at new T&I Initiatives and Enterprises, new job opportunities also in the rural areas, strengthening integrated regional development and strengthening the innovation capacity of the government and the institutions.

The Austrian **Strategy for Sustainable Development (NSTRAT neu)** sets amongst others cross-sectoral fields of action like stability, resilience and innovative ability, local and spatial development.

The macro-regional **EU Strategy for the Danube Region (EUSDR)** is targeting competitiveness issues setting out actions to develop the Knowledge Society and to support the competitiveness of enterprises, to invest in people and skills and to step up institutional capacity and cooperation.

Focusing the programmes' activities on thematic objective 3, further the programme

- contributes to two of the four strands of the **Hungarian National Strategy for Innovation 2020** ("Developer Hungary", "Creative Hungary")
- contributes to general development directions of the **National Development Concept of Hungary** (developing economic relations (cross-border business relations and infrastructures, SME- cooperation, job creation, research and

development, innovation) and to development directions for **Győr-Moson-Sopron** (improving the structure and conditions of the economy: developing local economy; supporting local innovations; development of SMEs; tourism development; improving the conditions of agricultural production; renewal of the food processing industry by taking specific regional and environmental issues into consideration), for **Vas** (establishing regional brands in the tourist sector; supporting cross-sector and cross-border economic development; employment and training cooperation as well as supporting the formulation of economic clusters; strengthening local economic development activities; increasing the value of locally produced food in the interior peripheral regions based on internal resources) and **Zala** (improving conditions of agricultural production and integration; supporting rural subsistence economy; local markets, local food processing and village tourism).

- contributes to the aims of **Research, Technology and Innovation Strategy Wien** (enhancing the number of international RTI-co operations with CENTROPE-Partners; increasing the participation at the EU Framework Programme at least to 200 Viennese SMEs), to the aims of the **RDI Strategy for Niederösterreich** (thinking and acting supra-regional: focus on cooperation) and the **Economic Strategy for Niederösterreich 2015** (high economic development; maintaining and developing high quality jobs; positioning Niederösterreich as sustainable and attractive business location; enhancing key qualifications in the field of management; natural science and technology; establishing sustainable and social responsible economic activities; speeding up corporate growth and enabling better networking of enterprises).
- is supported by the **Provincial Development Plan Burgenland 2011** (Sustaining regional identity and diversity, developing cooperation as added value, Using and developing know-how and research as economic capital) and the **Economic Strategy Steiermark 2020** “Growth through Innovation” (Focus on future-oriented subjects with growth-potential and supporting enterprises (innovative businesses, business starters) as well as new qualification opportunities that emerge from latest demographic development).
- contributes to the **Regional Development Strategy 2014-2020 West Transdanubia** which is based on development concepts of the 3 Hungarian counties and focuses also on economy and innovation
- contributes to aims of the ‘**RIS Navigator**’ **Western Transdanubian Region Innovation Strategy**” (improving the competitiveness of the innovative enterprises in the region).

Characteristics

The Austrian – Hungarian programme region is characterized by a considerable innovation gap. According to the Innovation Scoreboard, Austria is classified into the “Innovation Follower” group, Hungary into the group “Moderate Innovator”. In regional terms (Regional Innovation Scoreboard 2012) the Hungarian counties are classified into the group of “Modest Innovators”, which is the lowest-ranked category (albeit in the sub-group with “high” marks), while Wien, Burgenland and Niederösterreich belong to the group performing best (Innovation Leaders) and Steiermark to the second best group of Innovation Followers(sub-group marked “high”).

The programme region has a high share of SMEs, which could be a stabilizing factor of the regional economic system, if they are competitive. Regarding the economic competitiveness index², Austria (65.9) is above the EU27 average (54.7), while the Hungarian performance still has room for improvement (34.5).

The regional competitiveness is strongly connected to the local businesses' access to innovation. In the programme region, however, due to small size and lack of capital the regional SMEs' access to research and research results is rather limited and often hampers their ability to introduce innovative technologies.

Over the last decade regional innovation systems have become a more prominent topic in the region and thus, activities in this field have been increased. Centres for innovation and applied research were established in Eisenstadt, Güssing, Jennersdorf, and Wiener Neustadt and in Győr, Sopron and Szombathely. But the region's most prominent research institutions and universities are concentrated in its urban centres and its surroundings (Wien, Graz), having weak links to research and innovation institutions or networks in the other, less central parts of the programme region, and being even less developed across the border. Thus, there is a need for more and strengthened cross-border linkages between the prominent universities and R&D institutions and the existing or evolving regional research and innovation infrastructure.

Key drivers of sector oriented economic development and an important support for SMEs are the industry clusters. Altogether there are 38 clusters in the border region, covering following key areas: automotive and mechatronic, IT development, (renewable) energy, logistics, wood processing, local products and wellbeing – thermal spa tourism³. But so far, most of the clusters do not operate across the border, even though the sectors covered are similar.

In Hungary, export oriented industries, especially the vehicle and car components industry, have been quite dynamic. The **West Pannonian Regional Industry Development Strategy 2020** has been developed to maximise the attractiveness of the area for investors of the automotive sector - especially around the "triangle" of the cities of Zalaegerszeg-Szombathely-Szentgotthárd. The developing activities of various companies of this sector may open up opportunities for innovative local SMEs. But these SMEs are often quite fragile due to weak local embeddedness and high price sensitivity and could especially profit from activities that support their capacities to innovate,

Despite dynamic development in some sectors, there is a strong need to support start-ups in the programme region. The Hungarian counties have the lowest ranking in the EU Regional Entrepreneurship and Development Index⁴, regarding both individual attitudes and regional context. The Austrian programme region has the highest (individual attitudes) or the second highest (regional context) ranking, but here almost one third of newly founded companies do not survive the first three years. In West-Transdanubia it is even worse, and almost half of the start-ups do not survive the third year.

² Source: EU Country fact sheets Austria and Hungary, DG Regio 2013; values range between 0 and 100

³ Source: Regional Analysis/SWOT of the CBC Programme Austria – Hungary 2014-2020, 2013

⁴ Source: panorama inforegio 49, 2014

With regard to the labour market the following aspects are significant in the programme region and have a considerable impact on the performance of SMEs:

As with research and development, Wien also plays a dominant role for the region's labour market, attracting a high number of commuters from Austrian and Hungarian adjacent areas. Generally, the number of Hungarians working in Austria still rises. While the Austrian part of the programme region and especially Burgenland – every fifth employee is from abroad - has benefited from the availability of this qualified and comparably cheap labour, the Hungarian counties suffer from a brain-drain and increasingly lack skilled personnel (e.g. in tourism-related and health-related services, construction or engineering). This in return leads to rising wage levels in the Hungarian border region, threatening the survival of SMEs in the sectors concerned.

Additionally, especially Vas and Zala suffer from high unemployment rates (around 10%, with more than 50% being long-term unemployed), while the youth unemployment rate is dramatically high in the whole of West-Transdanubia (around 20% in 2012).

Challenges and needs for cooperation

Networking and knowledge transfer for better innovation capacity and competitiveness

- Networking is a tool to bridge the innovation gap between Austria and Hungary, by strengthening the cooperation of innovation poles of Wien and Graz with Hungarian institutions and universities. Special emphasis is put on strengthening links in the southern parts of the region (Zalaegerszeg and Szombathely-based universities and businesses with institutions located in the innovation pole Graz). This cooperation is essential for these towns, as they lack critical size both in terms of economy and inhabitants.
- In order to improve the access of SMEs to R&D results and their ability to innovate, there is a need for increased cooperation between research institutions and clusters, SME networks or SMEs.
- In order to use synergies there is a need for cross-border cooperation in and among clusters.

Support to SMEs for increasing entrepreneurship and improving survival rates of start-ups

- In both countries the development and competitiveness of SMEs is supported by various intermediary organisations (e.g. labour market institutions, trade associations). However, the effectiveness of these organisations varies throughout the border region and their cross-border cooperation is mainly based on projects. There is a need for more continuous cross-border cooperation, which enables institutional level learning and allows for joint measures that provide better and more harmonised services to the SMEs especially with regard to innovation, entrepreneurship and start-ups, or qualification and training.
- Vocational education systems in the two countries differ considerably; harmonisation will contribute to develop a cross-border labour market and enhance opportunities and career chances for the regional population. Special challenges in the Hungarian part of the programme region are the youth unemployment and the lack of skilled workforce due to cross-border migration and commuting.
- The employment in knowledge-intensive services in both countries is below the EU27

average (Austria 36.1% of total employment, Hungary – 34.5%, EU27 – 39%)⁵, so beside the R&D activity, higher education must be linked to the needs of the key economic branches and clusters.

1.1.1.4 Needs related to protect the environment and promote resource efficiency (Thematic objective 6)

European, national and regional policy context

The **EU's Biodiversity Strategy (2011)** as well as the **Europe 2020 Strategy (2010)** sets the goal of halting the loss of biodiversity and the degradation of ecosystem functions by 2020, and of restoring them to the extent feasible. In this respect, the Natura 2000 network, which consists of Special Protection Areas (SPAs) and Special Areas of Conservation (SACs), provides a common EU framework to safeguard natural assets and serves as the main European instrument to achieve the biodiversity objectives.

The **Hungarian Partnership Agreement 2014-20** sets the aim of green growth in its priority 3 (Enhancing energy and resource efficiency). Also, cultural heritage is a major potential contributor to urban and rural development. On this basis, sustainable tourism - built on "endogenous potentials" of Hungarian regions and settlements - is one of the priority areas of the Hungarian Territorial Development Operational Programme. Austria's Partnership Agreement **StratAT 2020** aims at increasing the share of (...) renewable raw materials in all sectors, supporting innovation and technologies in the environmental sector, and includes a sustainable strategy for risk management and prevention as well as assurance of cultural heritage (...), for example through sustainable mobility.

The macro-regional **EU Strategy for the Danube Region (EUSDR)** targets environmental issues, setting out actions to encourage more sustainable energy, promote culture and tourism, to maintain the quality of waters, to manage environmental risks and to preserve biodiversity, landscapes and the quality of air and soils.

Another relevant policy instrument is the **EU Water Framework Directive (2000)**, which establishes a common basis for actions in the field of water policy and integrated river basin management. The **EU Floods Directive (2007)** aims to reduce and manage the risks that floods pose to human health, the environment, cultural heritage and economic activity.

The **Waste framework Directive (2008)** aims at increasing the rate of recovery of waste materials [paper, metal, plastic and glass from households (50%); non-hazardous construction and demolition waste (70%)] by 2020. EU member states are obliged to take the necessary measures to ensure that waste management is carried out without endangering human health, without harming the environment.

Conservation and sustainable development of the cultural and natural heritage is core of Austria's **Tourism Strategies (Austria Tourism Strategy, Management Plan Fertő tó-Neusiedler See, Tourism Strategy Burgenland 2011-2015, Masterplan Tourism Steiermark 2015, Tourism Strategy Niederösterreich 2015)** and part of the **Hungarian National Concept for the Development of Tourism, 2014 – 2024** as well as part of the

⁵ Source: EU Country fact sheets Austria and Hungary, DG Regio, 2013

relevant regional development strategies (**Provincial Development Plan Burgenland 2011**, **Provincial Development Concept for Niederösterreich 2004**, and the **County Development Concepts** of all the three Hungarian counties). Beyond that, Austria's Tourism Strategy stresses the importance of cross-border cooperation to support the country's touristic position, Hungary's Concept identifies heritage-related tourism as one of the most promising area for developing new tourism products.

Through the realization of the thematic objective 6, the programme moreover

- contributes to the fulfilment of the objectives and intentions of the **EU Initiative „A resource-efficient Europe“**. The Initiative aims at supporting the shift towards a resource efficient and low-carbon economy that is efficient in the way it uses all resources.
- contributes to the cross-sectoral fields of action set in the **Austrian Strategy for Sustainable Development** (Sustainable thinking and acting, Quality of life, qualitative growth and safeguarding of resources, Landscape features and ecosystem attainment, Sustainable energy systems, Global responsibility)
- serves the implementation of the **Hungarian National Environment Technology Innovation Strategy (2011)**, which explores the fundamental linkages between innovation and green economy for the period of 2011-2020. By adopting NETIS, the Hungarian Government has expressed its determination for mainstreaming the concept of green economy. NETIS is determined to provide a crucial framework for ensuring the implementation of EU 2020 Strategy, with special regard to the „Innovation Union” flagship initiative.
- contributes to the **Hungarian National Development Concept**, in which one of three development directions aims at connecting environmental and infrastructural networks (protection of the environment, disaster prevention, management of water supplies, shift towards the regional energy independence, stimulating cultural, ecological and active tourism). It further contributes to development directions of **Győr-Moson-Sopron** (Improvement of the quality of the environment: environmental and waste-management programs, programs for protection of environment, utilization of alternative energy sources).
- contributes to the objectives set in the **Provincial Development Concept for Niederösterreich 2004** - A vision of sustainable spatial development (sustainable, ecological and preserving use of natural resources), to several principles set in the **Provincial Development Plan Burgenland 2011** (achieving sustainable land use with a high quality of supply and mobility, pushing production of renewable energy and creating efficient settlement structures, expanding cooperation between nature and cultural landscape protection, agriculture and forestry, and tourism).
- contributes to the aims of the **Regional Development Strategy 2014-2020 West Transdanubia**, which is based on development concepts of the 3 Hungarian counties and focuses also on green economic growth and green mobility.

Characteristics

The diversity of cultural heritage in the border region is unique. There are several UNESCO

World Heritage Sites within the programme region - Palace and Gardens of Schönbrunn, Historic Centre of Wien, Fertő-tó/Neusiedler See Cultural Landscape and Pannonhalma Monastery. But there are also examples of common cultural heritage such as viticulture, the cross-border pannonian traditions, crafts and music or the Croatian minority with its strongholds in the whole programme area.

The whole region is characterized by a high biodiversity, a great variety of ecosystems and rich natural heritage. During decades of isolation by the Iron Curtain the border region became a refugium for rare and endangered animal and plant species. Hence, a number of protected areas were established, such as the cross-border National Park Fertő-tó/Neusiedler See, several National and Nature Parks, Natura 2000 Sites and other protected areas. An area of around 7 800 km² is protected under Natura 2000 on the Austrian side of the programme area, an area of around 2 400 km² on the Hungarian side. However, 20 to 30%⁶ of the habitats in Austria and Hungary are still in an unsatisfactory state of protection and management. Moreover, the habitats and protected areas still lack interconnectivity and coordinated management. Another threat is the growing land consumption related to infrastructure investments and economic development of the region as well as effects from climate change. In Austria and Hungary alike, more than 20 ha of agricultural and silvicultural land is lost per day because it is used for settlements, infrastructure, energy production, disposal or economic purposes.

The region is characterized by strongly integrated groundwater bodies and a number of border-crossing watercourses (direction Austria-Hungary) due to geological features of the border region. Cross-border cooperation in order to attain a better environmental status and the improvement of water management in the Austrian-Hungarian border region has a long tradition. It is carried out in a bilateral water commission (Hungarian-Austrian Water Commission (HAWC)) and on the level of the local water management offices.

Challenges and needs for cooperation

- The region's natural and cultural heritage is the basis for high quality living conditions and also for economic and social development not least in the rural parts of the area. The border region has major assets of natural and cultural features which attract guests from Austria and Hungary as well as international tourists. This has great potential for economic growth if used for nature- , wine and wellness tourism. So far this potential has not sufficiently made use of as there is a lack of a - cross-border - organisational structure and of marketing „nature experience” as an ecotouristic product. Hence, there is a need for capacity building among the local and regional tourism marketing organisations, in order to develop cultural and natural heritage with an integrated approach and establish model regions for sustainable tourism .
- There is a need for managing and restoring biodiversity and functional ecological networks. This requires coordinated and cross-border management concepts and should be accompanied by investments in sustainable tourism, awareness-raising, training and education as well as communication and information activities.
- Using the experiences with green technologies, the region can contribute to the national

⁶According to assessments of the conservation status for the period 2000 – 2006

and European goals improving environmental protection. Focus should be given to cross-border rivers and regions such as the Danube, Raab and Mur, the cross-border nature parks and the Alpine-Carpathian Corridor.

- Joint management, revitalization, water-damage prevention and flood prevention of the borderwater bodies and reduction of flood damages are important issues in the Austrian-Hungarian border region. Better coordination of environmental protection and flood risk management need to be achieved especially along the rivers Raab/Rába, Leitha/Lajta. Pilot measures to harmonise flood protection and revitalization of river systems are necessary across the border.
- The EU Flood Directive and the European Water Framework Directive have to be implemented in Austria as well as in Hungary. Innovative, joint projects are pooling the resources.
- Potential conflicting usage interests exist between the development of ecological networks on the one hand and expansion of transport infrastructure and urban sprawl on the other hand. Negotiations are necessary in order to find a sensitive approach for the construction of new road infrastructure and extensive development activities in the proximity of protected areas.

1.1.1.5 Needs related to transport and mobility (Thematic objective 7)

European policy context

Providing support for the coherent planning of transport infrastructure and the development of environmentally friendly and interoperable transport modes contributes to the objectives of the EU Initiative „**A resource-efficient Europe**“. Also the **EU Strategy for the Danube Region (EUSDR)** targets transport, mobility and intermodality under Priority Area 1a (inland waterway transport) and 1b (rail and road transport). The EUSDR priority area 1b enables for example the support of developing intelligent traffic systems, the “improvement of regional/ local cross-border infrastructure and the access to rural areas” and the “enhanced cooperation between air traffic stakeholders in order to prepare a plan to implement shorter plane routes”.

The **National Reform Programmes (NRP)** of both member states deal with transport as an important topic either as a means to increase competitiveness or in an environmental context.

The **Hungarian Partnership Agreement 2014-20** aims at enhancing energy and resource efficiency; the aims of Austria's Partnership Agreement **StratAT 2020** include also support and investment in the Trans-European Transport Network, sustainable and environmental friendly public transport, and the development of effective interoperable railway systems.

Focusing on thematic objective 07, furthermore

- reflects the cross-sectoral fields of action of the **Austrian Strategy for Sustainable Development** (Sustainable mobility);
- reflects the Hungarian **National Transport Strategy**;
- contributes to the **Austrian Energy Strategy** (2009) and the **Hungarian National Development Concept**, which sets development directions for Győr-Moson-Sopron

(developing the TEN-T transport corridors crossing the county (roads, railways, Danube), their junctions (logistic centres, ports) and the connected networks), for Vas (improving the North-South and East-West international transportation axes and their accessibility) and Zala (trade and logistic transit region between the Baltic States and Adriatic);

- reflects the Infrastructure Needs Assessment (INAT) within the **Strategic Framework for Transport and Infrastructure Development in centropo** (agreed by the political board of centropo on 21 June 2012);
- contributes to the **Transport Strategy Niederösterreich 2010**, which defines sustainability as the basic principle and a vision of “avoiding, shifting, improving, supporting, coordinating”, the **Provincial Development Plan Burgenland 2011** (achieving sustainable land use with a high quality of supply and mobility) as well as the **Climate Protection Plan Steiermark 2020/2030**, which amongst others focuses on the thematic field of mobility;
- reflects the preferences set in the „**RIS Navigator**” **Western Transdanubian Region Innovation Strategy** (vehicle manufacturing industry: e-mobility and sustainable transport);
- supports the aims of the **Regional Development Strategy 2014-2020 West Transdanubia** which is based on development concepts of the 3 Hungarian counties and focuses i.a. on green economic growth and green mobility as well as public administration;
- builds upon the outcomes of the study being elaborated in the framework of a project of the Hungarian Transport Operational Programme (KÖZOP-3.5.0-09-11-2012-0026), entitled “Identification of border crossing sections of projects complying with KÖZOP on feasibility study level with examination of their effect on the transportation network on the Hungarian – Austrian border section” (hereinafter as „KÖZOP study”).

Characteristics

The whole programme area is characterized by a massive increase of passenger car numbers, in particular in those areas which are difficult to access by public transport. The only exception is the urban centre of Wien, where the degree of motorisation is decreasing. The reversal trend in Wien is caused by a high-quality and competitive public transport, a developed system of bicycle transport and parking restrictions⁷.

In the Hungarian part of the programme region the traffic has increased significantly due to the emergence of the new north-south (Baltic-Adriatic) corridor. The increase on this new corridor, together with the growing road capacity problems shows that it is important to develop the north-south axis within the West Pannon Region (M9). Since 2004, when Hungary became an EU-member, the increase of border crossing traffic has become significant due to the rising number of Hungarians commuting to Austria. According to the Hungarian National Road Database (OKA), the traffic on the public roads crossing the

⁷ Source: Statistik Austria, Hungarian Central Statistical Office, 2012

Hungarian-Austrian border doubled between 2004 and 2012 from 40 000 to 80 000 vehicles/day. This number does not include the several thousand daily border crossings on municipal and private roads (e.g. in Ágfalva or Sopronkőhida).

The condition of international and intraregional transport networks varies widely within the region. Generally, the northern part (Wien-Győr) is easily accessible by all means of transport, while the southern part faces comparative disadvantages in terms of accessibility.

The northern area (Wien, Wiener Umland Südteil, Nordburgenland and Győr region) has a dense high-grade road network (Austria: A2, A3, A4, A6, S1, S4, S31; Hungary: M1, M15). Austria has one of the densest motorway networks in the EU that connects also rural areas. The density of motorways in Austria (142.0) is above EU27 average (108), and far above Hungary (91.4).

According to the maps on the development of the Trans-European transport network (approved in Regulation (EU) No. 1315/2013), there are several road and railway TEN-T lines in the programme region on the Hungarian side, while there are no TEN-T roads or railways in the close proximity of the border on the Austrian side.

Numerous Hungarian towns (e.g. Mosonmagyaróvár, Jánossomorja, Csorna, Kapuvár, Sopron, Kőszeg, Szombathely, Körmend, Szentgotthárd) are TEN-T nodes and/or logistic centres, and are part of a functional industrial (especially automotive) and therefore TEN-T axis running from Poland through Slovakia and Hungary to Croatia and the ports of Adriatic Sea.

Currently, many small towns in the border region are not sufficiently connected to the main transport corridors of the TEN-T core and comprehensive network. There are accessibility bottlenecks in the southern part of the programme region (Vas, Zala counties, Südburgenland, Steiermark), and some Austrian towns in the Fertő-area and in the southern part of Győr-Moson-Sopron lack access to the Wien – Budapest (E 60) corridor and to the E65.

Based on an agreement between Burgenland and Hungary concluded at political level, in 2013 the Hungarian Government (Ministry of National Development) launched the preparation of the KÖZOP study with the involvement of Burgenland to explore most feasible and cost-effective border-crossing road linkages. In the framework of this project a series of feasibility studies will be delivered, including one comprehensive technical inspection, one functional regional analysis and about 50 feasibility studies for niche and smart road transport investments. The feasibility studies examine and synthesize the results of preceding strategic studies concerning the region. According to the common strategic goals and financial options each study contains a technical study plan, social benefits, an economic and financial project evaluation, including a traffic forecast considering all transport modes. As a result of these studies, 10 to 20 small, local road connections are expected to be identified as effective investments to decrease the travel time between settlements and the traffic burden on currently used bypassing sections as well as improving

⁸Density of motorways is the index of length, relative to area and population, Source: EU Country fact sheets Austria and Hungary, 2013

connectivity to public transport means, including TEN-T corridors.

In the last years several improvements to the rail system have been made. Routes of regional and interregional importance have been upgraded and have brought the mid-Western Transdanubia closer to the agglomeration of Wien. While in Austria several regional railways have been closed in the last years, leaving large parts of the Mittelburgenland and Südburgenland with no rail link, Hungary has still a dense railway network. Most of the lines in Western Transdanubia are now operated by GYSEV and have been upgraded in the last years. EuRegio trains and tickets have become a great success since their introduction in 2002 and now connect several towns across the borders. Still, the density of railways is far above the EU27 average (100⁹) in both countries (Austria 159.7, Hungary 169.2).

Public transport is generally better coordinated in the Austrian part of the programme region. However, recent developments in the Hungarian public transport system open up further perspectives for an improved coordination that covers Hungarian territories, e.g. the merging of the bus operator companies and the increasing role of the Raaber Bahn/ GYSEV in rail transport services.

In Austria, a bus network of variable quality and micro systems (e.g. municipal busses) supplement the rail network. In Hungary, the large majority of towns and villages is accessible by public buses. Apart from the main links, however, public transport is still not able to compete with individual transport when it comes to travel times.

Mobility management on all levels (region, local authorities, companies) has become a focus of transport policy in Austria in recent years. The Mobilitätszentrale Burgenland was one of the pioneers in Austria in that field, dealing with multimodal transport issues. The first mobility centre in Hungary, located in Sopron, has been established as a result of AT-HU 2007 – 2013 CBC OP (project “GREMO Pannonia”).

The inter-regional cycling network has been improved over the last decade, even though there are still gaps in the network, especially in the Hungarian part of the programme region. Moreover, important cross-border links between the two sides of the border are still missing¹⁰.

The Danube's potential in the intermodal transport flows has been improved considerably in the cross-border region: The port of Wien (total volume of 1.7million tons¹¹) has already established a role as an international harbour, the port of Győr-Gönyű's capacity has doubled and its railway connection to the Wien-Budapest line will most likely contribute to increase the capacity further.

Challenges and needs for cooperation

- The improvement of connections to the TEN-T network is a key factor to foster

⁹Density of motorways is the index of length, relative to area and population, Source: EU Country fact sheets Austria and Hungary, 2013

¹⁰Source: Cross-border Master Plan Bike Traffic Burgenland – Westungarn 2009/10, Quality Check, Eisenstadt 2010

¹¹ Source: <http://www.danubeports.info>, 2007

economic coherence, especially with regard to the southern part of the border area and its towns (Vas, Zala counties, Süd-Burgenland, Steiermark) and with regard to some Austrian towns in the Fertő-area and the southern part of Győr-Moson-Sopron. All measures should be accompanied by an increasing concentration on sustainable forms of mobility.

- The transport sector is contributing 23% of all CO₂ emissions in the 27 EU Member States and is therefore a main source of air pollution. Therefore, the creation of shorter and faster connections and the promotion of sustainable transport modes is substantial also in the Austrian-Hungarian border region in order to achieve the ambitious EU climate and energy targets set for 2020.
- Creating alternatives to individual traffic remains an important issue in the region, especially as costs for commuting still rise. "Soft measures" like mobility management and awareness raising for sustainable transport will be challenges both in Austria and Hungary. Especially in Hungary it is important to maintain the public transport network, which is still very close-knit. Further challenges are to improve regional mobility (e.g. by new transport solutions for the urban centres) and accessibility in rural areas (e.g. by public transport associations, improved (cross-border) public transport information, systems for more environmentally friendly transportation, mobility management, on-demand public transport, promotion of multimodal mobility with car-sharing, (e-bike-sharing, promoting cycling and pedestrian traffic)).
- Around the Neusiedler See/Fertő tó and in other protected or sensitive areas, the concept of integrated transport (rail-bus-bike) facilitates accessibility to the region in a sustainable way. These "green" forms of mobility for tourists should be extended, e.g. by promotion of more environmentally friendly ways of transport (focus on the last mile to the final destinations, luggage logistics, transport services for people with handicaps).
- The bicycle network on the Hungarian side as well as important cross-border links still need to be improved. The establishment of a bicycle network and building cross-border connection points increases the attractiveness of the region for visitors/tourists. Further efforts have to be dedicated to the organization of common services and marketing of this network.

1.1.1.6 Needs related to regional governance and institutional cooperation (Thematic objective 11)

European policy context

This thematic objective matches two cross-sectoral fields of the **Austrian Strategy for Sustainable Development NSTRAT neu** (Perspectives of local and spatial development, Global responsibility) and the preferences set in the **Hungarian National Development Concept** (expanding institutional cooperation and capacities: cooperation of public institutions, supporting EGTC's, stimulating the direct cooperation between individuals, with special focus on the participation of minorities). It also fits well the preferences set for **Győr-Moson-Sopron** (Utilization of potentials of settlements and regions, the development of their infrastructure, Reinforcing multi- and interregional connections: closer cooperation between cities (Wien-Bratislava-Győr), increasing multi-county and interregional and cross-border country cooperation, widening European Groupings for Territorial Cooperation;

Strengthening the role of Győr and Sopron (as cross-border agglomeration centres) and Mosonmagyaróvár as economic, cultural, educational, health, service and innovation centre; Increasing the capabilities of the towns as regional economic organizers and developers of their rural surroundings; Catching up the peripheral regions of the country), **Vas** (Transnational and cross border cooperation) and **Zala** (Development of peripheral areas).

The **Hungarian Partnership Agreement 2014-20** sets the aim of good governance. The **Regional Development Strategy 2014-2020 West Transdanubia** is based on development concepts of the 3 Hungarian counties and also focuses on public administration. The aims of Austria's Partnership Agreement **StratAT 2020** include also strengthening integrated regional development and strengthening the innovation capacity of the government and the institutions.

The macro-regional EU **Strategy for the Danube Region** targets governance issues, sets actions to promote culture and tourism, people to people contacts, institutional capacity and cooperation to invest in people and skills.

Through the realization of activities that focus on renewable energy sources and energy efficiency, the programme moreover

- contributes to the **Austrian Energy Strategy (2009)**, which pursues a triple strategy: Increasing energy efficiency, efficient primary energy consumption and safeguarding the energy supply by transmission and distribution networks and storage systems for electric power, grid-bound energy sources.
- serves the implementation of the **Hungarian National Environment Technology Innovation Strategy (2011)**, which explores the fundamental linkages between innovation and green economy for the period of 2011-2020. By adopting NETIS, the Hungarian Government has expressed its determination for mainstreaming the concept of green economy. NETIS is determined to provide a crucial framework for ensuring the implementation of EU 2020 Strategy, with special regard to the „Innovation Union” flagship initiative.
- contributes to the **Hungarian National Development Concept**, in which one of three development directions aims at connecting environmental and infrastructural networks (protection of the environment, disaster prevention, management of water supplies, shift towards the regional energy independence, stimulating cultural, ecological and active tourism). It further contributes to development directions of **Győr-Moson-Sopron** (Improvement of the quality of the environment: environmental and waste-management programs, programs for protection of environment, utilization of alternative energy sources), of **Vas** (Sustainable utilization of renewable energy sources (thermal, bio, wind and solar energy), Establishing international cooperation in research into renewable energy sources and alternative vehicle drives) and of **Zala** (extensive and sustainable utilization of renewable energy sources).
- promotes cost-effectiveness, energy efficiency, security of supply, environmental sustainability and social equity, which are the cornerstones of energy policies of Wien. Within the framework of four strategies, its main aims are: Protection of the energy supply (**Security of Supply Plan Wien, 2006**), reduction of greenhouse gas emissions by 21% until 2020 (based on 1990) and prevention of annual 4.5 million tons of greenhouse gas emissions (**Climate Protection Programme Wien - KliP**

2010-2020), moderation of growth of energy use to +7% until 2015 (**Municipal Energy Efficiency Programme (SEP)**) and focussing on renewable energy sources (**RAP_vie – Renewable Action Plan Wien**)

- contributes to the objectives set in the **Provincial Development Concept for Niederösterreich 2004** - A vision of sustainable spatial development (sustainable, ecological and preserving use of natural resources), to several principles set in the **Provincial Development Plan Burgenland 2011** (achieving sustainable land use with a high quality of supply and mobility, pushing production of renewable energy and creating efficient settlement structures, expanding cooperation between nature and cultural landscape protection, agriculture and forestry, and tourism). Furthermore the topic contributes to the **Energy Strategy Steiermark 2025**, which focuses on energy efficiency, renewable energy, district heating and combined heat, power and cooling production, energy infrastructure, and research and education as well as the **Climate Protection Plan Steiermark**, which focuses on the thematic fields buildings, mobility, agriculture and forestry, production, and energy supply.
- contributes to the aims of the **Regional Development Strategy 2014-2020 West Transdanubia**, which is based on development concepts of the 3 Hungarian counties and focuses also on green economic growth and green mobility.
- Contributes to the cross-border **Energy Strategy PANnonia – ESPAN**, which sets the aim of dealing with the sector of the sustainable development of energy in multiple ways at regional, communal and private level within the Austrian and Hungarian regions. A long-term objective is to reach full independence from imported (namely fossil) energy sources.

Characteristics

In comparison to Austria, which is a federal country, Hungary is characterized by a much more centralized administration. These differences in the administrative system also affect the preparation and implementation of cross-border activities. There are some disparities in the quality of governance, measured by the World Bank's worldwide governance indicators¹². The index "regulatory quality" captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development." In Europe, this index (in standard deviations) ranges between -1.9 and 1.5, Austria being above (1.0), but Hungary below average (-0.8)¹³.

Government effectiveness is captured by "perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies". The index (in standard deviations) on government effectiveness is above average both in Austria (0.8) and in Hungary (0.4)¹⁴ - compared to minimum (-2.2) and maximum (1.8) EU values.

Cross-border cooperation structures enhance the competitiveness and innovative potential

¹² Source: <http://info.worldbank.org/governance/wgi/index.aspx#doc>

¹³ Source: EU Country fact sheets Austria and Hungary, DG Regio, 2013

¹⁴ Source: EU Country fact sheets Austria and Hungary, DG Regio, 2013

of regions. In both countries, governance structures and networks between several institutions, regional actors and the civil society have been established. Various institutional networks are already actively engaged in the Austrian-Hungarian border region in order to improve personal, economic and political exchange. These networks represent a good basis for creating a common identity by means of cross-border cooperation projects.

In the field of energy the region has good potential and unexploited resources for power generation from renewable sources to contribute to the obligation of the EU countries. The renewable sources of energy in the region include wind, solar energy, geothermal energy and biomass. The tradition, the conditions and the technical level of producing energy by renewable sources is different in Austria and Hungary. In Austria 26.3% of the gross final energy consumption comes from renewable sources, in Hungary 7.7%¹⁵.

The high ecological awareness in Austria and the increasing interest in Hungary will continue to play an important role for cross-border cooperation in the fields of environment protection and renewable energy. Know-how-transfer, exchange of good practices and institutional cooperation will be facilitated through existing networks in those topics.

Challenges and needs for cooperation

- There are serious incoherences in the programme region concerning the determining factors (e.g. administration, policy framework, organisational settings and practices) that stimulate and support effective and efficient implementation of cross-border cooperation. Especially the imbalance in governance capacity at regional level requires a prudent approach to partnership-building.
- Cross-border activities are based on intensive cooperation and communication processes and depend on actors and networks at local and regional level. The network analysis shows that there is a need to implement new and to strengthen existing networks and cooperation platforms as well as to create new possibilities that promote cooperation between organisations, the public sector and citizens.
- The harmonization of the planning systems is crucial for a harmonized growth. Therefore, a better coordination of regional strategies and processes is needed in order to avoid professional and political conflicts. Furthermore, data collection methodology, databases and assessment methods need to be harmonized across different social and economic structures.
- In order to promote and intensify (future) cross-border cooperation, there is a strong need to involve the local population in the cross-border activities, e.g. by people-to-people activities or intercultural training and particularly education (at all levels).
- With regard to energy efficiency and the use of renewable energy sources there is broad know-how on the Austrian side and strong interest from the Hungarian partners. Therefore, this field has a great potential for joint activities that aim at capacity-building for local and regional administration and policy-makers, awareness-raising and know-how transfer.

¹⁵Source: Eurostat 2012

1.1.1.7 Strategic response by the programme to contribute to Europe 2020

The Europe 2020 strategy is an overall strategic framework, which was launched in 2010 by the European Union and its Member States. It puts forward three priorities:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy.
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

The link of the Cooperation Programme to the Europe 2020 strategy goals is ensured through the definition of thematic objectives (Article 9, CPR) and the requirement for thematic concentration (Art. 5 ETC). The programme is formed by **five priority axes** including technical assistance and **seven investment priorities** (Article 5 ERDF, Article 6 and 7 ETC). According to Art.7 (1) ETC Regulation each priority axis corresponds with a thematic objective and comprises one or more investment priorities.

The programme strategy is based on the specific analysis and identified needs of the programme area, which have been discussed and agreed on through an extensive programming process including public consultation among the programme stakeholders and a wider CBC community. Moreover, the programming took into account lessons learned from previous programming periods, the given financial framework and the existence of suitable implementation and administration structures.

To achieve the intended targets for the priority axes and investment priorities every activity supported within the priority axes and its investment priorities has to contribute to the specific objectives of the relevant investment priority. The results of the different activities will have to be measured with given result indicators. Effectiveness in the ratio between the costs of the operation and its contribution to reach the target values is also an important factor as well as the compliance of these activities with the relevant cross-border strategies.

The cooperation programme HU-AT will contribute to Europe 2020 through investing in the following thematic objectives (TOs), each of which is equivalent to a priority axis:

- Priority Axis 1: Enhancing the competitiveness of SMES (TO3)
- Priority Axis 2: Protecting the Environment and Promoting Resource Efficiency (TO6)
- Priority Axis 3: Promoting Sustainable Transport and Removing Bottlenecks in Key Network Infrastructures (TO7)
- Priority Axis 4: Enhancing Institutional Capacity and an Efficient Public Administration (TO11)
- Priority Axis 5: Technical Assistance (TA)

1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities, having regard to the Common Strategic Framework, based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs, addressing, where appropriate, missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation

Table 1: Justification for the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
3	3d	<p>The programme regions good potential (high share of SME, 38 clusters in innovative and similar branches on both sides of the border, strong universities in Wien and Graz) is contrasted by a considerable innovation gap between the Austrian and Hungarian border regions, and an insufficient access of SME to results of R&D and innovation. Besides, there is a need for cross-border cooperation in and among clusters in order to use synergies.</p> <p>With entrepreneurship being weak in Hungary and a generally low survival rate of start-ups, there is a need for improved support of SMEs through intermediary organisations. As skills and qualification are the key assets for a smart and inclusive development and growth policy, there is particular need for action regarding vocational education and further training.</p> <p>Analysis¹⁶ shows that there is SME cooperation in the region, supported by intermediary organisations and by existing networks of educational institutions. This is a good basis for further co-operational activities.</p>
6	6c	<p>The region's natural and cultural heritage is the basis for high quality living conditions and also for economic and social development not least in the rural parts of the area. The border region has major assets of natural and cultural features which attract guests from Austria and Hungary as well as international tourists. This has great potential for economic growth if used for nature- , wine and wellness tourism.</p> <p>So far this potential has not sufficiently made use of as there is a lack of a - cross-border - organisational structure and of marketing „nature experience” as an ecotouristic product. Hence,</p>

¹⁶ Source: RECOM HUAT Network Analysis, mecca consulting, ÖAR, 2013

		<p>there is a need for capacity building among the local and regional tourism marketing organisations, in order to develop cultural and natural heritage with an integrated approach and establish model regions for sustainable tourism.</p> <p>Analysis shows a large number of existing cooperation in the field of cultural and natural heritage. Some networks have a long experience in cooperating and show great interest for future cooperation.</p>
6	6d	<p>The whole region is characterized by a high biodiversity, a great variety of ecosystems and rich natural heritage. A number of protected areas were established, such as the cross-border National Park and World Heritage Site Fertő tó/Neusiedler See, National and Nature parks, Natura 2000 sites and other protected areas.</p> <p>However, as up to a third of the habitats in Austria and Hungary are still in an unsatisfactory state of protection and many habitats and protected areas still lack interconnectivity and coordinated management, there is still a need for managing and restoring biodiversity and functional ecological networks. This requires coordinated and cross-border management concepts that aim at long-term stability and resilience of the ecosystems.</p> <p>Analysis shows intense and comprehensive cooperation activities in the field of environmental protection. Most of the networks have successfully cooperated for several years and show a great interest for future cooperation.</p>
6	6f	<p>Due to the natural conditions in the Austrian-Hungarian border region (Fertő tó/Neusiedler See, Danube, several small rivers, large groundwater bodies) water management, revitalization of water bodies, flood prevention and preventive measures to reduce flood damages are important issues.</p> <p>Because of the integrated groundwater bodies and border crossing water courses, cross-border cooperation in this field will be inevitable. Better coordination of environmental protection and flood risk management need to be achieved especially along the rivers Raab/Rába and Leitha/Lajta. Last but not least, the EU Flood Directive and the European Water Framework Directive has to be implemented in Austria and in Hungary.</p> <p>Cross-border cooperation dealing with water management has a long tradition in the Austrian-Hungarian border region and is carried out by a bilateral water commission (Hungarian-Austrian Water Commission (HAWC)) and by the local water management offices.</p>

7	7b	<p>Cross-border transport links (esp. the connection of small towns to the TEN-T core and comprehensive network) and interoperability between road infrastructure and railway transport are insufficient. Their improvement could serve both public and industrial purposes by reducing travelling time and providing better connections on frequently used commuter routes.</p> <p>Compared to the northern part the southern part of the region faces disadvantages in terms of accessibility by public transport. While there is high quality cross-border public transport service between Wien, Graz, Győr and Sopron, connections between the smaller towns are weak or do not exist at all</p> <p>Analysis shows existing networks and pilot projects targeting cross-border mobility and transport connections. The EU funded KÖZOP study, that is being developed by transport experts of Hungary and Burgenland will identify local road connections that are effective investments for faster, shorter and/or safer access to the TEN-T network.</p>
7	7c	<p>In the programme region cross-border passenger traffic and especially commuting has increased and continues to rise, Especially in rural areas service quality of public transport needs improvement with regard to interconnections and coordination. Joint solutions are inevitable in order to increase the share of public transport and environmentally friendly means of transport.</p> <p>While mobility management on all levels has recently become a focus of transport policy in Austria, there is considerable room for improvement regarding multimodal transport nodes and cross-border mobility management in the programme region.</p> <p>A special, notwithstanding important issue for the region due to its high share of sensitive areas is finding innovative solutions for “green” tourist mobility.</p> <p>There are pilot projects regarding cross-border mobility (GREMO Pannonia and VKM), which could be a sound basis for further projects.</p>
11	CBC	<p>Regional governance structures are a crucial precondition for making best use of existing resources in the cross-border context. However, differences in the legal and institutional framework in Austria and Hungary (negatively) affect the preparation and implementation of cross-border activities and cooperation.</p> <p>Thus, it is necessary to implement and strengthen new and existing networks and cooperation platforms as well as to</p>

		<p>support the cross-border cooperation of public administration.</p> <p>Besides institutional capacity building, cross-border cooperation depends to a large extent on the abilities and mind-sets of individuals. Therefore, it is equally important to support people-to-people activities, language initiatives, intercultural trainings, etc.</p> <p>Analysis shows existing cooperation structures that have potential for continuation in various fields (e.g. energy, education, labour market, health care, environmental protection).</p>
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1.2 Justification of the financial allocation

The overall programme budget is EUR 95 870 328 (including national contributions and technical assistance). The ERDF contribution amounts to EUR 78.8 million, as detailed in Section 3 Financing Plan. The chosen distribution of financial resources above all takes into account

- the types of supported actions and their estimated financial extent,
- the experiences of the programming period 2007-2013, with a focus on key projects and preparatory steps for planned key projects,
- the priorities expressed by the partners in the programming process and input in the course of the public consultation events.

94% (6% allocated to Technical Assistance) or EUR 74 117 007 of the programme's resources are allocated to the chosen four thematic objectives.

A share of 11% of the ERDF allocation, respectively EUR 8 979 400 is allocated to thematic objective **TO3d (priority axis 1)**. The financial allocation shows the extent of actions to be supported, all aiming to improve the cooperative linkages between the region's SME's and R&D centres and - by improving the performance of the intermediary organisations - to include a greater number of SMEs in those networks.

During the programming period 2007-2013 there were already 19 cooperation activities and projects of SMEs, partly supported by intermediary organisations and existing networks of educational institutions, which will serve as a good basis for future co-operation activities. All programme partners expressed their interest during the programming process. Additionally, during the public consultation events it became evident that a significant number of projects is already being planned in the fields of cooperation and network activities, qualification and further education, innovation and common market presence.

A share of 31% of the ERDF allocation, respectively EUR 24 691 650 is allocated to thematic objective **TO6 (priority axis 2)**, taking into account the broad range of supported actions in this field, aiming at a common approach to protect the region's rich environmental assets and its shared resources. The comparatively high allocation is owed to the fact, that cost-intensive environmental infrastructure is part of the actions intended.

It also takes into account the traditional strong environmental focus of the preceding AT-HU Interreg programmes, which always have been "Green Programmes". Experiences of the

programming period 2007-2013 show a number of 32 projects and a large existing network of 141 active players in the field of environment and energy. All partner regions recognised this TO as highly relevant. During consultation regional stakeholders showed high interest in future cooperation and presented numerous initiatives and a considerable number of intended project applications.

A share of 30% of the ERDF allocation, respectively EUR 23 447 250 is allocated to **TO7 (priority axis 3)**, taking into account the extent of supported actions aiming to improve the cross-border connectivity and accessibility as well as fostering the shift to environmental friendly modal split. Especially the southern part of the region still considerably lacks accessibility both in terms of public and private transport. 25% of the ERDF allocation is assigned to Investment Priority 7b in order to tackle existing bottlenecks in the region, including road linkages from the small towns to the main transport corridors that are part of the TEN-T core and comprehensive network. The comparatively high allocation of resources is due to the fact that transport infrastructure is very cost-intensive.

Experiences during the 2007-2013 period show a number of 16 projects in the field of transport and mobility, the network is yet not very established in a cross-border way. However, improving cross-border accessibility has a special importance to Burgenland and Hungary. Therefore, the KÖZOP study, as a common transport strategy is currently being developed for the Austrian-Hungarian border region as a preparatory step for implementation. During public consultation events a considerable number of planned projects was presented by regional stakeholders.

A share of 22% of the ERDF allocation, respectively EUR 16 998 707 is allocated to **TO11 (priority axis 4)**, reflecting the planned actions aiming at enhancing the cooperation intensity and strengthening the cross-border integration, in order to make best use of existing regional resources. Through the actions, the programme not only intends to support knowledge exchange, but to launch an important learning-process: communicating despite the language barrier, reflecting usual standards and processes, training abilities to negotiate despite diverging opinions and finding compromises.

The allocation also takes into account the experiences from the 2007-2013 period, during which a need for the harmonisation of regional strategies and processes became obvious. Good partnership, based on mutual understanding and trust is the key to success and tangible outcomes. The programme partners consider the immaterial effects as the essence of the ETC programmes, such as stabilizing of the collaboration of institutions – especially at regional level, the common understanding of challenges and their cooperative solution (at programme and project level) or the establishment of structures leading to sustainable networks. During consultation regional stakeholders showed a pronounced interest in cooperation and presented a considerable number of project ideas, for example in the fields of intermunicipal cooperation, student exchange, cooperation of educational institutions, integrated regional development, and know-how management.

Table 2: Overview of the investment strategy of the cooperation programme

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support for the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI (where applicable)	IPA (where applicable)				
1	8 979 400	100%	0%	0%	3	3d	<p>Strengthening the collaborative research activities and innovation capacities of SMEs with a focus on the development of (internationally) competitive products</p> <p>Increasing the effectiveness of services provided by intermediary organisations dealing with economic development to enhance the competitiveness of regional SMEs</p>	<p>Labour productivity (gross value added in euro at basic prices per person employed, % of the EU-28 average))</p> <p>Survival rate of enterprises after 3 years</p>
2	7 619 400	100%	0%	0%	6	6c	Improving the protection, promotion and development of natural and cultural heritage through common approaches to sustainable tourism	Overnight stays
	5 690 750	100%	0%	0%	6	6d	Maintaining the ecological stability and resilience of	Conservation degree A (of all habitat types

							landscape and ecosystems	in the Natura 2000 sites of the programme region)
	11 381 500	100%	0%	0%	6	6f	Improving the management and protection of water bodies	Chemical and ecological condition of border water bodies classified as "good" and "very good"
3	19 571 250	100%	0%	0%	7	7b	Improving cross-border connectivity and accessibility of regional sub-centres	Average travel time (individual transport) to a node with TEN-T network connection
	3 876 000	100%	0%	0%	7	7c	Enhancing the attractiveness of public transport and environmentally friendly means of transport	Intermodal public transport nodes
4	16 998 707	100%	0%	0%	11	11	Improving the environment for cross-border co-operation in order to strengthen the integration	Level of cooperation quality in the border region
TA	4 730 873	100%	0%	0%			Implementing the Cooperation Programme in a sound and effective way	Not applicable

SECTION 2 PRIORITY AXES

(Reference: points (b) and (c) of Article 8(2) of Regulation (EU) No 1299/2013)

2.A Description of the priority axes other than technical assistance

(Reference: point (b) of Article 8(2) of Regulation (EU) No 1299/2013)

2.A.1/1 Priority Axis 1

(repeated for each priority axis)

ID of the priority axis	1
Title of the priority axis	Enhancing the Competitiveness of SMEs (TO03)

<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments	
<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments set up at Union level	
<input type="checkbox"/> The entire priority axis will be implemented solely through community-led local development	

2.A.2/1 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

2.A.3/1 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	ERDF
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Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible expenditure
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2.A.4/1/3d Investment priority 3d

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	3d - Supporting the capacity of SMEs to grow in regional, national and international markets and to engage in innovation process
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2.A.5/1/3d Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	1.1
Specific objective	Strengthening the collaborative research activities and innovation capacities of SMEs with a focus on the development of (internationally) competitive products
The results that the Member States seek to achieve with Union support	<p>The Austrian-Hungarian border region already has strong centres of R&D activities. However, there is an innovation gap between the Hungarian and the Austrian part, while the regional SMEs still lack access to R&D-results and to funds for innovation.</p> <p>The potential of the existing innovation and R&D institutions will be further increased by cross-border cooperation among the institutions themselves as well as between research institutions and SMEs. As the Hungarian counties are only classified as "Moderate Innovators", there is great potential for gaining best practices and know-how from cooperating with Austria. A joint strategic framework will be established for the border region that is based on the existing Smart Specialisation Strategies in order to better utilise the available innovation competence and to prepare the ground for a more intense cooperation in the future.</p>

	<p>Furthermore, intensifying the collaboration between research institutions and SMEs as well as supporting technology and know-how transfer will improve the SMEs' access to R&D results and thereby their innovation capacity. One approach will be the development of skills and competences with regard to enhancing the SMEs' capabilities to cooperate. Another approach will be to link the numerous research-driven clusters, innovation centres and existing regional innovation networks to SMEs (or SME networks).</p> <p>As one result, universities and research institutions will be embedded in an increasingly well established innovation system with strong links between the actors. Another result will be intensified cross-border linkages among the research and innovation-supporting institutions and the regional SMEs. This will in turn lead to an enhanced innovation capacity and competitiveness and in the long-term lead to economic and social development of the border region as a whole.</p> <p>The results to be achieved through EU support will contribute to an increased labour productivity in the Austrian-Hungarian border region.</p>
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Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.1	Labour productivity (gross value added in euro at basic prices per person employed, % of the EU-28 average)	Percent	102.9%	2011	103%	Eurostat	Annually

ID	1.2
Specific objective	Increasing the effectiveness of services provided by intermediary organisations dealing with economic development to enhance the competitiveness of regional SMEs
The results that the Member States seek to achieve with Union support	<p>SMEs are supported by various intermediate organisations in both countries (e.g. labour market institutions, trade associations). However, the effectiveness of these organisations varies throughout the border region and their cross-border cooperation is mainly based on projects. A more continuous cross-border cooperation will enable institutional level learning and allow for joint measures that provide better and more harmonised services to the SMEs, especially with regard to innovation, entrepreneurship and start-ups.</p> <p>As the existence of qualified employees and entrepreneurs is one of the key factors for improving the competitiveness of the SMEs, it is essential that intermediary organisations develop and operate joint training schemes, including vocational training, management training, etc. By tailoring these schemes and trainings to the border region and by taking cross-border issues into account, these will better meet the needs of local SMEs and the joint labour market.</p> <p>Results of this specific objective are a higher service level and more effective operation of the intermediate enterprise development organisations in order to strengthen the regional SMEs performance in terms of innovation, entrepreneurship and start-ups as well as qualification and training. .</p> <p>The results to be achieved through EU support will contribute to an increased survival rate of SME in the Austrian Hungarian border region.</p>

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.2	Survival rate of enterprises after 3 years	Percent	61.01%	2010	62%	KSH, Statistik Austria	Annually

2.A.6/1/3d Actions to be supported under the investment priority (by investment priority)

2.A.6.1/1/3d A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	3d
<p>The actions supported will encourage and help SMEs to cooperate with existing R&D and innovation support facilities in the border region. This will lead to improved capabilities of SMEs to absorb new processes, technologies and know-how, both as a result of system- and process development and organisational learning, as well as better individual and group competences and skills. In some cases, new products or services will be developed and introduced to the market.</p> <p>The actions will further contribute to the higher service level and more effective operation of the intermediate enterprise development organisations, for example in the field of the innovation transfer and entrepreneurship which is considered to be an important precondition for a growing and more profitable SME sector in the border region. Advisory skills and capacities of intermediary institutions will be enhanced mainly through supporting their professional counselling and training programmes, process improvements, market research etc. It is also foreseen to develop an overall strategic framework for cross-border business innovation with the involvement of all important stakeholders and to harmonise vocational education systems.</p> <p>Examples of such actions supported within the specific objectives of IP 3d are:</p> <ol style="list-style-type: none"> 1. Encouragement and support of technology and know-how transfer between research or technology institutions and businesses for the development and adaptation of new 	

technologies, products or services (supporting SO1)

2. Support of cross-border SME networks to develop new or improved products , services or supply chains (supporting SO1)
3. Encouragement and support of creation or further development of the cross-border clusters (supporting SO1)
4. Development of the capabilities of the SMEs to cooperate, especially by design and implementation of training programmes focused on gaining and improving of specialised qualifications, skills and competences (e.g. language knowledge, intercultural competence, technical know-how) (supporting SO1)
5. Harmonisation of vocational education systems (dual education) for meeting the needs of SMEs and the joint labour market (e.g. resulting in mutual acceptance of qualifications) (supporting SO2)
6. Support of collaboration of organisations dealing with economic development to improve their effectiveness in enhancing the internationalisation of the local business sector (supporting SO2)
7. Support of exchange of experiences in the field of business and innovation development, such as the identification of common fields of interest and the implementation of joint approaches to innovation (e.g. cross-border innovation voucher scheme) (supporting SO1 and SO2)

Types of outputs under the investment priority 3d

Typical outputs will encompass actual research activities (survey, data processing, testing, etc.) and product developments (specification) carried out and documented jointly by SMEs or SMEs and research institutions, in some cases new products or services ready to be offered on the market. Cooperation may result in pilot actions including small scale pilot investments or capacity building measures such as trainings or advisory services.

Main target groups and types of beneficiaries under the investment priority 3d

The main target groups are local businesses (SMEs) including their employees, which are operating in the programme area. Further targeted are SME networks, R&D and innovation institutions and intermediary organisations that deal with economic development. The population in the programme area will benefit from economic development e.g. with regard to better employment opportunities or high-level jobs.

Beneficiaries include all those institutions that seek to increase economic cooperation and foster innovation in SME's. They comprise amongst others development agencies, chambers of commerce, labour market institutions, universities, tertiary education organisations, trade associations, technology transfer institutions, research institutions, centres of R&D excellence, innovation agencies, incubator houses, cluster management bodies, education and training centres.

Specific territories targeted under the investment priority 3d

The whole territory of the Cooperation Programme Austria-Hungary is targeted by the supported actions.

2.A.6.2/1/3d Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	3d
<p>General principles</p> <p>The selection of project applications will be carried out in application of Article 12 of ETC Regulation following a standardised assessment procedure with pre-defined criteria. Two types of quality assessment criteria, which are outlined in detail in section 5.3 (quality assessment), form the general principles and methodology for the selection of projects.</p> <p>Special criteria and principles for the selection of applications</p> <p>In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.</p> <p>Beyond that, for IP 3d the following special criteria and principles apply:</p> <ul style="list-style-type: none"> • Applications focusing on purely academic research or basic research as well as on a mere exchange of knowledge will not be funded. • Involvement of SMEs or SME networks is strongly recommended, but there is no preference for direct involvement of SMEs as project partners. • The applicability of results and the impact of planned activities on SMEs will be considered for all applications. 	

2.A.6.3/1/3d Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	3d
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/1/3d Planned use of major projects (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	3d
Not applicable	

2.A.6.5/1/3d Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
3d.1	Enterprises that introduced new or significantly improved products, services, technologies or supply chains, new to the market/new to the firm as a result of supported innovation or R&D projects (action 1,2,3)	Number	10	Monitoring	Annually
3d.2	Participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders (action 4,5) [common indicator]	Number	200	Monitoring	Annually
3d.3	SMEs involved in cooperation projects (cross-border networks and/or clusters, know-how transfer among business and innovation development institutions) (action 3,6,7)	Number	100	Monitoring	Annually

2.A.7/1 Performance framework

(Reference: point (b)(v) of Article 8(2) of Regulation (EU) No 1299/2013 and Annex II of Regulation (EU) No 1303/2013)

Table 5: Performance framework of the priority axis

Priority axis	Indicator type (Key implementation step, financial, output or, where appropriate, result indicator)	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
1	ERDF certified to EC for priority axis 1		Indicator	Euro	2 161 116	8 979 400	Monitoring	Financial indicator
1	Participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders		Indicator	Number	45	200	Monitoring	Output indicator

2.A.8/1 Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9: Categories of intervention

Table 6: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
1	056	448 970
1	060	897 940
1	061	269 382
1	062	2 244 850
1	063	1 346 910
1	064	1 346 910
1	066	897 940
1	118	1 526 498

Table 7: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
1	01 Non-repayable grant	8 979 400

Table 8: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
1	01 Large Urban areas	5 387 640
1	02 Small Urban areas	2 693 820
1	03 Rural areas	448 970
1	04 Macro-regional cooperation area	448 970

Table 9: Dimension 6 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
1	07 Not applicable	8 979 400

2.A.9/1 **A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)**

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

Priority axis	1
Not applicable	

2.A.1/2 Priority Axis 2

(repeated for each priority axis)

ID of the priority axis	2
Title of the priority axis	Protecting the Environment and Promoting Resource Efficiency (TO06)

<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments	
<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments set up at Union level	
<input type="checkbox"/> The entire priority axis will be implemented solely through community-led local development	

2.A.2/2 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

2.A.3/2 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

2.A.4/2/6c Investment priority 6c

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6c – Conserving, protecting, promoting and developing natural and cultural heritage
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2.A.5/2/6c Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	2.1
Specific objective	Improving the protection, promotion and development of natural and cultural heritage through common approaches to sustainable tourism
The results that the Member States seek to achieve with Union support	<p>The Austrian-Hungarian border region has a rich natural and cultural heritage, which already attracts both national and international guests. Developing and valorising these assets bears great potential for the region's economic and social development, especially in the rural parts.</p> <p>Most of the region's cultural and natural heritage is under protection, but its valorisation lags behind due to a lack of appropriate – cross-border – organisational structures, coordination or financing.</p> <p>Cross-border cooperation and capacity building (for example among the local and regional tourism marketing organisations and other players in this field) will help to achieve a common understanding and an integrated, coordinated approach to sustainable tourism. Results sought are common strategies and standards for cross-border model regions or coordinated approaches to valorising natural and cultural heritage, e.g. marketing "nature experience" as an eco-touristic product. This will help to foster economic growth, while safeguarding its very basis.</p> <p>The results to be achieved through EU support will contribute to an increased number of overnight stays in the Austrian-Hungarian border region.</p>

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.1	Overnight stays	Number	35 295 257	2013	38 000 000	Eurostat KSH	Annually

2.A.6/2/6c Actions to be supported under the investment priority (by investment priority)

2.A.6.1/2/6c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6c
<p>The supported actions within Investment Priority 6c will contribute to protect, promote and develop the rich and varied natural and cultural heritage in the Austrian-Hungarian border region in a sustainable, environmentally friendly and resource efficient way. Added value will be created by developing a common understanding of the shared natural and cultural heritage, by improving know-how transfer and creating joint products and services in this field.</p> <p>Examples of such actions supported within IP 6c are:</p> <ol style="list-style-type: none"> 1. Preparation and implementation of joint strategies and action plans, capacity building and pilot investments regarding sustainable utilization of cultural and natural heritage 2. Preservation, reconstruction, development and utilization of cultural and natural heritage sites in order to use it for sustainable tourism and community purposes, such as eco tourism 3. Support of know-how transfer and development of common standards for products and services <p>Types of outputs under the investment priority 6c</p> <p>Actions have varied types of outputs, ranging from the joint preparation and implementation of strategies and action plans for sustainably developing and utilizing cultural heritage. Cooperation may also lead to pilot actions like investments or capacity building measures or a choice of products for sustainable tourism.</p>	

Main target groups and types of beneficiaries under the investment priority 6c

The objective targets all population groups that benefit from an improved quality of life, created by economic growth and the natural and cultural heritage preserved. Moreover, the institutions and organisations operating in this field will profit from the cooperation in terms of know-how transfer, joint strategies and action plans. Tourists and visitors to the natural and cultural heritage sites will benefit from the new or improved offers and services.

Possible types of beneficiaries include all those bodies dealing with or being affected by cultural and natural heritage issues. These actors can be local municipalities, regional authorities and public institutions operating at national, regional or local level. Further beneficiaries can be tourism organisations, national parks, nature parks or other public institutions with responsibility for environmental, nature or heritage protection or schools, NGOs and research institutions.

Specific territories targeted under the investment priority 6c

The whole territory of the Cooperation Programme Austria-Hungary is targeted by the supported actions. As a matter of course, emphasis will be put on those parts of the region that have a high share of (common) natural and cultural heritage sites.

2.A.6.2/2/6c Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6c
<p>General principles</p> <p>General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).</p> <p>Special criteria and principles for the selection of applications</p> <p>In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.</p> <p>Beyond that, for IP 6c the following special criteria and principles apply:</p> <ul style="list-style-type: none"> • Touristic offers for single destinations in one Member State will not be funded. • Supported heritage sights need to be open to the public. 	

2.A.6.3/2/6c Planned use of financial instruments (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6c
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/2/6c Planned use of major projects (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6c
Not applicable	

2.A.6.5/2/6c Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6c.1	Jointly developed strategies and action plans and capacity building measures (action 1)	Number	5	Monitoring	Annually
6c.2	Jointly developed investments (action 1,2)	Number	5	Monitoring	Annually
6c.3	Common offers (action 2,3)	Number	3	Monitoring	Annually

2.A.4/2/6d Investment priority 6d

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6d – protecting and restoring biodiversity and soil and promoting ecosystem services, including through NATURA 2000, and green infrastructures
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2.A.5/2/6d Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	2.2
Specific objective	Maintaining the ecological stability and resilience of landscape and ecosystems
The results that the Member States seek to achieve with Union support	<p>Both sides of the border possess a high biodiversity and a wide range of valuable eco-systems, of which many, but not all are protected. However, growing land consumption related to infrastructure investments and economic development of the region as well as effects from climate change jeopardize the region's natural wealth. Thus, the protection, connection and extension of natural habitats are of vital importance. National and nature parks, Natura 2000 sites and other protected areas have already established successful networks and show a great interest to continue their current cooperation in the future.</p> <p>In order to preserve the variety of ecosystems and natural diversity on a long-term basis, more emphasis needs to be put both on the protection of species and habitats and the connectivity of protected areas. A prerequisite for this will be extended and intensified research and education as well as knowledge and awareness of the general public and the local communities about environmental issues.</p> <p>Cross-border cooperation enables common approaches and the implementation of joint protection measures, which will ultimately lead to a better conservation status and resilience of the ecosystems on both sides of the border.</p> <p>The cooperation in environmental protection and conservation will result in joint management and protection plans, better conservation and sound management of protected areas, research findings regarding long term conservation of species and habitats, enhanced knowledge and awareness of the</p>

	<p>population and the local communities about ecological stability, better cooperation among conservation institutions and better knowledge and more information regarding the resilience of the natural assets.</p> <p>The results to be achieved through EU support will contribute to stabilising the conservation degree in the Natura 2000 sites in the programme region at current levels.</p>
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Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.2	Conservation degree A (of all habitat types in the Natura 2000 sites of the programme region)	Percent	10.5	2013 (release date)	10.5	Natura 2000 Standard Data Forms	Annually

2.A.6/2/6d Actions to be supported under the investment priority (by investment priority)

2.A.6.1/2/6d A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6d
<p>The supported actions will enhance the ecological stability and resilience of the Austrian-Hungarian border region's landscape and ecosystems. The region has many protected areas on both sides of the border that face pressures from competing land use and climate change. A common approach to better protection and interlinkage is essential to further</p>	

develop the ecosystems' and landscapes' stability and resilience.

In order to reach the specific objective of investment priority 6d, there are four types of interventions – planning, implementation, research and education. Based on cross-border cooperation, supported actions shall comprise joint protection measures on the strategic or implementation level, research and research cooperation or joint education, training and awareness raising.

Examples of actions supported within IP 6d are:

1. Development of joint management and protection plans with a focus on restoration and, whenever it is possible, improving connectivity of areas, such as
 - (i) management plans targeting the Natura 2000 areas and other protected areas and
 - (ii) protection plans targeting the conservation of species of Community interest, protected species and species concerned by different international conventions typical to the border region
2. Implementation of protection measures, such as
 - (i) Measures, including small scale infrastructure investments serving the conservation and sound management of Natura 2000 sites and other protected areas located in the cross-border region (e.g. rehabilitation of degraded habitats, in situ & ex situ conservation programmes, control of invasive alien species and succession processes, improving ecological connections among natural habitats, rehabilitation of streams etc.)
 - (ii) joint species protection measures including small scale infrastructure investments (targeted habitat restoration measures, ex situ conservation programmes)
 - (iii) investments in green infrastructure
3. Implementation of joint research projects and supporting the cooperation of research institutions in the border area, aiming to support the long term conservation of species and habitats (e.g. exploring the ecology and taxonomy of data deficient species, assessment of conservation status, applied research to support nature conservation management etc.)
4. Development and implementation of joint education and trainings schemes and promotion of awareness raising with the direct involvement of local communities (including investments in nature interpretation infrastructure)

Types of outputs under the investment priority 6d

The types of outputs reflect the types of actions – they result in jointly set up planning and strategic instruments, and supported habitats in better conservational status. Related outputs comprise small scale investment in green infrastructures, surveys and studies carried out, management and activity plans prepared and executed as well as the acquisition of equipment in case of justified need. Further, outputs will encompass research and networking activities as well as training schemes and awareness raising projects.

Main target groups and types of beneficiaries under the investment priority 6d

The main target groups are the authorities of nature and national parks, Natura 2000 sites

and other organisations with a focus on nature protection of areas within the programme region. Target groups also include policy makers and planners, infrastructure owners and operators as well as all the general public.

Possible types of beneficiaries include those bodies dealing with or being affected by the nature protection issues. These actors are especially local and regional municipalities or authorities and public institutions operating at national, regional or local level. Further typical beneficiaries are national parks, nature parks or other public institutions with responsibility for environmental and nature protection as well as schools, and research institutions.

Specific territories targeted under the investment priority 6d

The whole territory of the Cooperation Programme Austria-Hungary is targeted by the supported actions. As a matter of course, emphasis will be put on those parts of the region having a high share of protected sites.

2.A.6.2/2/6d Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6d
<p>General principles</p> <p>General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).</p> <p>Special criteria and principles for the selection of applications</p> <p>In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.</p> <p>Beyond that, for IP 6d the following special criteria and principles apply:</p> <ul style="list-style-type: none"> • Only those management and protection plans will be supported which demonstrate evidence for a practical application in sustainable development of the programme area. • It is recommended to include activities targeting awareness raising. 	

2.A.6.3/2/6d Planned use of financial instruments (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6d
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/2/6d Planned use of major projects (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6d
Not applicable	

2.A.6.5/2/6d Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6d.1	Jointly developed protection and management plans (action 1)	Number	2	Monitoring	Annually
6d.2	Protection measures (including investments) (action 2)	Number	15	Monitoring	Annually
6d.3	Surface area of habitats supported in order to attain a better conservation status (action 2) [common indicator]	Hectares	100 000	Monitoring	Annually
6d.4	Joint research projects	Number	3	Monitoring	Annually

	(action 3)				
6d.5	Participants in joint training schemes and awareness raising programmes (action 4)	Number	200	Monitoring	Annually

2.A.4/2/6f Investment priority 6f

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6f - Promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector and with regard to soil, or to reduce air pollution
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2.A.5/2/6f Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	2.3
Specific objective	Improving the management and protection of water bodies
The results that the Member States seek to achieve with Union support	<p>The Austrian-Hungarian border region is characterized by strongly integrated groundwater bodies and border crossing water courses. Therefore, joint water management and flood prevention is absolutely essential, and it comes as no surprise that cross-border cooperation in these issues has a long tradition in the border region.</p> <p>Cooperation is required in order to reduce natural risks in the field of water management, to maintain and further improve the high quality of protection and sustainable use of the natural resources, and prepare for potential climate change impacts. Especially along the rivers Raab/Rába and Leitha/Lajta there is a need for better coordination of environmental protection and flood risk management.</p> <p>Cross-border water management will encompass joint studies</p>

	<p>and research works as well as surface and subsurface water modelling in the preparatory stage. Joint surveys and monitoring will help to efficiently improve the knowledge about the water situation in the programme area. Subsequently, joint pilot measures will harmonise flood protection and revitalization of river systems.</p> <p>The results sought are infrastructures in the field of water management, survey results to detect the status and impacts of measures taken, improved flood protection, water and waste water management and enhanced cooperation in the field of water management.</p> <p>The results to be achieved through EU support will contribute to an improved water quality of surface water and groundwater bodies.</p>
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Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.4	Chemical and ecological condition of border water bodies classified as “good” and “very good”	Number	2 (of 9)	2013 (2009/2010 for the Danube)	4	Expert report about the condition of the Austrian-Hungarian border water bodies by the Austrian-Hungarian Water Commission; Danube: National Water Management Plans Austria and Hungary	Annually

2.A.6/2/6f Actions to be supported under the investment priority (by investment priority)

2.A.6.1/2/6f A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6f
<p>The supported actions will contribute to improved resource efficiency and innovative water management. Regarding the Waste Directive, the Water Framework Directive and the Flood Directive, which have to be implemented on a national level, there is significant potential for cross-border co-operation. Added value is created by pooling the resources and connecting the different actors in the fields of environmental protection and resource efficiency.</p> <p>Actions under the investment priority 6f</p> <p>Under this specific objective, cross-border cooperation in the field of water management and public services shall be supported in order to secure and improve sustainable use of water resources according to the Water Framework Directive and Flood Directive. Emphasis will be put on gaining knowledge about the water bodies' situation through joint studies and research as well as joint monitoring surveys, including the construction of infrastructure necessary for this purpose.</p> <p>Examples of actions supported within IP 6f are:</p> <ol style="list-style-type: none"> 1. Cooperation in the field of water management and public services, securing and improving sustainable utilisation of water resources according to the Water Framework Directive and Flood Directive, such as <ol style="list-style-type: none"> (i) Joint monitoring surveys and status assessment of border water bodies to detect the status and impacts of measures taken. (ii) Determination of ecological minimum flow needs for surface water bodies. (iii) Preparing and implementing joint pollution load assessment tests for cross-border surface water bodies, determination of limit values. (iv) Exchange of innovative waste water purification methods. (v) Determination of available ground water resources. (vi) Preparing and implementing river restoration measurements in the border area. (vii) Measures of integrated flood protection, including refining and setting up a joint cross-border flood forecast systems. (viii) Development and implementation of measures elaborated on the basis of the results of the different water related strategic studies. (ix) Construction or upgrading of jointly used infrastructure for the purpose of 	

research and monitoring in the field of water management.

Types of outputs under the investment priority 6f

Typical outputs of the supported actions will encompass research and strategic planning activities (surveys, strategies, action plans) as well as newly constructed or upgraded research infrastructure. Further, outputs will comprise cooperation projects such as joint monitoring or flood forecast systems, comprising typical outputs like purchase of equipment, the set-up of IT-based systems or joint events serving the exchange of experiences and development of knowledge and skills.

Main target groups and types of beneficiaries under the investment priority 6f

The target group includes the entire population of the programme region which benefits from enhanced resource efficiency and improved flood risk management. The situation of enterprises and institutions operating next to affected areas will also improve.

Beneficiaries include all public actors dealing with or being affected by issues regarding resource efficiency and water management, such as public institutions and water authorities, relevant intermediary as well as research institutions.

Specific territories targeted under the investment priority 6f

Actions will focus on areas with integrated groundwater bodies, border crossing water courses and their catchment areas, especially floodplain areas.

2.A.6.2/2/6f Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	6f
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General principles

General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).

Special criteria and principles for the selection of applications

In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.

Beyond that, for IP 6f the following special criteria and principles apply:

- Actions targeted to improve the management and protection of water bodies should not be contradictory to the targets of the Austria-Hungarian Water Commission.

2.A.6.3/2/6f Planned use of financial instruments (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6f
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/2/6f Planned use of major projects (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	6f
Not applicable	

2.A.6.5/2/6f Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6f.1	Jointly developed pilots and infrastructures	Number	2	Monitoring	Annually
6f.2	Measures securing or improving the status of water bodies in qualitative and quantitative terms	Number	5	Monitoring	Annually
6f.3	Research institutions participating in cross-border, transnational or interregional research projects [common	Number	5	Monitoring	Annually

	indicator]				
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2.A.7/2 Performance framework

(Reference: point (b)(v) of Article 8(2) of Regulation (EU) No 1299/2013 and Annex II of Regulation (EU) No 1303/2013)

Table 5: Performance framework of the priority axis

Priority axis	Indicator type (Key implementation step, financial, output or, where appropriate, result indicator)	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
2	ERDF certified to EC for priority axis 2		Indicator	Euro	3 580 935	24 691 650	Monitoring	Financial indicator
2	Jointly developed investments at cultural and natural heritage sites		Indicator	Number	1	5	Monitoring	Output indicator
2	Surface area of habitats supported in order to attain a better conservation status		Indicator	Hectare	20 000	100 000	Monitoring	Output indicator
2	Measures securing or improving the status of water bodies in qualitative and quantitative terms		Indicator	Number	1	5	Monitoring	Output indicator

2.A.8/2 Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9: Categories of intervention

Table 6: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
2	021	11 381 500
2	085	2 134 031
2	086	2 134 031
2	087	1 422 688
2	091	1 523 880
2	094	3 047 760
2	095	3 047 760

Table 7: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
	01 Non-repayable grant	24 691 650

Table 8: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
2	01 Large Urban areas	1 234 583
2	02 Small Urban areas	4 938 330
2	03 Rural areas	9 876 660
2	04 Macro-regional cooperation area	8 642 077

Table 9: Dimension 6 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
2	07 Not applicable	24 691 650

2.A.9/2 **A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)**

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

Priority axis	2
Not applicable	

2.A.1/3 Priority Axis 3

(repeated for each priority axis)

ID of the priority axis	3
Title of the priority axis	Promoting sustainable transport and removing bottlenecks in key network infrastructures (TO07)

<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments	
<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments set up at Union level	
<input type="checkbox"/> The entire priority axis will be implemented solely through community-led local development	

2.A.2/3 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

2.A.3/3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

2.A.4/3/7b Investment priority 7b

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7b - Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes
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2.A.5/3/7b Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	3.1
Specific objective	Improving cross-border connectivity and accessibility of regional sub-centres
The results that the Member States seek to achieve with Union support	<p>The road linkages of the small towns in the border region (e.g. Frauenkirchen, Rust, Oberpullendorf, Oberwart, Güssing, Jennersdorf) to the main transport corridors being part of the TEN-T core and comprehensive network will be improved as a main result of the interventions. Improvement mainly entails faster, shorter and/or safer access to the network for the population and businesses of the small towns affected.</p> <p>In concrete terms some Austrian towns will have better access to the E65 (comprehensive network, both road and rail) in Hungarian territory, whereas Hungarian towns like Sopron, Szombathely or Zalaegerszeg will have improved connections to the Wien – Graz road connection (A2, core network). Additionally, small district towns in Austria can benefit from improved links to the M8-S7 (comprehensive) road.</p> <p>As a secondary impact, some of the existing accessibility bottlenecks in the southern part (Vas, Zala counties, Südburgenland, Steiermark) will be removed. Additionally, access of some Austrian towns in the Fertő-area and in the southern part of Győr-Moson-Sopron to the Wien – Budapest corridor (E60) and to the E65 will be quicker and safer.</p> <p>Improved access to the TEN-T networks contributes to a more flexible cross-border labour market by providing better connections on frequently used commuter routes. Improved transport links are also a prerequisite for enhancing interoperability between road infrastructure and railway transport both for public and industrial purposes.</p>

	The results to be achieved through EU support will contribute to reduced travelling time in the Austrian – Hungarian border region by both public and by private transport.
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Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
3.1	Average travel time (individual transport) to a node with TEN-T network connection	Minutes	14.08	2013	12	ERRAM (Grenzübererschreiten des Erreichbarkeitsbasiertes-Raster-Raumanalyse-Modell HU-AT)	2019, 2023

2.A.6/3/7b Actions to be supported under the investment priority (by investment priority)

2.A.6.1/3/7b A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7b
<p>Actions will provide support to increase interoperability of existing traffic systems in the region and to re-build or complement missing elements of once operational but now interrupted or neglected inferior border crossing roads .</p> <p>Examples of actions supported within IP 7b are:</p>	

1. Small scale investments and coordinated preparation of subsequent projects to develop interoperability of cross-border and transnational transport modes
2. Small scale investments and coordinated preparation of subsequent investments in order to remove bottlenecks in cross-border public transport
3. Investments in (re-)constructing missing border-crossing elements of road links from small towns as tertiary nodes to the road- and rail networks being part of the TEN-T network

Types of outputs under the investment priority 7b

Typical outputs within the supported actions encompass physical investment in cross-border roads and investments to enhance interoperability of transport modes including the therefore necessary plans and studies.

Main target groups and types of beneficiaries under the investment priority 7b

Targeted is the entire regional population (especially commuters, students and tourists), which will benefit from improved cross-border connectivity and accessibility of regional centres. Another important target group are the regional industry and SMEs as the new road linkages provide them with easier, faster, better and safer access to new markets and ensure cost-savings.

As potential beneficiaries those groups of the public and private sector are targeted that are responsible for planning, managing or implementing regional transport network developments. This includes among others local, regional and national public authorities, regional development agencies, public transport operators, infrastructure providers, regional associations and specialised undertakings of those responsible for maintaining and developing the transport infrastructure.

Specific territories targeted under the investment priority 7b

Developments shall focus on the existing accessibility bottlenecks in the southern part of the border area and its towns (Vas, Zala counties, Süd-Burgenland, Steiermark), in the Fertő-area and the southern part of Győr-Moson-Sopron county.

2.A.6.2/3/7b Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7b
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General principles

General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).

Special criteria and principles for the selection of applications

In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.

Beyond that, for IP 7b the following special criteria and principles apply:

Direct access of secondary or tertiary nodes in the border area to TEN-T core or comprehensive network must be established or improved (e.g. made shorter, faster or safer).

In this context the following definitions apply:

- Tertiary nodes are urban areas (regional towns, towns, cities) providing jobs and public and private services (e.g. schools, health or social care, employment services, banks) beyond their administrative boundaries, and/or places of multimodal nodes. In Burgenland, Eisenstadt and the district towns like Oberpullendorf and Neusiedl am See can be defined as tertiary nodes; in the Hungarian programme area examples for tertiary nodes are Mosonmagyaróvár, Csorna, Szombathely and Zalaegerszeg.
- Secondary nodes are the branching or crossing points of the core and comprehensive networks, provided they represent cities (at least of regional importance) and/or multimodal connections. One example for a secondary node in the programme area is Sopron.

The MC will assess the specific cross-border relevance of the project proposals in each case.

Besides, an important specific selection aspect is the analyses of what functions the road connections can serve, and what impact on the local and wider population and businesses they can have.

The preparedness of the projects and high-level commitment of the parties to be involved in the implementation is a crucial criteria as well. Therefore, the EU funded KÖZOP study being prepared by the Hungarian Government in cooperation with Burgenland, and the joint declaration of intent concluded between Hungary and Burgenland regarding transport development projects serve as a basis for identification of projects to be supported.

2.A.6.3/3/7b Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7b
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/3/7b Planned use of major projects (where appropriate)*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Investment priority	7b
Not applicable	

2.A.6.5/3/7b Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7b.1	Total length of newly built, reconstructed or upgraded transport infrastructure (roads) (action 1,2)	km	20	Monitoring	Annually
7b.2	Total length of newly built, reconstructed or upgraded transport infrastructure (railway) (action 1,3)	km	10	Monitoring	Annually

2.A.4/3/7c Investment priority 7c

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7c - Developing and improving environmentally-friendly (including low-noise) and low-carbon transport systems, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility
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2.A.5/3/7c Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	3.2
Specific objective	Enhancing the attractiveness of public transport and environmentally friendly means of transport
The results that the Member States seek to achieve with Union support	<p>Increasing economic and cultural integration in the Austrian-Hungarian border region has resulted in growing passenger traffic, especially with regard to cross-border commuting to the main centres of employment. Individual motor car traffic has the largest share in the regional traffic and especially in cross-border traffic. Public transport services are available, but the quality of services provided varies considerably in terms of network density (better in the northern part of the programme area) and coordination (better in Austria).</p> <p>With the transport sector being a main source of air pollution, the promotion of sustainable transport is a substantial need in order to reduce and prevent negative environmental impacts. However, creating alternatives to individual traffic in the region remains a challenge, especially for commuting traffic. Additionally, there is a need to expand “green” mobility concepts for tourists, especially around the Neusiedler See/Fertő tó and close to other protected or sensitive areas, for example by promoting measures that focus on the last mile to the destinations, luggage logistics or transport services for people with handicaps.</p> <p>In this context, cross-border cooperation will help to increase coordination and integration of “green” transport means. If supported by joint strategies and concepts, even small investments can help to improve the attractiveness and usefulness of public transport, predominantly by daily commuters and tourists. Thus, more people are using green transport systems.</p> <p>The results to be achieved through EU support will contribute to a more attractive public transport and therefore increased use of environmentally friendly transport means in the Austrian-Hungarian border region.</p>

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
3.2	Intermodal public transport nodes	Number	To be established	2014	To be established	GySEV	2019, 2023

2.A.6/3/7c Actions to be supported under the investment priority (by investment priority)

2.A.6.1/3/7c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7c
<p>Actions aim at making public transport and other forms of environmentally friendly individual transport (like cycling and walking) more attractive for all those regional travellers (esp. commuters, tourists) that currently prefer using the car. Actions will encourage the development and use of innovative, environmentally friendly means of transport and the dissemination of best practices in mobility management.</p> <p>Examples of actions supported within IP 7c are:</p> <ol style="list-style-type: none"> 1. Small scale investments to enhance the attractiveness of public transport including the railway system 2. Preparation of joint strategies, concepts and action plans including small scale investments for <ol style="list-style-type: none"> (i) a better coordination of public transport links, mobility management, “on demand public transport” in the border region (ii) cycling and pedestrian traffic, e-mobility and road safety (iii) development of transport intersections/connections, esp. in common functional areas (e.g. tourist areas) and improved coordination of different transport nodes (esp. connections of individual and public transport nodes) (iv) further development of multimodal hubs and links to promote emission 	

reduced and energy efficient freight transport

3. Promotion of the use of public and environmentally friendly transport especially in the field of tourism (e.g. focus on the last mile to the destination, luggage logistics, tourist mobility offers)
4. Measures to increase coordination of public transport services and to support integrated information systems, tariff systems and timetables

Types of outputs under the investment priority 7c

Typical outputs encompass (i) small scale investments related to environmentally friendly means of transport (minor refurbishment works, complementary equipment and works etc.) , (ii) studies and action plans to prepare further investments and other projects of larger scale (iii) events, meetings, exchange of staff, etc. and support of preparatory surveys and integrated systems and (iv) schemes to promote environmentally friendly transport.

Main target groups and types of beneficiaries under the investment priority 7c

The main target group encompasses those actors in the public and private sectors that are responsible for planning, managing or implementing regional transport networks. Another target group consists of all people that travel within the region, especially tourists and commuters. Finally, the whole population of the region will benefit from the reduction of environmental effects of transport like air pollution and noise

Beneficiaries include all those bodies that by profession seek to contribute to a change of modal split towards environmentally friendly transport means. These are among others local, regional and national public authorities, regional development agencies, public transport operators, infrastructure providers, touristic service providers, regional associations and agencies and specialised undertakings of those responsible for maintaining and developing the transport infrastructure as well as civil organisations (NGO's).

Specific territories targeted under the investment priority 7c

The whole territory of the Cooperation Programme Austria-Hungary is targeted by the supported actions. Emphasis will be put on common functional areas (e.g. tourist areas) and areas where coordination of public transport systems is weak.

2.A.6.2/3/7c Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7c
<p>General principles</p> <p>General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).</p> <p>Special criteria and principles for the selection of applications</p> <p>In general, all applications have to be tailored to the framework of the programme and</p>	

particularly to the defined requirements of each investment priority.

2.A.6.3/3/7c Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7c
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/3/7c Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	7c
Not applicable	

2.A.6.5/3/7c Output indicators (by investment priority)

(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 4: Common and programme specific output indicators

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7c.1	Joint solutions enhancing the attractiveness of public transport (action 1)	Number	2	Monitoring	Annually
7c.2	Jointly developed strategies, transport concepts and actions (action 2)	Number	10	Monitoring	Annually

7c.3	Joint schemes for promoting environmentally friendly transport (action 3)	Number	2	Monitoring	Annually
7c.4	Joint integrated systems (action 4)	Number	1	Monitoring	Annually

2.A.7/3 Performance framework

(Reference: point (b)(v) of Article 8(2) of Regulation (EU) No 1299/2013 and Annex II of Regulation (EU) No 1303/2013)

Table 5: Performance framework of the priority axis

Priority axis	Indicator type (Key implementation step, financial, output or, where appropriate, result indicator)	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
3	ERDF certified to EC for priority axis 3			Euro	1 726 245	23 447 250	Monitoring	Financial indicator
3	Total length of newly built, reconstructed or upgraded transport infrastructure (roads) (action 1,2)		Indicator	Number	5	20	Monitoring	Output indicator
3	Joint solutions enhancing the attractiveness of public transport		Indicator	Number	1	2	Monitoring	Output indicator

2.A.8/3 Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9: Categories of intervention

Table 6: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
3	026	6 654 225
3	030	7 632 787
3	034	5 284 238
3	036	1 453 500
3	043	969 000
3	044	969 000
3	090	484 500

Table 7: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
3	01 Non-repayable grant	23 447 250

Table 8: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
3	01 Large Urban areas	2 344 725
3	02 Small Urban areas	9 378 900
3	03 Rural areas	9 378 900
3	04 Macro-regional cooperation area	2 344 725

Table 9: Dimension 6 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
3	07 Not applicable	23 447 250

2.A.9/3 **A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)**

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

Priority axis	3
Not applicable	

2.A.1/4 Priority Axis 4

(repeated for each priority axis)

ID of the priority axis	4
Title of the priority axis	Enhancing institutional capacity and an efficient public administration (TO11)

<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments	
<input type="checkbox"/> The entire priority axis will be implemented solely through financial instruments set up at Union level	
<input type="checkbox"/> The entire priority axis will be implemented solely through community-led local development	

2.A.2/4 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

2.A.3/4 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

2.A.4/4/CBC Investment priority

(repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	CBC - Promoting legal and administrative cooperation and cooperation between citizens and institutions
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2.A.5/4/CBC Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: point (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	4.1
Specific objective	Improving the environment for cross-border co-operation in order to strengthen the integration
The results that the Member States seek to achieve with Union support	<p>Well established and coordinated regional governance structures are a crucial precondition for making best use of existing resources in the cross-border context. However, differences in the legal and institutional framework in Austria and Hungary (negatively) affect the preparation and implementation of cross-border activities and cooperation. This concerns also topics, in which problems can only or better be solved by cross-border approaches.</p> <p>By implementing and strengthening new and existing networks and cooperation platforms as well as supporting the cross-border cooperation of public administration, governance capacities in the Austrian-Hungarian border region at regional level will be balanced and eventually lead to more harmonized cross-border strategies and processes.</p> <p>Special focus will be given to the fields of education (at all levels incl. vocational training) and renewable energy / energy efficiency (esp. the development of energy model regions, regional energy supply, insulation made of regional resources) as there is both high regional potential and strong demand by stakeholders being active in these fields.</p> <p>Besides institutional capacity building, cross-border cooperation depends to a large extent on the abilities and mind-sets of individuals. Therefore, another target of this</p>

	<p>specific objective is to improve the pre-requisites of cross-border cooperation by supporting people-to-people activities, language initiatives, intercultural trainings, etc.</p> <p>Possible results under this specific objective are strong networks on local/regional level, integrated regional strategies, processes and services and enhanced human potential through intercultural understanding and knowledge.</p> <p>The results to be achieved through EU support will contribute to an increased cooperation intensity in the border region.</p>
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Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.1	Level of cooperation quality in the border region	Percent of highest rating	Established through survey	2014	To be established after baseline survey: increased cooperation quality	Survey among a target group of about 300 actors (institutions)	2019, 2023

2.A.6/4/CBC Actions to be supported under the investment priority (by investment priority)

2.A.6.1/4/CBC A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	CBC
The supported actions will contribute to enhance institutional capacity and to make public	

administration more efficient, which will eventually lead to improved regional governance structures and more harmonized cross-border strategies and processes. Moreover, the intention is to launch an important learning-process concerning cross-border cooperation: communicating despite the language barrier, reflecting usual standards and processes, training abilities to negotiate despite diverging opinions and finding compromises. Actions supported will enhance **intercultural understanding** of the border population, support the **capacity building** of networks, institutions or public administration through and for more intense cooperation and strengthen **people-to-people cooperation**.

The following types of activities should be supported to reach the specific objectives:

1. Enhancing intercultural understanding in order to intensify future cross-border cooperation (e.g. intercultural communication trainings and language courses, joint schemes to support traineeships)
2. Intensify the cooperation within cross-border networks on local/regional level, as well as the cooperation of institutions providing public services, schools, cultural associations, etc.
3. Strengthening the cooperation of municipalities, cities and regions exchanging knowledge, development strategies, processes, services
4. Supporting capacity building, knowledge exchange and networking among the institutions involved in regional development, education and renewable energy / energy efficiency
5. Development of “people to people cooperation”, fostering cooperation between citizens and institutions

Types of outputs under the investment priority 11CBC

Typical outputs reflecting the actions supported comprise different types of cross-border cooperation among organisations, the public sector and citizens. These outputs range from knowledge-exchange and networking activities to coordinated strategies, processes and services of municipalities, cities and regions. Further, outputs will comprise the implementation of enhanced public services as well as enhanced intercultural understanding and knowledge.

Main target groups and types of beneficiaries under the investment priority 11CBC

The main target groups encompass actors in the local and regional public service as well as organisations being involved in regional development, education and renewable energy / energy efficiency, and finally cooperation projects in a cross-border context. As theoretically every inhabitant of the border region can benefit from increased integration, the general population is also a target group.

Beneficiaries include all bodies being involved in local or regional cross-border networks. More precisely, all national, regional and local authorities as well as a wide variety of public service providers (such as schools, labour market organisations, economic and regional development agencies, etc.) of the programme area can be beneficiaries of the cooperation projects. NGOs - such as cultural or community development associations – are targeted by “people-to-people” cooperation, however not exclusively.

Specific territories targeted under the investment priority 11CBC

The whole territory of the Cooperation Programme Austria-Hungary is targeted by the supported actions.

2.A.6.2/4/CBC Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	CBC
<p>General principles</p> <p>General principles for the selection of applications apply to all investment priorities as described in section 5.3 (quality assessment).</p> <p>Special criteria and principles for the selection of applications</p> <p>In general, all applications have to be tailored to the framework of the programme and particularly to the defined requirements of each investment priority.</p> <p>Beyond that, for IP CBC the following special criteria and principles apply:</p> <ul style="list-style-type: none"> • Involvement of partners new to the programme would be wished for. 	

2.A.6.3/4/CBC Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	CBC
Planned use of financial instruments	Not applicable
Not applicable	

2.A.6.4/4/CBC Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	CBC
Not applicable	

2.A.6.5/4/CBC Output indicators (by investment priority)*(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
11.1	Participants in trainings, courses and schemes (action 1)	Number	250	Monitoring	
11.2	Institutions involved in cross-border cooperation (action 2,3,4)	Number	220	Monitoring	
11.3	Joint cross-border cultural, educational, recreational and other type of community events and actions ("people to people") (action 5)	Number	25	Monitoring	

2.A.7/4 Performance framework

(Reference: point (b)(v) of Article 8(2) of Regulation (EU) No 1299/2013 and Annex II of Regulation (EU) No 1303/2013)

Table 5: Performance framework of the priority axis

Priority axis	Indicator type (Key implementation step, financial, output or, where appropriate, result indicator)	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
4	ERDF certified to EC for priority axis 4			Euro	2 449 915	16 998 707	Monitoring	Financial indicator
4	Institutions involved in cross-border cooperation		Indicator	Number	30	220	Monitoring	Output indicator

2.A.8/4 Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9: Categories of intervention

Table 6: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
4	096	4 249 677
4	119	4 249 677
4	120	8 499 353

Table 7: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
4	01 Non-repayable grant	16 998 707

Table 8: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
4	01 Large Urban areas	6 799 483
4	02 Small Urban areas	6 799 483
4	03 Rural areas	2 549 806
4	04 Macro-regional cooperation area	849 935

Table 9: Dimension 6 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
4	07 Not applicable	16 998 707

2.A.9/4 **A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)**

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

Priority axis	4
Not applicable	

2.B Description of the priority axes for technical assistance*(Reference: point (c) of Article 8(2) of Regulation (EU) No 1299/2013)***2.B.1/5 Priority Axis 5**

ID	5
Title	Technical support to the programme implementation

2.B.2/5 Fund and calculation basis for Union support*(repeated for each fund under the priority axis)*

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

2.B.3/5 Specific objectives and expected results*(Reference: point (c)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)***Specific objective** (repeated for each specific objective)

ID	5.1
Specific objective	Implementing the Cooperation Programme in a sound and effective way
Results that the Member States seek to achieve with Union support	<p>The main result will be the sound and timely execution of all measures that are necessary for implementing the Cooperation Programme (including the launch of calls, selection of projects, monitoring, administrative and technical assistance, evaluation, information and communication, audit and control measures etc.) and that are the prerequisite for the programme's effectiveness.</p> <p>Special focus lies on the simplification of procedures, in order to increase the programme's efficiency and to reduce administrative burden for core management, programme bodies and beneficiaries alike (cp. Chapter 7).</p>

2.B.4/5 Result indicators**Table 10: Programme specific result indicators** (by specific objective)*(Reference: point (c)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)*

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting

Not applicable according to last subparagraph of Article 8(2) point (c) of ETC Regulation.

2.B.5/5 Actions to be supported and their expected contribution to the specific objectives (by priority axis)*(Reference: point (c)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)***2.B.5.1/5 Description of actions to be supported and their expected contribution to the specific objectives***(Reference: point (c)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

Priority axis	5
<p>According to Article 51-52 of the Common Provisions Regulation, actions under the specific objective “TA” target the preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution and audit and control measures. These actions are performed by the core programme management bodies (MA, CA, AA), as well as the regional programme bodies (coordination and control).</p> <p>Actions to be supported are the following:</p> <ol style="list-style-type: none"> 1. Setting up the managing and control system: setting up and managing of a Joint Technical Secretariat that supports the Managing Authority and assists the Monitoring Committee in the implementation and day-to-day management of the programme; setting up a Certifying Authority for the financial management of the programme; setting up the regional programme bodies such as the First Level Control Bodies and the Regional Coordination Network 2. Assisting project preparation including the development of guidance documents setting out the conditions for the support of projects and guiding applicants in the preparation of their proposals through information, consultation, training etc. 	

3. Setting up and implementing procedures for quality assessment, monitoring and control of projects implemented under the Cooperation Programme
4. Guiding beneficiaries in the implementation of their projects in terms of project and financial management, reporting, control, audit, communication and networking through information, consultation, training etc.
5. Installing and operating a computerised system for monitoring purposes that records and stores data on each project necessary for evaluation, financial management, audit and control and that collects data concerning the progress of the programme in terms of financial objectives and indicators
6. Drafting and implementing the evaluation plan of the Cooperation Programme, including evaluations, expert reports, statistics and studies concerning the current and future operation of the Cooperation Programme
7. Drafting and implementing the communication plan of the Cooperation Programme, including the set up and implementation of information and communication measures
8. Setting up and coordinating a network of financial controllers, including the exchange of information and best-practices
9. Setting up and executing audits on operations and the programme management and control system

Strengthening the involvement of partners and capacity-building for the effective management of the Cooperation Programme by information exchange and events

2.B.5.2/5 Output indicators expected to contribute to results (by priority axis)

(Reference: point (c)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 11: Output indicators

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
	Number of employees (FTEs) whose salaries are co-financed by TA	Number	16.5	Observation	Annually
	Network of Regional Coordinators established	Number	1	Observation	Annually
	Projects	Number	80	Monitoring	Annually

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
	E-Monitoring System established	Number	1	Observation	Annually
	Network of financial controllers established	Number	1	Observation	Annually
	Programme evaluation plan prepared and approved by the JMC	Number	1	Observation	Annually
	Programme communication plan prepared and approved by the JMC	Number	1	Observation	Annually
	Guiding documents addressed to applicants and beneficiaries	Number	3	Observation	Annually
	Information, consultation and training measures for applicants and beneficiaries	Number	16	Observation	Annually

2.B.6/5 Categories of intervention by priority axis

(Reference: point (c)(v) of Article 8(2) of Regulation (EU) No 1299/2013)

Corresponding categories of intervention based on a nomenclature adopted by the Commission, and an indicative breakdown of Union support.

Tables 12-14: Categories of intervention

Table 12: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
5	121	4 330 037
5	122	80 984
5	123	319 852

Table 13: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
5	01 Non-repayable grant	4 730 873

Table 14: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
5	07 Not applicable	4 730 873

SECTION 3 FINANCING PLAN

(Reference: point (d) of Article 8(2) of Regulation (EU) No 1299/2013)

3.1 Financial appropriation from the ERDF (in EUR)

Table 15

Fund	2014	2015	2016	2017	2018	2019	2020	Total
ERDF	3 910 915	5 710 466	8 154 908	14 817 419	15 113 767	15 416 042	15 724 363	78 847 880
IPA amounts (where applicable)	–	–	–	–	–	–	–	–
ENI amounts (where applicable)	–	–	–	–	–	–	–	–
Total	3 910 915	5 710 466	8 154 908	14 817 419	15 113 767	15 416 042	15 724 363	78 847 880

3.2.A Total financial appropriation from the ERDF and national co-financing (in EUR)

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

1. The financial table sets out the financial plan of the cooperation programme by priority axis. Where outermost regions' programmes combine cross-border and transnational allocations, separate priority axes will be set out for each of these.
2. The financial table shall show for information purposes, any contribution from third countries participating in the cooperation programme (other than contributions from IPA and ENI)
3. The EIB (1) contribution is presented at the level of the priority axis.

Table 16: Financing plan

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e)	For information	
					National public funding (c)	National private funding (d)			Contributions from third countries	EIB contributions
Priority axis 1	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	8 979 400	1 584 600	390 734	1 193 866	10 564 000	85%		
	IPA									
	ENI									
Priority axis 2	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	24 691 650	4 357 350	992 374	3 364 976	29 049 000	85%		
	IPA									
	ENI									
Priority axis 3	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	23 447 250	4 137 750	1 466 277	2 671 473	27 585 000	85%		
	IPA									
	ENI									

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e)	For information	
					National public funding (c)	National private funding (d)			Contributions from third countries	EIB contributions
Priority axis 4	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	16 998 707	2 999 772	648 692	2 351 080	19 998 479	85%		
	IPA									
	ENI									
Priority axis 5	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	4 730 873	3 942 976	3 942 976	0	8 673 849	55%		
	IPA									
	ENI									
Total	ERDF	Total eligible cost	78 847 880	17 022 448	7 441 053	9 581 395	95 870 328	82%		
	IPA									
	ENI									
Total	Total all Funds	Total eligible cost	78 847 880	17 022 448	7 441 053	9 581 395	95 870 328	82%		

3.2.B Breakdown by priority axis and thematic objective*(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 17**

Priority axis	Thematic objective	Union support	National counterpart	Total funding
Priority axis 1	Thematic objective 3	8 979 400	1 584 600	10 564 000
Priority axis 2	Thematic objective 6	24 691 650	4 357 350	29 049 000
Priority axis 3	Thematic objective 7	23 447 250	4 137 750	27 585 000
Priority axis 4	Thematic objective 11	16 998 707	2 999 772	19 998 479
Priority axis 5	Technical assistance	4 730 873	3 942 976	8 673 849
Total		78 847 880	17 022 448	95 870 328

Table 18: Indicative amount of support to be used for climate change objectives*(Reference: Article 27(6) of Regulation (EU) No 1303/2013)*

Priority axis	The indicative amount of support to be used for climate change objectives (EUR)	Share of the total allocation to the Cooperation Programme (%)
Priority axis 1	0	0
Priority axis 2	7 682 513	10%
Priority axis 3	4 502 790	6%
Priority axis 4	0	0
Priority axis 5	0	0
Total	12 185 303	16%

SECTION 4 INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

(Reference: Article 8(3) of Regulation (EU) No 1299/2013)

Description of the integrated approach to territorial development, taking into account the content and objectives of the cooperation programme, including in relation to regions and areas referred to in Article 174(3) TFEU, having regard to the Partnership Agreements of the participating Member States, and showing how it contributes to the accomplishment of the programme objectives and expected results

The objectives of the programme strategy are embedded in the territorial strategies of both countries. The National Development Concept of Hungary and the Spatial Development Concept - ÖREK 2011 of Austria are the main national documents that set the line for territorial strategies, such as the Hungarian County Development Concepts and the strategies of the Austrian Lander.

The programme strategy is built along those priority axes, where cross-border cooperation is likely to have particular added value:

Priority 1 (TO3): In the programme area R&D capacities are unequally distributed and there are considerable disparities in terms of economic performance and the abilities of the SMEs to engage in innovation processes. The Cooperation Programme is expected to strengthen the cooperative linkages between the region's SME's and R&D centres and, by improving the performance of the intermediary organisations, to include a greater number of SMEs in those networks. Both national PAs recognise this TO as highly relevant and give special emphasis to ETC in this thematic field.

Priority 2 (TO6): The rich natural and cultural heritage of the region and its shared resources demand a common approach to secure these assets. The natural and cultural heritage sites are an essential part of the border area's territorial capital as they provide the basis for a high quality of living conditions and for economic and social development, especially in the rural parts of the area. The Cooperation Programme takes up these issues by improving the protection, promotion and development of natural and cultural heritage, by increasing the ecological stability and resilience of landscape and ecosystems, by increasing resource efficiency and by improving the joint water management and water protection. Both national PAs recognise this TO as highly relevant for the region's general development give emphasis to ETC in this thematic field.

Priority 3 (TO7): Accessibility varies greatly in the region, showing disparities between the northern and southern part of the region, both with regard to the road network and public transport. The small towns in the southern border region are not yet connected to the main transport corridors being part of the TEN-T core and comprehensive network. There are also bottlenecks for some Austrian towns' in the Fertő-area and in the southern part of Győr-Moson-Sopron regarding access to the Wien – Budapest corridor (part of the TEN-T network). The poor accessibility by road and public transport in the south has negative impacts in environmental and social respect, and the Cooperation Programme addresses these problems by improving the cross-border connectivity and accessibility of regional centres as well as enhancing the attractiveness of public transport and environmentally friendly means of transport. Both national PAs recognise this TO as highly relevant, with some specific provisions for ETC in this field.

Priority 4 (TO11): Well established and coordinated regional governance structures are a crucial precondition for making best use of existing resources in the cross-border context. However, differences in the legal and institutional framework in Austria and Hungary (negatively) affect the preparation and implementation of cross-border activities and cooperation. The Cooperation Programme addresses these issues by improving the environment for cross-border cooperation in order to strengthen the integration and overcome barriers. Both national PAs recognise this TO as highly relevant regarding the region's general development and give emphasis to ETC in this thematic field.

Pursuing an integrated approach was an important aim in the programming process. To exploit synergies within the cooperation programme, each of the specific objectives within the priority axes contributes to at least two other specific objectives.

4.1 Community-led local development (where appropriate)

Not applicable

4.2 Integrated actions for sustainable urban development (where appropriate)

Not applicable

Table 19: Integrated actions for sustainable urban development – indicative amounts of ERDF support

Fund	Indicative amount of ERDF support (EUR)
ERDF	

4.3 Integrated Territorial Investment (ITI) (where appropriate)

Approach to the use of Integrated Territorial Investments (ITI) (as defined in Article 36 of Regulation (EU) No 1303/2013) other than in cases covered by 4.2, and their indicative financial allocation from each priority axis

(Reference: point (c) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

Table 20: Indicative financial allocation to ITI other than those mentioned under point 4.2 (aggregate amount)

Priority axis	Indicative financial allocation (Union support) (EUR)
Priority axis 1	
Priority axis 2	
Priority axis 3	
Priority axis 4	
Priority axis 5	
Total	

4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identified by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate)

(Where Member States and regions participate in macro-regional and sea basin strategies)

(Reference: point (d) of Article 8(3) of Regulation (EU) No 1299/2013)

The Cooperation Programme pays due attention to the European Strategy for the Danube Region (EUSDR) both in the programming process as well as in the implementation phase.

In programming, the definition of the strategy, the selection and description of the thematic objectives and investment priorities of the Cooperation Programme take into consideration in particular the following EUSDR targets of the EU Strategy and the Action plan 2010 (SEC 2010 1489)¹⁷ :

A - Connecting the Danube Region

A1) to improve mobility and multimodality by TO7

A2) to encourage more sustainable energy by TO7 and TO11

¹⁷

http://ec.europa.eu/regional_policy/sources/docoffic/official/communic/danube/action_plan_danube.pdf

A3) to promote culture and tourism by TO6c

B - Protecting the Environment in the Danube Region

B4) to restore and maintain the quality of waters by TO6f

B5) to manage environmental risks by TO6f

B6) to preserve biodiversity, landscapes and quality of air by TO6d and 6f

C - Building Prosperity in the Danube Region

C8) to support the competitiveness of enterprises, including cluster development, by TO3

C9) to invest in people and skills by TO3, TO6 and TO11

D - Strengthening the Danube Region

D10) to step up institutional capacity and cooperation by TO11

During the implementation, the programme will ensure appropriate coordination with the Macro regional Strategy for the Danube Region by

- Governance arrangements for ongoing mutual information exchange, coordination and joint planning in areas of joint interest: During the programme implementation, the national coordination committees in the framework of the Austrian Conference on Spatial Planning (ÖROK) for cross-border, transnational and interregional cooperation programmes (i.a. working group "CBC", national committee) will ensure a continuous and regular institutionalised exchange of information on MRS among programme partners; and vice versa information about programme activities will be reported to the established national coordination platform for the EUSDR (and eventual future MRS with AT participation). Furthermore, an embedding into the strategic monitoring process STRAT.AT 2020 would be possible.
- Developing more in-depth working relationships between EU programme partners and EUSDR stakeholders, both on transnational, national and regional levels, on identified issues/activities of joint interest in the implementation phase.
- Establishing a EUSDR specific category in the monitoring system. Consequently, funding activities and / or projects contributing to the EUSDR will be identified in the appropriate way. This approach includes the consideration of EUSDR aspects in programme evaluations and reports, specifying how the cooperation programme contributes to the challenges identified by the EUSDR.

Making use of the Budapest Danube Contact Point (BDCP) for supporting coordination and joint planning actions in areas of mutual interest. The BDCP is an expert organization established by the Government of Hungary and the European Investment Bank to support the implementation of the Macro-regional Strategy for the Danube Region with special regard to the joint development of transnational functional regions and measures connected thereto. This support is based on the integrated approach applied in a transnational context, as well as on the possibility of making use of the territorial flexibility rules and the various tools enabled to facilitate cooperation among different programs.

SECTION 5 IMPLEMENTING PROVISION FOR THE COOPERATION PROGRAMME

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

5.1 Relevant authorities and bodies

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

Table 21: Programme authorities

Authority/body	Name of authority/body and department or unit	Head of the authority/body (position or post)
Managing authority	Regionalmanagement Burgenland GmbH	Head of MA
Certifying authority, where applicable	-	
Audit authority	Federal Chancellery of Austria Department IV/3 – Financial Control of the ERDF	Director of Department IV/3

The body to which payments will be made by the Commission is:

(Reference: point (b) of Article 8(4) of Regulation (EU) No 1299/2013)

<input checked="" type="checkbox"/> the managing authority	
<input type="checkbox"/> the certifying authority	

Table 22: Body or bodies carrying out control and audit tasks*(Reference: points (a)(ii) and (iii) of Article 8(4) of Regulation (EU) No 1299/2013)*

Authority/body	Name of authority/body and department or unit	Head of the authority/body (position or post)
Body or bodies designated to carry out control tasks	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company (SZPO Nonprofit Ltd.) West-Hungarian Control Unit Sopron	Head of Unit
	Regionalmanagement Burgenland GmbH, Department Accounting and Controlling	Head of Department
	Office of Government of Lower Austria, Division of Spatial Planning and Environment	Head of Division
	Office of Government of Styria, Department for Regional and Local Development, Unit for Controlling, Internal Management and Budget	Head of Unit
	Office of Government of Vienna, Municipal Department for European Affairs, Unit - First Level Control	Head of Unit
Body or bodies designated to be responsible for carrying out audit tasks	DGAEF - Directorate General for Audit of European Funds Audit Directorate of Economic Development and Other European Programmes	Director General

5.2 Procedures for setting up the joint secretariat

(Reference: point (a)(iv) of Article 8(4) of Regulation (EU) No 1299/2013)

In accordance with Article 23 (2) ETC Regulation the Managing Authority, after consultation with the Member States, sets up a Joint Secretariat (JS) that assists the Managing Authority and Monitoring Committee in carrying out their respective functions.

In continuation of implementation of the CBC Programme Austria-Hungary 2007-2013 the JS will remain in Sopron. Structural and implementation arrangements within the hosting organisation will be kept.

5.3 Summary description of the management and control arrangements

(Reference: point (a)(v) of Article 8(4) of Regulation (EU) No 1299/2013)

The following paragraphs provide a brief description of arrangements for the management and control of the Cooperation Programme AT-HU 2014-2020. A detailed description about the respective arrangements will be given in the Description of Management and Control System and further guidance documents (e.g. application or implementation manual).

Prior to submission the participating Member States confirm their agreement to the content of the cooperation programme according to Article 8 (9) ETC Regulation. Upon approval of the cooperation programme the participating Member States may agree on detailed procedures for programme implementation by means of a Memorandum of Understanding.

Joint implementation structure

The joint implementation structure of the Cooperation Programme AT-HU 2014-2020 should be built on the following authorities and bodies: Monitoring Committee, Managing Authority (with additional functions of the Certifying Authority), Joint Secretariat, Audit Authority assisted by a Group of Auditors.

Monitoring Committee

According to Article 47 (3) CPR the Member States participating in the cooperation programme set up a Monitoring Committee (MC) within three months after the notification of the decision adopting the cooperation programme. The MC will draw up and adopt its own rules of procedures which will set the framework for the work of the MC as central decision-making body of the cooperation programme. The rules of procedures will contain descriptions on the tasks, composition, procedures for the meetings and decision-making.

In line with Article 48 CPR the Member States participating in the programme decide on the composition of the MC. Due to the aims of the programme and following good practice from the 2007-2013 period both representatives of the national level and the regions participating in the cooperation programme should be members. Representation of policy areas relevant for the programme and participating regions shall be insured. A representative of the European Commission shall participate in an advisory role. Other institutions relevant for cross-border cooperation may participate as observers as long as specified in the rules of procedure. The MC will be chaired by the Managing Authority.

The participating Member States Austria and Hungary are voting members of the MC. Each country has one vote consisting of the nominated members according to the rules of procedure. Details of the voting procedure will be set out in the rules of procedure.

According to Article 49 CPR the MC will meet at least once a year. Decisions may also be taken through written procedure. The MC shall review the implementation of the programme and examine all issues that affect the performance of the programme. The MC will carry out its functions in line with Article 49 and 110 CPR and Article 12 (1) of ETC Regulation.

Managing Authority with additional functions of Certifying Authority

As mentioned in chapter 5.1 the Managing Authority will in line with Article 21 (1) ETC Regulation carry out its function as also being responsible for the functions of the Certifying Authority. The MA carries out the function of the CA in respect of the responsibilities listed in Article 126 CPR. Operative tasks of the CA may be partly contracted out by the MA.

According to Article 125 CPR and Article 23 ETC Regulation the Managing Authority is responsible for the management and implementation of the Cooperation Programme AT-HU 2014-2020 in accordance with the principle of sound financial management.

The MA, after consultation with the Member States, will set up a Joint Secretariat as provided for in the following abstract.

Joint Secretariat

The JS will be set up by the Managing Authority according to Article 23 (2) ETC Regulation. The JS will be based in Sopron and assists the MA, the MC and, where appropriate the AA and Group of Auditors in carrying out their respective functions.

Audit Authority and Group of Auditors

The AA will carry out its functions in accordance with Articles 123, 124, 127 and 128 of the CPR and Articles 21 and 25 of ERC Regulation.

In line with Article 25 (2) of ETC Regulation, the AA will be assisted by a group of auditors (GoA) comprising of representatives from responsible bodies of both Member States participating in the cooperation programme carrying out the above listed duties detailed in Article 127 of CPR. The representatives have to be independent from the MC members, the controllers designated according to Article 23 (4) of ETC Regulation and any operation's activities and finances. The GoA will be set up within three months of the decision approving the programme at the latest. It will draw up its own rules of procedure and will be chaired by the AA.

Where audits and controls are carried out by a body other than the AA, the AA shall ensure that such bodies have the necessary functional independence. The decision on the body carrying out the system audits and the checks on expenditure will be taken by the AA and the GoA during the process of designing the audit strategy of the cooperation programme.

Regional Coordinators Network

The network of regional coordinators (RC network) is constituted of the representatives of the regions participating in the programme. The RC network contributes to the successful implementation of the programme by supporting the programme management as well as controllers in executing their tasks on programme and/or on project level.

On project level the network of regional coordinators contribute to a sound implementation

by:

- Supporting the coordinated implementation of strategic projects in order to ensure targeted implementation of the programme strategy;
- Supporting the beneficiaries in securing regional and/or national financing;
- Securing the technical standards and therewith the quality of project applications;
- Providing project related services throughout the entire project cycle in order to ensure and improve the quality of cross-border cooperation and cross-border impact of projects;
- Steering of projects in order to ensure smooth implementation;
- Providing regional publicity and permuting information activities.

On programme level, the regional coordinators form an integral part of the bilateral working group (BWG) which ensures an effective programme implementation. With periodical meetings between MA, JS, RCs and the Member State representative of Hungary, the BWG supports the programme management by contributing (amongst others) to the

- Preparation of programme eligibility rules;
- Preparation of a memorandum of understanding, manuals for applicants and beneficiaries and other programme documents;
- Organisation of information and communication activities;
- Preparation of MC decisions.

In general, the regional coordinators actively participate in the work of the MC as representatives of their regions. In Austria, moreover, the regional coordinators represent the Member State and as such participate in the MC.

Project cycle

Project application

Pro-active project generation is a basic principle of the Cooperation Programme Austria-Hungary 2014-2020, as it leads to strategic projects with a clear added-value in the cross-border approach. This principle is reflected in a transparent set of assessment criteria as described in section 2.6.

In this section the basic principles for project generation and selection are described. For potential applicants a detailed specification of the procedures will be made available in a separate application manual.

The Cooperation Programme AT-HU 2014-2020 will make use of an open call system for the submission of project applications. After opening the call there will be continuous possibility to submit applications.

Project applications will be submitted to the JS by the lead beneficiary.

Project evaluation and selection

In general, the Cooperation Programme AT-HU 2014-2020 will mainly support cooperation between partners located in the programme area. In justified cases also partners located outside the programme area can participate in a project provided that they are competent in

their scope of action for certain parts of the eligible area (e.g. ministries). In only exceptional and duly justified cases the cooperation programme may make use of the possibility to finance the implementation of parts of an operation that is implemented outside the Union part of the programme area provided that the conditions set under Article 20 (2) of ETC Regulation are respected.

In the Cooperation Programme AT-HU 2014-2020 partners participating in projects shall be the following:

- National, regional and local public bodies (including EGTCs in the meaning of Article 2 (16) EGTC Regulation), public-equivalent bodies, non-profit organisations or other institutions which on project level act in public interest
- Private institutions, including private companies, having legal personality

Further details will be agreed by the MC and laid down in an application manual.

The JS has the overall responsibility of performing the evaluation of project applications. For parts of the evaluation independent external experts may be consulted.

A set of **administrative and eligibility criteria** will be defined to ensure compliance of all project applications with formal requirements. This part of the evaluation will especially look at the following points:

- Submission in due time
- Completeness of the project application package
- Requirements for the partnership (eligibility of partners, at least one Austrian and one Hungarian partner)
- Financing is secured
- No evidence for funding by other resources

Those project applications that fully comply with the administrative and eligibility criteria will be subject to quality assessment.

Quality assessment aims at assessing the relevance and feasibility of the project. This is reflected in two types of assessment criteria. Strategic assessment criteria are meant to determine the extent of the project's contribution to the achievement of the programme objectives. A strong focus is given to the result orientation of a project with the demand for visible outputs and concrete results. Operational assessment criteria review the viability and feasibility of the proposed project, as well as its value for money in terms of resources used versus results delivered.

As the strategic relevance of project applications and a clear added-value of the cross-border approach are at the core of the Cooperation Programme AT-HU 2014-2020, the importance of strategic criteria is mirrored accordingly by a weighting of scores or setting of thresholds that will be elaborated.

The following criteria constitute the general principles for the selection of operations:

Strategic assessment criteria aim at assessing the relevance of applications and determine the extent of their contribution to the achievement of the specific objectives. They focus on the project's result orientation and therefore picture the link of actions supported that will deliver outputs and lead to attainment of specific objectives. Strategic criteria can be

summarised as follows:

- Relevance and strategic character in terms of territorial challenges and needs described for the programme area as well as contribution to and coherence with wider strategies on different policy levels
- Relevance of the cross-border approach and cross-border added-value
- Contribution to programme objectives and results, as defined for each specific objective
- Coherence of planned activities with possible type and examples of actions and outputs described for each investment priority
- Relevance of partnership
- Contribution to the programme horizontal principles

Operational assessment criteria concern the assessment of the quality of implementation with regard to the feasibility and viability of project applications as well as their value for money in terms of resources used versus results delivered. Operational criteria can be summarised as follows:

- Existence of management structures and procedures for a sound implementation of the project
- Adequacy of communication objectives and activities
- Consistency, coherence and transparency of the work plan
- Coherence of the budget with the work plan and value for money

Experience shows that applications with high quality in operational terms indicate a sound implementation of the project.

As a general principle, applied across all priorities, the Cooperation Programme AT-HU 2014-2020 is committed to sustainable development and promotion of equality between men and women and non-discrimination (cf. section 8).

The JS submits the quality assessment to the MC for its decision.

Contracting

Following the decision of the MC, the JS will draft a subsidy contract by using a standard template approved by the MC. The subsidy contract lays down details concerning the responsibilities and liabilities of the beneficiaries. It is addressed to the Lead Partner and signed by the legal representative of the Lead Partner and the MA.

Besides the general legal framework, the subsidy contract will lay down the subject and duration of the contract, budgetary allocation (maximum ERDF funding), procedures and obligations regarding reporting and payments, obligations within the partnership, general conditions for the eligibility of costs, procedures for project changes, obligations regarding validation of expenditure and audit of operations, recovery obligations and procedures, information and publicity requirements, closure arrangements, rules for amendments to the contract and liability clauses.

The final approved application form will build an integral part of the subsidy contract.

Project reporting and reimbursement to beneficiaries

In accordance with Article 13 of ETC Regulation, for each project, project partners shall appoint a lead partner (LP). The LP shall assume overall responsibility for the implementation of the project, including the handling of ERDF funds.

All project expenditure have to be pre-financed by the project partners. Expenditure of all partners has to be validated by designated controllers in line with Article 125 (4) of CPR. Verifications shall be performed by the controller responsible in the territory where the respective beneficiary is located. In exceptional cases, responsibility of designated controllers for a certain beneficiary can be defined differently in the subsidy contract.

The LP collects the certificates of all project partners that are issued by the controllers responsible after verification of expenditure. This certificate will be included in activity and financial progress reports that the LP periodically presents to the JS and MA. In these documents, the LP reports about progress achieved in project implementation and on related validated expenditure. This will be the basis for the project's claim for reimbursement.

On the basis of the submitted reports, the JS monitors the progress of the projects both in financial terms and in terms of activities implemented. When assessing the reports, the JS considers the use of ERDF and the progress in implementation of the project in order to monitor the proper implementation of the project compliant with the subsidy contract. It is also checked whether verifications are carried out by the controllers defined in the subsidy contract.

Based on checks of the reports undertaken by the JS and in accordance with Article 21 (2) of ETC Regulation and Article 132 of CPR, the MA shall make payments to the LP who is responsible for transferring the ERDF contribution to the partners participating in the project. All payments to LPs will be made in Euro.

In line with Article 132 of CPR, MA ensures that beneficiaries – provided the availability of funds - receive payments in full and in due time, no later than 90 days from the date of submission of the claim for reimbursement. No deduction, retention or further specific charges which would reduce the amount of the payment shall be made. Suspension of reimbursement may only happen in cases mentioned in Article 132 (2) of CPR.

Financial control system

In accordance with Article 125 (4) of CPR and Article 23 (4) of ETC Regulation and considering that the MA cannot carry out verifications under Article 125 (4) of CPR throughout the whole programme area, each MS shall designate the bodies responsible for carrying out verifications in relation to beneficiaries on its territory. The control system is set up to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations and the compliance with Community rules, programme rules and its national rules.

In the Cooperation Programme Austria-Hungary 2014-2020 two different systems are in place regarding the implementation of control tasks: a decentralised system in Austria and a centralised system in Hungary.

In most cases, the controllers designated are the same bodies responsible for carrying out verifications for the operational programmes under the Investment for Growth and Jobs goal. In any case, the set up of the control system will be similar to the one in place in the

programming period 2007-2013.

In order to ensure coherence among all controllers responsible, standard templates such as control certificate, report and checklist will be provided by the MA and agreed by the MC. The templates serve as minimum requirement and ensure common standards. Furthermore, a network of controllers will be established to ensure regular exchange of knowledge and good practices.

All details on responsibilities and procedures related to financial control will be laid down in the Description of Management and Control System (DMCS) in accordance with Article 72 of CPR. Each MS shall ensure that the MA is informed without delay about any changes in the control system.

Programme monitoring

The monitoring of the programme will picture the progress of the programme towards its goals based on technical and financial information. Furthermore, it will specify the progress in fulfilment of the programme-specific output and result indicators.

Programme monitoring will be based on the assessment of the progress of the projects. They will be obliged to report regularly on the effects and tangible results achieved by the cooperation of the partnership and will provide evidence of the changes derived from their project.

The JS will collect and compile the data stemming from these reports in order to allow for conclusions on the programme level. These data are recorded and stored in the programme e-Monitoring System (e-MS) as described in section 5.3.g and will be used – together with additional information on the financial implementation of the programme – for drafting the annual and final implementation reports as described in the following abstract.

Implementation reports

In accordance with Article 14 of ETC Regulation, the MA will submit implementation reports (annual implementation reports and final implementation report) to the EC in accordance with the requirements stipulated in Article 50 of the CPR and respecting the deadlines set in Article 14 of ETC Regulation.

The annual implementation reports will be drafted by MA/JS on the basis of programme monitoring data and data provided by the beneficiaries in their progress and final reports. The annual implementation reports of the programme will be submitted to the MC for adoption prior to sending to the EC.

Programme evaluation

The Cooperation Programme AT-HU 2014-2020 has been subject to an ex-ante evaluation of independent evaluators with the aim of improving the overall quality of the programme and to optimise the allocation of budgetary resources. The recommendations of the evaluation have been taken into account during the drafting of this programme as described in the Annex.

In accordance with Article 56 of the CPR, the MA will draw up an evaluation plan which will be approved by the MC prior to sending to the EC.

The evaluations will be carried out to assess effectiveness, efficiency and impact of the programme. At least one evaluation during the programming period will assess how support

from the funds has contributed to the objectives for each priority. All evaluations, recommendations and follow-up actions will be examined and approved by the MC.

By 31 December 2022, the MA will submit to the EC a report summarising the findings of evaluations carried out during the programming period, including an assessment of the main outputs and results of the programme.

In compliance with Article 57 of the CPR, the ex-post evaluation lies in the responsibility of the EC together with the Member States.

Monitoring System

As stipulated in Articles 74 and 112 of CPR, data exchange with the EC will be carried out electronically (by means of SFC2014).

On the side of the programme, the monitoring system according to Article 72 of CPR shall provide data and information needed to fulfil management, monitoring and evaluation requirements.

In accordance with Article 122 of CPR, the Cooperation Programme AT-HU 2014-2020 will ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and the MA/CA and AA can be carried out by means of an electronic data exchange system (e-MS).

The e-MS will comply with the following aspects:

- data integrity and confidentiality
- authentication of the sender within the meaning of Directive 1999/93/EC
- storage in compliance with retention rules defined in Article 140 of CPR
- secure transfer of data
- availability during and outside standard office hours (except for technical maintenance activities)
- accessibility by the MSs and the beneficiaries either directly or via an interface for automatic synchronisation and recording of data with national, regional and local computer management systems
- protection of privacy of personal data for individuals and commercial confidentiality for legal entities with respect to the information processed (according to Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Directive 1995/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data).

In order to transfer data to the EC, the administration system of the e-MS shall facilitate interoperability with the Union frameworks as required by Article 122 (3) of the CPR.

The computer system used shall meet accepted security and reliability standards. Accepted procedures that ensure reliability of the accounting, monitoring and financial reporting information in computerised form will be implemented.

Information and communication

According to Articles 115 and 116 of CPR, a communication strategy will be drafted and

submitted to the MC not later than 6 months after adoption of the programme. Any revision of the communication strategy will be discussed and approved by the MC. The strategy will take into consideration the elements detailed in Annex XII of CPR.

In line with Article 116 (3) of CPR, the MA will inform the MC at least once a year on the progress in the implementation of the communication strategy and its assessment of the results, as well as on the planned information and communication activities to be carried out in the following year.

The aim of the communication strategy is twofold, to inform potential applicants about funding opportunities under the cooperation programme and to communicate achievements of cohesion policy to the general public by focusing on the results and impacts of the Cooperation Programme Austria-Hungary 2014-2020 and its projects. The cooperation programme might use harmonised branding introduced on a voluntary basis by ETC programmes for the period 2014-2020.

The communication strategy will be implemented by one person in the JS that will be designated to be responsible for information and communication activities. A budget for the implementation of the communication strategy will be made available as part of the programme's budget for technical assistance, in accordance with the principle of proportionality.

5.4 Apportionment of liabilities among participating Member States in case of financial corrections imposed by the managing authority or the Commission

(Reference: point (a)(vi) of Article 8(4) of Regulation (EU) No 1299/2013)

Without prejudice to the Member States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid according to Article 122 (2) of CPR, the MA shall ensure that any amount paid as a result of an irregularity is recovered from the lead partner. In accordance with Article 27 of ETC Regulation, the project partners shall repay the lead partner any amounts unduly paid.

If the lead partner does not succeed in securing repayment from a project partner or if the MA does not succeed in securing repayment from the lead partner, the Member State responsible for the control of the project partner concerned shall reimburse the amounts recovered to the general budget of the Union, in accordance with the apportionment of liabilities among the participating Member States as laid down below. The MA will reimburse the funds to the Union once the amounts are recovered from the LP/PP/MS.

Should the MA bear any legal expenses for recovery recourse proceedings – initiated after consultation and in mutual agreement with the respective MS – even if the proceedings are unsuccessful, these will be reimbursed by the MS responsible for the control of the LP or PP causing the said procedure.

Since Member States have the overall liability for the ERDF support granted to LPs or PPs for whose control they are responsible, they shall ensure that – prior to certifying expenditure – any financial corrections required will be secured and they shall seek to recover any amounts lost as a result of an irregularity or negligence caused by a beneficiary for whose control the MS is responsible. Where appropriate, a MS may also charge interest

on late payments.

In accordance with Article 122 (2) of CPR, irregularities shall be reported by the Member State responsible for the control of the lead partner or project partner implementing the project. The Member State shall, at the same time, inform the MA and the AA. Specific procedures in this respect may be laid down in a memorandum of understanding and will also be part of the description of management and control system.

The Member States will bear liability in connection with the use of the programme ERDF funding as follows:

- Each Member State bears liability for possible financial consequences of irregularities caused by those lead partners and project partners for whose control the MS is responsible or for systematic irregularity or for financial correction on programme level
- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the ERDF claimed to the European Commission for the period which forms the basis for the financial correction
- For technical assistance expenditure incurred by the MA, the liability related to administrative irregularities shall be borne by the MA. For technical assistance expenditure incurred by the JS, the liability shall be borne by the JS.
- For technical assistance expenditure incurred by the Member States the liability shall be borne by the Member State concerned.

Upon request of the responsible Member State which reimbursed the amount to the Programme budget, the Managing Authority shall provide to this Member State all relevant information concerning the claim of recourse against a Lead partner and/or a project partner or sole beneficiary within two months from the date of request.

5.5 Use of the Euro (where applicable)

(Reference: Article 28 of Regulation (EU) No 1299/2013)

Method chosen for the conversion of expenditure incurred in another currency than the Euro

In accordance with Article 28 of ETC Regulation, expenditure incurred in a currency other than the Euro shall be converted into Euro. Conversion is to be made by the beneficiaries using the monthly accounting exchange rate of the European Commission in the month during which the expenditure was incurred. The conversion shall be verified by the controller responsible according to the subsidy contract.

5.6 Involvement of partners

(Reference: point (c) of Article 8(4) of Regulation (EU) No 1299/2013)

Actions taken to involve the partners referred to in Article 5 of Regulation (EU) No 1303/2013 in the preparation of the cooperation programme, and the role of those partners in the

preparation and implementation of the cooperation programme, including their involvement in the monitoring committee

The coordination of the programming process including partner involvement was carried out by the MA/JTS of the AT-HU 2007-2013 programme.

According to Article 5 of CPR, the preparation of the cooperation programme should involve a partnership with competent regional and local authorities such as economic and social partners and relevant bodies representing civil society, including environmental partners, non-governmental organisations and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

The main reason for involving stakeholders in programming is to identify mutual interests and needs, secure commitment and ownership for the cooperation programme and ensure its practical implementation.

A number of platforms for an effective communication with relevant partners and stakeholders have been introduced throughout the programming process.

To steer the programming process a programming group (PG) has been established. A wide involvement and active participation of partners has been sought, hence important strategic partners for cross-border cooperation both from national and especially from regional level have been nominated as members of the PG. For specific topics the PG was extended by experts in order to support the work of the PG. This additionally ensures a wide representation not only of the Member States participating in the cooperation programme but also regarding thematic expertise. In addition, regional representatives in the PG have consulted social and economic partners and institutions responsible for specific topics in the respective region on a regular basis. This serves as an important input especially in identifying investment priorities, verifying of demand for possible activities and establishing the financial plan.

Two bilateral thematic workshops with more than 300 participants served as an essential input to the strategy and the intervention logic of the Cooperation Programme AT-HU 2014-2020. The aim was to validate strategic choices regarding thematic concentration and to collect additional inputs and suggestions as well as ideas on potential fields of cooperation in the programme area. At this events a preselected set of thematic objectives, investment priorities, and a draft definition of corresponding specific objectives and possible actions for each specific objective was consulted. The thematic workshops addressed competent regional, local and other public authorities, economic and social partners, bodies representing the civil society, including environmental partners and non-governmental organisations.

The Strategic Environmental Assessment (SEA) of the cooperation programme was based on a public consultation process. A wider public in Austria and Hungary had the opportunity to comment on the draft Cooperation Programme AT-HU 2014-2020, particularly taking into account the expected environmental impacts of implementation. Subsequently, comments relevant to the content of the cooperation programme have been taken into account.

Beside the activities on programme level, information and consultation was also carried out on the level of different projects and regions. In the framework of the project RECOM HUAT 2014 (Regional Cooperation Management) a comprehensive network analysis was carried out. The outcomes are based on a widespread questionnaire and more than 50 personal

interviews with the most important CBC stakeholders. 109 cross-border cooperation networks with 447 actors have been identified in the field of environment and energy, labour market, education, research and innovation as well as tourism and mobility. This stakeholder consultation process allowed for a deep insight in the quality, stability and sustainability of existing cross-border networks. It attracted interest for the programming process and provided additional ideas and inputs for the choice of investment priorities and specific objectives of the Cooperation Programme AT-HU 2014-2020.

Regional activities were carried out for example in Vienna, Styria, Burgenland and Hungary. The departments of the City of Vienna started to inform about the new programming period and its possible thematic objectives in December 2011 addressing the main stakeholders in the thematic fields with a meeting followed by 11 interviews in the beginning of 2012. Based on the results of the interviews two thematic workshops were held in autumn 2012 on the main future topics identified: research and innovation, environment, energy and regional planning. The aim was to inform the stakeholders but also to gather first project ideas. 55 participants from the chambers, public and private research institutions, universities and universities of applied science as well as the responsible departments of the regional administration attended the two half-day events. In July 2013 the main regional stakeholders as well as the relevant departments of the City of Vienna were asked to comment the first draft of selected investment priorities in a written procedure. Altogether 100 persons were contacted and more than a third replied.

In Styria the information and consultation process started with an analysis of existing strategies for various sectors (e.g. energy, economy, tourism) in order to identify their cross-border aspects by discussion with the relevant departments of the regional administration. Furthermore, a survey among project partners with 70 replies and interviews with 20 regional stakeholders were undertaken. The local level was involved with different initiatives in order to emphasise the importance of the regional aspect and to activate local and regional actors. One of these initiatives were 5 thematic workshops with about 200 participants on the topics tourism, energy and environment, economy and innovation, traffic and mobility as well as employment and lifelong learning.

In Burgenland different expert working groups discussed and formulated regional priorities that found their way into the “Regional Development Strategy – Burgenland 2020” and also into the programming process. There was close cooperation and ongoing communication between the institutions responsible for the programming of other programmes (ERDF, ESF, EAFRD), especially with regard to the Operational Programme “Österreich IWB 2014-2020”.

In Hungary, beside the RECOM workshops with a high number of Hungarian participants intense discussions with the representatives of the counties participating in the programme and relevant institutions in the counties were carried out.

Many partners currently involved in the preparation of the cooperation programme are foreseen to be involved in the Monitoring Committee with the aim of ensuring continuity for the implementation and monitoring of the cooperation programme in the future. Having a link between preparation and later implementation contributes to good management of the programme and achievement of the objectives intended. As already described the MC shall consist of both representatives of the national level and the regions participating in the cooperation programme. Representation of policy areas relevant for the programme and participating regions shall be insured. Other relevant institutions for cross-border cooperation as well as social partners from both Member States actively participate in the

implementation of the cooperation programme, mainly at project level. It will be discussed whether and how they can also be involved at programme level (e.g. in the Monitoring Committee).

SECTION 6 COORDINATION

(Reference: point (a) of Article 8(5) of Regulation (EU) No 1299/2013)

The mechanisms that ensure effective coordination between the ERDF, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and other Union and national funding instruments, including the coordination and possible combination with the Connecting Europe Facility, the ENI, the European Development Fund (EDF) and the IPA and with the EIB, taking into account the provisions laid down in the Common Strategic Framework as set out in Annex I to Regulation (EU) No 1303/2013. Where Member States and third countries participate in cooperation programmes that include the use of ERDF appropriations for outermost regions and resources from the EDF, coordination mechanisms at the appropriate level to facilitate effective coordination in the use of these resources

The Cooperation Programme AT-HU 2014-2020 will seek coordination with other ESI Funds through following measures:

- Applicants will have to describe any coherence and complementarity with national and regional programmes supported by ESI Funds in the application form.
- National coordination bodies (or mechanisms as provided by national rules) supporting the Monitoring Committee members will involve representatives of institutions participating in the implementation of national and regional programmes supported by ESI Funds, seeking (to the possible extent) to achieve coordination at all stages of the programme lifetime (more details see below).

Attention will also be given to the possibility of coordination with other ETC programmes. If a question is raised – for example - with regard to eligibility of a project in geographically overlapping areas, the JS or MA will seek the contact with the programme concerned to detect and avoid to the possible extent any duplication and to activate synergies. The MA and JS will also seek exchanges with other ETC programmes with regard to questions concerning efficient programme management by using e.g. the INTERACT platforms and participating in INTERACT workshops.

Mechanisms and bodies established in the Member States to ensure effective coordination in Austria and Hungary are as follows:

Coordination in Austria

The overall coordination of EU structural funds in Austria lies within the competence of the Federal Chancellery which represents the fund corresponding resort for the ERDF. As the coordination function derives from regional policy as well as spatial planning, the execution takes place from the outset in close cooperation with the Länder. The institutional framework for the national coordination of cohesion policy is given with the Austrian Conference on Spatial Planning (ÖROK), which is also responsible for the elaboration of the Austrian Partnership Agreement “STRAT.AT 2020”. This coordination efforts aim at ensuring the complementarity of ESI Funds specific activities and avoiding overlaps.

The coordination platforms organised by the ÖROK for the ERDF are the Working Group “Managing Authorities” for the programme “Investment in Growth and Jobs”, the Working Group “Cross-Border-Cooperation” (AG CBC) for the objective European territorial bilateral

cooperation and the National Committee for transnational and network programmes. The AG CBC assures important linkages to other committees, enhances synergies and increases the visibility of ETC CBC in other committees for structural funds. Through better information on existing concerns and possibilities of other ETC stakeholders it enables more rapid and better harmonized decisions. These three working groups are installed at the ÖROK Subcommittee on Regional Economy, which represents the central coordination committee for regional policy questions in Austria as well as their implementation.

The AG CBC consist of representatives of the Länder ("regional coordinators"), managing authorities of the CBC programmes, representatives of the national level (Federal Chancellery and the federal ministries which are relevant for the implementation of bilateral ETC programmes (e.g. Ministry of Agriculture Forestry, Environment and Water Management; Ministry of Labour, Social Affairs and Consumer Protection; Ministry of Science, Research and Economy) as well as economic and social partners and a representative of the National Contact Point for transnational and network programmes. Thus, Ministries responsible for the national ESF and EAFRD programmes as well as some Priority Area Coordinators for the EUSDR are in direct exchange with the programme partners. As the working group is installed in the framework of the ÖROK, a close coordination with the Investment for Growth and Jobs Goal (IGJ) is ensured as well.

The main focal points of the AG CBC are

- Co-ordination of perspectives, positions and contents on the role and tasks of cross-border-cooperation ETC programmes in the Austrian EU regional policy: ETC programmes and their anchorage in the partnership agreement "STRAT.AT 2020", influence of national / macro-regional strategies on ETC programmes (need for co-ordination between CBC & TN), mutual information, co-ordination and exchange on the programming 2014-2020, project development and selection, etc.
- Recommendations for technical / administrative questions for programme and project implementation: Programme closure, evaluation, cross-programme implementation processes, etc.
- Co-ordination of information flows in Austria and to European processes.

In the framework of the strategic monitoring process of the Partnership Agreement "STRAT.AT 2020" all ESI funds and objectives will be considered be it in common events, seminars, studies, evaluations, etc. The strategic monitoring process will built upon the good experiences gained from the coordination mechanism of the implementation of the NSRF in the current structural funds period, the so called "STRAT.ATplus process". As regards contents, the process pursues the objective of promoting the exchange of experiences and reflection, as well as to generate practical impulses. This establishes a framework in Austria, which in addition to administrative and ESI funding-related issues, supports a content-based or dialogue-driven discussion for information, reflection and learning processes for all Austrian regional policy actors in charge. This coordination mechanism strengthens the strategic discussions, the interaction, and exchange of experience and use of synergies among ESI funds.

Furthermore, coordination with other union instruments relevant for policy areas concerned by the ERDF is important. In the programme area particularly HORZION 2020 and LIFE are relevant for the selected objectives of the programme. Therefore applicants will be asked to

describe coherence with and complementarity to these instruments as mentioned above.

In Austria HORZION 2020 will be accompanied in its implementation by the Ministry of Science, Research and Economy. The regional contact points (for the current 7th Framework Programme) are responsible for the coordination of RTDI policy and regional development strategies as well as for the embedding of the European research and development funding measures at the regional level. As a result of the preparation of the partnership agreement, the corresponding ministry intends to install a platform for responsible ESI funds actors and stakeholders of the RTDI policy in Austria.

The LIFE programme will be accompanied by the Ministry of Agriculture Forestry, Environment and Water Management. The thematic objective 6 (environment and resource efficiency) will be addressed in the Cooperation Programme, where an adequate attention will be paid to the connection with LIFE.

In view of the described coordination mechanisms, the principle of proportionality has to be considered as the coordination between the cooperating two member states of the cross-border-cooperation programme as such is challenging.

Table: ESI programs 2014-2020 in/with AT with overlapping thematic objectives

Programmes	Name	Source of Financing	Overlapping Thematic Objectives	Responsible Authorities in Austria
ETC SK-AT 2014-2020	Slovakia-Austria Cooperation Programme 2014-2020	ERDF	TO 6: Environment and Resource Efficiency TO 7: Sustainable transport and network bottlenecks TO 11: Institutional capacity	Office of Government of Vienna; Office of Government of Lower Austria; RMB - Regionalmanagement Burgenland
ETC SI-AT 2014-2020	Slovenia-Austria Cooperation Programme 2014-2020	ERDF	TO 3: SME competitiveness TO 6: Environment and Resource Efficiency TO 11: Institutional capacity	Office of Government of Styria; Land Kärnten and KWF RMB – Regionalmanagement Burgenland
ETC AT-CZ 2014-2020	Austria-Czech Republic Cooperation Programme 2014-2020	ERDF	TO 6: Environment and Resource Efficiency TO 11: Institutional capacity	Office of Government of Vienna Office of Government of Lower Austria Office of Government

				of Upper Austria
IGJ - ERDF	EFRE Programm Investitionen in Wachstum und Beschäftigung Österreich 2014-2020	ERDF	TO 3: SME competitiveness TO 6: Environment and Resource Efficiency	Austrian Conference on Spatial Planning – ÖROK (MA)
LE 2020	Programm für Ländliche Entwicklung in Österreich 2014-2020	EARDF	TO 3: SME competitiveness TO 6: Environment and Resource Efficiency	Federal Ministry of Agriculture, Forestry, Environment and Water Management – DG II (MA)
EMFF Österreich	Operationelles Programm Österreich EMFF 2014-2020	EMFF	TO 3: SME competitiveness	Federal Ministry of Agriculture, Forestry, Environment and Water Management – DG II (MA)
DANUBE	Danube Transnational Programme 2014-2020	ERDF	TO 6: Environment and Resource Efficiency TO 7: Sustainable transport and network bottlenecks TO 11: Institutional capacity	Federal Chancellery (MC member) / Austrian Conference on Spatial Planning – ÖROK (NCP)
CENTRAL 2020	Central Europe 2020 – Cooperation Programme	ERDF	TO 6: Environment and Resource Efficiency TO 7: Sustainable transport and network bottlenecks	Federal Chancellery (MC member) / Austrian Conference on Spatial Planning – ÖROK (NCP)
ASP 2014-2020	Alpine Space Programme 2014-2020	ERDF	TO 6: Environment and Resource Efficiency TO 11: Institutional capacity	Federal Chancellery (MC member) / Austrian Conference on Spatial Planning – ÖROK (NCP)
Interregional Cooperation 2014-2020	Interreg Europe 2014-2020	ERDF	TO 3: SME competitiveness TO 6: Environment and	Federal Chancellery (MC member) / Austrian Conference on Spatial Planning –

			Resource Efficiency	ÖROK (NCP)
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Coordination in Hungary

In relation to national investment programmes financed from the resources of the European Structural and Investment Funds (ESIF), the coherence is ensured with the Partnership Agreement of Hungary and at the same time, coordination is needed in cases, where there is a possible overlap of thematic objectives. Furthermore coordination is needed in those cases, where there is a territorial overlap of cross-border cooperation programmes and transnational programmes such as the Slovenia-Hungary Co-operation Programme 2014-2020, the Slovakia-Hungary Cross-border Co-operation Programme 2014-2020, the Hungary-Croatia Cross-border Co-operation Programme 2014-2020, the Danube Transnational Programme, Central Europe and Interreg Europe.

Referring to the Article 123 of the EU Regulation No 1303/2013 the Prime Minister's Office is the ultimate coordinating body of the EU Structural Funds in Hungary. This ensures consistency, delimitation and that the most important coordination tasks are dealt in a 'One-stop-shop' system.

The organisational unit being responsible for the ETC CBC Programmes operates within the Prime Minister's Office as well, according to the related Government Regulation (27/2014. (II.7.) Korm. rendelet). Regarding the ETC CBC Programmes, the Deputy State Secretariat for International Affairs is responsible for the Managing/National Authority activities, therefore for the Austria-Hungary Cross-border Co-operation Programme as well.

As for the transnational programmes coordination is needed with the Ministry of National Economy, which is responsible for the following programmes: Danube Transnational Programme 2014-2020, Central Europe 2020 and Interreg Europe. Regarding the mainstream OPs dialog is needed with the Managing Authorities (i.e.: Ministry for National Economy, Ministry of National Development and the appropriate department of the Prime Minister's Office)

The coordination has been ensured already at the time of the planning of the ATHU CBC Programme 2014-2020, as the activities of the OPs have been collated, and during the implementation, the Management Authorities of the relevant OPs and the Management Authority and the Joint Technical Secretariat should collate continuously the envisaged operations.

Cooperation between the organisations managing EU and national funds will continue also in the Programme for the period 2014-2020. The coordination is ensured through the Programme related national level consultations in Hungary, the ETC working group meetings as well as the review and commenting procedures established among the responsible Hungarian line ministries. The Deputy State Secretariat for International Affairs cross-checks the Operative Programme with the coordinating institutions to avoid overlaps during the programming period.

Further ensuring coordination and checking overlapping is national responsibility meaning that on one hand Member States establishes the required mechanism and on the other hand the composition of the Joint Monitoring Committee of the Cooperation Programme, Programming Group and Joint Secretariat are responsible for facilitating coordination between authorities responsible for the implementation of the European Structural and

Investment Funds (ESI Funds). Regional Coordinators shall assist applicants and beneficiaries. In order to avoid double financing cross border impact is required at the projects financed through the ATHU ETC programme

During the implementation of the Programme special attention will be paid to the elaboration of the programme documents. In Hungary the IT system for mainstream operational programmes will be used to check double financing as also stated in the Partnership Agreement of Hungary. Double financing is to be scanned while audit procedures and the First Level Control shall stamp the submitted original invoices in order to make them inappropriate for other financial programmes.

The following mainstream operative programmes, cross-border cooperation and transnational programmes have overlapping thematic objectives with the Austrian-Hungarian Cross-border Co-operation Programme 2014-2020 where double financing needs to be checked:

Programmes	Name	Source of Funding	Overlapping Thematic Objectives	Responsible Authority in Hungary
SIHU	Slovenia-Hungary Co-operation Programme 2014-2020	ERDF	TO6: Environment and Resource Efficiency TO11: Institutional Capacity	Prime Minister's Office, Deputy State Secretariat for International Affairs as National Authority
HUSK	Slovakia-Hungary Cross-border Co-operation Programme 2014-2020	ERDF	TO6: Environment and Resource Efficiency TO7: Sustainable transport and network bottlenecks TO11: Institutional Capacity	Prime Minister's Office, Deputy State Secretariat for International Affairs as National Authority
HUHR	Hungary-Croatia Cross-border Co-operation Programme 2014-2020	ERDF	TO3: SME competitiveness TO6: Environment and Resource Efficiency TO11: Institutional Capacity	Prime Minister's Office, Deputy State Secretariat for International Affairs
EDIOP	Economic Development and Innovation OP	ERDF, ESF	TO3: SME competitiveness TO6: Environment and Resource Efficiency	Ministry for National Economy

TOP	Territorial and Settlement Development OP	ERDF, ESF	TO6: Environment and Resource Efficiency	Ministry for National Economy
POP	Public Administration and Service Development OP	ERDF, ESF	TO11: Institutional Capacity	Prime Minister's Office
CCHOP	Competitive Central Hungary OP	ERDF, ESF	TO3: SME competitiveness	Ministry for National Economy
EEEOP	Environment and Energy Efficiency OP	CF, ERDF	TO6: Environment and Resource Efficiency	Ministry of National Development
ITOP	Integrated Transport Development OP	CF, ERDF	TO7: Sustainable transport and network bottlenecks	Ministry of National Development
RDOP	Rural Development OP	ERDF, EMFF	TO3: SME competitiveness TO6: Environment and Resource Efficiency	Prime Minister's Office
HFAOP	Hungarian Fishery and Aquaculture OP	EMFF	TO3: SME competitiveness TO6: Environment and Resource Efficiency	Prime Minister's Office
DANUBE	Danube Transnational Programme 2014-2020	ERDF	TO6: Environment and Resource Efficiency TO7: Sustainable transport and network bottlenecks TO11: Institutional Capacity	Ministry for National Economy
CE	Central Europe 2020	ERDF	TO6: Environment and Resource Efficiency TO7: Sustainable transport and network	Ministry for National Economy

			bottlenecks	
INTERREG	Interreg Europe	ERDF	TO3: SME competitiveness TO6: Environment and Resource Efficiency	Ministry for National Economy

SECTION 7 REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

(Reference: point (b) of Article 8(5) of Regulation (EU) No 1299/2013)

A summary of the assessment of the administrative burden for beneficiaries and, where necessary, the actions planned accompanied by an indicative timeframe to reduce the administrative burden.

Experiences in 2007-2013 related to the administrative burden

The complexity of EU funding programmes has been a frequent reason for complaints by beneficiaries, often discouraging potential applicants. Territorial co-operation programmes are especially concerned due to lengthy procedures related to partner and project level reporting.

The most frequent criticisms include:

- **Different document templates and requirements programme by programme**
Applicants and beneficiaries have often complained that various templates of different programmes for the same or similar purposes reflect structural differences, often a different logic and other requirements. First level control bodies that are responsible for controls in more than one programme are also influenced.
- **Large amount of paper copies, duplication of information**
For the purposes of sound documentation regularly large piles of hard copies are submitted. Duplication of information is often unavoidable, which contributes to a higher possibility of mistakes.
- **The visibility of projects required disproportionate efforts from some projects**
Information and publicity is essential, but their implementation in projects is uneven in terms of quality and quantity. Especially in case of small operations with low communication budget, quality often suffers.
- **Lack of pre-financing capacity**
The lack of pre-financing capacity has been a frequent reason for delays in project implementation, resulting in prolongations as one of the most frequent modifications.
- **Complicated financial reporting and control procedures**
The documentation of the eligibility of expenditure has often entailed a significant workload on the part of the project holders and disproportionate efforts in verification on the part of the First Level Control Bodies. This is especially true for staff costs and for office and administrative expenditure.

The need for simpler administration was clearly expressed by stakeholders in the public workshops during the preparation of the period 2014-2020. The requirement deriving from Art 8(5)b of the ETC regulation to reduce the administrative burden on beneficiaries meets the actual needs and shall result in practical measures that have a true impact on the procedures. Simplification helps beneficiaries to cope better with programme requirements and contributes to fewer burdens on programme level.

It must be noted that the need to provide sound documentation at every phase of the project

cycle, allowing for control and audit activities even after considerable time, is not supposed to change radically. While programme rules have clear priority over the national ones, in fields that are not covered by the jointly established programme rules, differences in national regulations and procedures may remain. Further harmonisation would lead to overregulation, which stands in contradiction with the meaning of simplification.

The increased requirements for result orientation require thorough planning and close monitoring of outputs and results both on project and on programme level. In order to offset the resulting higher administrative requirements, special measures have to be taken by the programmes to support potential applicants, applicants and beneficiaries.

Actions planned in order to reduce the administrative burden and their indicative timeframe

Consistent use of the “Harmonised Implementation Tools” of INTERACT (HIT)

The programme will use the HIT templates from the beginning of the programme implementation, in all phases starting with the application form throughout the project cycle. The benefits of applying the HIT package include among others:

- standardisation with other programmes using HIT templates,
- standardised language,
- structured planning on project level,
- support coherence with the programme’s intervention logic,
- consistent application of the entry-only-once principle.

The use of standardized documents in a user-friendly format will contribute to save time and effort.

E-cohesion

From the beginning of the programme implementation the requirements of e-cohesion will be extensively applied. All exchange of information with the project applicants and beneficiaries will be carried out by the means of electronic data exchange systems and the need to submit documents in hard copy will be reduced to the possible minimum. For this purpose the programme is going to apply the e-Monitoring System of Interact (e-MS), starting with the on-line application form, throughout all phases of the project cycle. Features of the e-MS that help to reduce the administrative burden on project holders include among others:

- application of standardised HIT documents,
- high level automation (entry only once, automatic calculations), incl. reporting, modification, etc.,
- drop down lists help to keep the structure required by the intervention logic,
- hints and guidelines available right at the relevant entry fields.

The application of standardised documents and the e-Monitoring System is expected to contribute efficiently to the reduction of processing time for contracting, first level control and payment procedures, as well as to the application of harmonised approaches and

procedures on both sides of the border.

Use of the programme website for project publicity

At latest by the time when the implementation of the first approved projects starts, the programme is going to develop a section of the programme website that will be offered to projects for their publicity. The expected benefits include:

- harmonise publicity efforts of the projects on a common platform,
- contribution to the fulfilment of the publicity goals of the programme
- support especially to projects with low communication budget

The application of the new Interreg brand and logo down to the project level will help the better identification of programme and project results.

Possibility of pre-financing

In order to prevent difficulties related to pre-financing, the programme encourages participating regions and Member States to offer financing solutions based on national resources –as concrete financial aid to beneficiaries– based on their previous experiences. These may include:

- automatic national contribution
- advance payments related to national contribution and/or ERDF (from national resources)

Pre-financing and national contribution measures are expected to be available by the contracting of the first approved projects.

Application of simplified costs

In order to minimise the administrative burden, from the beginning the programme implementation will make use of the simplification options offered by the regulatory framework. The application of simplified cost options will contribute among others to:

- reduced workload for beneficiaries and control bodies,
- reduced processing time and costs,
- increased legal certainty.

The detailed eligibility rules, including the exact scope of the application of simplified costs will be elaborated after the submission of the cooperation programme.

SECTION 8 HORIZONTAL PRINCIPLES

(Reference: Article 8(7) of Regulation (EU) No 1299/2013)

8.1 Sustainable development

Description of specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations.

The Common Provisions Regulation (CPR) state: “The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity protection, disaster resilience, and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes.”¹⁸

Important tools to systematically consider the sustainable development principle in the programme preparation phase are the Strategic Environmental Assessment (SEA) and the Ex-ante evaluation. The purpose of the SEA is to “provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development.” The Ex-ante evaluation verifies the adequacy of planned measures in the programmes to promote sustainable development¹⁹.

During programming the SEA process ran in parallel to the ex-ante evaluation, and its main findings have been incorporated into the ex-ante report. The SEA summarizes: “Generally, it must be said that it is a very environmentally friendly programme. Many thematic priorities are aimed at environmentally relevant topics (improvement of water quality, development of nature reserves and cultural heritage, development of sustainable transport systems). In particular, the promotion of regulatory cooperation is very important for environmental issues.

The greatest danger lies in the additional sealing by certain investments. Although the programme provides only small-scale investments in infrastructure, it must be ensured, that all projects aiming a wise use of natural resources and taking care of biodiversity and habitats.”²⁰

Sustainable development will further be considered during implementation of the programme. The assessment and selection of projects as well as the monitoring of implementation will be guided by the following principles:

- Selection of investive projects in view of highest resource efficiency and sustainability
- Prevention of investments with considerable negative environmental (especially by additional sealing) and climate effects

¹⁸ CPR, Article 8

¹⁹ CPR, Article 55 (m)

²⁰ Environmental Report of the CBC-Programme Austria – Hungary 2014-2020, p. 90

- Long-term perspective when comparing life cycle costs of various investment options

The project application form will include a section, in which the applicants have to describe the project's contribution to sustainable development and choose between three types of contribution, "neutral", "positive effects" and "negative effects". During quality assessment it will be evaluated, how far sustainability is anchored in the project's design and the planned activities and whether the applicants' statement is justified.

With regard to the selected priority axes the following aspects should be taken into account by the project proposals:

Priority axis 1 mainly targets the research and innovation capacities of SMEs with the aim to develop competitive products. Special attention will be given to eco-innovations and "green" products as well as social innovation and entrepreneurship.

Priority axis 2 seeks to protect the regional landscape and ecosystems and to improve resource efficiency by promoting the wider use of innovative technologies. Further focus lies on the sustainable protection, promotion and development of regional cultural and natural heritage.

Priority axis 3 deals with sustainable transport and regional cross-border mobility with a focus on environmentally friendly transport modes for freight and passengers.

Priority axis 4 aims to strengthen the integration in the border region by legal and administrative cooperation and cooperation between citizens. Here, emphasis will be put on creating social sustainability communities that are equitable, diverse, connected and democratic and provide a good quality of life.

Generally, all (planned and submitted) projects will be encouraged to consider environmental concerns and reduce their environmental impact, for example by

- contributing to efficient waste management, re-use and recycling (not only projects of priority axis 2),
- considering energy efficiency, renewable energy use and reduction of greenhouse gas (GHG) emissions (not only projects of priority axis 2),
- contributing to reduced transport and mobility related air pollution (not only projects of priority axis 3),
- applying green public procurement²¹,
- contributing to more employment opportunities, education, training and support services in the context of environment protection and sustainable development.

²¹ Green Public Procurement (GPP) is a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured. (EC 2012)

8.2 Equal opportunities and non-discrimination

Description of the specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the cooperation programme and, in particular, in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination, and in particular, the requirements of ensuring accessibility for persons with disabilities.

The Common Provisions Regulation (CPR) state: “Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes”²².

The AT-HU programme will consider the principles of equal opportunities and non-discrimination and ensure that these are taken into account in all phases of its implementation, not least in terms of programme management (Priority 5). It will further take into account the needs of various target groups at risk of such discrimination and the requirements ensuring accessibility for persons with disabilities.

Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equal opportunities.

The application form will include a section, in which the applicants have to describe the project's contribution to equal opportunities and non-discrimination and choose between three types of contribution, “neutral”, “positive effects” and “negative effects”. During quality assessment it will be evaluated, how far equal opportunities and non-discrimination is anchored in the project's design and the planned activities and whether the applicants' statement is justified. After approval, the ERDF-contract will include a section which specifies each project's obligation to comply with the principles of equal opportunities and non-discrimination.

All projects will be further encouraged to integrate measures that actively seek to diminish the specific challenges of the programme region:

As described in Section 1, which is based on the programme's regional analysis and SWOT, the programme area is characterized by considerable disparities between the northern, more urban and prospering part and the southern, more rural and peripheral part. Apart from Graz and its urban hinterland, the southern programme area is less accessible in terms of transport and economically weaker, struggling with high unemployment, out-migration and a lack of skilled workforce. These challenges will be tackled by designated projects, targeting the identified areas and including activities that allow for better integration of disadvantaged groups into the labour market (e.g. long-term unemployed, older workers, drop-outs and under-qualified, people with disabilities, ethnic minorities, people with a migration background) and social inclusion.

Priority axis 1 is especially suited to contribute to the described objectives as it aims at

²² CPR, Article 7

SMEs and their research and innovation capacities, including also measures with regard to training and vocational education programmes.

Priority axis 2 targets – among others – the sustainable protection, promotion and development of regional cultural and natural heritage and will include actions that support the reconstruction and utilization of cultural and natural heritage sites as well as the development of products and services. Here, it will be necessary to ensure accessibility for people with disabilities to both, physical infrastructure and services.

Priority axis 3 deals with sustainable transport and regional cross-border mobility with a focus on public transport. Special attention will be given to existing bottlenecks and areas lacking good services as well as to mobility services for less mobile population groups.

Priority axis 4 aims to strengthen the integration in the border region by legal and administrative cooperation and cooperation between citizens. Here, emphasis will be put on creating social sustainability communities that are equitable, diverse, connected and democratic and provide a good quality of life. Additionally, special attention will be given to ethnic and language minorities.

8.3 Equality between men and women

Descriptions of the contribution of the cooperation programme to the promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at cooperation programme and operation level.

The aim of equality between women and men belongs to the fundamental values of the European Union and is set out in of the Treaty on the European Union. Article 3 states that the Union shall “combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child”²³. The elimination of inequalities and the promotion of equality between women and men are also included in the consolidated version of the Treaty on the Functioning of the European Union²⁴. These fundamental values must be respected in the Regulations and implementation of the ESI Funds of the European as stated in the Common Provisions Regulation (CPR): “Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective is promoted in the preparation and implementation of programmes” and that the “Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes”²⁵.

The AT-HU programme will consider the principles of equality between men and women and

²³ Consolidated version of the Treaty on European Union - TITLE I: COMMON PROVISIONS - Article 3 (ex Article 2 TEU), Official Journal 115 , 09/05/2008 P. 0017 - 0017

²⁴ “Article 8, CONSOLIDATED VERSION OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION, Official Journal of the European Union C 83/49 of 30.3.2010.

²⁵ CPR, Article 7

ensure that these are taken into account in all phases of its implementation, not least in terms of programme management (Priority 5). Furthermore, the programme will consider to measure the involvement of men and women in its monitoring and evaluation processes (e.g. number of women and men participating in measures or benefiting from funding).

Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equality between men and women.

The application form will include a section, in which the applicants have to describe the project's contribution to equality between men and women and choose between three types of contribution, "neutral", "positive effects" and "negative effects". During quality assessment it will be evaluated, how far equality between men and women is anchored in the project's design and the planned activities and whether the applicants' statement is justified. After approval, the ERDF-contract will include a section which specifies each project's obligation to comply with the principles of equal opportunities and non-discrimination.

All projects will be further encouraged to promote gender mainstreaming, that is "looking at every step of policy – design, implementation, monitoring and evaluation – with the aim of promoting equality between women and men"²⁶.

²⁶ EQUAL Guide on Gender Mainstreaming, European Commission, Directorate-General for Employment, Social Affairs and Equal Opportunities, 2004

SECTION 9 SEPARATE ELEMENTS

9.1 Major projects to be implemented during the programming period

(Reference: point (e) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 23: List of major projects

Project	Planned notification / submission date (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date (year, quarter)	Priority axis/ Investment priorities
not applicable				

9.2 Performance framework of the cooperation programme

Table 24: Performance framework (summary table)

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
1	ERDF certified to EC for priority axis 1	Euro	2 161 116	8 979 400
1	Participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders	Number	45	200
2	ERDF certified to EC for priority axis 2	Euro	3 580 935	24 691 650

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
2	Jointly developed investments at cultural and natural heritage sites	Number	1	5
2	Surface area of habitats supported in order to attain a better conservation status	Hectare	20 000	100 000
2	Measures securing or improving the status of water bodies in qualitative and quantitative terms	Number	1	5
3	ERDF certified to EC for priority axis 3	Euro	1 726 245	23 447 250
3	Total length of newly built, reconstructed or upgraded transport infrastructure (roads) (action 1,2)	Number	5	20
3	Joint solutions enhancing the attractiveness of	Number	1	2

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
	public transport			
4	ERDF certified to EC for priority axis 4	Euro	2 449 915	16 998 707
4	Institutions involved in cross-border cooperation	Number	30	220

9.3 Relevant partners involved in the preparation of the cooperation programme

The involvement of relevant partners in the preparation of the cooperation programme is explained in section 5.6. To complete the description of the process a list of the main stakeholders both on programme and regional level is included in the Annex.

9.4 Applicable programme implementation conditions governing the financial management, programming, monitoring, evaluation and control of the participation of third countries in transnational and interregional programmes through a contribution of ENI and IPA resources

(Reference: Article 26 of Regulation (EU) No 1299/2013)

not applicable

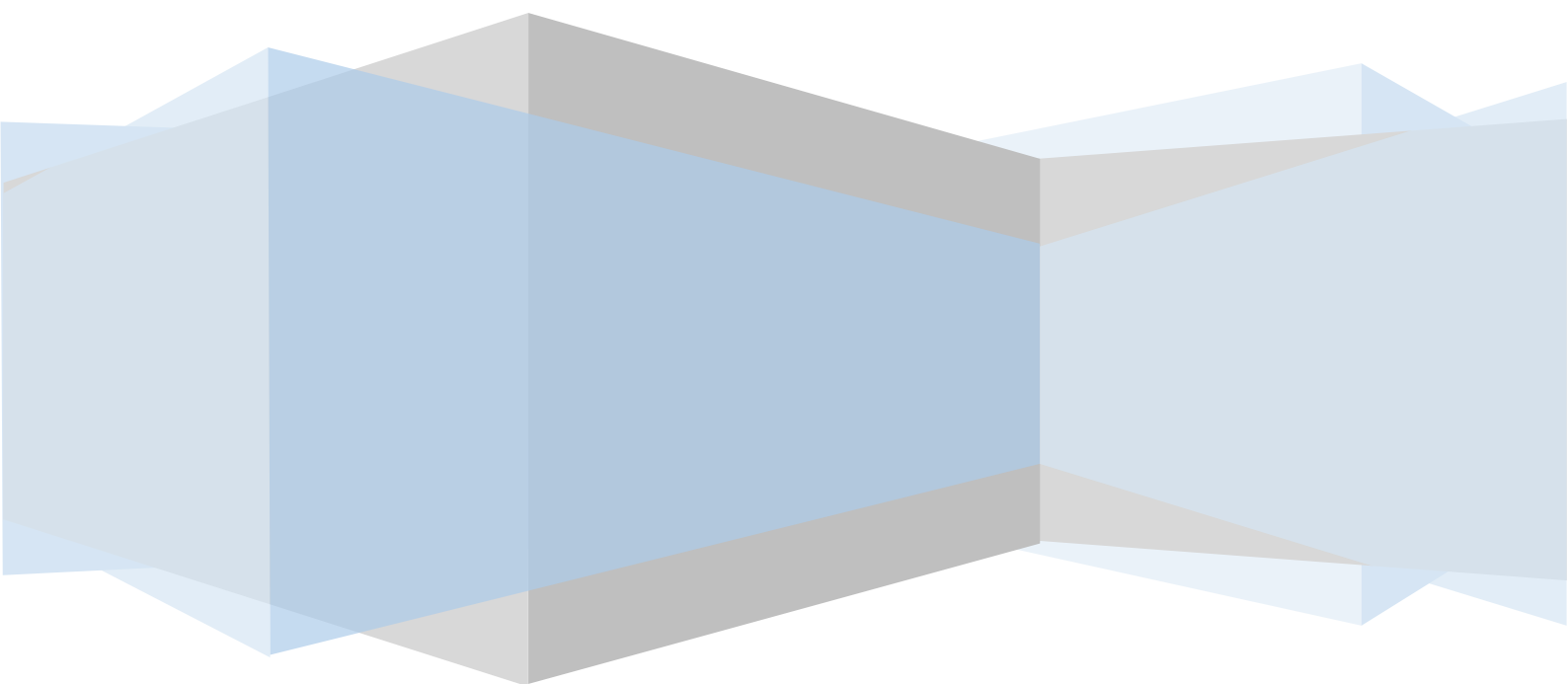
ANNEXES (TO BE UPLOADED AS SEPARATE FILES)

- Draft report of the ex-ante evaluation, with an executive summary (mandatory)
(Reference: Article 55(2) of the CPR)
- Confirmation of agreement in writing to the contents of the cooperation programme
(mandatory)
- A map of the area covered by the cooperation programme (as appropriate)
- List of partners involved in the preparation of the cooperation programme
- Definition (documentation) of performance framework
- Guide on indicators
- Overview table intervention logic
- List of NUTS regions

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LIST OF ABBREVIATIONS

AA	Audit Authority
AB	Audit Body
BWG	Bilateral working group
CA	Certifying Authority
CB	Cross-border
CF	Cohesion Fund
CP	Cooperation Programme
CBC Programme	Cross-border Cooperation Programme
CSF	Common Strategic Framework
CPR	Common Provision Regulation
Danube Programme	Danube Transnational Programme
EC	European Commission
ECP	European Cohesion Policy
EGTC	European Grouping for Territorial Cooperation
EIB	European Investment Bank
EMFF	European Maritime and Fisheries Fund
EPO	European Patent Office
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI	European Structural and Investment Funds
ETC	European Territorial Cooperation
EUSAIR	EU Strategy for the Adriatic and Ionian Region
EUSDR	EU Strategy for Danube Region
ERM	European Resources Management
EGN	European Geoparks Network
EUSALP	European Strategy for the Alpine Region
FLC	First Level Control
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GERD	Gross domestic expenditure on R&D
GGN	Global Geoparks Network
GODC	Government Office for Development and European Cohesion Policy
HIT	Harmonized Implementation Tools
ICT	Information and Communication Technology
IP	Investment Priority
JS	Joint Secretariat
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
MS	Monitoring System
NA	National Authority
NGO	Nongovernmental Organization
NUTS	Nomenclature of Territorial Units for Statistics
PA	Partnership Agreement
PP	Project Partner
RA	Regional Authority
RTD	Research, Technology and Development
RTDI	Research, Technology, Development and Innovation
R&D%I	Research and development and innovation
R&D	Research and Development

R&I	Research and Innovation
SEA	Strategic Environmental Assessment
SME	Small and Medium-sized Enterprises
SO	Specific Objective
SWOT	Strengths, weakness, opportunities and threats analysis
TA	Technical Assistance
TO	Thematic Objective

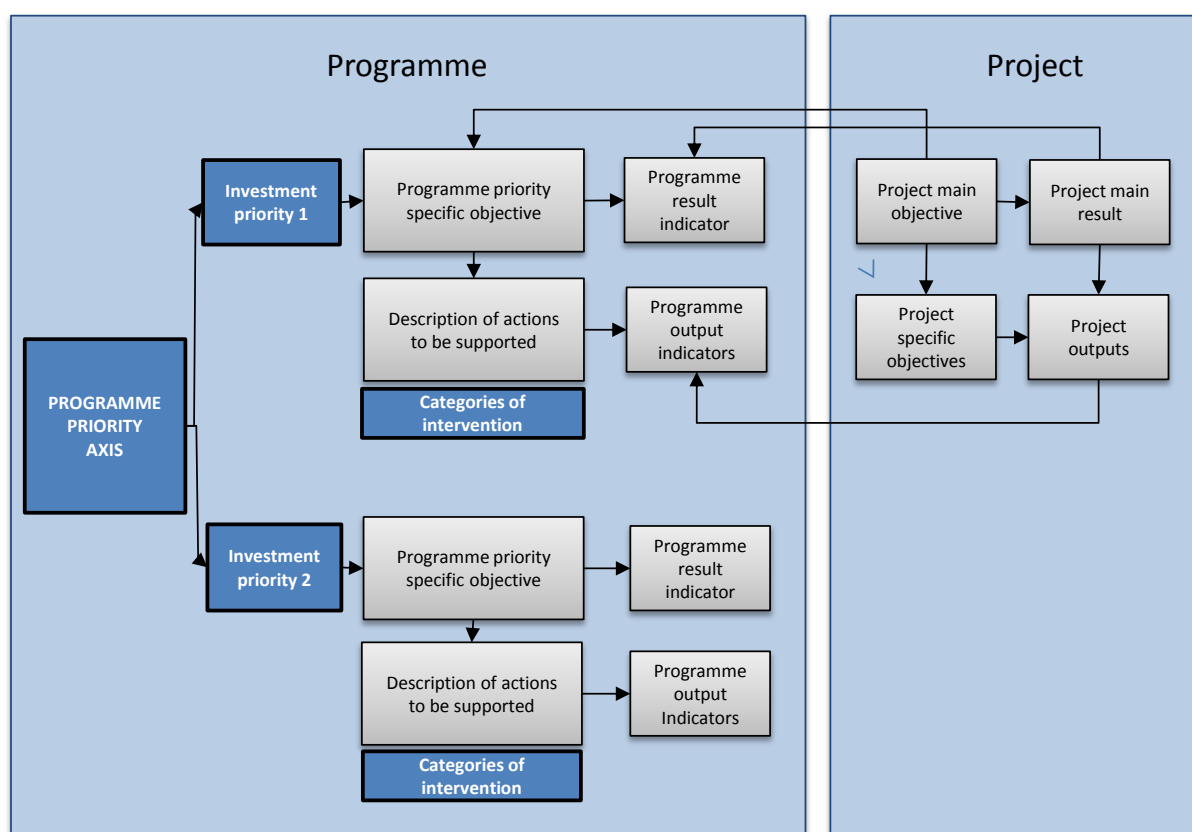
0 INTRODUCTION

0.1 Legal framework

The present Cooperation Programme INTERREG V-A Slovenia-Austria 2014-2020 (further in text referred to as “CP INTERREG V-A SI-AT 2014-2020”) is the basis document for the resolutions on regional level as well as for the submission to the European Commission.

It was prepared on the legal basis of common and programme specific regulations (Common Provisions Regulation No 1303/2013, ERDF Regulation No 1301/2013, ETC Regulation No 1299/2013) and in line with the Common Strategic Framework and the Partnership Agreements in Slovenia and Austria. The basic, result oriented intervention logic which has to be followed in the programme is presented in the following illustration.

Figure 1: Programme and project intervention logic

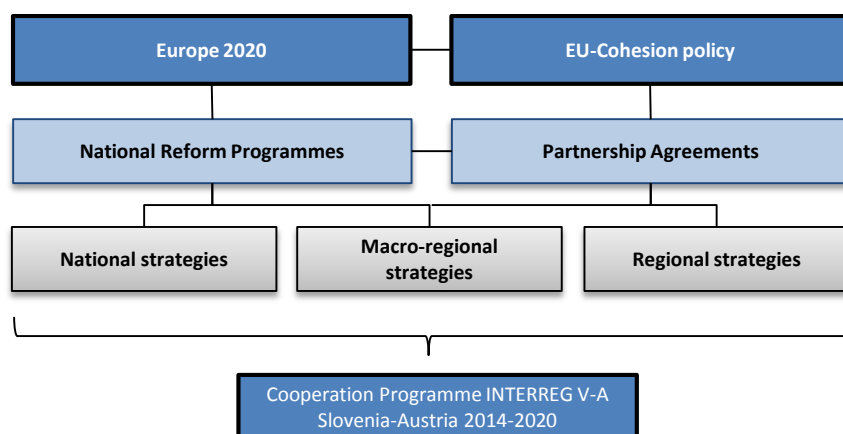


Source: INTERACT 2014.

0.2 Content framework

The conceptual orientation of the CP INTERREG V-A SI-AT 2014-2020 follows the ambition of European cohesion and the Europe 2020 strategy, with its aims at "smart, sustainable, inclusive growth". The programme further takes into account macro-regional, national and regional strategies.

A detailed overview of the policy framework is given in Figure 2.

Figure 2: Multilevel-Governance: Programme and Policy Framework

As a specific instrument – in the portfolio of European and national instruments available for territorial development – the CP INTERREG V-A SI-AT 2014-2020 aims at strengthening cooperation structures in selected policy fields linked to Community priorities.

The situation analysis in the CP INTERREG V-A SI-AT 2014-2020 show the selected thematic fields which reflect the results of deep analyses in all areas and other inputs gathered through bilateral events (workshops) and different events on national/regional level. These analyses are available in each participating region and have been used to draw a better picture of the situation within the programme area. Furthermore, where available, findings and results were reinforced with current data on NUTS 3 level, however, due to data gaps on NUTS 3 level, NUTS 2 data was used. Additional restrictions concerning current data (e.g. with respect to research and development (R&D) data in Austria, Statistics Austria conducts national statistical surveys covering all Austrian R&D performing institutions only every two years; the last available data is data for the year 2011, data for 2013 will be available in autumn 2015) were solved by using the last common data for both/all countries/regions.

SECTION 1**STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION****1.1 Strategy for the cooperation programme's contribution to the union strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion****1.1.1 Description of the cooperation programme's strategy**

The conceptual orientation of the CP INTERREG V-A SI-AT 2014-2020 follows the ambition of the Europe 2020 strategy, with its aims at "smart, sustainable and inclusive growth". Common challenges and intervention needs shared by regions involved in the programme area are taken into account in order to contribute better to social, economic and territorial cohesion. Deep analyses within the participating regions showed specific needs in the fields of research, SMEs, environment, resource efficiency and public administration. Consequently, to overcome defined challenges and intervention needs the programme strategy builds on the following thematic objectives (TOs):

- Strengthening research, technological development and innovation (TO 1)
- Enhancing the competitiveness of SMEs (TO 3)
- Preserving and protecting the environment and promoting resource efficiency (TO 6)
- Enhancing institutional capacity of public authorities and stakeholders and efficient public administration (TO11).

The selected TOs have been translated into three priority axes, which indicates challenges and intervention needs as identified in the situation analysis.

1.1.1.1 Brief synopsis of the programme area

The programme area covers 8 Slovenian NUTS 3 regions Gorenjska, Koroška, Savinjska, Podravska, Pomurska, Osrednjeslovenska, Goriška and Zasavska and 9 Austrian NUTS 3 regions Oststeiermark, West- and Südsteiermark, Graz, Östliche Obersteiermark, Westliche Obersteiermark, Unterkärnten, Klagenfurt-Villach, Oberkärnten and Südburgenland.

The programme area covers 38,353 km², with a population of about 3,467,000 people.

The programme area is characterised by the second tier city with agglomerations – i.e. Graz (265,778 inhabitants) and Ljubljana (277,554 inhabitants, first tier city), small and medium sized cities such as Maribor (112,088 inhabitants), Kranj (55,623 inhabitants) and Celje (48,868 inhabitants) in Slovenia, Kapfenberg (21,586 inhabitants) and Leoben (24,345 inhabitants) in Obersteiermark and Klagenfurt (95,450 inhabitants) and Villach (59,646 inhabitants) in Kärnten¹. These core areas account for the majority of population, representing centres of education as well as of research and knowledge.

¹ STATISTIK AUSTRIA (2013): ÖSTERREICH'S STÄDTE IN ZAHLEN 2013, Herausgegeben von STATISTIK AUSTRIA und vom ÖSTERREICHISCHEN STÄDTBUND; Statistical Office of the Republic of Slovenia 2014.

Figure 3: The programme area

Demographic change in the programme area reflects the EU level trends: while regional areas grow – i.e. especially Graz (6.1 %) and Osrednjeslovenska (7.5 %) as well as Klagenfurt-Villach (1.7 %) and Gorenjska - most rural areas are characterised by decreasing population and emigration (2007-2013: Östliche Obersteiermark -4.0 %, Westliche Obersteiermark -3.6 %, Unterkärnten -3.0 %, Oberkärnten -2.9 %, Zasavska -3.8 %, Pomurska -3.3 %, Koroška region -2.06 %). In others the number of population varied to a small amount or stagnated².

Socio-economic characteristics of the programme area

The programme area is characterised by persistently strong national and regional disparities. On the national level, Austria belongs to the richest EU Member States (with a GDP at market prices per inhabitant of EUR 37,000 in 2013 and GDP per inhabitant³ as % of EU average of 144 %). Also the economic development of Austria during the last years was constantly above the EU average. In Slovenia (where the GDP at market prices per inhabitant was of EUR 17,100 in 2013 and GDP per inhabitant⁴ as % of EU average of 67 %) since its independence, the economy was growing constantly, but the current economic crisis hit Slovenia strongly and practically stopped (the GDP per inhabitant as a percentage of EU average in 2011 was even higher with 70 %) its economic development⁵.

² Eurostat (2014).

³ Eurostat (2014) (nama_gdp_c).

⁴ Eurostat (2014) (nama_gdp_c).

⁵ Eurostat (2014).

On regional level, areas with their agglomerations such as Graz (160 %) and Klagenfurt-Villach (142 %) in 2011 show (high) levels of regional income well above the EU- and regional average, whereas other Austrian regions such as Oberkärnten (100 %), Unterkärnten (103 %), Östliche Obersteiermark (121 %) and Westliche Obersteiermark (103 %) achieve or exceed the EU average. Osrednjeslovenska region (98 %) performs slightly below the EU average, whereas all other regions in Slovenia remain below the 65 % level of EU average⁶.

The programme area is characterised by modest unemployment rates⁷ in EU terms (EU-28: 10.8 % in 2013) for Austrian regions which show an unemployment rate half the average for the EU 28 (Burgenland 4.0 %, Kärnten 5.3 % and Steiermark 4.0 %) whereas at NUTS 3 level in Slovenia the unemployment rate⁸ was as follows: Gorenjska 9.8 %, Koroška 13.9 %, Savinjska 13.9 %, Podravska 14.7 %, Pomurska 17.8 %, Osrednjeslovenska 11.5 %, Goriška 11.7 % and Zasavska region 16.6 %⁹.

With regard to the employment rate in 2013, the rates in some regions within the programme area remained well below the Europe 2020 headline indicator, namely that at least 75 % of the population aged 20-64 should be in employment by 2020. In Austria, Steiermark reached this goal (Steiermark: 75.2 %, Kärnten: 72.9 %, Burgenland: 74.2 %), however the national target for Austria is 77-78 %. The employment rates in Vzhodna Slovenija and Zahodna Slovenija were 65 % and 69.7 % in 2013, decreasing in all the NUTS 3 regions from 2007 to 2013. Especially Zasavska with an employment rate of 54.2 % of the population aged 20-64 in 2013 had a decrease by 19 % from 2007 (Pomurska had an employment rate of 64.6 % and Goriška of 68.9 % with a decrease of 10 %, in all other Slovenian regions, the decrease was lower than 10 % between 2007 and 2013).

A common problem for all regions in the programme area is the employment rate of elderly people (aged 55-64): the highest employment rates for older workers in the programme area were recorded in Kärnten (43.9 %) and Steiermark (43.2 %) in 2013, the lowest in Vzhodna Slovenija and Zahodna Slovenija (32.4 % and 34.9 %), however all regions within the programme area show rates below the EU-28 average of 50.1 % in 2013¹⁰.

1.1.1.2 Brief synopsis of the regional analysis to Research and Innovation

Characteristics

RDI policy was originally under the responsibility of the central government and has been a de facto monopoly of state-level policy making. In the mid 1990's, the Austrian Federal States started to implement their own RTDI policies with a strong focus on innovation. Nowadays, each federal state has either an own future-, science-, research- or innovation-concept or at least a strategic RTDI orientation embedded in other strategy documents at federal level (as the Research, Technology and Innovation Strategy of the Austrian Government - The Road to become Innovation Leader and the Strategy 2020 -

⁶ Eurostat (2014).

⁷ 15 years and over.

⁸ % within the active population in statistical region (Labour force by register).

⁹ Statistical Office of the Republic of Slovenia.

¹⁰ Eurostat (2014).

Research, Technology and Innovation for Austria); in most cases, regional RDI policy is more or less innovation oriented¹¹.

In Slovenia¹² policy framework for RDI is on national level (main policy documents in Slovenia are the Slovenian Development Strategy, Resolution on Research and Innovation Strategy 2011-2020, Research and Development Act, Slovenian Industrial Policy, National Reform Programme, Regional Development Programme, Slovenian Smart Specialisation Strategy 2014-2020 – under preparation), albeit there are currently several regional R&D agencies, but not policy-setting ones¹³.

This particular emphasis on R&D policy in the past decade is also reflected by the level of GERD in % of gross regional product in 2011: Steiermark (4.6 %) and Kärnten (2.8 %) exceed the Austrian average (2.75 %). Even though the situation in the national economy in Slovenia has not been prosperous in the last years, a completely opposite situation can be found in the field of R&D. From 2000 onwards, the investments in R&D in Slovenia have been increasing; the pace was accelerated after 2007 when there was an average increase from EUR 500.5 million in 2007, to EUR 928 million in 2012¹⁴ (in terms of level of GERD in % of GDP; this means for Gorenjska 3.2 %, Koroška 0.7 %, Savinjska 2 %, Podravska 1.3 %, Pomurska 1.3 %, Osrednjeslovenska 3.4 %, Goriška 3.3 % and Zasavska region 1 % in 2012). As it can be seen, R&D intensity levels are very heterogeneous across regions in Slovenia; in particular, there are significant differences between eastern and western regions present.

This growth of investments in R&D has also been reflected in the human resources in Austria as well as in Slovenia until 2011. In 2011, 12,129 full-time equivalents (FTEs) were employed in Steiermark (20 % of all Austrian R&D employees), 3,049 in Kärnten (5 % of Austrian share) which is for a quarter higher than in 2007; Burgenland almost doubled its R&D personnel (from 385 in 2007 to 574 in 2011). So did also Slovenia, with 10,369 (FTEs) in 2007 and 15,269 in 2011 (Pomurska: 136, Podravska: 1,315, Koroška: 160, Savinjska: 1,220, Zasavska: 143, Osrednjeslovenska: 8,719, Gorenjska: 1,213, Goriška region: 737).

Patent applications - which of course do not cover every kind of innovation, but they do include many of them - enable us the following picture: in the year 2010, all regions within the programme area recorded decreases in the number of patent applications per million inhabitants. However, from 2004 to 2009 patent applications were increasing strongly in the most regions.

Graz with 392.7 patent applications to the EPO¹⁵ per million inhabitants, is in a leading position within the programme area (with an increase of 24 % in 2004-2009), followed by Klagenfurt-Villach (268.9), which even more than doubled their patent applications in the period under consideration (2004: 127.3). Südburgenland which in 2004 was lagging behind increased its patent applications by 131 %

¹¹ Cuntz, A. (2013). ERAWATCH COUNTRY REPORT 2012: Austria and ERAWATCH Country Reports 2013: Austria; Udovič, B.; Bučar, M. (2014). ERAWATCH COUNTRY REPORT 2012: Slovenia.

¹² For the purposes of cohesion policy, it was agreed that two cohesion regions (Eastern and Western Slovenia) were formed; however Slovenia is considered as a single region at the NUTS 2 level.

¹³ They have very differentiated legal status (from public agencies at the level of local community, to public-private partnership or full private ownership) and are primarily involved in providing consultancy services to local entities (SMEs) when applying for Structural Funds or other government subsidies http://erawatch.jrc.ec.europa.eu/erawatch/opencms/information/country_pages/si/country?section=RegionalResearchPolicies&subsection=Overview

¹⁴ Data for Austria for the year 2012 is not available. With respect to research and development (R&D), Statistics Austria conducts national statistical surveys covering all Austrian R&D performing institutions every two years; data for 2013 will be available in autumn 2015.

¹⁵ European Patent Office.

from 2004 to 2009. In Slovenia, Osrednjeslovenska region caught up with Südburgenland (with 106.3 patent applications per million inhabitants in 2009) while other regions such as Pomurska, Podravska, Zasavska, Gorenjska and Goriška were not able to increase patent applications from 2004 to 2009¹⁶.

Challenges and intervention needs

Evidence¹⁷ shows that in general the programme area benefits from a good endowment with R&D infrastructures (i.e. universities / universities of applied sciences and Research and Technology Organisations). Most of the regions show also a good endowment with technology and science parks, (technology) business incubators, support organizations (NGO, government agencies, chamber, etc.)¹⁸. Nevertheless, this feature is weakened by the fact that R&D capacities are fragmented and thus lack in total critical mass in order to become visible on European scale if compared to other EU regions. From the analyses and different events and in the process of public consultation within the programming process, it may be concluded that the services of technology parks, technology centres and incubators are not very smoothly accessed by the companies and that there are many needs to make these services available to potential users in urban areas and especially in remote areas. Similarly, it may be concluded for the R&D infrastructure and new scientific and technological knowledge that this remains secluded and not available for the users in the programme area. These supporting institutions need to form a strong network in the programme area in order to develop services available for users in the whole programme area. They also need to form lighthouses for the SME's to coordinate and form clusters for the new products design. In addition, studies within participating regions have shown that enterprises in the programme area often still lack knowledge on suitable R&D collaboration partners on the other side of the border. Albeit in the past programming period successful action has been taken to foster cross-border (CB) cooperation among R&D infrastructures¹⁹ in order to overcome fragmentation and the lack of critical mass, this process needs further deepening and widening for the future. Accordingly, a major intervention need of the programme is to contribute to the development of dynamic critical mass of research and innovation capacities, to promote technological and non-technological innovation (e.g. design-based innovation, service innovation etc.), to set up and improve a complementary research portfolio and to strengthen the already developed structures for fostering industry-science cooperation.

Existing specialisation patterns should be part of institutional cooperation between R&D-infrastructures in order to intensify research activities and the building-up of know-how in order to create spill-over effects for the industry. This intends to contribute to structural improvement at research institutions and innovation intermediaries (technology transfer organisations, technology parks, clusters, etc.) in

¹⁶ Patent applications to the EPO by priority year and NUTS 3 regions.

¹⁷ Kärntner Wirtschaftsförderung Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region, Project RegioLab (REGIONal development LABoratory), within cross-border cooperation Slovenia-Austria 2007-2013.

¹⁸ e.g. Technologiepark Klagenfurt, Technologiepark Villach, Lakeside Science & Technology – Park, Technologiezentrum Kapfenberg, AiZ Unternehmerzentrum, Zeltweg, Impulse Center Graz-West, Impulse Center Niklasdorf, Centre for Advanced Technology, Leoben, Impulse Centre for Materials Leoben, Wirtschaftspark Bruck an der Mur, Styrian Business Promotion Agency, Graz, Tehnološki park Ljubljana, Stajerski tehnološki park, Pomurski tehnološki park, Ljubljanski univerzitetni inkubator, BSC Kranj, Pomurski inkubator, SAŠA inkubator, d.o.o., Razvojni center za informacijske in komunikacijske tehnologije, d.o.o., Kranj, IRP, Tovarna podjetij – podjetniški inkubator Univerze v Mariboru, Inkubator Savinjske regije d.o.o., MPIK, Mrežni podjetniški inkubator Koroška - RRA Koroška d.o.o.(SPICA Directory Online; <http://www.spica-directory.net/> in <http://www.podjetniski-portal.si/ustanavljam-podjetje/inovativno-okolje/Evidenca-subjektov-inovativnega-okolja>)

¹⁹ Project RegioLab (REGIONal development LABoratory).

the programme area and the visibility of the programme area as a research and innovation location within Europe. For less R&D intensive regions, this means cooperating with more R&D intensive regions, strengthening exchange, and learning from experience and development of cooperation in smart niches.

Clusters and networks of companies have become a common feature for the whole programme area²⁰ in the past two decades. They form a good basis for strengthening research, technological development and innovation at enterprise level. Cooperation among them could further help to overcome the problem of lacking the critical mass. Therefore, clustered systems and strategic networking of (R&I) institutions, companies and platforms, should be fostered further in order to achieve synergies across the border, to broaden the basis of innovating enterprises and to increase R&D investments in the programme area.

1.1.1.3 Brief synopsis of the regional analysis to Competitiveness and SMEs

Characteristics

In the programme area SMEs play a crucial role as their number, employment capacity and value added constitute a large share of the programmes area's economy. In Slovenia and Austria in the year 2011, more than 99 % of enterprises were SMEs (0 to 249 employees). SMEs were also employing two thirds of all employees and created two thirds of value added²¹.

²⁰ Slovenia and Styria in particular are host to a huge variety of clusters (Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps- Adriatic Region).

²¹ http://www.stat.si/novica_prikazi.aspx?id=3578.

Table 1: Distribution of enterprises, employment and value added by size class

Distribution of enterprises by size class													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	Number	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)
EU-28	22,098,422	20,448,910	92.5	906,603	4.1	473,669	2.1	225,357	1.0	22,054,539	99.8	43,817	0.2
AT	304,242	265,584	87.3	21,294	7.0	11,327	3.7	5,012	1.6	303,217	99.7	1,025	0.3
SI	117,481	110,343	93.9	3,707	3.2	2,032	1.7	1,174	1.0	117,256	99.8	225	0.2
Distribution of employment by size class													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	Number in 1,000	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)
EU-28	134,533	39,725	29.5	12,592	9.4	15,015	11.2	23,032	17.1	90,364	67.2	44,165	32.8
AT	2,615	656	25.1	284	10.8	337	12.9	501	19.2	1,778	68.0	837	32.0
SI	585	192	32.8	49	8.4	61	10.4	121	20.6	423	72.3	162	27.7
Distribution of value added by size class													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	in Mio €	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)
EU-28	6,192,203	1,326,255	21.4	480,623	7.8	636,624	10.3	1,142,761	18.5	3,586,263	57.9	2,605,529	42.1
AT	161,350	30,002	18.6	13,535	8.4	18,998	11.8	36,107	22.4	98,642	61.1	62,707	38.9
SI	17,880	3,747	21.0	1,522	8.5	1,995	11.2	4,005	22.4	11,269	63.0	6,612	37.0

Source: Structural Business Statistics, Eurostat 2014²².

In terms of value added, Austrian and Slovenian SMEs are trailing behind larger enterprises. In general, since 2009 SMEs have been affected by the negative economic outlook and the lack of financial resources more severely than large enterprises and have therefore experienced only limited value added growth. Besides, the progress made in the recovery of SME value added and gain in productivity since 2009, did not immediately generate new employment²³. The programme area on aggregate level is characterised by low levels of enterprise births that could contribute to prospective new jobs and economic growth. At the same time, it is noteworthy that this problem persists mainly in the Austrian part, at least when taking into account the longer period of 2004 to 2011. Burgenland, Kärnten and Steiermark together had a decrease of birth rates of -17 % (2004-2011). On the contrary, Slovenia (in total) increased their enterprise births from 2004 to 2011 by 68 %. However, from 2008 to 2010 there was a decrease of -4 % as well. On the regional level, from 2008 to 2010, Osrednjeslovenska had a decrease of -7 %, on contrary Pomurska (+ 4 %), Koroška, Zasavska and Gorenjska region (+2 %) have increased their birth rates in this period. When taking into account information about the life-cycle of newly born enterprises and their ability to survive up to three years after their creation, data show that in all regions more than half of them survive for 3 years. However, there are disparities within the regions in the programme area. The highest three-year survival rates in the programme area were recorded in 2010 in Kärnten (72.9 %) and Burgenland (72.4 %), followed by Zahodna Slovenija (69.8 %) and Vzhodna Slovenija (69.7 %)²⁴. The lowest rate was reported in Steiermark at 58.2 %²⁵. Having a

²² http://wko.at/Statistik/KMU/SBS2011_EU-Vergleich.pdf.

²³ European Commission (2013): A RECOVERY ON THE HORIZON? Final Report ANNUAL REPORT ON EUROPEAN SMEs 2012/2013 (http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2013/annual-report-smes-2013_en.pdf).

²⁴ Data on three-year survival rates for Slovenia is available only on NUTS 2 level, this is why for Slovenian NUTS 3 regions also survival rates for five years were used.

look to the survival rate for five years, data for Slovenia on NUTS 3 level (for 2012) shows that even the survival rates logically decrease over 5 years, enterprises born in 2007 in Slovenia still were most likely to survive up to the fifth year after their birth (Gorenjska 52.4 %, Koroška 58.8 %, Savinjska 56.5 %, Podravska 53.4 %, Pomurska 50.7 %, Osrednjeslovenska 47.7 %, Goriška 46.9 % and Zasavska 52.0 %)²⁶.

SMEs in general are confronted with specific needs and challenges, as it is specified also in several studies. These are mainly lack of own financial resources for innovation and difficulty in accessing financing/funding for innovation projects as well as the shortages in managerial skills for innovation, intellectual property and knowledge processes. Other key barriers are limited capabilities of SMEs concerning successful participation in public procurement processes²⁷, public markets, skills and endurance qualities. SMEs are also characterised by lack of internal research and technological capabilities as well as the weaknesses in networking and cooperation with the innovation stakeholders²⁸.

Results of qualitative analyses²⁹ show that SMEs in the programme area are innovating less. Especially in technological and non-technological areas where they are more active – and have less capital to do so. This is true even for Steiermark which has a good score in terms of activity in private sector industry, or for Slovenia which has a good position in public sector R&D³⁰. Even with a strong entrepreneurial culture, SMEs would struggle to perform if basic framework conditions were not present. Framework conditions within which they operate together with the entrepreneurial culture are the key factors in determining the extent of SME performance and consequently their contribution to macroeconomic growth³¹.

Innovation is often considered as key to maintaining competitiveness on the global market, creating jobs and improving the quality of life. That's why one of the main objectives of European policies is to encourage innovation in Europe, by providing incentives to stimulate and improve this economic driver³².

In terms of internationalisation, there is a direct link between internationalisation and increased SMEs performance. International activities reinforce growth, enhance competitiveness and support the long term sustainability of companies. Especially small enterprises have deficits in internationalisation. They depend largely on their domestic markets, despite the opportunities brought by the enlarged single market and by globalization. Out of studies³³ we know that international SMEs create more jobs (in the EU-27 in 2010 internationally active SMEs reported an

²⁵ Statistik Austria (2013). Statistics on business demography, calculations JR-POLICIES, Slovenian regions in figures 2013, SURS 2013.

²⁶ Statistical Office of the Republic of Slovenia (2014).

²⁷ Public procurement, the process by which governments and regional and local public authorities or bodies governed by public law purchase products, services and public works, represents large volumes of public spending each year. Given its economic significance, public procurement has the potential to influence the market in terms of production and consumption trends in favour of environmentally friendly, socially responsible and innovative products and services on a large scale (Kahlenborn, W. (2010). Strategic Use of Public Procurement in Europe. Final Report to the European Commission. MARKT/2010/02/C).

²⁸ EuricoNeves (2013). Innovation capacity of SMEs. Why reinvent the wheel? Capitalising on regional policy achievements in boosting the innovation capacity of SMEs.

²⁹ Conducted within the INTERREG IIIC project CORINNA.

³⁰ Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region, p. 65-66.

³¹ European Commission (2013). A recovery on the Horizon? Final Report. Annual Report on European SMEs 2012/2013.

³² http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Innovation_statistics.

³³ European Commission (2010). Internationalisation of European SMEs.

employment growth of 7% versus only 1% for SMEs without any international activities) and are more innovative (in the EU-27 in 2010 international SMEs are more innovative: 26% of internationally active SMEs introduced products or services that were new for their sector in their country; for other SMEs this is only 8 %). CB cooperation among companies and institutions was dynamic in the last programming period³⁴. This shows the important potential in the CB cooperation and coordination which may be further investigated and supported. As specific needs with regard to internationalisation of SMEs in the programme area that were stated also at the bilateral workshop January 2014, the key will be in developing projects, focusing on developing products for internationalization.

Challenges and intervention needs

SMEs form the back bone of the regional economic system. They are confronted with challenges in terms of competitiveness as they are, on the one hand, not innovative enough and on the other hand, lack an adequate level of internationalisation in order to secure sustainable growth prospects. R&D and innovation activities are confined to a very strong, but narrow peak of large leading enterprises. SMEs at the same time are lagging behind in this respect.

Therefore, providing the right conditions in which SMEs can flourish is paramount for ensuring a long term economic growth and achieving prosperity for the whole programme area. A strategic approach to entrepreneurship and innovation policy becomes an integral part of a recovery plan and a stimulus to growth to which CP INTERREG V-A SI-AT 2014-2020 can contribute. Accordingly, intervention needs have to be seen in three areas:

- Firstly, SMEs should be supported in cooperating with CB complementary research and technology institutions in terms of technology and know-how transfer in order to increase knowledge and innovation capacities of entrepreneurs and employees. This would enable SMEs to develop internationally competitive local products. Technology and knowledge transfer should be upgraded by the measures that will enhance commercialisation of products/services developed. Besides, technological and also non-technological ones (among creative and cultural industries) should be taken into account.
- Secondly, internationalization of enterprises (SMEs) in the programme area should be supported. Firstly, within the programme area as well as the cooperation of companies for internationalization and export to countries and regions outside the programme area. Besides raising the awareness, concrete actions for internationalisation and CB cooperation should be implemented and supported.
- Thirdly, measures need to be taken in order to:
 - improve the birth rate of new enterprises and to foster in particular the creation of innovation- and technology-oriented start-ups, as these companies have particular good growth prospects and potential impact on the innovation system in the programme area.
 - address also specific location needs which could be supported in a broader regional context, and

³⁴ Out of all project partners (497), 92 companies was involved in the co-financed projects as project partners.

- support the development of innovative enterprises with high potential to grow.

1.1.1.4 Brief synopsis of the regional analysis to Environment and Cultural and Natural heritage

Characteristics

In the last programming period³⁵ (OP CBC SI AT 2007-2013)³⁶, CB cooperation among nature park institutions and tourism organizations was dynamic. In the list of operations it can be seen that large number of applications supported nature parks and their organizations, tourism organizations and museums. This also shows a big potential for future cooperation which may be further investigated and supported. Projects focused to sustainable valorization and safeguarding of natural and cultural heritage including biodiversity, developing sustainable products that will use heritage and develop possibilities for employment, and natural risk reduction and risk prevention including CB water management, will be of key importance.

Cultural and Natural Heritage

The programme area is characterized by an increased level of natural heritage under protection (e.g. active conservation of NATURA 2000 sites, National Parks, Regional Parks, Natural Values) as well as increasing efforts to safeguard the areas of common cultural heritage (e.g. historically important buildings and traditions like language, artifacts, customs, music and dance, traditional manual dexterity, etc.).

In the Slovene part of the programme area, there are more than 22,000 cultural heritage sites and 416 cultural heritage areas. The units of cultural heritage are of very different types, from different religious buildings to secular architectural heritage such as castles (Bogenšperk, Rakičan, Grad...), urban architecture and old rural homesteads. In the last decade numerous cultural heritage sites were renovated, often with funding from ERDF, CB cooperation projects and the Rural Development Programme, and the awareness of the general public has increased. During the investment and construction boom (the period between 2000 and 2010), a significant number of cultural heritage buildings were damaged or even destroyed. A similar situation is seen in Austria where a number of cultural heritage sites are protected on the federal state level. In terms of tangible cultural and natural heritage, UNESCO World Heritage Sites are among the most attractive hotspots for tourists.

Austria has 9 properties inscribed on the World Heritage List. Among these, two are in the programme area: City of Graz with Historic Centre and Schloss Eggenberg, and Prehistoric Pile dwellings around the Alps which is shared with Slovenia. Among those which are submitted on the Tentative List, one is located in the programme area Fuzina Hills in Bohinj (1994) in Slovenia, and 3 of them in Austria: Iron Trail with Erzberg and the old town of Steyr (2002), Hochosterwitz Castle (1994), Cathedral of Gurk (1994). Apart from these, there are several other cultural and nature heritage locations and objects in the programme area.

³⁵ In calls for the financing from the CBC programme till November 2013: 82 successful applicants were business organizations of different kinds, 76 successful applicants were municipalities and regional administration, 71 successful applicants were development agencies, 68 successful applicants were knowledge institutions, 33 successful applicants were chambers, unions and similar associations, 28 successful applicants were national authorities, ministries with agencies and similar institutions, 25 successful applicants were clusters and business support institutions, 14 successful applicants were NGOs, 15 successful applicants were nature parks and their organizations, 15 successful applicants were tourism organizations and museums, 6 successful applicants were hospitals.

³⁶ Operational Programme Cross-Border Cooperation Slovenia-Austria 2007 – 2013: Lists of operations for which contracts were signed for the ERDF funding under the different public calls for projects. Publically available at web.

About 70 % of the Slovenian Natura 2000 network is covered by forests what shows their overall good condition. Among the larger areas of Natura 2000 are highlands and hilly areas (Karavanke, Pohorje, Julijske Alpe, Jelovica, Kamniško-Savinjske Alpe Peca, Goričko, etc.) wetland areas (Ljubljansko barje) and bigger rivers (Drava, Mura, Savinja – Letuš, Sava – Medvode – Kresnice, Dravinjska dolina, etc.). The only Slovene national park (Triglav) has long cooperation tradition with Austria. On the other hand, there are no regional parks in the 6 regions that are part of the programme area. Landscape park Goričko covers big surface in Pomurska, so does nature park Logarska valley in Savinjska. Goričko is also playing an important role in CB development and is part of three lateral park with similar parks in Austria and Hungary. In 2013, first Geopark was formed (CB Geopark Karavanke). It covers a surface area of 977 km² with population over 50,000. From March 2013 on, Karavanke/Karawanken Geopark is a part of the European (EGN) and Global (GGN) Geoparks Network under Unesco. In addition, also Geopark Idrija (SI) and the Geopark Karnische Alpe (AT) have been inscribed on the UNESCO List of World Heritage for its exceptional heritage should be mentioned here.

An area that needs special attention is dealing with controversy between increased conservation level needed on one side and the public accessibility of the conserved natural resources through an approach of valorization on the other side. In the field of cultural heritage, projects that aim to valorize the cultural heritage (e.g. UNESCO heritage, cultural heritage in Triglav National Park etc.), develop cultural tourism and recognizable tourist destinations, products and services in order to use the potential of cultural heritage for economic, social and sustainable development of the programme area, are of importance.

Biodiversity

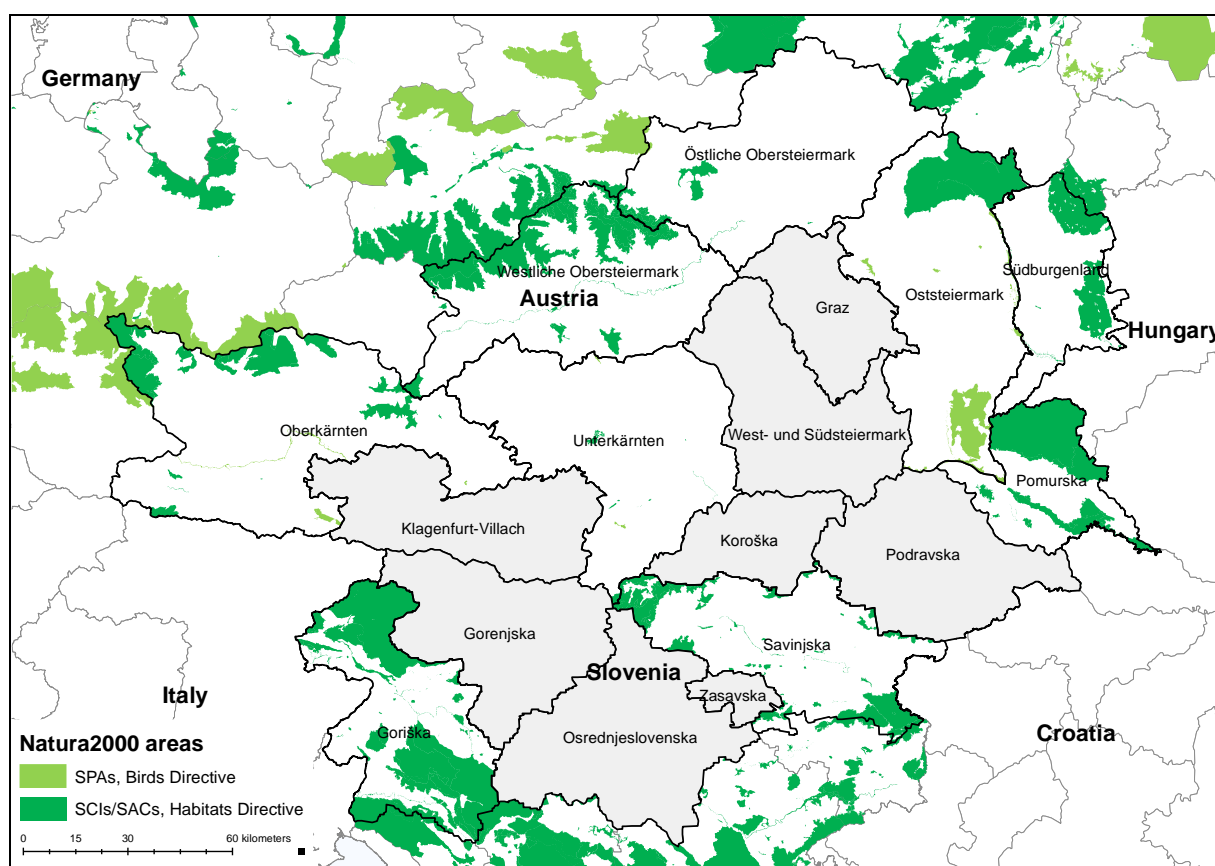
With the aim to protect the most seriously threatened habitats and species across Europe, Natura 2000 sites are classified. Studies³⁷ demonstrate that in the last years, the number of endangered and extinct species increased in the programme area, as biodiversity loss could not been stopped. This can be attributed to the fact that the number of threatened with extinction or extinct plants and animals is growing steadily. Causes of threat for single species are caused mainly by direct or indirect changes or destruction of their natural habitats. However, as the share of nature conservation objectives is increasing steadily, in the future the trend is towards stable development³⁸. For example, Austrian programmes to preserve the landscape by traditional agricultural methods are showing positive effects.

Due to geographic characteristics, the number of species and the degree of endemism in the programme area is very high.

In the Austrian part of the programme area, there are 88 Natura 2000 sites with an area of 4,214 km² while in the Slovene part there is 4,724.6 km² of Natura 2000 site. Altogether, 23.3 % of the whole programme area is in Natura 2000 sites.

³⁷ JOANNEUM RESEARCH, OIKOS (2007). Environmental Report in line with the Strategic Environmental Assessment of the Operational Programme Cross Border Cooperation Austria Slovenia 2007-2013.

³⁸ JOANNEUM RESEARCH (2010). 15 Jahre INTERREG/ETZ in Österreich – Rückblick und Ausblick. Analysen relevanter Umweltthemen.

Figure 4: Natura 2000 sites

Source: EEA2014.

Water, natural and other disasters

The programme area includes large CB river systems (Mura/Mur, Drava/Drau) as well as multitude of small streams and brooks.

Majority of rivers have torrent character with high waters in the spring and autumn. In the years from 2008 to 2010, rivers had above-average runoff; while the runoff in 2011 has been very close to year 2003 when it was the lowest (in the period 1961-2011). The largest rivers of the programme area are Drava and Mura. Drava and Mura run through greater part of the programme area and are also an important source of energy; while the chain of hydropower plants on the Drava is established both in Austria and Slovenia, Mura is exploited for energy only in Austria at the moment. Among other major rivers there are Savinja, Dravinja, Ljubljanica, Sora, Kamniška Bistrica, Ledava, Rába, Lavant, Gail and Glan. The most extensive flood areas are northeast plains of Subpanonska Slovenia, predalpski svet and valleys and plains along rivers Ledava, Mura, Ščavnica, Rába, Lavant, Gail and Glan. The programme area contains the biggest share of Slovenian population on flood areas - in Savinjska (13 %), Zasavska (12 %) and Osrednjeslovenska region (9 %). In the last decade, the frequency and damage from floods have increased significantly³⁹. However, it has to be stated that

³⁹ Oikos d.o.o. and Natalija Vrhunc, Poslovno svetovanje in vodenje delavnic, Natalija Vrhunc s.p. (January 2015). Draft Environmental Report for Strategic Environmental Assessment of the Interreg V-A Slovenia-Austria Cross-Border Co-operation Programme 2014-2020; Ministrstvo za kmetijstvo in okolje (julij 2012). Določitev območij pomembnega vpliva poplav v Republiki Sloveniji, Poročilo o določitvi območij pomembnega vpliva poplav v Republiki Sloveniji in spremljanju aktivnosti obvladovanja poplavne ogroženosti na območjih pomembnega vpliva poplav, Povzetek.

hydraulic engineering has a long tradition in Austria. At a very early time in history, protective structures were built already to reduce the risk of floods for humans. In the last years, several investments for flood control have been made by the government, municipalities etc.^{40 41}, but major CB projects are still missing.

Most of the programme area is part of the Danube River Basin District that is shared between Slovenia, Austria, Hungary, Croatia and Italy. In addition, western part of the programme area (Soča Valley) is part of the Adriatic river basin, Slovenia sharing it with Croatia and Italy. Slovenia prepared River Basin Management Plans for both River Basin Districts as one document titled “The RBMP for Danube RBD and North Adriatic RBD 2009-2015”. The programme area is characterized by numerous lakes which form the core of the tourist offer. In general, water quality in lakes and streams is good. It should be mentioned that app. 41 % of the water flowing through Slovenia comes from Austria. Most of the surface water is of good quality, only 10% of rivers and streams are in poor state according to the parameters of the Water Framework Directive. Ground-waters too are generally of good quality and are crucial for the water supply. Utilization of nitrate and plant protection products continues to decline due to effective implementation of the Water Framework Directive and changes in the field of agriculture under the Common Agricultural Policy. Both countries implemented several measures and actions for improving the quality of water, but there is still a lack of coordination of actions and policies between them.

Although programme area has favourable geographic position, extreme weather including storms, thunderstorms, droughts and heavy rainfall implies a growing threat from natural disasters like landslides, mud-flows, floods, avalanches, sleet and earthquakes.

As damages caused by natural disasters in the last years have shown, purely national strategies for risk management are not appropriate, not in technical and neither in economic sense. Unilateral measures (local, regional) of Member States could result in different and even contradictory approaches, not only delaying the solution of risk problems, but also using limited resources in an inadequate way.

The programme area showed a relatively high risk of flooding in the past. However, it has to be mentioned that in the past protection programmes have been developed which could lead to an increased security.

Challenges and intervention needs

Based on analysis and the study⁴² mentioned for the CP INTERREG V-A SI-AT 2014-2020, the following challenges can be identified:

- Enlargement of regional tourist offer and/or improvement of existing tourist offer
- Sustainable valorization and safeguarding of natural and cultural heritage including biodiversity
- Natural risk prevention and risk reduction as well as preparedness and response in the field of natural and other disasters including water management

⁴⁰ Prettenhaler, F.; Albrecher, H. (2009). Hochwasserrisiko und dessen Versicherung in Österreich. Evaluierung und ökonomische Analyse des von der Versicherungswirtschaft vorgeschlagenen Modells NatKat.

⁴¹ <http://www.bmlfuw.gv.at/en/fields/water/Protection-against-natural-hazards/Floodcontrol.html>.

⁴² JOANNEUM RESEARCH (2010). 15 Jahre INTERREG/ETZ in Österreich – Rückblick und Ausblick. Analysen relevanter Umweltthemen.

Situation analysis showed that the programme area lacks connectivity of policy measures, coordinated management tools which are of vital importance for the conservation and stability of biodiversity as well as natural and cultural heritage. Developing and implementing joint strategies and action plans for management and active conservation of natural and cultural heritage sites could serve as an important tool to overcome mentioned challenges. Analysis also showed that natural and cultural heritage in the programme area needs further capacity building and awareness-raising about sustainable valorization and safeguarding of natural and cultural heritage. With training, shared policy framework, common approaches or common products, these can be solved. Tourism also generates growth and jobs and has impact on other policy areas ranging from regional policy, diversification of rural economies, sustainability and competitiveness to social policy and inclusion ("tourism for all"). CB cooperation in this field is needed as it can provide more support and input in terms of tourist products, tourist infrastructure, educational activities etc.

The relationships in the field of water management in the programme area are being regulated with Slovenian and Austrian "water agreements", but there are still many common challenges (e.g. technologies and innovativeness regarding maintenance and improvement of surface and underground water quality and their management) to be overcome. Regarding the past, strong CB cooperation can be seen only in the field of data exchange. Ensuring an adequate supply of clean water by maintaining the already high water quality standards, and where necessary, to further improve them, reducing natural risks in the field of natural disasters, especially along the rivers Drava and Mura, improving the coordination of environmental protection and flood risk management actions, will therefore be of key importance in the future. Additionally, climate change implications will increase the need for precautionary measures. Therefore, the knowledge base for decision-making in water policy that will additionally contribute to an improved water and waste water management, flood risk prevention and protection is going to be very important as well.

Extreme weather implies a growing threat from natural disasters like floods. According to analysis on the areas with significant impact of floods in the programme area, more than 96,000 people is living in more than 15,400 houses. These areas cover 8,894 business facilities where approximately 58,800 people are employed. Besides this, there are 1,118 monuments of cultural heritage registered in these areas. In the programme area in Slovenia, 70 % and in Austria up to two thirds (depends on the municipality and river) of the cadastral areas at rivers have significant flood risks⁴³.

1.1.1.5 Brief synopsis of the regional analysis to efficient public administration and institutional capacity (Governance)

Characteristics

The aim of CB cooperation is to tackle challenges identified in the programme area by a joint approach.

Unlike the majority of the 28 EU countries, the organisational variety of the Austrian administration is derived from two principles: from the constitutional basic principle of the Federation and from the principle of local self-administration of Austrian municipalities. These two principles result in an administrative structure consisting of three levels of subdivisions, each with corresponding administrative organisations: at central government level the Federal Government, at federal level

⁴³ Prettenthaler, F.; Albrecher, H. (2009). Hochwasserrisiko und dessen Versicherung in Österreich. Evaluierung und ökonomische Analyse des von der Versicherungswirtschaft vorgeschlagenen Modells NatKat.

the federal state administrations of the nine States, and at local self-administration the municipal administrations of 2,102 (January 1, 2015)^{44 45}.

Another specific feature of the political system in Austria is that there are large corporative interest organisations, the chambers of commerce, agriculture, labour and the national trade union federation. These organisations, membership of which is compulsory, are referred to as “social partners” and are governed by public law⁴⁶. The number of municipalities in Austria was changing continuously. At the beginning of 2014⁴⁷, 692 municipalities were located in the programme area. However, due to fusion of municipalities, the number will be lower from 2015 on.

On the other hand, Slovenia is structured in 212 municipalities where in the programme area there are 174 municipalities located in 6 statistical regions. Slovenia has no second level of governance except for the national level jurisdiction, which is organized in de-concentrated governmental/administrative units. 39 out of 56 are in the programme area. These units have no development or coordination powers. They are established to issue administrative documents of the state. On the other hand, municipalities and statistical regions organized with regional development agencies have all possible development, social and economic powers and are enabled to form projects and cooperation.

The situation analysis also showed that Slovenian municipalities are in most cases too small in terms of development. 111 municipalities in Slovenia do not meet the statutory minimum level for the establishment of a municipality what is reflected in uneven development in the country. A similar problem was faced also in Austria, but they have resolved this problem to a satisfactory level, in particular by applying the concept of functional networking. A model of functional regions presents a good practice that could be transferred to Slovenia since the development of uniform regions stimulates regional development on the basis of functional integration.

In the last programming period, CB cooperation among municipalities, regions and public institutions was dynamic. A large number of applications supported cooperation among municipal, regional and national authorities. All these facts show potential and lead to a particular need for cooperation networks among public administrations also in the future.

There are some cases of successful CB initiatives, such as shared training facilities and other activities for civil protection or rescue services in the case of natural and other disasters as well as investments in health and social infrastructure, but the cooperation should be improved and expanded further.

At different events within the programming process, there were many suggestions to intensify CB cooperation between citizens and institutions especially in the area of urban development, civil protection, energy efficiency, health and social infrastructure. Furthermore, the suggestion was to include not just public institutions into CB cooperation, but also citizens, companies and other entities as well. E.g. it is vital to ensure the cooperation among different levels of governance. This will be only possible when existing administration, language and other intercultural barriers will be overcome, and, common resources exploited to its full extend.

Regarding energy efficiency, especially the Austrian side of the programme area possesses the needed technological know-how, skills and drive. On the Slovenian side, the growing knowledge level

⁴⁴ Statistik Austria (2015).

⁴⁵ <https://www.bka.gv.at/DocView.axd?CobId=41629>.

⁴⁶ http://www.umweltbundesamt.at/en/soer/soer2010_partc/soer2010_intro/.

⁴⁷ http://www.statistik.at/web_en/classifications/regional_breakdown/nuts_units/.

still has to reach its full potential. Therefore, the need to improve, enforce and disseminate technological innovation still exists. Fostering improvements in the field of energy efficiency goes in line with awareness-raising activities among key stakeholders and the wider public (e.g. brochures, public events, etc.).

Challenges and intervention needs

There are serious in-coherences in the programme area concerning the relevant administrative / governance structures which are responsible for the stimulation of CB cooperation (policy agendas, organisational structures, responsibilities or different governance levels) as well as language barriers, intercultural misunderstandings, lack in CB labour market integration, missing infrastructure and lack in local connections etc. which often hinder regional stakeholder to engage in CB cooperation.

CB activities are based on intensive cooperation and communication processes and depend on actors and networks at national, local and regional level. There is a need in the programme area to implement new and to strengthen existing networks and cooperation platforms as well as to create new possibilities that promote cooperation between organisations, the public sector and citizens. Already existing successful initiatives, such as shared training facilities and other activities for civil protection or rescue services in the case of natural and other disasters as well as investments in health and social infrastructure should be improved and expanded further.

In order to promote and intensify (future) CB cooperation, there is a strong need to involve local population into the CB activities, e.g. stakeholder involvement, support of non-profit oriented people-to-people activities, or intercultural training and education. It is vital that the regional population is incorporated into various project activities either directly or indirectly, as the primary aim of CB cooperation activities. Therefore, the CP INTERREG V-A SI-AT 2014-2020 in particular should improve their everyday working and living conditions by providing economic, social and environmental security.

1.1.1.6 Identified strengths, weaknesses, opportunities and threats based on the regional analysis for the programme area

Research and Innovation

Strengths	Weaknesses
<ul style="list-style-type: none"> - Good regional endowment with R&D infrastructures, innovation infrastructures and research and technology organisations. - Regional universities are integrated into European research networks and have high potential in areas of technological, natural and social sciences - Initial experience in co-operation between R&D institutions, universities and enterprises - Technology parks enabling concentration and integration of entrepreneurship, knowledge and development 	<ul style="list-style-type: none"> - Heterogeneous levels of R&D and innovation intensity in the programme area – R&D activities are concentrated in regional centres and do not reach out into periphery - R&D and innovation is supported by a very strong, but narrow peak of large leading enterprises – SMEs are lagging behind - Lack of industry science cooperation across the border - Low knowledge of scientific and technological competences - Lack of non-technological innovations
Opportunities	Threats
<ul style="list-style-type: none"> - Better CB coordination of innovation and R&D policies could lead to a coherent development and thus form the basis for an interregional science and technology space such as the Rhine-Maas triangle. - Good scientific and entrepreneurial innovation potential - Further fostering of CB cooperation between R&D institutions and enterprises could help the programming area to increase its regional innovation capacities - Promotion of non-technological innovation could foster more marketable products and services 	<ul style="list-style-type: none"> - Parallel activities (clusters, R&D infrastructure) in the programme area could lead to fragmented competition, thus weakening the position on a broader EU-level - Mismatch between SME's innovation needs and offers by universities and R&D institutions because of low key profile of SMEs cooperation requests - Growing international orientation of excellent R&D institutions in terms of contract R&D could reduce regional industry science cooperation potentials

Competitiveness and SMEs

Strengths	Weaknesses
<ul style="list-style-type: none"> - Common technological specialisation and sectors exist (e.g. automotive industry, ICT, environmental technology, wood and furniture industry etc.) - Strong regional knowledge base in mechanical engineering and process engineering - Dense population of industry clusters in the programme area 	<ul style="list-style-type: none"> - Inadequate cooperation and internationalisation of SMEs - Low knowledge of potential partners along the value chain across the border - Enterprises in the programme area find themselves in an unfavourable sandwich position between high technology manufacturing and service regions in the core of Europe and low technology suppliers in Croatia, Romania and Turkey - Lack of entrepreneurial initiatives in rural areas (a small number of family SMEs)

	<ul style="list-style-type: none"> - Poorly developed and used areas within the creative industries
Opportunities	Threats
<ul style="list-style-type: none"> - Development of CB value chains could help regional SMEs to gain capacities to access international markets and growth prospects - Fostering of entrepreneurial activity could strengthen the local firm base in peripheral rural areas - Increased mobility of skilled workers across the border could overcome existing shortages and growth barriers - Fostering creative industries 	<ul style="list-style-type: none"> - Globalisation threatens the industry location of the programme area. New and future competitors are of non-European origin (e.g. China, India, Brazil etc.) - Poor equity capital basis and growth prospects of SMEs could lead to increased business failures - Disruptive innovations (e.g. 3D printing, cyberphysical systems etc.) could make existing competences in low and medium technology sectors obsolete

Environment and Cultural and Natural heritage

Strengths	Weaknesses
<ul style="list-style-type: none"> - Rich natural heritage, biodiversity - Preserved natural environment with high share of protected areas (natural parks, regional parks, natural values, Natura 2000) - Good capacity for dealing with environmental problems - Strong potential for the use of renewable resources – wood biomass, hydro and geothermal energy... - Attractive landscape for tourism (nature, cultural heritage) - Well-known international events - Regional centers of tourism as local development incubators - Awareness of the importance of sustainable tourism development - Richness of traditional heritage, culinary heritage and handicrafts - Developed amateur culture and local cultural performers - Rich cultural heritage and cultural offers 	<ul style="list-style-type: none"> - Regulatory barriers for renewable in regional energy markets - Lack of business models for prosumer markets in the field of renewable - Lack of cooperation/integration among tourist service providers in providing full range offer; weak cooperation among tourist service providers and organizations for marketing and promotion; lack of advanced integrated tourist products; weak integration of cultural heritage with tourism in the region; - Short stay of tourists and visitors with low consumption; concentration of supply/offer in the main season and weak “out of season” offer; - Fragmentation of cultural events, low cooperation among programmes and associations in the field of cultural activities; - Weak integration of the sectors of agricultures, nature conservation and protection of water resources
Opportunities	Threats
<ul style="list-style-type: none"> - Building partnerships for a comprehensive programme to protect the environment; - Environmental Resources Management (ERM) and revitalization of degraded areas; - Protected nature areas - Natura2000 as a development opportunity; - Production of bio-and alternative fuels from waste; - Increasing energy self-sufficiency due to potential of renewable energy sources. 	<ul style="list-style-type: none"> - Climate change (increased water shortages for irrigation, hail and floods); - Vanishing small areas important for biodiversity conservation (e.g. wetlands); - Increasing damage due to improper use of flood and landslide areas; - Inability of reconciling various interests in the area (agriculture, tourism, nature conservation and cultural heritage); - Mismatch between spatial and development

<ul style="list-style-type: none"> - Regional centers of tourism as local development incubators; Sustainable use of natural and cultural heritage together with existing knowledge and skills in the environment; development of eco-tourism; development of green tourism in Natura 2000 areas; - Activation of cultural and artistic potential of the region; - Integration of agriculture, tourism, complementary activities and other services in rural areas; - Geoparks which are members of EGN and GGN supported by UNESCO - Mountains as the cornerstone of the protection of habitats, grazing and adjusted CB tourism. - Conservation of water resources 	<ul style="list-style-type: none"> planning; - Neglecting ecologically degraded areas; - Non-systemic, unplanned and environmentally problematic use of alternative energy sources. - Increasing relative competitiveness of neighbouring regions and countries in tourism; - Loss of traditional cultural landscape; - Slow implementation of public-private partnership model for the development of tourism products and infrastructure; - Failure in identifying new trends in tourism; - Concentration of tourist accommodation facilities in some locations and large companies - Loss of habitats of protected flora and fauna as a result of the abandonment of agricultural use in the mountains. - Negative impacts of invasive species
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Efficient public administration and institutional capacity (Governance)

Strengths	Weaknesses
<ul style="list-style-type: none"> - Structural linkages and historical socio-economic ties in programme area - Initial practical experiences in institutional CB co-operation of rescue services and planning 	<ul style="list-style-type: none"> - Differences in political, legal and administrative framework conditions still hamper CB co-operations on an institutional level - Language barriers still prevail – in particular regarding specific terminology
Opportunities	Threats
<ul style="list-style-type: none"> - Improved conditions for better risk management. - Harmonised joint development strategies. - Successful initiatives of CB cooperation in the past. 	<ul style="list-style-type: none"> - Growing competition of locations in the programme area - Regional election cycles could lead to instable institutional cooperation patterns because of changing personnel

1.1.1.7 Programme objectives and programme strategy contributing to Europe 2020 and cohesion policy

The basis for the new programming period is by the European Commission in 2010 proposed Europe 2020 strategy with its aims at "smart, sustainable, inclusive growth" with greater coordination of national and European policy.

The strategy identified five headline targets to be achieved by the end of 2020. These cover employment; research and development; climate/energy; education; social inclusion and poverty reduction.

The Europe 2020 strategy with its aim at smart, sustainable, inclusive growth provides clear orientation for EU Member States and translated the headline targets into national targets.

Table 2: Overview of Europe 2020 targets

Europe 2020 headline targets	EU	Austria 2020 targets	Slovenia 2020 targets
Employment rate in % of the 20-64 year olds	75 %	77-78 %	75 %
R&D investment in % of GDP	3 %	3.76 %	3 %
Reduction of greenhouse gas emissions	-20 % (compared to 1990)	-16 % (compared to 2005)	-4 % (compared to 2005)
Increase in share of renewable energy in gross final energy consumption	20 %	34 %	25 %
Reduction of dropout rate	10 %	9.5 %	5 %
Third-level education in %	40 %	38 %	40 %
Reduction of number of people in or at risk of poverty and social exclusion	20,000,000	235,000	40,000

Source: European Commission⁴⁸

The specific characteristics of the CP INTERREG V-A SI-AT 2014-2020 is taking into account common challenges and needs as well as the envisaged 2020 targets, shared by all regions involved in the programme area and can thus contribute better to social, economic and territorial cohesion than national endeavours alone. In this context, the Common Strategic Framework (CSF) of the EU cohesion policy provides the necessary investment framework.

1.1.1.8 Rational for the selection of thematic objectives based on identified challenges and needs

The CP INTERREG V-A SI-AT 2014-2020 is embedded in national and regional development strategies and has to be understood as a complementary programme to the Austrian and Slovenian portfolio of funding. Thus the CP INTERREG V-A SI-AT 2014-2020 supports explicitly those actions that are contributing to the achievement of CB and EU-2020 targets.

As the programme is confronted with a shrinking budget for the period 2014-2020 if compared to the preceding programming period, tough choices have to be made in terms of priority setting. Thus this section reflects the reasoning and discussion that has been undertaken in order to identify those thematic objectives (TO) and investment priorities (IP) which offer highest potential to solve affecting problems and could not be addressed in other programmes.

⁴⁸ http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/targets/index_en.htm;
http://ec.europa.eu/europe2020/europe-2020-in-your-country/osterreich/progress-towards-2020-targets/index_en.htm;
http://ec.europa.eu/europe2020/pdf/targets_en.pdf; http://ec.europa.eu/europe2020/europe-2020-in-your-country/slovenija/progress-towards-2020-targets/index_en.htm.

Research and Innovation

The programme area is well endowed with R&D infrastructures, but its capacities for R&D and innovation are fragmented. Accordingly, its regions show high heterogeneity with regard to R&D intensity. Within the territory, enterprises in peripheral areas are suffering from poor access to R&D infrastructure and to new scientific and technological knowledge. Also regional enterprises and SMEs lack knowledge of potential R&D partners and capacities in the programme area. Therefore, there is a strong need for a better collaboration of research and innovation actors (including enterprises) in the programme area by improved networking and exchange, jointly developed solutions and shared research facilities. Better collaboration could help to reduce the gaps in the levels of development of the programme area's regions and the extent to which the less-favoured are lagging behind.

The innovation capacities in the programme area are concentrated on small number of frontrunner enterprises that serve international markets while the majority of companies (in particular SMEs) are lagging behind in this respect. This is in particular true for those companies located in border regions as they have disadvantages resulting from their peripherality. The programme will – with CB cooperation approaches – thus complement actively national policy intervention such as the Strategy for research, technology and innovation of the Austrian Federal Government and the Austrian ERDF Programme "Investing in Growth and Jobs 2014-2020" as well as Slovenian national policy documents (such as the operational programme under EU Cohesion Policy (ECP) for Slovenia, the Smart Specialisation Strategy of the Republic of Slovenia, the Strategy for R&D&I, and regional development programmes that aims to broaden and to secure the research, development and innovation base in the sense of an open innovation for companies, especially for small and medium sized enterprises.

The CP INTERREG V-A SI-AT 2014-2020 will help to broaden the research and innovation base by giving companies a better understanding of R&D and innovation capacities and drawing specific benefits of CB cooperation, focusing on SMEs (e.g. accessibility to a broader range of competences for SMEs and start-ups). This includes also the establishment of innovative enterprises (in the sense of open innovation, including service innovation). In order to secure and to further improve the high performance of the region, potentials of CB cooperation in the sense of a common research and innovation area should be fostered.

Competitiveness and SMEs

SMEs form the back bone of the regional economic system in the programme area as they account for the lion's share of employment. But these SMEs situated mainly in the medium and low technology sector, are characterised by low levels of competitiveness as they are not prone to innovations and lack internationalisation tending to serve local markets. This is particularly true for peripheral areas with marginal market size where location of companies even hampers proper supply of customers in the wider region.

Internationalisation of SMEs in the programme area is therefore pivotal for securing future growth prospects. Internationalisation should start at low thresholds in a business to business framework by developing inter-company networks across the border. This development of regional value chains in the programme area could help companies in peripheral regions to get better access to markets and to develop competitive advantage by specialisation along respective value chains. Furthermore, such

value chains should form in a long term perspective that basis for activities on international markets. Like ERDF, also the CP INTERREG V-A SI-AT 2014-2020 complements existing national programmes and European policy interventions, such as EUREKA EUROSTARS by offering partners across the border access to funding without the need of a strong innovation orientation.

Environment and Cultural and Natural heritage

Natural and cultural heritage is a key factor for societal and regional identity and integration of a region. Natural areas and nature in general does not stop and end at the border, therefore topics as environment, energy and natural heritage have a unique CB character. As the protection level in the programme area increases, the necessity for a balanced coordination between such level and public accessibility of the protected resources increases as well.

In terms of cultural and also linguistic heritage, there is a long common history across the border. Because of this background, CB coordination efforts should be supported in order to use the programme area's tangible and intangible cultural and natural heritage potential in terms of fostering green tourism for the purpose of improving the programme area's tourist attractiveness, and thus, establishing the programme area as a long term green, sustainable and competitive tourist destination, based on valorization of sustainable natural and cultural heritage.

Efficient public administration and institutional capacity (Governance)

The administrative landscape of the programme area is fragmented due to the small size of the involved regions. Different political and administrative frameworks as well as different organisational structures make CB cooperation still more difficult. In order to break down these barriers, public administration, stakeholders and citizens could improve its efficiency in CB issues furtherly by deepening existing networks (e.g. in urban development, natural and other disaster management and rescue operations) and establishing CB cooperation in further relevant fields of activity (e.g. health care systems, labour market). In addition, CB measures for supporting competitiveness (e.g. technical training) can be covered within this topic.

Based on the selection of thematic objectives, the programme of CB cooperation reduces barriers of development by promoting sustainable and integrated territorial approaches. It aims to strengthen existing, or to make use of yet untapped potentials to support territorial integration which will ultimately result in smart, sustainable and inclusive growth, directly contributing to the Europe 2020 goals.

It focuses on research and innovation (increasing R&D investment), protecting the environment and promoting resource efficiency as well as on the EU's intention to "invest in growth". The CP INTERREG V-A SI-AT 2014-2020 will contribute to the employment target through direct effects on jobs and, in the longer term, through an efficient and innovative economy.

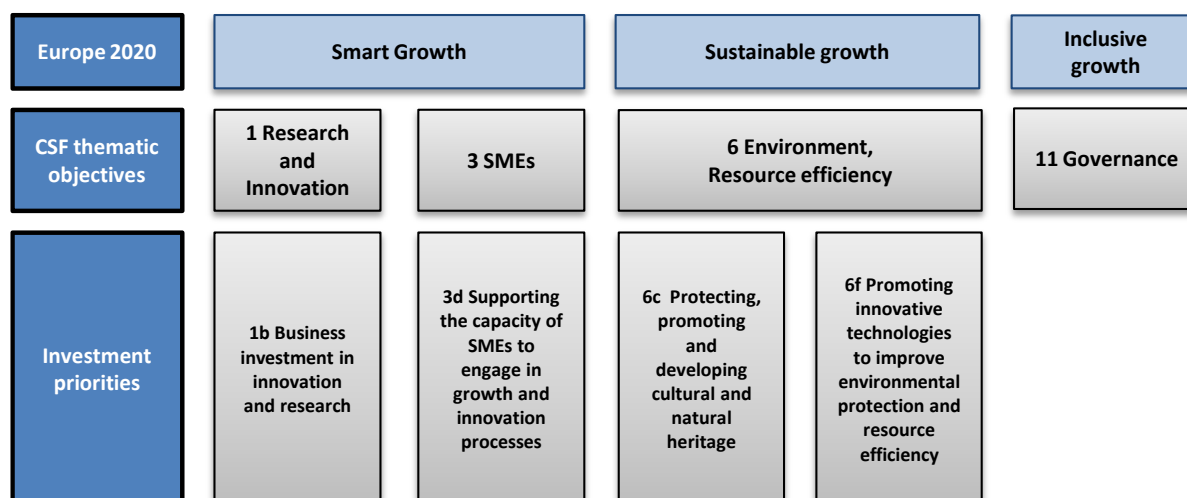
The regulatory framework for the ECP programming period 2014-2020 defines 11 TOs corresponding to the priorities of the Europe 2020 Strategy. To ensure critical mass necessary to deliver growth and jobs, ETC programmes must concentrate at least 80 % of their ERDF finances on a maximum of four thematic

objectives, selected on the basis of key challenges and needs identified in the programme area. Consequently, by exploiting potentials of the area and striving to overcome barriers of development, the CP INTERREG V-A SI-AT 2014-2020 builds on the following TOs that are in line with issues identified as being the most suitable to be tackled by CB cooperation:

Being in line with the CPR Regulation Art. 9, the programme defines and concentrates (ETC Regulation Art. 6) on the following four thematic objectives:

- Strengthening research, technological development and innovation (TO 1)
- Enhancing the competitiveness of SMEs (TO 3)
- Preserving and protecting the environment and promoting resource efficiency (TO 6)
- Enhancing institutional capacity of public authorities and stakeholders and efficient public administration (TO11).

Figure 5: Contribution of the Cooperation Programme INTERREG V-A Slovenia-Austria 2014-2020 to the EU 2020 strategy



These objectives shall be achieved through strengthening research and technological development capacities as well as research and innovation in technological and business fields of strength through CB cooperation of research institutions and public administrations. The expansion of research shall be achieved through the development of dynamic critical mass by strategic networking of (R&I)-institutions, companies and platforms in order to achieve synergies across the border and broaden the basis of innovating enterprises in the programme area (IP 1b). This may contribute to the attractiveness of a research location and to preconditions for increasing quality and quantity of research.

Gaps in the regional innovation systems shall be closed by the creation of SMEs in the CB region, by increasing internationalization level of companies and by increasing the collaborative capacities of the SMEs/networks with research and development centres and higher education sector (IP 3d). The expansion of SMEs is directly linked to secure and create jobs.

The scarcity of available natural and cultural resources poses a big challenge for the future. The aim of the programme is to increase the attractiveness of the programme area by common approaches in terms of protection, restoration, promotion and development of natural and cultural heritage in a sustainable, environment friendly and resource efficient way and to improve the environmental situation by using innovative technologies and developing sustainable management measures (IP 6c and IP 6f).

With the TO 11, the programme wants to ensure and increase the cooperation in the programme area between all levels of governance and stakeholders.

The programme contributes to Europe 2020 and complies to the largest possible extent with the recommendations of the position papers. The country specific recommendations contain specific ETC-

related recommendations which were taken into account. These recommendations⁴⁹ are meant for all ETC programmes in which the Member States participate. So not all challenges mentioned will be dealt with the CP INTERREG V-A Slovenia-Austria 2014-2020. Recommendations, the CP is dealing with, are the support to the research and development through the exchange of experiences (which is in line with the TO 1 of the CB programme), favouring exchanges of know-how and joint initiative projects as well as promotion of climate change adaptation, risk prevention and management (TO 6) in both countries.

The mentioned development objectives will contribute to maintain sustainable employment as well as to facilitate the creation of new jobs. Together with other ESI-Funds, the implementation of a broad development strategy for the eligible regions will be supported.

1.1.1.9 The programme strategy in line with macro-regional, national and regional strategy frameworks

The preparation of the CP INTERREG V-A SI-AT 2014-2020 is understood as a multi-level governance process and offers the possibility to develop an integrated strategy that involves concepts and strategies at different spatial levels – not only European, but also regional and national – and in different policy areas.

The CP INTERREG V-A SI-AT 2014-2020 has also to be put into the picture of the EU Strategy for the Danube Region (EUSDR). The EUSDR addresses a wide range of issues and includes four pillars: 1) Connecting the Danube Region, 2) Protecting the environment in the Danube Region, 3) Building prosperity in the Danube Region and 4) Strengthening the Danube Region. The objectives set in the CP will contribute to the implementation of the macro-regional EUSDR in particular to the following Priority Areas: PA 02 Energy, PA 03 Culture & Tourism, PA 04 Water Quality, PA 05 Environmental Risks, PA 06 Biodiversity, landscapes, quality of air and soils, PA 07 Knowledge Society, PA 08 Competitiveness, PA 09 People & Skills and PA 10 Institutional capacity and cooperation.

In addition, the CP INTERREG V-A SI-AT 2014-2020 is taking into consideration the two pillars (“Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises” and “Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources”) of the EU Strategy for the Alpine Region, which aims to ensure that this region remains one of the most attractive areas in Europe, taking better advantage of its assets and seizing its opportunities for sustainable and innovative development in a European context.

⁴⁹ For Slovenia recommendations in terms of cross-border programmes were that cooperation programmes should be particularly used for removing the main bottlenecks in transport improving accessibility especially rail/road links and intermodal links to the motorways of the sea. Further they should help in removing the existing barriers to labour mobility, and increasing the support to the research and development through the exchange of experiences, favouring exchanges of know-how and joint innovative projects. Promoting climate change adaptation and risk prevention and management should also be tackled at transnational level. Austrian's recommendations pointed out to draw up with each of its neighbouring countries approaches addressing specific needs, including the involvement of private partners.

Additionally, the CP INTERREG V-A SI-AT 2014-2020 is partly in line with the European Strategy for the Alpine Region (EUSAIR) which objectives are to promote economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity.

On national level for Slovenia, the following strategic framework is of relevance: Slovenia's Development Strategy 2014-2020, National Reform Programme 2013-2014, National Reform Programme 2014-2015 and the Smart Specialization Strategy. The draft of the Slovenia's Development Strategy 2014-2020 represents the nation's fundamental strategic document which defines the direction of development by 2020. The document defines four priority areas: 1) competitive economy, 2) knowledge and employment, 3) green living environment and 4) inclusive society. Within the identified priority areas, the following three horizontal development primacies were identified: 1) research, development and innovation, 2) start-up, growth and development of small and medium-sized enterprises and 3) employment, education, training and competence (young and older). Slovenia will allocate 50 % of the development funds available by 2020 for these areas.

The National Reform Programme 2013-2014 as well as the National Reform Programme 2014-2015 represent the Government's medium-term tool of priority measures and schemes which strive to achieve the aims of the EU 2020 Strategy. The reform programme, together with the Stability Programme, defines the centrepiece and groundwork of the European Semester in order to prepare country-specific proposals to the individual Member States. As such, Slovenia carries out the national economic policy in line with the guidelines and priorities set up at the EU level wherein the current situation and possibilities regarding the national economic and social characteristics are taken into account. In order to promote economic growth and increase the prosperity of the population, both reform programmes comprise different key priorities. The National Reform Programme 2013-2014 focuses on measures within the scope of the following three pillars: 1) institutional changes to decision making processes, 2) measures for enhancing economic growth in the short-term and 3) improving competitiveness for sustainable growth in the long-term. The National Reform Programme 2014-2015 focuses on measures within the scope of the following three pillars: 1) financial pillar (overhauling the banking sector, corporate deleveraging and re-structuring, insolvency), 2) corporate management and privatisation (Slovenian Sovereign Holding, ongoing privatisation) and 3) fiscal pillar (Fiscal rule, Medium-term fiscal plan, Long-term sustainability of debt and consolidation).

The Smart Specialization Strategy represents a strategic document by which Slovenia would like to focus investments of development funds into the areas of research, development and innovation which can be identified as the areas that will have the greatest effects on the economy as well as the society as whole (e.g. sustainable mobility, sustainable energy, sustainable building, efficient use of resources, health, food, environment, inclusive and safe society). Upon this, three prime working orientations have been defined: 1) production, processing, information and communication technology, 2) solutions for electrical and electronic components and 3) materials and technologies.

Natura 2000 Management programme for Slovenia for the period 2014-2020 is being prepared as part of the LIFE project SI Natura 2000 Management and is going to be adopted in the first trimester of 2015. In this programme, for each Natura 2000 site objectives and measures will be defined, based on expert data and participation of key stakeholders.

Preservation of cultural heritage is with regard to national interest recognised as a priority task in the National Programme for Culture 2014–2017.

For Austria, the following strategic frameworks are of main relevance: one of the most relevant considering the Europe 2020 strategy and the national reform programme, is the RTI Strategy

“Becoming an Innovation Leader” of the Austrian Federal Government. In addition, the Austrian Energy Strategy 2020, the Austrian Strategy for Adaptation to Climate Change, the Prioritised Action Framework (PAF) for Natura 2000 for 2014-2020 and the Austrian Spatial Development Concept (ÖREK 2011) have to be mentioned. These strategies and their objectives are part of the National Reform Programme.

The RTI Strategy objective for Austria is to push forward from the group of Innovation Followers into the group of Innovation Leaders, i.e. to be among the most innovative countries in the EU by mobilizing research, technology and innovation for civil and economic challenges (climate change, demographic change, etc.). It sets action priorities and lays down support measures in terms of implementing sustainable reforms in the education system, creating knowledge, promoting excellence, activating innovation potential and efficiently organising political governance.

Within ESI-funds, especially the priority “Utilising knowledge, increasing added value” in the RTI Strategy is of relevance. The objectives of the RTI Strategy form together with the Austrian regional economic, research and innovation strategies, the strategic framework especially for the thematic objective 1 RTI. The CP INTERREG V-A SI-AT 2014-2020 contributes to the RTI Strategy mainly to the priorities “utilising knowledge, increasing added value” and to the strengthening of research.

Regarding spatial development, the “Austrian Spatial Development Concept” (ÖREK 2011), a joint strategy for spatial development in Austria from 2011 to 2021, was developed. The themes of Spatial planning as well as spatial development are defined as joint tasks of the federal government, Länder, cities and municipalities. The ÖREK Concept defines four thematic inter-related strands which are regional and national competitiveness; social diversity and solidarity; climate change and resource efficiency; a cooperative and efficient framework for actions. The CP INTERREG V-A SI-AT 2014-2020 addresses mainly the first and third strand of the Austrian Spatial Development Concept 2011⁵⁰.

As mentioned, federal states in Austria have their own strategies, like regional development plans, science-, research- or innovation-concepts, e.g. Economy Strategy Styria 2020, Carinthia 2020 Strategy, the Strategy of the Province of Styria for the Promotion of Science and Research, Styrian development mission statement, tourism strategies (e.g. Burgenland Tourism 2015), energy and climate change programmes, etc.⁵¹.

In accordance with the set objectives, it is possible not only to anticipate a contribution to the objectives of Europe 2020, but also to the main national and regional strategies.

In practice however, the ETC programme can only form a contributing element of regional policy in Austria and Slovenia on a limited scale. The actual impact that can be expected from the programme’s

⁵⁰ ÖROK (2007). STRAT.AT 2007/2013 Nationaler Strategischer Rahmenplan Österreich 2007-2013. ÖROK (2011). Österreichisches Raumentwicklungskonzept ÖREK 2011. ÖROK (2014): STRAT.AT 2020. Partnerschaftsvereinbarung Österreich 2014-2020. Österreichische Raumordnungskonferenz. Final Draft vom 17. März 2014.

⁵¹ Das Land Steiermark- Amt der steiermärkischen Landesregierung. Umwelt und erneuerbare Energien. Energie Strategie Steiermark 2025. http://www.energie.steiermark.at/cms/dokumente/11226966_50185852/a9f7babb/Energiestrategie_2025_inkl_Vorwort%20FINAL_20100816.pdf.

Die Burgenländische Landesregierung (2014): Energiestrategie Burgenland 2020. http://www.tobgld.at/uploads/tx_mddownloadbox/Energiestrategie_Burgenland_2020_.pdf.

modest financial budget (EUR 47,988,355 of ERDF funds for 2014-2020) is limited to a complementary role in supporting regional development.

1.1.1.10 Programme architecture

Priority setting in the CP INTERREG V-A SI-AT 2014-2020 is characterised by a “top-down” and “bottom-up” process that reflects the needs of regional stakeholders and is at the same time in line with the requirements of the EU as well as regional needs and characteristics.

Based on the regulatory framework which foresees thematic concentration of expenditure on a limited number of objectives and investment priorities, the CP INTERREG V-A SI-AT 2014-2020 selected four thematic objectives (TO 1, 3, 6 and 11) with four investment priorities and the priority for technical assistance. The programme therefore is in line with the EU’s target values of jobs and growth and in accordance with the principle of proportionality. It also focuses on most pressing issues, common challenges and needs, but is not covering the thematic objectives dealing with social inclusion and education. Concentration on a limited number of objectives within the programme also reflects the limited financial resources that will be available in the programming period for funding.

Table 3: Overview of priorities, Thematic Objectives and Investment Priorities

Priority	Thematic objective	Investment priority
Priority 1 Strengthening cross-border competitiveness, research and innovation	Thematic Objective 1 Research and Innovation	1b) Business investment in innovation and research
	Thematic Objective 3 SME	3d) Supporting the capacity of SMEs to engage in growth and innovation processes
Priority 2 Protecting the Environment and Promoting Resource Efficiency	Thematic Objective 6 Environmental protection & resource efficiency	6(c) Protecting, promoting and developing cultural and natural heritage 6(f) Promoting innovative technologies to improve environmental protection and resource efficiency
Priority 3 Enhancing Institutional Capacity and an Efficient Public Administration	Thematic Objective 11 Institutional capacity building & efficient public administrations	
Priority 4 Technical Assistance		

1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities, having regard to the Common Strategic Framework, based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs, addressing, where appropriate, missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation

Table 4: Justification of the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
TO 1	1(b) Business investment in innovation and research	The programme area is well endowed with R&D infrastructure, but its capacities for R&D and innovation are fragmented. Accordingly, its regions show high heterogeneity with regard to R&D intensity. Enterprises in peripheral areas suffer from poor access to R&D infrastructure and new scientific and technological knowledge. Also regional enterprises and SMEs lack knowledge of potential R&D partners and capacities. CB collaboration between SMEs and R&D institutions is still rare. Thus there is a strong need for a better collaboration of research and innovation actors (including enterprises in the sense of an open innovation) by improved networking and exchange, jointly developed solutions and shared research facilities. Better collaboration could help reducing gaps between the levels of development of regions and the extent to which the less-favoured ones are lagging behind.
TO 3	3(d) Supporting the capacity of SMEs to engage in growth and innovation processes	SMEs situated mainly in the medium and low technology sector, are characterized by low levels of competitiveness and tend to serve local markets, especially in peripheral areas where location of companies hampers proper supply of customers in the wider region. Thus internationalisation of SMEs in the programme area is pivotal for securing future growth prospects. It should start by developing inter-company networks across the border. This could help companies in peripheral regions to get better access to markets and to develop competitive advantage by specialisation along respective value chains. Such value chains should form a basis for activities on international markets in a long term perspective.
TO 6	6(c) Protecting, promoting and developing cultural and natural heritage	The programme area is rich with cultural and natural diversity what makes it attractive and raises the quality of life for inhabitants and visitors. Cultural and natural heritage being at risk, increased level of natural heritage under protection and increasing efforts to safeguard the areas of common cultural heritage, present the challenges for CB cooperation.

		<p>CB cooperation efforts are needed in order to develop joint strategies and action plans for management and active conservation of heritage sites. It can serve also as a support for know-how transfer, training, capacity building and awareness-raising about sustainable valorisation and safeguarding of natural and cultural heritage. It can also serve as an important tool in achieving goals through sustainable tourism projects.</p>
	6(f) Promoting innovative technologies to improve environmental protection and resource efficiency	<p>Due to existing threats to the water resources and due to many open common challenges, coordinated efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives are important issues.</p> <p>Ensuring an adequate supply of clean water and reducing natural risks in the field of natural disasters, improving the coordination of environmental protection and flood risk management actions, should be the main focus in the future.</p> <p>CB cooperation efforts are needed to develop and implement joint sustainable water strategies and to support development and practical implementation of joint modeling, monitoring and forecasting studies and research works to reduce the overall footprint. Protection and control measures can be developed, implementation of joint monitoring activities and of construction and non-construction anti-flood measures in line with the flood risk management plan can be realized.</p>
TO 11	11 CBC	<p>The whole programme area faces the same challenges – how to keep the economy globally competitive, how to protect nature, how to manage multiplying natural disasters and manmade risks, how to create suitable living conditions for the citizens. These issues have been tackled by CB cooperation already in the past, nevertheless, open challenges still remain.</p> <p>Within this specific objective, local institutions and administrations will have the possibility to tackle the most pressing challenges together. Deepening the cooperation between citizens and institutions with the aim to find common solutions for dealing with mentioned challenges is therefore needed.</p> <p>Strong networks on local/regional level, joint capacities, transfer and exchange of know-how, skills, knowledge and practices, small scale investments could serve as appropriate actions.</p>

1.2 Justification of the financial allocation

Altogether, the programme budget consists of EUR 57,213,193, with an ERDF contribution of EUR 47,988,355 what corresponds to 84 % of the total financing⁵². The detailed financial figures are represented in section 3 (Financing Plan) wherein the financial allocation has been determined according to:

- The information inputs given by Task Force members during the corresponding Task Force meetings.
- The information inputs given by the relevant stakeholders in the programme area during the consultations (including the workshop held in January 2014).
- The gained experiences from the last programming period 2007-2013 in relation to the current needs and challenges in the programme area
- The types and financial scope of the projects under each determined priority axis.

The total amount of EUR 15,023,809 what corresponds to 31 % of the total co-financing from the ERDF, is to be allocated to the priority axis 1 (IP 1b and IP 3d). The financial allocation corresponds to the estimated extent of supported projects aiming at improving the corporation, networking and exchange linkages between (R&I)-institutions, companies (SMEs) and platforms in order to increase R&D investments in the programme area as well as the development and progression towards innovation and internationalization activities. Despite the high economic dependency of the programme area on such activities, this priority has been allocated a smaller amount of funds due to rather high co-financing possibilities from private funding (e.g. inclusion of SMEs). Data from the programming period 2007-2013 shows a number of 15 cooperation projects in the field of R&D and even a total number of 39 cooperation projects in the programme area where SMEs have been involved what represents a good basis for further cooperation in this field. The experience shows a high interest of regional stakeholders in the field of R&D and SME involvement. Upon this as well as the continuously expressed interest, a high number of projects can be anticipated under this priority in the programming period 2014-2020 as well.

The total amount of EUR 17,564,263 what corresponds to 37 % of the total co-financing from the ERDF, is to be allocated to the priority axis 2 (IPs 6c and 6f). The priority axis is allocated with the highest financial contribution due to three reasons. Firstly, it includes two investment priorities: one concentrating on the rich environmental assets of the programme area and their usage for the purpose of sustainable destination development, and the other on the area's resource efficiency in terms of water management. Due to the wider content, a larger number of projects are expected to be supported. This can be undermined by the second reason which considers the traditionally high environmental focus of the programme area. This can be shown with data from the programming period 2007-2013 where overall 12 projects in the field of environment, 13 in the field of natural resources management, and 14 in the field of culture cooperation have been realized together with the high interest and potential project ideas expressed on public consultation events (workshops). At least to a certain extent, the high allocation is owed to the fact that also investments into infrastructure which are more cost-intensive are foreseen.

⁵² The total amount for PA1, PA2 and PA3 is 52.927.477 EUR with an ERDF contribution of 44.988.355 EUR, which corresponds to 85 % of the total financing. The amount for PA 4 is 4.285.714 EUR, with an ERDF contribution of 3.000.000 EUR, which corresponds to 70 % of the total financing.

The total amount of EUR 12,400,283 what corresponds to 26 % of the total co-financing from the ERDF, is to be allocated to the priority axis 3 (TO 11). This is the lowest financial allocation due to two reasons. Firstly, it includes just one investment priority, and secondly, investments are allowed under the priority just in when such investments will bring clear added value to the programme. Such investments are also important, as their aim is to make the impact of the programme visible to the citizens, and thus, contribute to the recognition of the programme in general. Furthermore, the funding reflects the main objective of the priority in promoting the cooperation between citizens and public- and/or private institutions for the purposes of tackling the common bottlenecks, identified by a joint approach.

The financial allocation is based on experience from the programming period 2007-2013, and information received on public consultation events (workshops) wherein its primary source are the regional and SWOT analyses with characteristics, challenges and needs identified in section 1 of the CP INTERREG V-A SI-AT 2014-2020. All these show the need for establishing mutual understanding of challenges and their handling both on programme- and project level as well as building up capacities in order to guarantee good and long term partnerships what leads to successful outcomes.

The rest of the total co-financing from the ERDF, which equals EUR 3,000,000 will be allocated to the priority axis for Technical Assistance (TA).

Table 5: Overview of the investment strategy of the cooperation programme

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support to the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI	IPA				
Priority axis 1	15,023,809	100 %	0 %	0 %	TO 1	IP 1 (b)	To strengthen R&I in technological and economic fields of strength through CB cooperation of relevant stakeholders. To broaden the basis of innovating enterprises in the programme area.	Enterprises with innovation cooperation with cooperation partners from Europe
					TO 3	IP 3 (d)	To increase the level of internationalization of SMEs in the programme area.	Number of networks established for internationalization and cooperation
Priority axis 2	17,564,263	100 %	0 %	0 %	TO 6	IP 6 (c)	To achieve sustainable development of natural and cultural heritage	Overnight stays
						IP 6 (f)	To achieve sustainable management and utilization of water resources	Number of projects in the area of water bodies carried out as a result of co-financed activities
Priority axis 3	12,400,283	100 %	0 %	0 %	TO 11	IP 11	To promote cooperation between citizens and institutions	Level of cooperation quality (cooperation criteria) in the programme area (all criteria)
Priority axis 4 (Technical Assistance)	3,000,000	100 %	0 %	0 %			To provide the efficient and frictionless enforcement of the cooperation programme	Not applicable

SECTION 2

DESCRIPTION OF THE PRIORITY AXES

2.A Description of the priority axes other than technical assistance

Beside the priority axis for technical assistance, three priority axes have been chosen:

- Priority axis 1: Strengthening CB competitiveness, research and innovation
- Priority axis 2: Protecting the Environment and Promoting Resource Efficiency
- Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Furthermore, investment priorities have been determined, which are in line with the corresponding thematic objective.

Priority axis 1 includes two investment priorities, 1 (b) which corresponds to the thematic objective 1 (Research, development and innovation) and the investment priority 3 (d) which corresponds to the thematic objective 3 (Competitiveness of SME's). Priority axis 2 includes two investment priorities, 6 (c) and 6 (f) which correspond to the thematic objective 6 (Protecting the environment and promoting resource efficiency). Priority axis 3 includes one investment priority, 11 which corresponds to the thematic objective 11 (Institutional capacity and public administration).

2.A.1/1 Priority Axis 1: Strengthening cross-border competitiveness, research and innovation

ID of the priority axis	A.1
Title of the priority axis	Strengthening cross-border competitiveness, research and innovation

2.A.2/1 Justification for the establishment of a priority axis covering more than one thematic objective

Based on identified challenges and needs within the programme area, the goal of priority axis 1 will be to broaden the innovation basis. Pursuing this goal, the CP INTERREG V-A SI-AT 2014-2020 will complement the Austrian IWB/ERDF Programme 2014-2020, the Operational programme under ECP for Slovenia, the Smart Specialisation Strategy of the Republic of Slovenia as well as regional development programmes with CB cooperation approaches, as especially SMEs are still not able to use existing competences within the region independently.

Therefore, the priority axis addresses the needs for the support of enterprises in the programme area in a complementary way.

On the one hand, the programme focuses on strengthening research and innovation in the sense of an open innovation for enterprises already active in international markets which are still lacking knowledge and new scientific and technological knowledge. This is especially the case for enterprises in peripheral areas and SMEs. So there is a strong need for a better collaboration of research and innovation actors (including enterprises) in the programme area by improved networking and exchange, jointly developed solutions and shared research facilities. This will lead to a reduction of gaps

in the levels of development of the programme area's regions and the extent to which the less-favoured are lagging behind.

On the other hand, while the strengthening of research and innovation aims at those companies that are already active on international markets and thus need new scientific and technological knowledge in order to maintain their competitiveness and growth prospects, the enhancing of the competitiveness of SMEs focuses on those companies that still lack internationalization and absorptive capacity for new R&D results. In the programme area, mainly frontrunner enterprises serve international markets, and especially SMEs serve mainly local markets. According to necessary organizational and technical capabilities of internationalization, again enterprises located in border regions have disadvantages resulting from their peripherality. SMEs within the medium and low technology sector are even more confronted with low levels of competitiveness, as they are not prone to innovations and lack internationalisation, tending to serve local markets. Thus internationalisation of SMEs in the programme area is pivotal for securing future growth prospects. Within this respect, the programme will support business to business framework by developing interim networks across the border in order to support enterprises to get better access to markets and to develop competitive advantage by specialisation along respective value chains. Furthermore, such value chains should form in a long term perspective that basis for activities on international markets.

Hence, the broadening of the innovation basis targets existing companies as well as new companies; the main target group thus are SMEs and start-ups. For this two target groups it is important not only to stimulate innovation, but also to offer additional instruments which are oriented to the market growth (networking, clusters) and internationalisation. This will allow companies to grow sustainably. Within this regard the first step will be the cooperation across the border (to build up critical mass and close value chains) before the companies will start internationalisation.

2.A.3/1 Fund and calculation basis for Union support

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible costs

2.A.4/1.1b Investment priority 1(b): Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education

Investment priority	1(b) Promoting business investments and innovation and research, and developing links between synergies between enterprises, R&D centres and higher education
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2.A.5/1.1b Specific objectives corresponding to the investment priority and expected results**Specific objective 1**

ID	A.1.1
Specific objective	To strengthen R&I in technological and economic fields of strength through CB cooperation of relevant stakeholders.
The results that the Member States seek to achieve with Union support	<p>The geographic space of the programme area generally shows a rich endowment with research institutions, but these are distributed unevenly and large regional disparities in terms of regional capacities for R&I are evident. The lion's share of R&D infrastructures (such as universities and applied research institutes) is concentrated in the regional centres Graz, Ljubljana, and to a much smaller extent in Maribor. This is equally true on an interregional as an intraregional level. Even if the research and innovation infrastructure is centred in these two cities, in the past research and innovation competences and infrastructures were established successfully in the whole programme area which shows a good endowment not only with universities and / or universities of applied sciences, but also good endowment with research and technology organizations as well as technology and science parks. R&D infrastructure has also formed the nodes of participation within the EU Framework Programmes for Research and Technology (FP 6). Recent analyses show that project partners from Graz and Ljubljana account for the highest share of participation in the programme area. There is also a dense population of industry clusters in the programme area by various cluster and network initiatives in strong economic sectors (automotive, wood, materials, electronics etc.); hence in the past innovation systems were developed.</p> <p>However, the programme area is still characterized by fragmented R&I-capacities with the effect that critical mass could still be attained. Hence the CP INTERREG V-A SI-AT 2014-2020 could overcome the problem by strengthening (already existing) cooperation activities in order to improve the interaction of research organisations and by building up know-how of research institutions and public administration (policy actors responsible for the coordination of strategic agendas and specialisation) across the border in order to respond to the progressive and growing trend in the development of R&I.</p> <p>The aim should be to reach critical mass by institutional cooperation, as this will also have a positive impact on companies in the programme area. Supporting coordination for exchange (especially at research institutions) should ensure strengthening of networking, active technology and knowledge transfer as well as the lack of access to R&D</p>

	<p>in peripheral and CB regions.</p> <p>Analysis in the past showed that there is a strong interregional knowledge base in mechanical engineering and process engineering, materials (i.e. polymers), design, food, production, wood processing industry etc. The support for the development of institutional cooperation between R&D-infrastructures should therefore be related to existing technological and economic fields of strength within the programme area in order to intensify research activities and the building up of know-how in order to create spill-over effects for the industry. The CP INTERREG V-A SI-AT 2014-2020 will help to expand existing capacities for strengthening research and innovation activities also in peripheral and CB regions and for exploiting and developing synergies across border. This intends to contribute to structural improvement at research institutions in the programme area and the visibility of the programme area as a research location within Europe.</p>
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Specific objective 2

ID	A.1.2
Specific objective	To broaden the basis of innovating enterprises ⁵³ in the programme area.
The results that the Member States seek to achieve with Union support	<p>Based on strengthening research and innovation by the cooperation between institutions capable for research and education, technology and infrastructure (specific objective 1), specific objective 2 will help companies to broaden the research and innovation base. Companies will receive a better understanding of R&D and innovation capacities present in the programme area. For technology and knowledge intensive companies, the access to infrastructures and their services will be guaranteed.</p> <p>The improved “innovation ecosystem” will within the CP INTERREG V-A</p>

⁵³ **Enterprises:** An enterprise is defined as the smallest combination of legal units that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations. Main classes of enterprises:

- micro enterprises: with less than 10 persons employed;
- small enterprises: with 10-49 persons employed;
- medium-sized enterprises: with 50-249 persons employed;
- the first three size classes aggregated: small and medium sized enterprises (SMEs): with 1-249 persons employed;
- large enterprises: with 250 or more persons employed (http://epp.eurostat.ec.europa.eu/portal/page/portal/european_business/special_sbs_topics/small_medium_sized_enterprises_SMEs).

SI-AT 2014-2020 contribute to broadening the basis of innovating enterprises in the programme area⁵⁴. By providing specific support services, companies and especially SMEs will be enabled to implement RTI activities, especially in regions where companies are less innovative and have limited access to new technological knowledge. By supporting cooperation, networking of companies and research institutions (science-industry cooperation) and platforms could be improved and / or developed in order to achieve synergies across the border, to broaden the basis of innovating enterprises and to increase R&D investments in the programme area.

The aim of CP INTERREG V-A Slovenia-Austria 2014-2020 is to increase the territorial competitiveness, focusing on consolidation, modernisation and diversity of local and regional economies in order to support new business models as well as to introduce organisational and marketing as well as service innovations and technologies. The aim should be to support the development and improvement of products (with a focus on the development of new and joint products) and CB services. Growing synergies in the programme area will lead to advantages for SMEs, as they will be able to reduce uncertainties and costs, as learning processes will be initiated, the migration of qualified workers from the region will be limited and the ability to network will be extended. SMEs will not only be encouraged to expand their businesses in the area, but also in achieving additional significant growth and use new technologies. Soft measures such as training programmes which are focused on gaining and improving specialised qualifications, skills and competences are measures for enhancing the SME's capabilities to cooperate. The key feature here is the development of innovation and process capabilities and the introduction of growth phases and strategies. Hence, within this processes, cooperation is necessary and can lead to increased knowledge and innovation capacities of entrepreneurs, and positive effects in productivity and profitability of supported SMEs. This includes also the establishment of innovative (in the sense of Open innovation) enterprises which means that the programme will support start-up of business.

In order to secure and to further improve the high performance of the region, potential of CB cooperation in the sense of a common research and innovation area will be fostered. Thus the cooperation activities will foster the basis for new products and processes and may lead to sustainable growth and jobs.

⁵⁴ This is coherent with European strategies of fostering open innovation in the European Union within the Europe 2020 Initiative (see, also the contributions of EU's Open Innovation Strategy and Policy Group (OISPG): <http://ec.europa.eu/digital-agenda/en/open-innovation-strategy-and-policy-group>).

Table 6: Programme specific result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1b – specific objective 2	Enterprises with innovation cooperation with cooperation partners from Europe	Number	842	2010	+ 5%	Community Innovation Survey (CIS 2010)	2018, 2023

2.A.6/1.1b Actions to be supported under the investment priority

2.A.6.1/1.1b *A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries*

Type and examples of actions to be supported under the investment priority:**Specific objective 1**

- Improvement of CB competitiveness and excellence in research and innovation (e.g. by creation of joint CB platforms for know-how and technology transfer as basis for research and innovation, applied science projects, etc.)
- Better use of research infrastructure for CB research institutions and relevant stakeholders (e.g. institutional cooperation between R&D-infrastructure).
- Use of research potential of researchers and their international mobility (with the purpose to increase the competitiveness of CB area).
- Implementation of research, innovation, technology transfer projects to support the building-up of competences in the programme area.
- Promotion of CB cooperation between research institutions and public administrations.

Specific objective 2

- Strengthening innovation processes and investment for enterprises and other institutions cooperating across border to develop new or improved products, services and pilot investment.
- Support to enterprises in the phase of testing innovation (including the process of certification).

- Commercialization of the solutions developed and transfer of the new knowledge to the public domain as well as the promotion of entrepreneurship.
- Incentives to strengthen the innovation ability of enterprises (offering innovation support services to support innovation) or the use of new technologies in common fields of strength such as mechanical engineering and process engineering, materials (i.e. polymers), design, food, production, wood processing industry.
- Support services for innovative (innovation in services, creative industries, product innovation, etc.) entrepreneurs/companies and potential entrepreneurs to enable the start-up of business.
- Support of CB SME/networks to develop new or improved products, services or to enter new markets and improve their export potential.
- Encouragement and support of creation or further development of the CB clusters.
- Encouragement and support of technology and know-how transfer (of best practices) between research, technology, educational institutions and/or institutions of the cultural and creative sector with enterprises for the development, adaptation and marketing of new technologies, products or services.
- Support of exchange of experiences in the field of business and innovation development.

Main target groups supported under the investment priority:

- Institutions capable for research and education, technology and infrastructure.
- Innovation leaders.
- Enterprises in the programme area (at the threshold to innovation activities).
- Universities.
- R&D institutions.
- Company founders and young entrepreneurs.

Types of beneficiaries supported under the investment priority

- Enterprises, clusters and networks.
- Private and public business support institutions (incubators, technology parks, science parks, competence centres, business support centres).
- National, local and regional authorities.
- Research institutions.
- Universities and other higher education institutions as well as technology and business oriented high schools.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/1.1b Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the investment priority are outlined in section 'Guiding principles for the selection of operations under the investment priorities.

Specific guiding principles for IP 1b

- Connecting knowledge, competences and technologies in the priority areas, with regard to RIS3 strategy and CB impact.
- CB networks of regional actors.

2.A.6.3/1.1b *Planned use of financial instruments*

Within the concrete investment priority no financial instruments are planned.

2.A.6.4/1.1b *Planned use of major projects*

There are no concrete projects planned.

2.A.6.5/1.1b *Output indicators by the investment priority*

Table 7: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1b	Number of joint CB R&D projects	Number	8	Monitoring	Yearly
1b	Number of enterprises cooperating with research institutions (CI)	Number	20	Monitoring	Yearly
1b	Number of institutions supported to introduce new products or services to the market (CI)	Number	5	Monitoring	Yearly

2.A.4/1.3d Investment priority 3(d): Supporting the capacity of SMEs to engage in growth and innovation process

Investment priority	3(d): Supporting the capacity of SMEs to engage in growth and innovation process
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2.A.5/1.3d Specific objectives corresponding to the investment priority and expected results

ID	A.1.3
Specific objective	To increase the level of internationalization of SMEs in the programme area
The results that the Member States seek to achieve with Union support	<p>The economy of the CB region and its peripheral territories is dominated by SMEs showing considerable problems in meeting future requirements and competitiveness. The innovation capacities in the programme area are concentrated on small number of frontrunner enterprises that serve international markets while the majority of companies (in particular SMEs and start-ups) are lagging behind in this respect. This is in particular true for those companies that are located in border regions as they have disadvantages resulting from their peripherality. While industrial activities are concentrated in large and medium sized centres, peripheral territories show a larger share of SMEs in the service sector. The latter should play a comparatively larger role in supporting regional development. High seasonality of certain economic activities and small-sized enterprises as well as the lack of high-quality services for specific target groups are limiting the competitiveness of SMEs in an increasingly international environment. These SMEs which are situated mainly in the medium- and low-technology sector are characterised by low levels of competitiveness, as they are not prone to innovations and lack internationalisation, tending to serve local markets. This is particularly true for peripheral areas where market size is marginal and location of companies even hampers proper supply of customers in the wider region.</p> <p>The CP INTERREG V-A SI-AT 2014-2020 will offer additional measures which are oriented to the market growth (networking, clusters) and internationalisation, creating efficient and stable business environment. This will allow companies to grow sustainably. The first step will be the cooperation across the border, building-up a critical mass and closing value chains before the companies can start internationalisation over longer distances.</p> <p>The CP INTERREG V-A SI-AT 2014-2020 will address these problems</p>

by supporting CB cooperation of companies for internationalization and export, by upgrading business environment and by creating awareness towards internationalisation for enterprises (SMEs) in the programme area.

Table 8: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
3d	Number of networks established for internationalization and cooperation	Number	8	2014	12	Monitoring	2018, 2023

2.A.6/1.3d Actions to be supported under the investment priority

2.A.6.1/1.3d A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

Type and examples of actions to be supported under the investment priority:

- Promotion and development of new (social) entrepreneurship models (innovative companies with potential of global growth, companies in CB areas facing the development challenges (problem areas)).
- Strengthening growth and development of SMEs (and their creativity and innovativeness, investment in processes and development as well as development of capabilities of SME's to cooperate, especially by design and implementation of support programmes).
- Complementarities with national actions of upgrading existing CB business environment.
- Development of new CB business models and integrated models of business processes.
- Promotion and strengthening business and development CB networks (transfer of best practices, combination of existing services, enable networking between companies, platforms, clusters, institutions (financial, support) etc.).
- Increasing CB cooperation of companies for competitiveness, internationalization and export, e.g. by supporting networking/clusters of enterprises, joint investments, joint participation on the market, etc.

- Creation of awareness towards internationalisation by promotion for enterprises (SMEs), especially high-growth enterprises and enterprises with the potential to grow in the programme area.
- Development of capabilities of SME's to cooperate, especially by design and implementation of support programmes (mentoring, coaching, trainings, etc.) focused on gaining and improving specialised qualifications, skills and competences (e.g. process innovation, new business models, language knowledge, intercultural competence, technical know-how, IPR, "greening" of SMEs, creative industry, social responsible entrepreneurship, etc.).
- Development of CB SME networks and clusters along specific value chains.

Main target groups supported under the investment priority:

- Local business community.
- Business support mechanisms.
- Education institutions of the region.
- Technology/business/university parks.

Types of beneficiaries supported under the investment priority

- SMEs.
- Networks of SMEs.
- Private and public business support institutions (incubators, technology parks, science parks, competence centres, business support centres).
- Local/regional institutions, development organisations and networks.
- Intermediary organizations.
- Universities and other higher education institutions, technology and business oriented high schools.
- Clusters.
- National, local and regional authorities.
- Research institutions.
- Tourism institutions, associations and agencies.
- Training and education organisations and institutions.
- Institutions and organisations representing economic and social interests of employees, employers.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/1.3d Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the investment priority are outlined in section "Guiding principles for the selection of operations under the investment priorities".

Specific guiding principles for IP 3d

- Involvement of SMEs or SME-networks as project partners is strongly recommended.
- Level of private funding added to public funding.
- Consulting and mentoring/coaching projects should develop or accompany sustainable or even high growth and/or internationalization processes.
- Relevance of results and the impact of planned activities on SMEs will be considered for all applications.

2.A.6.3/1.3d Planned use of financial instruments

Within the concrete investment priority no financial instruments are planned.

2.A.6.4/1.3d Planned use of major projects

There are no concrete projects planned.

2.A.6.5/1.3d Output indicators by the investment priority

Table 9: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
3d	Number of joint CB internationalization projects involving SMEs	Number	7	Monitoring	Yearly
3d	Number of enterprises receiving support (CI)	Number	15	Monitoring	Yearly

2.A.7/1 Performance framework of the priority axis 1: Strengthening cross-border competitiveness, research and innovation

Table 10: Performance framework of the priority axis 1: Strengthening cross-border competitiveness, research and innovation

Priority axis	Indicator or type	ID	Indicator or key implementation step	Measure unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
1: Strengthening cross-border competitiveness, research and innovation	Financial indicator	A.1.1	Payments: Certified and declared to the EC	in %	12 %	100 %	Monitoring system	
	Output	A.1.2	Number of enterprises receiving support (CI)	Number	2	15	Monitoring system	Sum of the IP 1b output indicator 1 and IP 3d output indicator 1.

Additional qualitative information on the establishment of the performance framework

The CP INTERREG V-A SI-AT 2014-2020 is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established taking into account the nature and size of expected operations under each investment priority as well as the experience of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/1 Categories of intervention**Table 11: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
1	56	751,191
	57	300,476
	58	300,476
	59	300,476
	60	2,253,571
	61	450,714
	62	3,004,762
	63	2,253,571
	64	1,201,905
	67	3,455,476
	75	751,191

Table 12: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
1	1	15,023,809

Table 13: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
1	1	7,511,904
	2	6,760,714
	3	751,191

Table 14: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
1	7	15,023,809

2.A.9/1 A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable.

2.A.1/2 Priority Axis 2: Protecting the Environment and Promoting Resource Efficiency

ID of the priority axis	A.2
Title of the priority axis	Protecting the Environment and Promoting Resource Efficiency

2.A.2/2 Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

2.A.3/2 Fund and calculation basis for Union support

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.A.4/2.6c Investment priority 6(c): Protecting, promoting and developing cultural and natural heritage

Investment priority	6(c) Protecting, promoting and developing cultural and natural heritage
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2.A.5/2.6c Specific objectives corresponding to the investment priority and expected results

ID	A.2.1
Specific objective	To achieve sustainable development of natural and cultural heritage
<p>The result that the Member States seek to achieve with Union support</p>	<p>The programme area is rich with tangible and intangible natural as well as cultural heritage, whereupon an adequate conservation and valorization of such assets bears high potential for the programme area's economic and social development, especially in terms of sustainable tourism.</p> <p>The programme area is characterized by an increased level of natural heritage under protection (e.g. active conservation of the NATURA 2000 sites) as well as increasing efforts to safeguard the areas of common cultural heritage (e.g. historically important buildings and traditions like language, artifacts, customs, music and dance, traditional manual dexterity, etc.). Thereupon, the development of the programme area as a sustainable tourist destination requires a balanced coordination between the increased conservation level, and the public accessibility of the conserved natural resources, together with the conservation of the cultural complexity generated by two different cultural identities. CB cooperation is an important tool in achieving such a balance by establishing common understanding and integrated joint approaches of valorisation which ensure natural and cultural heritage conservation on one side and foster sustainable tourism on the other.</p> <p>The aim of CP INTERREG V-A Slovenia-Austria 2014-2020 lies in long-term conservation and preservation of natural assets, sustainable conservation, valorization and safeguarding of natural (e.g. active conservation of the Natura 2000 sites) and cultural heritage (e.g. prevented from deteriorating) as these form fundamental pillars for the improvement of the regional tourist offer. With the creation of new and/ or improved common tourist products and/ or services, investments in nature interpretation infrastructure, fostering capacity building and networking among key stakeholders, the establishment of the programme area as a sustainable and competitive tourist destination will be achieved. An additional added value will be created by contributing to the overall economic growth of the programme area (e.g. development and introduction of creative branding that makes destinations more attractive to tourists and also to providers of new business models or services in that field, raise of tourist visits, creation of new forms of employment) as well as to the awareness-raising among citizens.</p> <p>The results to be achieved through EU support will contribute to increasing number of overnight stays in the programme area.</p>

Table 15: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
6c	Overnight stays	Number	33,127,302	2013	36,124,869	SURS, Regional Statistics Steiermark, Kärnten, Burgenland	Yearly

2.A.6/2.6c Actions to be supported under the investment priority

2.A.6.1/2.6c *A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries*

Type and examples of actions to be supported under the investment priority:

- Development and practical implementation of necessary joint strategies and action plans for management and active conservation of natural and cultural heritage sites (e.g. Natura 2000 sites, cultural monuments etc.).
- Sustainable utilization and management of natural and cultural heritage, including nature protection measures.
- Conservation, restoration, development and valorisation of cultural and natural heritage sites as well as public visitor infrastructure for their utilization in the field of sustainable tourism.
- Support of know-how transfer, training and capacity building as well as awareness-raising for relevant stakeholders in developing corresponding skills.
- Joint development of new/improved products and services in the field of sustainable tourism in order to preserve/valorize the natural/cultural heritage in an appropriate way and/or to increase the attractiveness of the programme area (e.g. accommodations, tours, transportation, recreational activities, development of joint quality standards in tourist services).

Main target groups supported under the investment priority:

- Public and private institutions as well as owners and managers responsible for natural and cultural heritage.
- Local and regional public and state administrations.
- Small and medium-sized enterprises (SMEs) in tourism.
- Tourism institutions.
- Tourists.
- Children.
- Citizens.

Types of beneficiaries supported under the investment priority

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Institutions and organisations in the field of nature protection and conservation, environment, spatial planning, public transport and tourism.
- Institutions, organisations and enterprises in the field of culture.
- Associations and NGOs in the field of nature protection, environment, culture, education.
- Small and medium-sized enterprises (SMEs) in tourism.
- Schools and associations for children.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/2.6c Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the investment priority are outlined in section “Guiding principles for the selection of operations under the investment priorities”.

Specific guiding principles for IP 6c

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primarily serve as recommendations in the project selection process:

- Cultural and natural heritage sites supported have to be publicly accessible.
- Tourist offers have to include at least two destinations, one from each Member State.
- Tourist offers which can be booked as packages (meaning integral product/services in connection with natural/cultural heritage valorization) are greatly recommended.
- The involvement of at least one relevant tourist institution/organization from each Member State is advised, wherein not necessary as a project partner.

2.A.6.3/2.6c Planned use of financial instruments

Within the concrete investment priority no financial instruments are planned.

2.A.6.4/2.6c Planned use of major projects

There are no concrete projects planned.

2.A.6.5/2.6c Output indicators by the investment priority**Table 16: Common and programme specific output indicators by investment priority**

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6c	Number of newly developed and/or improved joint CB tourist products ⁵⁵	Number	16	Monitoring system	2018, 2023
6c	Number of projects targeting biodiversity	Number	4	Monitoring system	2018, 2023

2.A.4/2.6f Investment priority 6(f): Promoting innovative technologies to improve environmental protection and resource efficiency in waste sector, water sector, soil protection or to reduce air pollution

Investment priority	6(f): Promoting innovative technologies to improve environmental protection and resource efficiency in waste sector, water sector, soil protection or to reduce air pollution
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⁵⁵ A tourist product can be defined as an individual service and/or good, which is used by a tourist on the way and the stay outside his permanent place of residence. A set of such set products can be named as an integral tourist product. For the purposes of the Cooperation Programme INTERREG V-A Slovenia-Austria 2014-2020 the definition can be specified in terms of sustainable tourism can be defined as: 'Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities'. Thus, sustainable tourism should: 1. Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity. 2. Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance. 3. Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation. Reference: Making Tourism More Sustainable - A Guide for Policy Makers, UNEP and UNWTO, 2005, p.11-12.

2.A.5/2.6f Specific objectives corresponding to the investment priority and expected results

ID	A.2.2
Specific objective	To achieve sustainable management and utilization of water resources
The result that the Member States seek to achieve with Union support	<p>Situation analysis in the programme area showed that increasing demands for sources of clean water, combined with changing land use practices, population growth, aging infrastructure and climate change pose threats to water resources. Furthermore, the programme area is characterized by strongly integrated surface water bodies, accordingly joint CB water management and flood risk prevention measures are of high importance. Given the essentiality of the topics, CB cooperation regarding these issues has been historically very strong. Nevertheless, taking account of environmental and climate effects, further cooperation is essential.</p> <p>The programme area includes a number of large CB river systems (Mura/Mur, Drava/Drau) as well as multitude of small streams and brooks. The relationships in the field of water management are being regulated with Slovenian and Austrian “water agreements”, but there are still many common challenges (e.g. technologies and innovativeness regarding maintenance and improvement of surface and underground water quality and their management) to overcome. These challenges can only be affected with coordinated efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives. CB cooperation in the field of water management will help to ensure an adequate supply of clean water by maintaining the already high water quality standards, and where necessary, to further improve them, to reduce natural risks in the field of natural disasters, especially along the river Drava and Mura where CB cooperation is required to help in improving the coordination of environmental protection and flood risk management actions. Lastly, due to current and in the future even more possible climate change implications (e.g. thaw) necessary joint precautions have to be taken. A vital prerequisite for the CB cooperation will be the usage of innovative methods and technologies which are to a certain extent already in usage, but nevertheless, still need further enhancement, dissemination and transformation.</p> <p>Results aimed at is infrastructure, joint studies and research works (surface water modeling and monitoring, high water forecasting) as well as joint innovative measures for flood protection and river system revitalization, accompanied by monitoring activities which will show the status and impacts of the measures incorporated. Furthermore, strategies and action plans will raise the knowledge base for the decision-making in water policy that will additionally contribute to an improved water and waste water management, flood risk prevention and protection as well as overall strengthening of CB cooperation in the field of water management, including not only public services, but important private stakeholder as well.</p> <p>The results to be achieved through EU support will contribute to a secured and improved sustainable utilization of water resources in the programme area.</p>

Table 17: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
6f	Number of projects in the area of water bodies carried out as a result of co-financed activities	number	2	2014	4	Monitoring	2018, 2023

2.A.6/2.6f Actions to be supported under the investment priority

2.A.6.1/2.6f *A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries*

Type and examples of actions to be supported under the investment priority:

- Development and practical implementation of joint sustainable water strategies to set out long-term plans for securing the water future of the programme area (e.g. identifying threats to water availability and quality, elaboration of policies and actions to help water users, water corporations and catchment management authorities to manage and respond to those threats, exchange of know-how and technologies, exchange and improvement of innovative methods like the usage of storm water for process water purposes, small scale investments etc.).
- Development and practical implementation of joint modeling, monitoring and forecasting studies and research works (e.g. determination of ecological minimum flow needs for surface water bodies, elaboration/further improvement of hydrological prognostic system models, elaboration of research studies regarding ground water resources availability, etc.) with the inclusion of climate change implications and action plans for reducing the overall water and wastewater footprint (e.g. awareness-raising actions among the wider public and local communities).
- Development and practical implementation of integrated flood determination, protection and control measures (e.g. infrastructure investments, further elaboration of the existing floods information platform) as well as river restoration measurements (e.g. bio-system renaturation and preservation).

- Practical implementation of joint monitoring activities (qualitative and quantitative) to assess the status and impacts of the measures incorporated.
- Preparation and implementation of construction and non-construction anti flood measures in line with the flood risk management plan

Main target groups supported under the investment priority:

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Bilateral CB commissions.
- Institutions and organisations in the field of water management, nature protection, environment and risk prevention, spatial planning.
- Research institutions.

Types of beneficiaries supported under the investment priority

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Institutions and organisations in the field of water management, nature protection, environment and risk prevention, spatial planning and other research organizations.
- Associations and NGOs in the field of water, nature protection, biodiversity and environment.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/2.6f Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the investment priority are outlined in section “Guiding principles the selection of operations under the investment priorities”.

Specific guiding principles for IP 6f

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primary serve as recommendations in the project selection process:

- Solely those joint sustainable water strategies will be funded which will be able to provide evidence of their long-term utilization in terms of securing the water future of the programme area.
- Solely those joint studies and research works will be funded which will be able to provide evidence of their practical utilization in applied water management.
- Solely those projects will be funded which are in line firstly with the content of the EU Water Framework Directive and Flood Directive, and secondly, with the aims of the Slovenian-Austrian Water Commissions.

2.A.6.3/2.6f Planned use of financial instruments

Within the concrete investment priority no financial instruments are planned.

2.A.6.4/2.6f Planned use of major projects

There are no concrete projects planned.

2.A.6.5/2.6f Output indicators by the investment priority**Table 18: Common and programme specific output indicators by investment priority**

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6f	Number of jointly developed water management strategies	Number	1	Monitoring system	Yearly
6f	Number of joint modelling, monitoring and forecasting studies and research works	Number	1	Monitoring system	Yearly
6f	Number of joint CB flood determination, protection and control measures	Number	1	Monitoring system	Yearly
6f	Research institutions participating in CB, research projects (common indicator)	Number	2	Monitoring system	Yearly

2.A.7/2 Performance framework of the priority axis 2: Protecting the Environment and Promoting Resource Efficiency

Table 19: Performance framework of the priority axis 2: Protecting the Environment and Promoting Resource Efficiency

Priority axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
Protecting the Environment and Promoting Resource Efficiency	Financial indicator	A.2.1	Payments: Certified and declared to the EC	in %	13 %	100 %	Monitoring system	
	Output	A.2.2	Number of approved operations in Priority axis 2	Number	2	19		Sum of the IP 6c output indicator 1 and IP 6f output indicators 1, 2, 3.

Additional qualitative information on the establishment of the performance framework

The CP INTERREG V-A SI-AT 2014-2020 is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established taking into account the nature and size of expected operations under each investment priority as well as the experiences of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/2 Categories of intervention**Table 20: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
2	021	2,985,920
	085	2,634,600
	086	1,756,400
	088	2,283,384
	090	1,405,153
	091	1,229,500
	092	1,405,153
	093	1,229,500
	094	1,405,153
	095	1,229,500

Table 21: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
2	1	17,564,263

Table 22: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
2	2	6,498,777
2	3	11,065,486

Table 23: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
2	7	17,564,263

2.A.9/2

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable.

2.A.1/3 Priority Axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

ID of the priority axis	A.3
Title of the priority axis	Enhancing Institutional Capacity and an Efficient Public Administration

2.A.2/3 Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

2.A.3/3 Fund and calculation basis for Union support

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.A.4/3.11 Investment priority 11: Promoting legal and administrative cooperation and cooperation between citizens and institutions

Investment priority	(CBC) promoting legal and administrative cooperation and cooperation between citizens and institutions
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2.A.5/3.11 Specific objectives corresponding to the investment priority and expected results

ID	A.3.1
Specific objective 1	To promote cooperation between citizens and institutions
The results that the Member States seek to achieve with Union support	<p>Both countries have the same cultural basis that can be built upon. Both face same challenges – how to keep the economy globally competitive, how to protect nature, how to manage multiplying natural disasters and manmade risks, how to create suitable living conditions for the citizens. This specific objective is all about facing these challenges together.</p> <p>For such sustainable development of the programme area, conditions suitable for existing and emerging multi-layered networks have to be created. Involvement of different levels of governance structures, institutions representing civil society and citizens has to be insured. And the visibility of the work done in the region has to be improved.</p> <p>The situation analysis in the programme area showed increasing energy consumption,</p>

increased frequency of natural and other disasters, recurring need for risk management, and a need for increased social cohesion in the area of health and qualification. Sustainability of the measures is depending on joint approach to problems that have to be solved.

Regarding energy efficiency, especially the Austrian side possesses the needed technological know-how, skills and drive; wherein on the Slovenian side, the growing knowledge level still has to reach its full potential. CB cooperation ensures a more efficient knowledge transfer, contributes to capacity-building, networking and institutional support and by that to more coordinated innovation activities, resulting in the creation of positive synergy effects. Fostering improvements in the field of energy efficiency goes in line with awareness-raising activities among key stakeholders and the wider public (e.g. brochures, public events, etc.).

Although the issue of risk management (water, soil, air) has been successfully tackled in the past, joint CB measures remain of high importance. Through further cooperation in the field of public services, capacity building, networking enlargements and exchanging of know-how and best practices, CB cooperation will importantly contribute to natural risk prevention.

Situation analysis showed also the need for increased social cohesion in the area of health and qualification. This area has been an important priority also in cooperation history. As the CB mobility of patients has been increasing in the past years, it is important to provide them with the best health care services in terms of adequate medical workers, hospital infrastructure (e.g. availability of hospital beds) and information provision (hard and e-form).

An important part is the promotion of preventive sanctions (e.g. healthy living and eating habits) which gains momentum.

Another challenge is to strengthen CB cooperation in the area of qualification. The reasons lie in different curricula, education and legal bases. Thereupon, cooperation and networking, which lead to the basic quality improvements and coordination in the field of education and continuing vocational training in the inter-regional level, should be emphasized.

Possible results under this specific objective are strong networks on local/regional level, joint capacities, transfer and exchange of know-how, skills, knowledge and practices, etc. wherein this primary aim will be supported by small scale investments which will make the impact of the programme visible to the citizens. The results to be achieved through EU support will contribute to increased intensity of CB cooperation.

Table 24: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
11	Level of cooperation quality (cooperation criteria) in the programme area (all criteria)	Percentage	0 ⁵⁶	2015	Increasing	Monitoring system (among relevant stakeholders)	2018, 2023

2.A.6/3.11 Actions to be supported under the investment priority

2.A.6.1/3.11 *A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries*

Type and examples of actions to be supported under the investment priority:

- Strengthening public institutional cooperation between regions, municipalities and cities as well as key institutions involved in regional development activities (e.g. exchanging practices, knowledge, know-how, services, development strategies, etc.)
- Strengthening cooperation within CB networks on local/regional level as well as the cooperation of institutions providing public services, training and educational institutions, cultural associations, etc. (e.g. capacity building, knowledge exchange and networking activities).
- Developing and implementing training programmes and schemes (in order to intensify future CB cooperation as well as to build up capacities and skills needed for the CB labour market (e.g. intercultural communication and qualification trainings, language courses, joint schemes to support transfers of best practices and know-how, study visits, vocational training)
- Developing new services and products regarding important regional topics in order to ensure closeness to citizens and the visibility of the programme (e.g. trainings, consultancies).
- Active awareness-raising among key stakeholders as well as the wider public (e.g. information sheets, public information events, etc.)
- Developing and implementing CB tools and services (e.g. analytical tools, management tools, technical tools, software tools, etc.) for the purpose of risk management prevention (e.g. joint monitoring surveys etc.) and emergency interventions (e.g. information about hospital beds, availability of ambulances and medical workers, etc.).
- Establishing CB partnership to support research and innovative policies for the circular economy.

⁵⁶ Until now no projects with all cooperation criteria were fulfilled.

Main target groups supported under the investment priority:

- Local and regional public and state administrations.
- Other types of public and private organizations/institutions interested in CB cooperation (e.g. training and educational institutions, institutions and organizations in the field of emergency management, health, energy, qualification and labour market, etc.).
- NGOs and associations of socially excluded.
- Children.
- Citizens.

Types of beneficiaries supported under the investment priority

- Local and regional public and state administrations.
- Other types of public and private organizations/institutions interested in CB cooperation (e.g. training and educational institutions, institutions and organizations in the field of emergency management, health, energy, qualification and labour market, NGOs and associations of socially excluded, associations for children, etc.).

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/3.11 Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the investment priority are outlined in section “Guiding principles for the selection of operations under the investment priorities”.

Specific guiding principles for TO 11

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primary serve as recommendations in the project selection process under TO 11.

- Wider usability of project deliverables in at least one of four areas (energy efficiency, risk management, health, qualification) defined (e.g. pilot and demonstration projects, tools and services, training programmes, and schemes, etc.).
- In case they are planned, investments shall be justified and bring a clear added value.

2.A.6.3/3.11 Planned use of financial instruments

Within the concrete investment priority no financial instruments are planned.

2.A.6.4/3.11 Planned use of major projects

There are no concrete projects planned.

2.A.6.5/3.11 Output indicators by the investment priority**Table 25: Common and programme specific output indicators by investment priority**

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
11	Number of institutions and/or organizations participating in joint CB initiatives (actions 1-8)	Number	100	Monitoring system	Yearly
11	Number of people participating in joint training schemes and programmes (action 3)	Number	200	Monitoring system	Yearly
11	Number of joint CB pilot and demonstration projects (action 1-8)	Number	5	Monitoring system	Yearly
11	Population covered by improved public services (common) ⁵⁷ (action 6)	Number	200,000	Official statistical data	Yearly

⁵⁷ Indicator will be measured with the help of Statistical office of the Republic of Slovenia and Statistik Austria.

2.A.7/3 Performance framework of the priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Table 26: Performance framework of the priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Priority axis	Indicator or type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
Enhancing Institutional Capacity and an Efficient Public Administration	Financial indicator	A.3.1	Payments: Certified and declared to the EC	in %	12 %	100 %	Monitoring system	
	Output	A.3.2	Number of approved operations in Priority axis 3	Number	1	5		Indicator 3 of IP 11

Additional qualitative information on the establishment of the performance framework

The CP INTERREG V-A SI-AT 2014-2020 is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established taking into account the nature and size of expected operations under each investment priority as well as the experiences of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/3 Categories of intervention**Table 27: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
3	013	992,000
	083	992,000
	087	1,612,040
	096	868,030
	107	868,030
	108	992,000
	112	1,612,040
	118	1,612,040
	119	992,000
	120	1,860,103

Table 28: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
3	1	12,400,283

Table 29: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
3	1	6,200,142
3	2	5,580,127
3	3	620,014

Table 30: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
3	7	12,400,283

2.A.9/3

A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

Not applicable.

Guiding principles for the selection of operations under the investment priorities

The programme will operate on the basis of open call system. Applications received in due time and fulfilling all requirements will be subject to JMC decision.

The selection of project proposals will be carried out in line with Article 12 of the ETC Regulation following a standardised assessment.

1. Submitted project proposals must pass administrative compliance and eligibility criteria in order to be subject to the quality assessment. Criteria will be described in detail in the programme guidelines. They are divided in two categories. **Strategic assessment criteria** concern the relevance of project proposals and the extent of their contribution to achieve programme objectives which are directly linked to the results envisaged within the specific objective of reference. Strategic assessment criteria assess also the CB added value and the relevance of the partnership and can be summarised as follows:
 - The operation is sufficiently justified (relevance and strategy);
 - The cooperation has a clear added value (assessment based on four cooperation criteria);
 - The project contributes to the achievement of programme's objectives, expected results and outputs;
 - The composition of the partnership is relevant for the proposed project.
2. **Operational assessment criteria** concern quality of implementation with regard to the feasibility and viability of project proposals as well as their value for money (resources used in relation to results delivered). They can be summarised as follows:
 - Management structures and procedures are in line with the project size, duration and needs;
 - Communication activities are appropriate and forceful enough to reach the relevant target groups and stakeholders;
 - The work plan is transparent, realistic, consistent and coherent, including feasibility of the intended outputs;
 - The project budget demonstrates value for money, it is coherent and proportionate.

The programme will support projects having a clear focus on joint CB actions and demonstrating the value added of the CB approach versus regional, national, approaches.

All planned and submitted projects will have to consider environmental concerns and reduce their environmental impact by (if applicable):

- Contribution to reduced transport and mobility related air pollution.
- Contribution to the development of green infrastructures and technologies.
- Contribution to more employment opportunities, training and education possibilities as well as support services regarding environmental protection and sustainable development.
- Application of green public procurement in a methodical way.

Projects should follow an output and result-oriented approach with emphasis on concrete, relevant and visible outputs and results.

The programme specifically supports the delivery of outputs and results that are durable, applicable and contribute to or feed into concrete future initiatives, and as such contribute to the long-lasting decrease of existing social and economic disparities in the programme area.

High strategic value of project proposals will be a condition for being selected for funding what will be reflected in the assessment methodology by means of weighting of scores and/or setting of thresholds for the strategic criteria.

The detailed assessment criteria will be laid down in specific guidance documents.

Programme bodies will strive for coordination with other programmes (see also Section 5.1), making use of synergies to the possible extent.

2.B Priority axis 4: Technical Assistance**2.B.1 Priority axis 4: Technical Assistance**

ID of the priority axis	B.1
Title of the priority axis	Technical Assistance

2.B.2 Fund and calculation basis for Union support

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.B.3 Specific objectives and expected results

ID	B.1.1
Specific objective	To provide the efficient and frictionless enforcement of the cooperation programme ⁵⁸ .
The result that the Member States seek to achieve with Union support	<p>An efficient implementation of cooperation programme demands technical management in order to ensure a solvent realization of the programme objectives, and thus, the achievement of the desirable results. The allocation of Technical Assistance funds aims to ensure a proficient operation of all bodies which are needed for cooperation programme's frictionless enforcement, e.g. Managing Authority/Joint Secretariat, first level control, Certifying Authority, Audit Authority/Audit Body, National Authority in Slovenia and National/Regional Authorities in Austria.</p> <p>Technical Assistance is a key objective to ensure a successful implementation of operations with noticeable outputs and results which contribute to the progress of the programme area. The work portfolio of the enlisted bodies includes a variety of actions as preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, certification of expenditures control and audit which have to be provided on one hand to the interested applicants (e.g. beneficiaries at a later stage) and the wider public as well as to the European Commission on the other</p>

⁵⁸ Included only in the draft version. For the end version which has to be delivered to the EC, the explanation isn't needed. Regulation (EU) No. 1303/2013 of the European Parliament and of the Council [...], Article 96,[...]. *Point (ii) shall not apply where the Union contribution to the priority axis or axes concerning technical assistance in an operational programme does not exceed EUR 15,000, 000.*

hand.

The performances have to be undertaken professionally in order to provide support to the selected beneficiaries throughout all phases of the project management which includes initiation, planning/design, execution, monitoring and controlling, closing, reporting. Interested applicants and later beneficiaries have to be provided with the needed information in an easily accessible and simple communicating way. Corresponding to the diversity of the latent applicants and/or beneficiaries as well as their variety in communication needs, a well-balanced blend between the usage of modern communication technology (e.g. online services) and a more traditional approach (e.g. face-to-face meetings) has to be established.

Moreover, informational and communicational actions should be undertaken to notify the wider public in the programme area and beyond about the funded and implemented projects, including general and specific project information. Further efforts include life events for a wider public as competitions, get-togethers, publishing articles and other pieces, etc. Such undertakings serve to raise awareness and promote operations to the inhabitants of the eligible area as well as good practice examples for potential emulators in other areas.

In consideration of the European level, evaluations, expert reports, statistics and studies have to be carried out by the cooperation programme's management bodies which will serve as a display and acknowledgement of the achieved outcomes to the pertinent Commission service.

2.B.4 Result indicators

Table 31: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
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Not applicable. Regulation (EU) No 1303/2013 of the European Parliament and of the Council [...], Article 96, [...]. *Point (ii) shall not apply where the Union contribution to the priority axis or axes concerning technical assistance in an operational programme does not exceed EUR 15,000,000.*

2.B.5 Actions to be supported and their expected contribution to the specific objectives**2.B.5.1 Description of actions to be supported and their expected contribution to the specific objectives****Type and examples of actions to be supported:**

- Adequate personnel in all management bodies, including Managing Authority/Joint Secretariat, National Authority in Slovenia and National/Regional Authorities in Austria.
- Direct and indirect cost related to the bodies, such as office supply and maintenance cost, informational technology cost, etc.
- Operational necessities by the Audit and Certifying Authorities.
- Formation, implementation and up-keeping of the monitoring system.
- Informational and communicational undertakings.
- Services related with the operations needed for the preparation for the upcoming programming period (evaluations, analysis, indicator development, etc.).

2.B.5.2 Output indicators expected to contribute to results**Table 32: Common and programme specific output indicators by investment priority**

ID	Indicator	Measurement unit	Target value (2023) (optional)	Source of data
TH	Number of joint CB projects successfully implemented and concluded	Number	4	Monitoring system
TH	Number of joint CB informational and publicity events	Number	10	Monitoring system

2.B.6 Categories of intervention**Table 33: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
4	121	2,700,000
	122	120,000
	123	180,000

Table 34: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
4	1	3,000,000

Table 35: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
5	7	3,000,000

SECTION 3**FINANCING PLAN****3.1 Financial appropriation from the ERDF (in EUR)**

Fund	2014	2015	2016	2017	2018	2019	2020	Total
ERDF	2,399,418	3,359,185	4,798,836	9,117,787	9,117,787	9,597,671	9,597,671	47,988,355
IPA amounts (where applicable)								
ENI amounts (where applicable)								
Total	2,399,418	3,359,185	4,798,836	9,117,787	9,117,787	9,597,671	9,597,671	47,988,355

3.2.A Total financial appropriation from the ERDF and national co-financing (in EUR)

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e)	For information	
					National Public funding (c)	National private funding (d)			Contributions from third countries	EIB contributions
Priority axis 1	ERDF	Total eligible cost	15,023,809	2,651,261	1,237,255	1,414,006	17,675,070	85 %	Not applicable	
Priority axis 2	ERDF	Total eligible cost	17,564,263	3,099,576	2,066,384	1,033,192	20,663,839	85 %	Not applicable	
Priority axis 3	ERDF	Total eligible cost	12,400,283	2,188,286	1,458,857	729,429	14,588,569	85 %	Not applicable	
Priority axis 4	ERDF	Total eligible cost	3,000,000	1,285,715	1,285,715	0	4,285,715	70 %	Not applicable	
Total	Total all Funds	Total eligible cost	47,988,355	9,224,838	6,048,211	3,176,627	57,213,193	84 %	Not applicable	

3.2.B Breakdown by priority axis and thematic objective

Breakdown by priority axis and thematic objective

Priority axis	Thematic objective	Union support	National counterpart	Total funding (€)
<i>Priority axis 1</i>	Thematic objective 1, Thematic objective 3	8,112,857 6,910,952	1,431,681 1,219,580	9,544,538 8,130,532
<i>Priority axis 2</i>	Thematic objective 6	17,564,263	3,099,576	20,663,839
<i>Priority axis 3</i>	Thematic objective 11	12,400,283	2,188,286	14,588,569
<i>Priority axis 4</i>	Technical Assistance	3,000,000	1,285,715	4,285,715
TOTAL		47,988,355	9,224,838	57,213,193

Indicative amount of support to be used for climate change objectives⁵⁹

Priority axis	Indicative amount of support to be used for climate change objectives (€)	Proportion of the total allocation to the programme (%)
<i>Priority axis 1</i>	0	0
<i>Priority axis 2</i>	6,138,675	12.79 %
<i>Priority axis 3</i>	3,496,840	7.29 %
<i>Priority axis 4</i>	0	0.00 %
Total	9,635,515	20.08 %

⁵⁹ This table is generated automatically by SFC2014 based on categorisation tables included under each of the priority axes.

SECTION 4

INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

The objective of an integrated approach to territorial development is to ensure the harmonious development of participating CB regions and to enable all citizens to make the best use of given natural conditions and opportunities, taking into account the specifics of each part of the programme area.

Being consistent with the national Partnership Agreements (PAs) of Austria and Slovenia the CP INTERREG V-A SI-AT 2014-2020 promotes smart, sustainable and inclusive growth through an integrated approach combining thematic and territorial dimensions in the design of the priority axes, as summarised below.

Priority 1 (TO1 and TO 3): In the past, R&D competences and infrastructure were established successfully in the whole programming area. Nevertheless, the capacities of the programme area for R&D and innovation are fragmented and thus possible critical mass and visibility at European scale is not reached yet. Enterprises in the programme area lack knowledge on potential R&D partners. Thus the priority tackles the regional disparities by supporting better collaboration of research and innovation actors by improved networking and exchange, jointly developed solutions and shared research facilities.

SMEs are confronted with challenges in terms of competitiveness as they are not innovative enough and they lack an adequate level of internationalization for securing sustainable growth prospects. The CP INTERREG V-A SI-AT 2014-2020 is expected to meet these challenges by supporting regions' SMEs in cooperating with R&D institutions in the R&D centres as well as to raise awareness of enterprises towards internationalization, to improve the birth rate of new enterprises and in particular to foster the creation of start-ups.

Priority 2 (TO 6):

Achieving sustainable conservation, valorization and safeguarding of natural (e.g. active conservation of Natura 2000 sites) and cultural heritage (e.g. prevented from deteriorating) through sustainable tourism projects, remains a key challenge in the programme area. The CP INTERREG V-A SI-AT 2014-2020 will support joint strategies and action plans for management and active conservation of natural and cultural heritage sites as well as know-how transfer, training, capacity building and awareness-raising for relevant stakeholders in developing corresponding skills and further.

Another challenge is sustainable management and utilization of water resources. Due to existing threats to the water resources and due to many open common challenges, coordinated efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives will be supported.

Priority 3 (TO 11): Many challenges and intervention needs are still open in the field of this priority. The CP INTERREG V-A SI-AT 2014-2020 is expected to meet these challenges by strengthening the existing networks and cooperation platforms, implementing new networks and by creating new possibilities for promoting efficient cooperation between organizations, public sector and citizens.

4.1 Community-led local development (where appropriate)

Not applicable.

4.2 Integrated actions for sustainable urban development (where appropriate)

Not applicable.

4.3 Integrated Territorial investments

Not applicable.

4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identifies by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate)(Where Member States and regions participate in macro-regional and sea basin strategies)

The CP INTERREG V-A SI-AT 2014-2020 will contribute to the EUSDR targets, the European Strategy for the Alpine Region (EUSALP) as well as the EUSAIR. The selected thematic objectives and investment priorities of the Cooperation programme are in line in particular with the following EUSDR targets, priority areas and “actions” of the EU Strategy and the Action plan 2010 (SEC 2010 1489):

A) Connecting the Danube Region

- 1) To improve mobility and intermodality
- 2) To encourage more sustainable energy (TO 6)
- 3) To promote culture and tourism, people to people contacts (TO 6)

B) Protecting the Environment in the Danube Region

- 4) To restore and maintain the quality of waters (TO 6)
- 5) To manage environmental risks (TO 6)
- 6) To preserve biodiversity, landscapes and the quality of air and soils (TO 6)

C) Building Prosperity in the Danube Region

- 7) To develop the Knowledge Society through research, education and information technologies (TO 1)
- 8) To support the competitiveness of enterprises, including cluster development (TO3)
- 9) To invest in people and skills (TO 11)

D) Strengthening the Danube Region

- 10) To step up institutional capacity and cooperation (TO 11)

The CP INTERREG V-A SI-AT 2014-2020 further takes into consideration the following EUSALP targets:

Pillar 1. Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises and

Pillar 3. Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources.

Additionally, the CP INTERREG V-A SI-AT 2014-2020 is in line with the EUSAIR especially in terms of objectives which are dealing with the promotion of economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity.

During the implementation, the programme will seek to coordinate with the EUSDR, EUSALP as well as the EUSAIR by:

- Governance arrangements for ongoing mutual information exchange, coordination and joint planning in areas of joint interest: During the programme implementation, the national coordination committees in the framework of the Austrian Conference on Spatial Planning (ÖROK) for CB, transnational and interregional Cooperation programmes (i.a. working group “CBC”, national committee) will ensure a continuous and regular institutionalised exchange of information on macro-regional strategies among programme partners; and vice versa information about programme activities will be reported to the established national coordination platform for the EUSDR. Furthermore, an embedding into the strategic monitoring process STRAT.AT 2020 would be possible. In Slovenia, the Government office for development and European cohesion policy (GODC) is coordinating the development planning and is also responsible for managing the preparation and coordination of the strategic documents with the EU⁶⁰.
- Developing more in-depth working relationships between EU programme partners and EUSDR/EUSALP/EUSAIR stakeholders, both on transnational, national and regional levels, on identified issues/activities of joint interest in the implementation phase.
- Establishing a EUSDR specific category in the monitoring system. Consequently, funding activities and/or projects contributing to the EUSDR will be identified in the appropriate way. This approach includes the consideration of EUSDR aspects in programme reports, specifying how the CP contributes to the challenges identified by the EUSDR.

⁶⁰ More information in Section 6.

SECTION 5**IMPLEMENTING PROVISION FOR THE COOPERATION PROGRAMME****5.1 Relevant authorities and bodies****Table 36: Programme authorities**

Authority/body	Name of authority/body and department or unit	Head of the authority/body (position or post)
Managing Authority	<ul style="list-style-type: none"> Government Office of the Republic of Slovenia for Development and European Cohesion Policy (GODC), European Territorial Cooperation and Financial Mechanism Office, Cross-border Programmes Management Division 	Head of MA
Certifying Authority, where applicable	<ul style="list-style-type: none"> Public Fund for Regional Development of the Republic of Slovenia 	Head of CA
Audit Authority	<ul style="list-style-type: none"> Ministry of Finance of the Republic of Slovenia, Budget Supervision Office of the Republic of Slovenia 	Head of AA

The Programme Manager as a representative of the Managing Authority will remain in Maribor, within the official structures of the GODC, Trubarjeva 11, 2000 Maribor, Slovenia.

The body to which payments will be made by the Commission is:

Certifying Authority	Public Fund for Regional Development of the Republic of Slovenia
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Body or bodies carrying out control and audit tasks:**Table 37: Body or bodies carrying out control and audit tasks**

Authority/body	Name of authority/body	Head of the authority/body
Body or bodies designated to carry out control tasks (First Level Control)	<ul style="list-style-type: none"> • Government Office of the Republic of Slovenia for Development and European Cohesion Policy (GODC), Control office, Control division- ETC, IPA and IFM programmes 	<ul style="list-style-type: none"> • Head of the Control Division ETC, IPA and IFM Programmes
	<ul style="list-style-type: none"> • Regionalmanagement Burgenland GmbH, Abteilung Controlling 	<ul style="list-style-type: none"> • Head of Department
	<ul style="list-style-type: none"> • Amt der Steiermärkischen Landesregierung, Abteilung 7 Landes- und Gemeindeentwicklung Stabstelle Controlling, Innerer Dienst und Haushaltsführung 	<ul style="list-style-type: none"> • Head of Department
	<ul style="list-style-type: none"> • Amt der Kärntner Landesregierung Abt. 1 - Kompetenzzentrum Landesamtsdirektion Uabt. Wirkungsrechnung- und Controlling 	<ul style="list-style-type: none"> • Head of Sub-Department
	<ul style="list-style-type: none"> • KWF Kärntner, Wirtschaftsförderungsfonds Projektcontrolling 	<ul style="list-style-type: none"> • Head of Department
Body or bodies designated to be responsible for carrying out audit tasks (Audit Authority and Audit Body)	<ul style="list-style-type: none"> • Ministry of Finance of the Republic of Slovenia, Budget Supervision Office of the RS 	Director of the Budget Supervision Office of the RS
	<ul style="list-style-type: none"> • Federal Chancellery of Austria, department IV/3 Financial Control of the ERDF 	Director of the Audit Department

5.2 Procedures for setting up the Joint Secretariat (JS)

The Managing Authority after consultation with the programme partners sets up the JS for the programme in compliance with the Article 23, paragraph 2 of the ETC Regulation. There are no substantial changes in the functions and tasks of the JS in regard to the period 2007 – 2013.

The continuation of the successful work of the JS as well as smooth transition, institutional stability (avoidance of staff turnover), and adjustment of the JS to the functions and tasks stated in the ESI funds regulations 2014 – 2020 will be ensured.

The JS and the head of the JS will remain in Maribor, within the official structures of the GODC:

Government Office of the Republic of Slovenia for Development and European Cohesion Policy
European Territorial Cooperation and Financial Mechanism Office
Cross-border Programmes Management Division
Trubarjeva 11
SI-2000 Maribor

5.3 Summary description of the management and control arrangement

5.3.1 Programme Structures and representatives of Member States

➤ Programme Structures

The joint implementation structure of the CP INTERREG V-A SI-AT 2014-2020 includes the following programme authorities: Managing Authority (MA), Certifying Authority (CA) and Audit Authority (AA).

According to the Common Provision Regulation, No 1303/2013 there are no substantial changes in the functions of the programme authorities as well as Monitoring Committee and Joint Secretariat in regard to the period 2007 – 2013. Basic programme structures and implementation arrangements will remain the same, ensuring institutional stability and smooth transition to the period 2014 – 2020.

The following articles of the Common Provision Regulation, No 1303/2013 (CPR) describe the functions of the management and control authorities:

- Article 125: Managing Authority and Article 23 of the ETC Regulation.
- Article 126: Certifying Authority and Article 24 of the ETC Regulation.
- Article 127: Audit Authority/Group of Auditors and Article 25 of the ETC Regulation.

The Audit Authority will be assisted by a Group of auditors comprising of a representative of both Member States participating in the CP.

More detailed provisions, relating to the internal control environment, risk management, management and control activities, fraud risk prevention and monitoring will be included in the description of the functions and procedures for the Managing Authority and the Certifying Authority according to Article 124 of the CPR in the programme guidance documents.

Monitoring Committee (MC)

Within three months of the date of notification to the Member State of the Commission decision adopting a programme, the both Member States participating in the programme, in agreement with

the Managing Authority, will set up a Monitoring Committee. The composition of the Monitoring Committee will be agreed on by mutual consent by the programme partners who represent the Member States.

The main functions of the Monitoring Committee are described in the Article 49 of the CPR. Modalities of the Monitoring Committee work will be defined in the Rules of Procedure while taking into account the general rule that each country has one vote and that decisions are taken in consensus. The Monitoring Committee will adopt its Rules of Procedure in agreement with the Managing Authority. The Monitoring Committee meetings will be chaired by the Managing Authority. Meetings will be held alternatively in both Member States.

Member States shall aim to promote equality between men and women and equal opportunity in the membership of the Monitoring Committee.

The MA shall ask the members of the Monitoring Committee to sign a statement acknowledging their obligations related to confidentiality and conflict of interest.

Joint Secretariat (JS)

The JS will assist the Managing Authority and the Monitoring Committee in carrying out their respective functions. The Joint Secretariat will also provide information to potential beneficiaries about funding opportunities under CPs and will assist beneficiaries in the implementation of operations. The JS is placed within the GODC (CB programmes management division).

➤ Representatives of Member States (MS)

Slovenia

In Slovenia the MS is represented by the National Authority (NA):

Government Office of the Republic of Slovenia for Development and European Cohesion Policy
European Territorial Cooperation and Financial Mechanism Office
European Territorial Cooperation Division
Trubarjeva 11, SI-2000 Maribor

Austria

According to the Austrian constitutional setup, the MS is represented by one NA and four Regional Authorities (RA):

Federal Chancellery of Austria
Ballhausplatz 2
A-1014 Wien

R M B - Regionalmanagement Bgld GmbH
Marktstraße 3, Technologiezentrum Eisenstadt
7000 Eisenstadt

Amt der Steiermärkischen Landesregierung
Abt. 7 - Landes- und Gemeindeentwicklung
Referat Landesplanung und Regionalentwicklung
Trauttmansdorffgasse 2
8010 Graz

Amt der Kärntner Landesregierung
Abt. 3 – Kompetenzzentrum Landesentwicklung und Gemeinden
Mießtalerstraße 1
9020 Klagenfurt am Wörthersee

KWF Kärntner Wirtschaftsförderungsfonds
Völkermarkter Ring 21 – 23
9020 Klagenfurt am Wörthersee

The participating MS are responsible for:

- setting up the First level control system as set out in Article 74 of the CPR and 23 (4) of the ETC regulation,
- providing information to applicants in order to obtain quality projects that will meet the cooperation programme objectives and indicators,
- ensuring publicity and information tasks on national level,
- taking part in the assessment process organised by the MA/JS,
- as members of the Group of Auditors they participate in audit activities and are responsible for audits carried out in their territory,
- nomination of the MC members.

First Level Control Bodies (FLC Bodies)

As regards the verifications of expenditures in relation to beneficiaries, both Member States will designate the First Level Control Bodies as set out in Article 74 of the CPR and 23 (4) of the ETC regulation.

Furthermore, in order to help to insure effective programme implementation MA will organize periodical meetings between MA, JS, CA, AA, NA/RA and FLC.

Bilateral working group (BWG)

It is envisaged to establish the BWG who will assist the MA in order to insure effective and qualitative programme implementation (e.g. elaboration of programme documents, application pack etc.). The bilateral working group will consist of all programme partners: representatives of MA, JS, NA, RA, CA and when applicable also AA and FLC. This working group will be chaired by the MA.

5.3.2 Project cycle/Description of procedures

The administrative work involved in the procedures for granting assistance to the individual projects will be described in the programme guidance documents, agreed between the programme partners.

➤ *Project generation*

Pro-active project generation is a basic principle of the CP, as it leads to projects with a clear added-value in the CB approach and achievement of the implementation steps, financial and output or result indicators, as set out in the performance framework.

The programme implementation structures will provide information and support to potential project applicants interested in becoming a project partner. For this purpose, thematic workshops and/or seminars will be organised in the programme area.

The NAs and RAs are assisting the MA/JS in organising the support for potential project applicants in finding CB project partners.

➤ *Project application*

The programme will operate on the basis of the open call system. This means that project holders can submit project applications continuously after opening the call which is open until all programme funds are disbursed. Applications received in due time before each MC and fulfilling all requirements will be subject to MC decision.

The application process will be carried out completely in an online system using the Harmonized Implementation Tools (HIT). Project applications shall be submitted by the Lead Partner (LP) in electronic form to the MA/JS.

➤ *Project assessment and selection*

The principles of selection of operations are described in sections “*Guiding principles for the selection of operations*” under the investment priorities. The methodology for the project assessment will be defined by the MA in cooperation with the NA and RA and approved by the MC. The MA will propose common standards for the eligibility and selection criteria which will be subject to the approval of the MC. The selection criteria will be available in the application pack. Details on the assessment process will be set out in the programme guidelines.

The MA/JS has the overall responsibility of organising the assessment of project applications. The process will be carried out in cooperation with the NA and RA. For parts of the assessment, independent external experts may be consulted.

The results of the assessment in a form of a report and ranking list of recommended projects will be presented by the MA/JS to the MC for decision. This report will cover all the project applications

which were received by the MA/JS, and will provide recommendations for decision – consistently taking reference to the selection criteria given by the programme documents.

A set of **administrative compliance and eligibility criteria** will be defined to ensure compliance of all project applications with formal requirements. This part of the assessment will especially focus on the following points:

- Submission in due time
- Completeness of the submitted project application pack, including the signed project partnership agreement
- Financial capacity of the Project Partners
- Adequate funding sources (presented costs are in line with the funding sources)
- Exclusion of possible double financing (at this stage)
- Compliance with the CP objectives and indicators
- Checking compliance with national/regional strategies
- Relevance to the programme area
- Ensuring active involvement of all project partners
- Checking compliance with the EU/national/regional state aid rules.

Those project applications that fully comply with the administrative compliance and eligibility criteria will be subject to quality assessment.

Quality assessment aims at assessing the relevance and feasibility of the project. This is reflected in two types of assessment criteria. Strategic assessment criteria are meant to determine the extent of the project's contribution to the achievement of the programme objectives. A strong focus is given to the result orientation of a project with the demand for visible outputs and concrete results. Operational assessment criteria review the viability and feasibility of the proposed project, as well as its value for money in terms of resources used versus results delivered.

Projects focussing on purely academic cooperation or basic research or aiming at mere networking and exchanging of experience and/or not demonstrating the translation of outputs arising from “soft” actions (surveys, studies, networks etc.) into concrete and sustainable results will not be supported by the Programme.

All projects receiving funds have to meet the following quality requirements:

- CB relevance
- Partnership relevance
- Concrete and measurable results
- Sustainable outputs and results
- Coherent approach
- Sound project communication strategy and tools
- Effective management
- Sound budget.

In regard to the sustainable development, environmental concern and reduction of the environmental impact, the assessment principles are described in section 8.

Since some of the chosen beneficiaries (especially SMEs and other enterprises) and actions will be State Aid relevant, the programme will respect SA legal framework.

➤ ***Project decision for ERDF funding***

The MC formally decides on the approval of the projects and on the ERDF contribution. The MC, as a general rule, meets twice a year; in urgent cases each programme partner can ask for an additional MC or a written procedure for project decisions. After the formal decision is made, the applicant will be informed about the decision on the submitted project application by the MA/JS.

➤ ***Contracting for ERDF funding***

Following the decision of the MC, the MA/JS will draft a (bilingual) ERDF Subsidy Contract by using a standard bilingual template approved by the MC. The ERDF Subsidy Contract lays down details concerning the responsibilities and liabilities of all contracting parties. It is addressed to the Lead Partner and signed by the legal representative of the Lead Partner and the MA. The national/regional funding bodies issue (according to the decision of each Member State) the national/regional co-financing contracts linked to the ERDF Subsidy Contract to the project partners (if applicable). After completing the national/regional contracting of co-financing (if applicable), the NAs and RAs provide the information to the JS/MA if needed.

Beside the general legal framework, the ERDF Subsidy Contract will lay down among other: the subject and duration of the contract, budgetary allocation (maximum ERDF funding), procedures and obligations regarding reporting and payments, obligations within the partnership, general conditions for the eligibility of costs, procedures for project changes, obligations regarding validation of expenditure and audit of operations, recovery obligations and procedures, information and publicity requirements, closure arrangements, rules for amendments to the contract and liability clauses.

The over-commitment of the ERDF funds on the programme level should also be considered in order to optimise the disbursement process.

➤ ***Resolution of complaints***

The decision about the selection of projects lies with the MC. Any complaints in relation to decisions made by the MA/JS during project implementation on the basis of the ERDF Subsidy Contract or MC decision shall be submitted by the project Lead Partner to the MA/JS that will examine and provide the answer (in cooperation with the programme partners or MC if necessary).

➤ ***Complaints related to the First Level Control (FLC) system:***

Lead Partners or project partners that have complaints related to the First level control system set up in accordance with Article 23 (4) of the ETC Regulation, can file the complaint to the institution responsible for the financial control of the relevant member state following national/regional procedures set in place in accordance with Article 74 (3) of the CPR.

Further information on the procedure for the submission of complaints will be laid down in the relevant programme documents communicated to applicants and beneficiaries.

➤ ***Project reporting and reimbursement to beneficiaries***

In accordance with Article 13 of ETC Regulation, for each project, project partners shall appoint a Lead Partner (LP). The LP shall assume overall responsibility for the implementation of the project,

including the handling of ERDF funds and taking any judicial and administrative procedures to recover amounts unduly paid to the project partners.

All project expenditure has to be pre-financed by the project partners. Expenditure of all partners has to be validated by designated First Level Control (FLC), in line with Article 125 (4) of CPR. Verification by the FLC should be carried out in cooperation with the programme structures and the NA/RA. The LP collects the certificates of all project partners that are issued by the FLC after verification of expenditure. These certificates will be included in the activity and the financial progress reports that the LP periodically presents to the MA/JS. In these documents, the LP reports about progress achieved in project implementation and on related validated expenditure. This will be the basis for the project's claim for reimbursement.

On the basis of the submitted LP reports, the MA/JS monitors the progress of the projects both in financial terms and in terms of activities implemented. When assessing the reports, the JS considers the use of ERDF and the progress in implementation of the project in order to monitor the proper implementation of the project compliant with the subsidy contract. It is also checked whether verifications are carried out by the controllers defined in the ERDF Subsidy Contract.

Based on checks of the reports undertaken by the JS and in accordance with Article 21 (2) of ETC Regulation and Article 132 of CPR, the CA shall make payments to the LP who is responsible for transferring the ERDF contribution to the partners participating in the project. On behalf of the Lead Partner, direct transfers from the CA to the project partners could also be an option, but the overall financial responsibility lies with the LP. The option selected has to be mentioned in the partnership agreement and – if the project is approved – also in the ERDF Subsidy Contract.

In line with Article 132 of CPR, MA ensures that Lead Partners, subject to the availability of ERDF funds, receive ERDF payments in full and in due time, no later than 90 days from the date of submission of the LP Application for payment. No deduction, retention or further specific charges, which would reduce the amount of the payment, shall be made.

➤ ***First Level Control system***

In accordance with Article 125 (4) of CPR and Article 23 (4) of ETC Regulation, each Member State shall designate the First Level Control Bodies for carrying out verifications in relation to beneficiaries on its territory. The control system is set up to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations and the compliance with Community rules, programme rules and its national rules.

In the CP two different systems are in place regarding the implementation of control tasks: a decentralised system in Austria and a centralised system in Slovenia.

In order to ensure coherence among all controllers responsible, standard templates such as control certificate and report will be used in the programme e-Monitoring System (e-MS). Furthermore, a network of controllers will be established to ensure regular exchange of knowledge and good practices.

➤ ***Programme monitoring***

The monitoring of this programme will provide information on the implementation. It will cover financial issues and achieved results considering the targets fixed for the different milestones in the performance framework.

Programme data will be recorded and stored in the programme e-Monitoring System (e-MS) and will be used, together with additional information on the financial implementation of the programme, for drafting the annual and final implementation reports.

The monitoring data shall be available to the MA, CA, AA, JS, NA, RA, EC, as well to the First Level control bodies via online access.

➤ **Implementation reports**

In accordance with Article 14 of ETC Regulation, the MA will submit implementation reports (annual implementation reports and final implementation report) to the EC in accordance with the requirements stipulated in Article 50 of the CPR and respecting the deadlines set in Article 14 of ETC Regulation.

The annual implementation reports will be drafted by MA/JS on the basis of programme monitoring data and data provided by the beneficiaries in their progress and final reports, other programme structures and the NA and RA. The annual implementation reports of the programme will be submitted to the MC for approval prior to sending to the EC.

➤ **Programme evaluations**

The CP has been subject to an ex-ante evaluation of independent evaluators with the aim of improving the overall quality of the programme and to optimise the allocation of budgetary resources.

In accordance with Article 56 and 114 of the CPR, the MA will draw up an evaluation plan which will be approved by the MC prior to sending to the EC. The evaluations will be carried out to assess effectiveness, efficiency and impact of the programme. All evaluations, recommendations and follow-up actions will be examined and approved by the MC. By 31 December 2022, the MA will submit to the EC a report summarising the findings of evaluations carried out during the programming period, including an assessment of the main outputs and results of the programme. In compliance with Article 57 and 114 of the CPR, the ex-post evaluation lies in the responsibility of the EC together with the Member States.

➤ **Monitoring System**

On the side of the programme, the electronic monitoring system (e-MS) according to Article 72 of CPR shall provide data and information needed to fulfill management, monitoring and evaluation requirements. As stipulated in Articles 74 and 112 of CPR, data exchange with the EC will be carried out electronically (by means of SFC 2014). In accordance with Article 122 of CPR, the Programme will ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and the MA/JS, CA and AA can be carried out by means of an electronic data exchange system (e-MS).

The e-MS will comply with the following aspects:

- data integrity and confidentiality
- authentication of the sender within the meaning of Directive 1999/93/EC4
- storage in compliance with retention rules defined in Article 140 of CPR
- secure transfer of data
- availability during and outside standard office hours (except for technical maintenance activities)

- accessibility by the MSs and the beneficiaries either directly or via an interface for automatic synchronisation and recording of data with national, regional and local computer management systems
- protection of privacy of personal data for individuals and commercial confidentiality for legal entities with respect to the information processed (according to Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Directive 1995/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data).

➤ **Information and communication**

According to Articles 115 and 116 of CPR, a communication strategy will be drafted and submitted to the MC not later than 6 months after adoption of the programme. Any revision of the communication strategy will be discussed and approved by the MC.

In line with Article 116 (3) of CPR, the MA will inform the MC at least once a year on the progress in the implementation of the communication strategy and its assessment of the results, as well as on the planned information and communication activities to be carried out in the following year.

The aim of the communication strategy is two-fold, to inform potential applicants about funding opportunities under the CP and to communicate achievements of cohesion policy to the general public by focusing on the results and impacts of the programme and its projects. The CP will use the common logo under the frame of ETC. It will be used together with the programme logo. The communication strategy will be implemented within the JS that will be responsible for information and communication activities at the level of the programme area. Publicity and information tasks on regional/national level are carried out by NAs/RAs. A budget for the implementation of the communication strategy will be made available as part of the programme's budget for technical assistance.

The programme working language is English. All programme documents relevant for the beneficiaries will be provided also in Slovene and German language. If in translation into Slovene and German language any discrepancies occur, the English version prevails.

5.4 Apportionment of liabilities among participating Member States in case of financial corrections imposed by the managing authority or the Commission

Without prejudice to the Member States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid according to Article 122 (2) of CPR, the MA shall ensure that any amount paid as a result of an irregularity is recovered from the Lead Partner. In accordance with Article 27 of ETC Regulation, the project partners shall repay the Lead Partner any amounts unduly paid.

If the Lead Partner does not succeed in securing repayment from a project partner or if the MA does not succeed in securing repayment from the Lead Partner, the Member State on whose territory the project partner concerned is located, shall reimburse the MA the amounts unduly paid to the partners in accordance with the apportionment of liabilities among the participating Member States as laid down below. The MA will reimburse the funds to the EC once the amounts are recovered from the LP/PP/MS.

Should the MA bear any legal expenses for recovery recourse proceedings – initiated after consultation and in mutual agreement with the respective MS – even if the proceedings are unsuccessful it will be reimbursed by the MS hosting the LP or PP responsible for the said procedure.

Since Member States have the overall liability for the ERDF support granted to LPs or PPs located on their territories, they shall ensure that – prior to certifying expenditure – any financial corrections required will be secured and they shall seek to recover any amounts lost as a result of an irregularity or negligence caused by a beneficiary located in their territory. Where appropriate a MS may also charge interest on late payments.

In accordance with Article 122 (2) of CPR, irregularities shall be reported by the Member State in which the expenditure is paid by the Lead Partner or project partner implementing the project. The Member State shall at the same time, inform the MA, CA and the AA.

The Member States will bear liability in connection with the use of the programme ERDF funding as follows:

- Each Member State bears liability for possible financial consequences of irregularities caused by the Lead Partners and project partners located on its territory
- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the ERDF claimed to the EC for the period which forms the basis for the financial correction(*if applicable*).
- For technical assistance expenditure incurred by the MA/JS, the liability related to administrative irregularities shall be borne by the MA/JS.
- For technical assistance expenditure incurred by the CA, the liability shall be borne by the CA.
- For technical assistance expenditure incurred by the AA/Audit Body (AB), the liability shall be borne by the AA/AB. For technical assistance expenditure incurred by the Member States, the liability shall be borne by the Member State concerned.

5.5 Use of the Euro (where applicable)

Not applicable.

5.6 Involvement of partners

The partnership principle was implemented according to Article 5 of CPR and the Commission delegated Regulation (EU) of January 7, 2014 on the European code of conduct on partnership in the framework of the ESI Funds.

The coordination of the programming process including partner involvement was carried out by the MA/JS of the SI-AT 2007-2013. NAs and RAs were coordinating programming process at the level of regions and Member States.

Partners were involved in particular in:

- (a) the analysis and identification of needs
- (b) the definition or selection of priorities and related specific objectives;
- (c) the allocation of funding.

Inputs for preparing the strategy and intervention logic of the CP INTERREG V-A SI-AT 2014-2020 were gathered through bilateral event (workshop) and different events on national/regional level. Events addressed adequate national, regional and local public and private institutions, economic and social stakeholders, bodies representing the civil society, including environmental partners and non-governmental organizations. Bilateral workshop was carried out in Radenci, Slovenia, on 29th January 2014 with the participation of more than 200 persons. Based on the draft of the SWOT analysis, four thematic objectives (TO 1, TO 3, TO 6 and TO 11) have been chosen for deeper elaboration. The workshop provided a unique opportunity to discuss the programme's strategy including the programme area's specific development needs and priorities, possible activities and potential project ideas with a wide range of stakeholders during its development phase. Furthermore, potential applicants have been given the possibility for networking and an opportunity to find potential future CB project partners. Based on the feedback provided by the workshop participants and the results from events organized on national level, the SWOT analysis was completed and the programme's orientation regarding thematic objectives and investment priorities was chosen.

To steer the programming process Task Force group was established. Members of the group represented all participating Member States and had meetings about once a month, in total 19 meetings. In addition, external experts for consulting and writing Cooperation programme were included.

Beside the activities on programme level, information and consultation was also carried out on the level of Member States.

With the aim of programming Operative programme EU Cohesion Policy (OP ECP) and ETC programmes, the following methodology of work was prepared in Slovenia:

Coordination at the national level in Slovenia took place in the form of functioning of the working groups for development planning, which were set up by the Slovenian Government. They were the following:

- Working group: Macroeconomic framework and financial system
- Working group: Knowledge, competitiveness and labour market
- Working group: Welfare and health
- Working group: Infrastructure
- Working group: Management of natural resources
- Working group: The provision of basic functions of government.

The main tasks of the working groups were:

- Coordinating the development planning
- Preparing strategic and implementing development planning documents (participation in the preparation of Slovenia's Development Strategy, draw up the programme of national development priorities and investments, the Partnership Agreement and the Cohesion Policy operational programs)
- Monitoring of development planning at the time of implementation of strategic documents.

In the frame of this process, Slovenian TF members identified the most relevant thematic fields for CB programmes which were later coordinated with Austrian TF members. The result of coordination process was intervention logic.

On the basis of the draft of the intervention logic consultations with line ministries and regions were performed. Inputs from national and regional level were later integrated into new draft of intervention logic.

In Austria, the activities were carried out by the respective regions. In Burgenland different expert working groups discussed and formulated regional priorities that found their way into the “Regional Development Strategy - Burgenland 2020” and also into the programming process. There was close cooperation and ongoing communication between the institutions responsible for the programming of other programmes (ERDF, ESF, EAFRD), especially with regard to the Operational Programme “Österreich IWB 2014-2020”. In Carinthia, the programming process started already in 2012 with relevant departments of the regional government and stakeholders in the region as such, social partners, regional managements, the Employment Service Austria, as well as educational institutions such as the university and the University of Applied Sciences. Results out of several workshops were summarised in a final report which can be seen as the Carinthian input for the programming process. Additionally, the Carinthian Economic Promotion Fund (KWF) was involved in the programming process of the Operational Programme IWB/ERDF 2014-2020 Austria and was responsible to ensure coherence between the content of European territorial Cooperation programmes, the Carinthian 2020 Future through Innovation - strategy for research, technology development and innovation and the Austrian IWB/ERDF 2014-2020 programme. In Styria, the information and consultation process started with an analysis of existing strategies for various sectors (e.g. energy, economy, tourism) in order to identify their CB aspects by discussion with the relevant departments of the regional administration. Furthermore, a survey among project partners with 70 replies and interviews with 20 regional stakeholders were undertaken. The local level was involved with different initiatives in order to emphasise the importance of the regional aspect and to activate local and regional actors. One of these initiatives were 5 thematic workshops with about 200 participants on the topics tourism, energy and environment, economy and innovation, traffic and mobility as well as employment and lifelong learning.

The Strategic Environmental Assessment (SEA) of the Cooperation programme was based on external expert assessment, a series of interviews with relevant authorities and several stakeholders as well as public consultation process. A wider public in Austria and Slovenia had the opportunity to comment on the draft CP INTERREG V-A SI-AT 2014-2020, particularly taking into account the expected environmental impacts of implementation. Subsequently, comments relevant to the content of the Cooperation programme have been taken into account.

SECTION 6

COORDINATION

The Cooperation programme Interreg V-A SI-AT 2014-2020 will seek coordination with other ESI Funds through different actions. Firstly, coherence and complementarities with national and regional programmes supported by ESI Funds will have to be described in the application form. Secondly, a special attention will be given to the possibility of coordination with other ETC programmes. The MA and JS will seek exchanges with other ESI programmes regarding questions concerning efficient programme management; furthermore they will also seek to the contact with the programme to avoid duplication and to activate synergies.

Mechanisms and bodies established in the Member States to ensure effective coordination in Austria and Slovenia are as follows:

Coordination in Austria

The overall coordination of EU structural funds in Austria falls within the competence of the Federal Chancellery which represents the fund corresponding resort for the ERDF. As the coordination function derives from regional policy as well as spatial planning, the execution takes place from the outset in close cooperation with the Länder. The institutional framework for the national coordination of cohesion policy takes place in the Austrian Conference on Spatial Planning (ÖROK), which is also responsible for the elaboration of the Austrian Partnership Agreement "STRAT.AT 2020". This coordination efforts aim at ensuring the complementarities of ESI funds specific activities and avoiding overlaps.

The coordination platforms organised by the ÖROK for the ERDF are the Working Group "Managing Authorities" for the objective regional competitiveness and employment & convergence phasing out Burgenland, the Working Group "Cross-Border-Cooperation" (AG CBC) for the objective European territorial bilateral cooperation and the National Committee for transnational and network programmes. The AG CBC assures important linkages to other committees, enhances synergies and increases the visibility of ETC CBC in other committees for structural funds. Through better information on existing concerns and possibilities of other ETC stakeholders it enables more rapid and better harmonized decisions. These three working groups are installed at the ÖROK Subcommittee on Regional Economy, which represents the central coordination committee for regional policy questions in Austria as well as their implementation.

The AG CBC consist of representatives of the Länder ("regional bodies"), managing authorities of the CBC programmes, representatives of the federal chancellery and the federal ministries which are relevant for the implementation of bilateral ETC programmes (Ministry of Agriculture Forestry, Environment and Water Management, Ministry of Labour, Social Affairs and Consumer Protection, Ministry of Economy, Family and Youth, Ministry of Science and Research, Ministry of Education the Arts and Culture, Ministry of Transport, Innovation and Technology) as well as economic and social partners and a representative of the National Contact Point for transnational and network programmes. Thus, Ministries responsible for the national ESF and EAFRD programmes as well as some Priority Area Coordinators for the EUSDR are in direct exchange with the programme partners. As the working group is installed in the framework of the ÖROK, a close coordination with the Investment for Growth and Jobs Goal (IGJ) is ensured as well.

The main focal points of the AG CBC are:

- Co-ordination of perspectives, positions and contents on the role and tasks of CB cooperation ETC programmes in the Austrian EU regional policy: ETC programmes and their anchorage in the partnership agreement “STRAT.AT 2020”, influence of national / macro-regional strategies on ETC programmes (need for co-ordination between CBC & TN), mutual information, co-ordination and exchange on the programming 2014-2020, project development and selection, etc.
- Recommendations for technical / administrative questions for programme and project implementation: Programme closure, evaluation, cross-programme implementation processes, etc.
- Co-ordination of information flows in Austria and to European processes.

In the framework of the strategic monitoring process of the Partnership Agreement “STRAT.AT 2020” all ESI funds and objectives will be considered, be it in common events, seminars, studies, evaluations, etc. The strategic monitoring process will built upon the good experiences gained from the coordination mechanism of the implementation of the NSRF in the current structural funds period, the so called “STRAT.AT plus process”. As regards contents, the process pursues the objective of promoting the exchange of experiences and reflection, as well as to generate practical impulses. This establishes a framework in Austria which in addition to administrative and ESI funding-related issues, supports a content-based or dialogue-driven discussion for information, reflection and learning processes for all Austrian regional policy actors in charge. This coordination mechanism strengthens the strategic discussions, the interaction, and exchange of experience and use of synergies among ESI funds.

Besides the coordination between ESI funds, the integration of EU co-financed bilateral measures in various policy fields on national and regional level is of importance. In this respect, the ÖROK takes over an “informative” role as both levels are integrated. However, the embedding of ESI co-financed measures in the (regional) development policy is subject of the Länder.

Furthermore, coordination with other union instruments relevant for policy areas concerned by the ERDF is important. In the programme area particularly HORZION 2020 and LIFE are relevant for the selected objectives of the programme.

In Austria HORIZON 2020 will be accompanied in its implementation by the Ministry of Science and Research. The regional contact points (for the current 7th Framework Programme) are responsible for the coordination of RTDI policy and regional development strategies as well as for the embedding of the European research and development funding measures at the regional level. As a result of the preparation of the partnership agreement, the corresponding ministry intends to install a platform for responsible ESI funds actors and stakeholders of the RTDI policy in Austria.

The LIFE programme will be accompanied by the Ministry of Agriculture Forestry, Environment and Water Management. The thematic objective 6 (environment and resource efficiency) will be addressed in the CP, where an adequate attention will be paid to the connection with LIFE.

Coordination in Slovenia

In Slovenia⁶¹ the Government Office for Development and European Cohesion Policy (GODC) is coordinating the development planning. The office coordinates the development documents of the Republic of Slovenia, monitors the implementation of development policies and its programmes and is responsible also for the coordination of documents pertaining to development planning and compliance of national development planning programmes and the European Union and other international organisations' development documents. GODC is also managing the preparation and coordination of the strategic documents with the European Union.

Through ETC CB programmes, Slovenia will favour common development strategies.

The contents common to all CB programs (with Italy, Austria, Hungary and Croatia) and to transnational programmes in the vast majority have their place among the measures of the Danube, the Adriatic-Ionic and Alpine future macro-regions.

Coordination of the preparation of the Partnership Agreement, the Operational Programme for Cohesion Funds and of CB Cooperation programmes takes place within one institution which both in the documentation preparatory stage and during implementation provides for the complementarities and synergies of various funds. At NUTS III level (statistical regions), Slovenia prepares regional development programmes in accordance with the Balanced regional development law to be used with investments from different sources of financing in key development areas based on territorial challenges and opportunities.

Coordination of the preparation of macro-regional strategies is the responsibility of the Ministry of Foreign Affairs, while the coordination and implementation of individual parts of strategies fall under the responsibility of individual ministries. For the period after 2014, an enhanced role of inter-ministerial coordination of macro-regional strategies has been envisaged within the committee framework, where all ESI funds are to be considered with a view to achieving better complementarities and synergy effects as a result of participation in the EU macro-regional strategies.

According to Partnership Agreement between Slovenia and European Commission for the period 2014-2020 (10/04/2014) the Inter-ministerial Coordination Committee will provide for coordination between ESI Funds that are being indirectly implemented (ERDF, ESF, CF, EAFRD) and other EU instruments as well as other national instruments and the European Investment Bank (EIB). Membership of the Inter-ministerial Coordination Committee will be represented by the managing authorities of all the Funds and participating ministries. Inter-ministerial coordination has already been established for the 2007-2013 period charged with planning and monitoring of the implementation (ERDF, ESF, CF) and will be upgraded through inclusion of the other two Funds (EAFRD, EMFF).

Key functions of the Inter-ministerial Coordination Committee are the following:

- coordination and approval of Partnership Agreement revisions
- monitoring of the progress as regards fulfilment of PA objectives and discussion and approval of PA progress reports
- review of implementing plans and delivery of opinion thereon

⁶¹ Information about coordination in Slovenia is based on the following documents: »Partnership Agreement between Slovenia and European Commission for the period 2014-2020« (10/04/2014) and "Responsibilities of Government office for development and European cohesion policy" available at: http://www.svrk.gov.si/en/about_the_office/responsibilities/.

- provision of counselling services on matters of content and organisation/implementation based on evaluation findings and analysis results.

With the aim of ensure Slovenia's contribution to the realization of the individual thematic objectives, the MA will establish relevant Expert Groups at the working level under the OP ECP 2014-2020 to provide for coordinated preparation of expert bases. The latter will be composed of representatives of intermediate bodies, national authorities of European Territorial Cooperation, information points for direct EU programmes and, if necessary, external experts.

For the absorption of the 2014-2020 Cohesion Policy Structural Funds, Slovenia has prepared a single Operational Programme as the contribution to the realisation of the EU Strategy for Smart, Sustainable and Inclusive Growth – the operational programme strategy is in accordance with the common strategic framework and the content of the Partnership Agreement.



THE OP ECP 2014-2020 encompasses the two cohesion regions and the ERDF, the ESF, the Cohesion Fund, and other relevant forms of implementing instruments.

Due to the regional development potential in Slovenia in this programming period a greater emphasis will be laid on the coordinated action between national and regional levels, based on the intersection between the development documents at national and regional level. In the context of the preparation of the regional development programmes at the level of the statistical regions Slovenia also concentrated on the identification of the region's specialisation as a method of concentration and activation of the region's potential. Regions will therefore promote development based on their comparative advantages (geographic, cultural, natural, economic and social). Integration between regions and the creation of joint projects and initiatives to achieve synergies in several regions simultaneously will also be promoted. In this context the complementarity of EU Funds and other available resources is of key importance.

As already mentioned particularly HORIZON 2020 and LIFE are relevant for the selected objectives of the programme. In Slovenia HORIZON 2020 will be accompanied in its implementation by the Ministry of Education, Science and Sport while LIFE programme will be accompanied by the Ministry for Agriculture and the Environment. The thematic objective 6 (environment and resource efficiency) will be addressed in the CP, where an adequate attention will be paid to the connection with LIFE.

Table 38: Coherence of the Interreg V-A Slovenia – Austria programme and relevant instruments on macro-regional, national and EU-level

			Relevant Instruments										
			EU				MACRO-REGIONAL				TRANSNATIONAL / INTERREGION		
			Horizon 2020	LIFE	EU Strategy for the Danube Region	EU Strategy for the Alpine Region	Adriatic-Ionic macro-regional strategy	CENTRAL EUROPE 2020 Cooperation Programme	Alpine Space Programme 2014-2020	Danube Transnational Programme 2014-2020	URBACT Programme 2014-2020	INTERREG Europe Operational Programme	ESPON programme 2014-2020
PA 1: Strengthening research, technological development and innovation and Enhancing the competitiveness of SMEs													
	TO 1: Research and Innovation												
	TO 3: SME competitiveness												
Priority axis 2: Protecting the Environment and Promoting Resource Efficiency													
	TO 6: Environment and Resource Efficiency												
PA 3: Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration													
	TO 11: Institutional Capacity												
			NATIONAL										
			Operational Programme IWB/ERDF 2014-2020, Austria	Operational Programme for Rural Development in Austria 2014-2020 (LE 2020)	European Social Fund Operational Programme 2014-2020, Austria	Operational Programme Austria European Maritime and Fisheries Fund 2014-2020 (EMFF)	Operational Programme for Natura 2000 site management for the 2014–2020 period, Slovenia	Operational Programme for the Implementation of the EU Cohesion Policy in the period 2014 – 2020, Slovenia					
PA 1: Strengthening research, technological development and innovation and Enhancing the competitiveness of SMEs													
	TO 1: Research and Innovation												
	TO 3: SME competitiveness												
Priority axis 2: Protecting the Environment and Promoting Resource Efficiency													
	TO 6: Environment and Resource Efficiency												
PA 3: Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration													
	TO 11: Institutional Capacity												

Significant overlap,  Minor overlap,  Limited or no overlap

SECTION 7

REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

The reduction of the administrative burden has been a key principle for the whole programming. During the period 2007-2013 the main challenge for the partners was the financial reporting and the time needed from the moment a cost occurred to when it was paid out. Although all of the programme structures strived to make the checking and the process of payment as fast as possible, the problems related to the delays occurred due to several facts; the reporting periods were frequent (for majority of the projects every 6 months), during the programme implementation not enough staff resources had been reserved and assured for the monitoring and checking within the national control units. The payment process involves many levels (technical admissibility check, financial check, content monitoring, and Certifying Authority check) and therefore takes time.

Beside the long lasting payment process, the beneficiaries had to meet impediments concerning the long decision-making process and delays in contract signing. The specifics of the ETS programmes represented also some challenges for the complex monitoring system.

According to the Analysis of the survey on CB cooperation between the Republic of Slovenia and the Republic of Austria, which was carried out by the MA/JS in December 2013, the majority of respondents involved in the survey proposed in the new programme period the following improvements:

- to simplify the application and reporting procedures (simplification of documentation),
- to reduce bureaucracy/administrative barriers,
- to implement faster procedures (shortening of the decision-making procedures for the approval of projects, shortening of the reporting and reimbursement procedures, faster checking of reports by the first level control, etc.)
- to introduce a user-friendly (adapted to the needs of the programme) information system in both programme languages
- to introduce an e-monitoring system
- to put greater emphasis on the content and added value of projects etc.

Thereupon, programme structures and beneficiaries are in favour of as much simplification measures as possible that will help to reduce the administrative burden in order to ensure a smooth project application and implementation process. The following measures for the reduction of administrative burden will be implemented in the period 2014-2020:

➤ Use of the Harmonized Implementation Tools (HIT)

Using the INTERACT HIT (application form, reporting forms, administrative, eligibility and assessment criteria, etc.) is especially useful for applicants applying for funding from different funds as many funds will use the same approach, questions or rules, which are then familiar for the partnership. In addition, the use of the HIT enables the exchange of good practices from different ETC programmes and ensures that the focus of the documentation lies on the essential components, which are needed for a good cooperation project.

➤ **Extended use of simplified cost options and rules on eligibility of expenditure at the EU level**

The simplified cost options (e.g. unit cost, lump sums, flat rate, shared costs etc.) that have been made available by the ESI Regulations are planned to be used. The aim of the simplified cost options is to reduce the amount of needed paperwork and to speed up the reporting, verification and control procedures. When deciding on the eligibility rules and simplified cost options on the programme level, as defined in regulations and the delegated acts⁶², the experience of the MA, CA and JS of the current period as well as that of the FLC's will be taken into account.

In support of project partners with the aim of harmonized approach at the level of programme area, the MA in cooperation with the FLCs and other involved parties will provide Guide on eligibility of expenditure.

➤ **Simplification of the monitoring system (e-MS)**

The new programme monitoring system is prepared based on the INTERACT Harmonized Implementation Tools and in cooperation with INTERACT and other ETC programmes. The templates and processes are based on the most essential elements and the structure has been based on an analysis of best practices from several ETC programmes. Also the fact that a lot of programmes use the same templates will simplify for beneficiaries applying for projects from several funding instruments.

The online monitoring system will also be an important multi-lingual tool (English, German, Slovene) for reducing the administrative burden for beneficiaries. It eliminates the need to send documents in paper and with signatures (although scanning unstructured documents will pose additional work for the applicants). It also allows for streamlined and efficient handling of any changes required to the project application as both the project and JS/MA can access the same information in the database. It allows for interactive and/or pre-filled forms by the system on the basis of the data which is stored at consecutive steps of the procedures, for automatic calculations preventing mistakes and speeding up the work, where appropriate, automatic embedded controls which reduce as much as possible back-and forth exchange of documents, system generated alerts to inform the beneficiary of the possibility to perform certain actions and on-line status tracking meaning that the beneficiary can follow up the current state of the project, which results in more transparency. Due to the principle of information inserted only once the beneficiaries avoid doing extra work. The e-Monitoring System also greatly reduces the amount of documents that need to be signed and sent in.

➤ **Simplification and acceleration of the application as well as reporting procedure**

The mentioned simplifications will significantly simplify and accelerate application and reporting process. It includes a simplification of the administering and reporting documentation, as well as of the corresponding procedures, like the shortening of the decision-making process of the approval of projects (decision on the submitted projects will be taken at least twice a year, until all available funds will be committed, the decision of the MC will be taken as general rule within 3 months from the submission deadline of the application. Also the tasks of the JS, national controllers and the functions of the Certifying Authority will be reviewed and a simpler implementation process will be set up.

⁶² COMMISSION DELEGATED REGULATION (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes.

➤ **Introduction of E-Cohesion**

Exchanges of information carried out by electronic data between beneficiaries and programme structures will be gradually introduced to ensure a frictionless information and data flow. Moreover, such an approach would reduce the necessity for the submission of hard copy documents and alleviate the submission of electronic based documentations as well as to avoid excessive manual handling of the data.

SECTION 8

HORIZONTAL PRINCIPLES

8.1 Sustainable development

Important tools in methodically considering the principles of sustainable development in the preparation phase of the CP INTERREG V-A SI-AT 2014-2020 are the Ex-ante evaluation, which ensures “the adequacy of planned measures to promote sustainable development”⁶³, and even more the Strategic Environmental Assessment (SEA), which aim is to “provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development”.

The ex-ante evaluation and the SEA process are carried out analogue throughout the programming phase, thereafter; the main findings of the SEA process have been incorporated into the final ex-ante report. The CP INTERREG V-A SI-AT 2014-2020 supports three priority axes of which one (Priority axis 2: TO 6) focuses fully on sustainable development. The priority axis with its two investment priorities, 6c and 6f is focusing on sustainable utilization and management of cultural and natural heritage, as well as the preservation, restoration and development of cultural and natural heritage sites. Further, the priority axis supports projects to overcome existing administrative borders, as in example the management of natural and other disasters (e.g. flooding). The other two Priority axes of the cooperation programme deal with (i) R&D and Innovation and Competitiveness of SMEs (Priority axis 1) and (ii) with the institutional CB cooperation (Priority axis 3) and do not directly focus on sustainable development issues.

However, it is quite likely that projects supported under those priorities also address aspects of sustainable development in their work. This may for instance be the case for R&D and innovation related projects that focus on capacities and skills for eco-innovation, or projects that concentrate on the internationalisation of SMEs in green technology sectors.

Furthermore, sustainable development will be considered throughout the program implementation phase. Projects’ assessment, selection, implementation, monitoring and evaluation will be guided by the following principles:

- Selection of investment related projects in view of highest resource efficiency, and sustainability.
- Selection of projects with positive environmental and climate effects.
- Consideration of long-term prospects in the comparison process of life cycle costs of various investment options.

Regarding the content assessment, all (planned and submitted) projects regardless under which Priority Axis they will fall, will be encouraged to consider environmental concerns and reduce their environmental impact by (if applicable) application of green public procurement in a methodical way.

⁶³ CPR, Article 55 (m).

8.2 Equal opportunities and non-discrimination

The CP INTERREG V-A SI-AT 2014-2020 adopts social inclusion which also implies equal opportunities and non-discrimination. It will consider the principles of equal opportunities and non-discrimination based on for instance sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during its life cycle. It will take into account the needs of the various target groups at risk of such discrimination and in particular the requirements of ensuring accessibility for persons with disability. Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equal opportunities.

This cross-cutting theme is most likely to emerge in projects under Priority axis 3, TO 11, which aims to strengthen the integration in the border region by legal and administrative cooperation and cooperation between citizens. Here, emphasis will be put on creating social sustainability communities that are equitable, diverse, connected and democratic and provide a good quality of life. Additionally, special attention will be given to ethnic and language minorities.

8.3 Equality between men and women

The aim of equality between women and men belongs to the fundamental values of the European Union and is set out in of the Treaty on the European Union. Article 3 states that the Union shall “combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child”. The elimination of inequalities and the promotion of equality between women and men are also included in the consolidated version of the Treaty on the Functioning of the European Union. These fundamental values must be respected in the Regulations and implementation of the ESI Funds of the European as stated in the Common Provisions Regulation (CPR): “Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective is promoted in the preparation and implementation of programmes” and that the “Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes”⁶⁴.

The CP INTERREG V-A SI-AT 2014-2020 will strive to promote equality between men and women throughout all stages of programme implementation, including the preparation, implementation, monitoring and evaluation of operations. Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equality between men and women. Moreover, projects will be encouraged to foster gender mainstreaming as set out in the EQUAL Guide on Gender Mainstreaming: “To make gender equality part of this dominant (mainstream) trend in society so that women and men benefit equally”. It means looking at every step of policy – design, implementation, monitoring and evaluation – with the aim of promoting equality between women and men⁶⁵.

⁶⁴ Article 7, CPR, COM(2011) 615 final/2, Brussels, 14.3.2012, p. 34

⁶⁵ EQUAL Guide on Gender Mainstreaming, European Commission.(2004). Directorate-General for Employment, Social Affairs and Equal Opportunities.

SECTION 9**SEPERATE ELEMENTS****9.1 Major projects to be implemented during the programming period****Table 39: List of major projects**

Projects	Planned notification/sub mission date (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date (year, quarter)	Priority axes/investment priorities
There are no concrete projects planned.				

9.2 Performance framework of the cooperation programme**Table 40: Performance framework (summary table)**

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final Target (2023)
The summary table is generated automatically by the SFC2014 based on the tables outlined by priority axis.				

9.3 Relevant partners involved in the preparation of the cooperation programme

In the table 41 the main relevant partners are listed. The list is not exhaustive.

Table 41: Relevant partners involved in the preparation of the cooperation programme

Alpe Adria Vita d.o.o.	AKZENTE
Barbara Rozman s.p.	Amt der Kärntner Landesregierung
Bezljaj in drugi	Amt der Kärntner Landesregierung Abt. 1 - Kompetenzzentrum Landesentwicklung und Gemeinden
Bistra hiša Martjanci	Amt der Kärntner Landesregierung Sachgebiet Förderabwicklung im Rahmen der Orts- und Regionalentwicklung
BSC, d.o.o., Kranj - RRA Gorenjske	Amt der Kärntner Landesregierung Uabt. Fondsmanagement
Center za socialno delo Maribor	Amt der Steiermärkischen Landesregierung, Stabsstelle Controlling
Center za usposabljanje, delo in varstvo Črna	Amt der Steiermärkischen Landesregierung, Abteilung 7 Landes- und Gemeindeentwicklung
Center za zdravje in razvoj Murska Sobota	Arbeitsmarktservice Kärnten
Doba fakulteta	Arbeitsmarktservice Steiermark
Druga osnovna šola Slovenj Gradec	BAB Unternehmensberatung GmbH
EIM, Center razvoja človeških virov	Berchtold land.plan
Ekonomski institut Maribor	Bezirkshauptmannschaft Südoststeiermark
Ekonomsko-poslovna fakulteta; Univerza v Mariboru	Bildungswerk Kärnten
EKTC Maribor	Bio Ernte Steiermark

E-zavod	Biosphärenpark Nockberge
Fundacija za izboljšanje zaposlitvenih možnosti PRIZMA	Bundeskanzleramt Österreich, Abteilung IV/3 Finanzkontrolle des Europäischen Fonds für Regionalentwicklung (EFRE)
Gozdarski inštitut Slovenije	Bundesministerium für Arbeit, Soziales und Konsumentenschutz Abteilung VI/6b Bilaterale Zusammenarbeit in der Arbeitsmarktpolitik Stubenring
Gorenjski glas, d.o.o., Kranj	Bundesministerium für Land- und Forstwirtschaft, Umwelt und Wasserwirtschaft Prüfstelle
Gorska reševalna zveza Slovenije	Diözese Graz-Seckau
Gospodarska zbornica Slovenije	Energieagentur Weststeiermark
GZS Območna zbornica Koroška	Energieregion Oststeiermark GmbH
GZS Območna zbornica za Gorenjsko	Entwicklungsagentur Kärnten GmbH
Hidria d.d.	EU-Regionalmanagement Südweststeiermark
Hidria Rotomatika d.o.o.	Europäisches Zentrum für Erneuerbare Energie Güssing
IEI - Institut za ekološki inženiring	Fachhochschule Kärnten
Inštitut za ekonomska raziskovanja	Gemeinde Sittersdorf - ARGE GeoparkKarawanken- Karavanke
Inštitut za narodnostna vprašanja v Ljubljani	HTL Wolfsberg
Inštitut za tehnologijo materialov	IFA Unternehmensberatung GmbH
ISN d.o.o.	JOANNEUM RESEARCH Forschungsgesellschaft mbH
Jamarska zveza Slovenije	Kärntner Bildungswerk
Javni zavod SPOTUR Slovenj Gradec	Kärntner Landesfeuerwehrbund
Kemijski inštitut	KWF Kärntner Wirtschaftsförderungsfonds
KGZS – Kmetijsko gozdarski zavod Kranj	Landesverband für Bienenzucht in Kärnten
Koroški pokrajinski muzej	LEO GmbH
Krščanska kulturna zveza	Magistrat Klagenfurt
Logarska dolina d.o.o.	Obir Tropfsteinhöhlen GesmbH
Lokalna energetska agencija za Pomurje	Österreichische Botschaft in Slowenien
LOTRIČ Meroslovje d.o.o.	Pranger Pretiosa. Alpeninitiative 2015-2020
Mariborska razvojna agencija	PRO MENTE Steiermark GmbH
MEA inženiring, Metka Pavčič sp.	Qualifizierungsagentur Oststeiermark GmbH
Mestna občina Kranj	R M B - Regionalmanagement Bgld GmbH
Mestna občina Maribor	Regionalkooperation Unterkärnten
Ministrstvo za finance, RS	Regionalmanagement Graz und Graz Umgebung
Ministrstvo za gospodarski razvoj in tehnologijo	Regionalmanagement Lavanttal RML GesmbH
MORS, Uprava RS za zaščito in reševanje	Regionalmanagement Südoststeiermark Steirisches Vulkanland
Nacionalni laboratorij za zdravje okolje in hrano	Rosentaler Carnica Honige.V.
Naravoslovno tehniška fakulteta, Univerza v Ljubljani, Oddelek za geologijo	SFG-Innofinanz GmbH
Občina Bled	Stadtgemeinde Bad Radkersburg
Občina Cankova	Steiermark Tourismus
Občina Gornja Radgona	Technologiezentrum Deutschlandsberg
Občina Jezersko	Thermenland Steiermark
Občina Kidričevo	Universalmuseum Joanneum GmbH
Občina Majšperk	Verband für Interref. Zusammenarbeit

Občina Makole	W.E.I.Z. Gmbh
Občina Naklo	Waldverband Steiermark
Občina Oplotnica	ZAMG
Občina Poljčane	
Občina Ravne na Koroškem	
Občina Tišina	
OOZ Murska Sobota	
OZARA storitveno in invalidsko podjetje d.o.o.	
Palemid d.o.o.	
Panles d.o.o.	
Pomurski tehnološki park d.o.o.	
Pora Gornja Radgona	
Prleška razvojna agencija, GIZ	
RA Kozjansko	
Razvojna agencija Zgornje gorenjske	
RASR, Razvojna agencija Savinjske regije	
Razvojna agencija Kozjansko	
Razvojna agencija Sinergija	
Razvojna agencija Sorad.o.o.	
Razvojna agencija Sotla	
RIS Dvorec Rakičan	
Riso d.o.o.	
Rosina d.o.o.	
RRA Koroška	
RRA Lur	
RRA MURA	
Simbio, d.o.o.	
Slovenska gospodarska zveza	
Slovenski narodopisni institut Urban Jarnik	
Slovenski regionalno razvojni sklad	
Splošna bolnišnica Jesenice	
Služba Vlade Republike Slovenije za razvoj in evropsko kohezijsko politiko	
Štajerska gospodarska zbornica	
Študentska organizacija	
Študentska založba	
Slovenski orodjarski grozd	
TECES, tehnološki center za električne stroje	
Tehnološki park Ljubljana	
Univerza v Ljubljani, Biotehniška fakulteta	
Univerza v Mariboru, FERI	
Urad RS za nadzor proračuna	
Ustanova lokalna razvojna fundacija za Pomurje	
Visoka šola za tehnologijo polimerov	
Zadruga Soča Trenta z.o.o.	
Zavod Prava poteza	
Zavod Risa	

Zavod RS za varstvo narave, OE Maribor	
Zavod RS za zaposlovanje	
Zavod za inovativnost in podjetništvo	
Zavod za turizem Maribor - Pohorje	
Zavod, tovarna trajnostnega turizma, Ljubljana	
Znanstveno raziskovalno središče Bistra Ptuj	
ZRCSAZU	
ZRS Bistra Ptuj	

SECTION 10

ANNEXES

A	Draft report of the ex-ante evaluation, with an executive summary
B	Confirmation of agreement in writing to the contents of the cooperation programme
C	A citizens' summary of the cooperation programme
D	A map of the area covered by the cooperation programme