



Annual Implementation Report 2016

of the

INTERREG V-A SLOVAKIA-HUNGARY
COOPERATION PROGRAMME

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PART A

1. IDENTIFICATION OF THE ANNUAL IMPLEMENTATION REPORT

CCI	2014TC16RFCB015
Title	Interreg V-A Slovakia-Hungary
Version	1-13
Reporting year	2016
Date of approval of the report by monitoring committee	
Date of approval of the European Commission	

2. OVERVIEW OF THE IMPLEMENTATION

The Annual Report 2016 of the Interreg V-A Slovakia-Hungary Cross-border Cooperation Programme has been prepared pursuant to Annex X of Commission implementation regulation (EU) 2015/207. The report is intended to give a brief overview of the activities that were undertaken in the frame of the programming process, focusing on the year 2016.

In the first half of 2016 the preparation of the first Call for Proposals of the Interreg V-A Slovakia-Hungary Cooperation Programme was in focus. The 2nd MC meeting took place on 9th March in Budapest, where the members discussed and approved the Rules of Procedures of the MC, the Annual Implementation Report 2015 of the Programme, and the Methodology and Criteria for selecting operations for Call for Proposals. On the 3rd MC meeting, which took place on 30th June in Budapest, the members discussed and approved the Ruling documents of the first Call for Proposals, the Communication Plan of the Programme, the documents of the Call for B-Light Scheme, the framework of TA projects.

Finally based on the approved Application package the 1st Call for Proposals (SKHU/1601) has been launched on 29 July 2016 with an allocation of 67,5 MEUR.

Related to the 1st CfP the programme held 14 Info days, eventually one info day was held in all eligible counties. These events were organized in cooperation with the self-governing regions and county governments, who are also voting members of the Monitoring Committee. Two events in Balassagyarmat and Eger were organized by external partners. The MC members of the programme, who have extended professional network in the field of cross-border cooperation placed banners on their websites about the launch of the CfP. Therefore the number of reached potential applicants was presumably higher than ever before, more than 700 people attended the infodays.

On 13th September 2016 the programme organized its opening conference in Belá, SR, which event was merged with this year's European Cooperation Day in Štúrovo with a HUSK flagship project visit (Cargo ferry riding between Esztergom and Štúrovo). The event was open for the public. The number of participants was 112 people.

The deadline for the submission of the applications for the 1st Call for Proposals was 3rd of November in Priority Axis 1 and 4 and continuous in Priority Axis 2. Altogether 348

applications were submitted: 199 in PA1, 145 in PA4, and four in the second PA2. By the end of the year the JS members with the help of the members of the three Info points finalised the admissibility and administrative assessments of all of the applications. In PA4 the evaluation of the completion has also started.

The planning of the Small Project Fund has been ongoing during the year. The Monitoring Committee members on their fourth meeting on 29th November 2016 approved the selection criteria for the umbrella projects. After several discussions with the interested stakeholders the drafting of the documents seem to be finalized, as well, in December. So the SPF call for proposals for the umbrella projects is foreseen in February 2017. During this 4th MC meeting the evaluation plan of the programme has also been approved.

According to the Assessment Manual of the all project proposals that fulfil the formal and eligibility criteria are assessed to determine their quality. As a general rule, each project proposal submitted to the 1st CfP is examined by two independent external assessors. The first Call for Assessors was also launched with the submission deadline of 2nd December 2016. The call was published on the programme's official website, on social media platforms and advertised by banners – the same way as in case of the call for proposals. The interest among potential assessors was high, but slight disparity incurred in the number of Hungarian and Slovak assessors therefore the programme has reopened the call to give the opportunity for more application. In the first round of the Call, altogether 99 applications were submitted, from which 54 applicants were Hungarian, 34 were Slovak and 11 have dual or other nationality. In order to ensure more equal balance of the Hungarian and Slovak assessors, second round of the Call was launched in the end of December, 2016. As a result, almost 30 new applications were accepted and mainly the number of Slovak assessors has increased significantly.

The update of the content of the website and social media platforms was also continuous; the programme has won 3rd place in the Europe-wide competition of best Interreg websites – launched by the European Commission.

Reimbursement of funds

By 31st of December 2016 the initial and annual pre-financing payments were transferred to the Certifying Authority (CA) in amount of 7 790 449,35 EUR (ERDF).

During the reporting period no expenditures for certification were reported by the CA.

The CA did not notify any irregularities in the reported period.

Progress in designation process

Regarding designation process for the period 2014-2020 continuous discussion with the involvement of all management bodies continued in 2016 and as a result the following documents were elaborated: filled in self-assessment designation questionnaires for designation (both on Hungarian and Slovak side); the Description of Management and Control System including Small Project Fund; Memorandum of Understanding (which document was signed by all parties); Assessment Manual and Evaluation Plan, TA Manual,

Call for Proposal package, Guide for Eligibility of Expenditures, Rules of Procedure of MC, Communication Plan, Communication Strategy approved by the Monitoring Committee; approved template for Hungarian national Co-financing contract. Besides the programme level documents, the Managing Authority's and the Slovak National Authority's and the Joint Secretariat's internal documentations were also provided. The official start of the designation procedure was 12th December 2016, when the first package of documents arrived to the Audit Authority. The Audit Authority examines three aspect of the system: human capacity, compliance of procedure and electronic system. The first two can be checked paper based and started in December. The examination of the electronic system will be carried out in 2017. In our understanding there is no delay regarding the designation procedure as the first payments of the programme will be foreseen in the end of 2017, so before that the request for payment from the Commission would be unreasoned. The designation procedure is performed by a jointly established timeline.

3. IMPLEMENTATION OF THE PRIORITY AXIS

3.1. Overview of the implementation

ID	Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
PA1	Nature and culture	The first Call for Proposals was launched. The allocated ERDF fund was 25 386 977 EUR. 199 applications were submitted with an amount of more than 250 MEUR of ERDF which is ten times higher than the allocated amount. A Small Project Fund is also intended to be applied under this Priority Axis supporting small scale investments in the field of tourism, environment and culture with a clear contribution to landscape and nature protection. The management structure of the Small Project Fund was planned to be realised through two umbrella projects. The ruling documents of the B-Light Scheme have been approved so both constructions are expected to be launched in 2017.
PA2	Enhancing cross-border mobility	The construction of cross-border roads, bridges, ferries and infrastructure with clear and direct link to the TEN-T network is part of actions to be supported in the framework of this priority axis. During the first call for proposals, where the allocated amount was 34 608 080 EUR of ERDF (the overall budget for PA2), altogether four applications were submitted for three specific objectives. All the four were submitted in SO 2.2.1 Improving cross-border public transport services with an ERDF amount of 3 335 853,04 EUR. The relatively low interest for PA2 partially could be explained by its flexible timeframe: applications can be submitted continuously.
PA3	Promoting sustainable and quality employment	Actions to be supported in "Promoting sustainable and quality employment" Priority Axis shall be implemented as part of an integrated territorial action plan, which means the implementation documentation of projects for a midterm period. In the action plan, the relation of the planned activities with existing strategies should be described, and the territorial challenges and opportunities must be identified.

ID	Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
		As for the complexity and the innovative characteristics of action plans, the elaboration of the application and assessment documents is expected in 2017.
PA4	Enhancing cross-border cooperation of public authorities and people	The first Call for Proposals was also launched in PA4 with an allocated ERDF amount of 7 480 765 EUR. 145 project proposals have arrived with a total ERDF amount of 43 MEUR. A Small Project Fund is also intended to be applied under this Priority Axis aiming to strengthen sustainable cross-border cooperation between citizens from both sides of the border and to support social cohesion of the programming area resulting in improved cross-border services. The management structure of the Small Project Fund was planned to be realised through two umbrella projects and is expected to be launched in 2017.
PA5	Technical assistance	The management system of the programme has been changed. The Managing Authority role and functions were handed over to Hungary – Prime Minister’s Office. The Audit Authority function is provided by the Directorate General for Audit of European and the Certifying Authority function by the Hungarian State Treasury. Technical Assistance budget was also adjusted. Related to the 1st CfP the programme held 14 Info days, - eventually one info day was held in all eligible counties – the events were organised by the Joint Secretariat with the help of the Info Points.

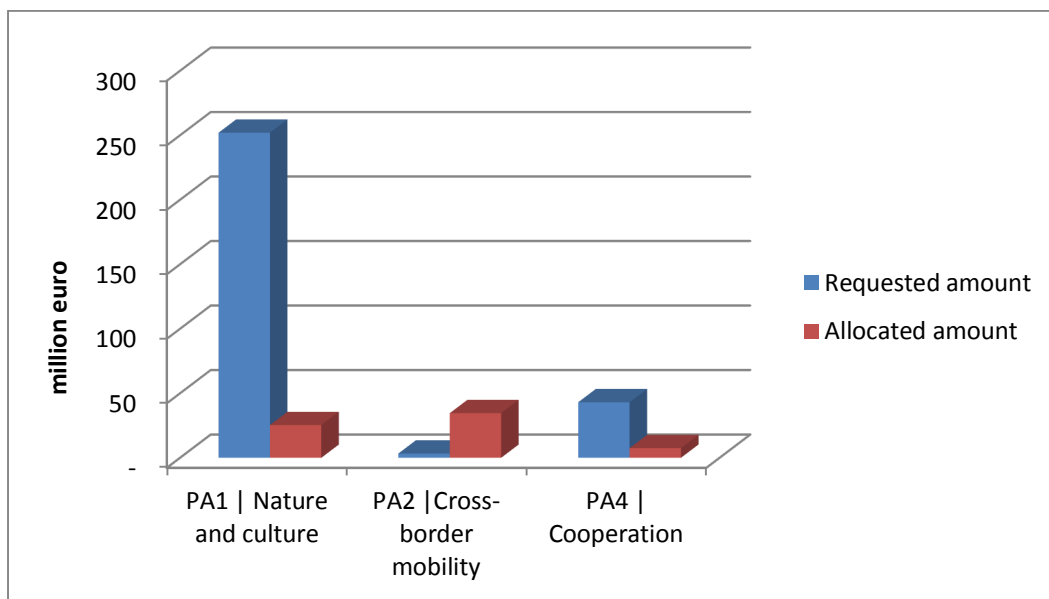


Table 1: Requested amount in the first Call for Proposals

3.2. Common and programme specific indicators

Result indicators (by priority axis and specific objective)

1. Table

Priority Axis	ID	Indicators	Measurement unit	Baseline value	Baseline year	Target value (2023)	2014	2015	2016	2017	2018	Observations
PA1	R110	Total number of visitors in the region	Number/year	7 074 754	2012	7 800 000						
PA2	R210	Average distance between border crossing points	km	21,9	2014	15						
	R221	Change in the volume of cross-border public transport	persons	382 849	2013	450 000						
	R222	Change in the volume of cross-border good transport	EUR	8 565 130 424	2013	10 000 000 000						
PA3	R310	Increase in the employment rate	%	63,2	2013	65,2						
PA4	R410	Level of cross-border cooperation	score	3,4	2015	4,1						

Common and programme specific output indicators (by priority axis, investment priority)

2. Table

Priority Axis		ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)
						2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
PA1	Selected operations [forecast provided by beneficiaries]	CO01	Productive investment: Number of enterprises receiving support	enterprises	40		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO02	Productive investment: Number of enterprises receiving grants	enterprises	40		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO09	Sustainable tourism: Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	visits/year	30.000		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO13	Roads: Total length of newly built roads	km	7		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO23	Nature and biodiversity: Surface area of habitats supported in order to attain a better conservation status	hectares	100 549		0	0								
	Fully implemented operations [actual achievement]						0	0								
Selected operations [forecast provided by beneficiaries]	O11	Length of reconstructed and newly built 'green ways'	km	89		0	0									
Fully implemented operations [actual achievement]						0	0									

Priority Axis		ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)
						2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
PA2	Selected operations [forecast provided by beneficiaries]	CO13	Roads: Total length of newly built roads	km	9		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	O221	Number of new public transport services started within the framework of the programme	piece	10		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	O222	Number of new logistic services started within the framework of the programme	piece	10		0	0								
	Fully implemented operations [actual achievement]						0	0								

Priority Axis		ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)
						2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
PA3	Selected operations [forecast provided by beneficiaries]	CO01	Productive investment: Number of enterprises receiving support	enterprises	10		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO02	Productive investment: Number of enterprises receiving grants	enterprises	10		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO08	Productive investment: Employment increase in supported enterprises	FTE	20		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO13	Roads: Total length of newly built roads	km	11		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	CO39	Urban development specific indicators: Public or commercial buildings built or renovated in urban areas	square meters	3000		0	0								
	Fully implemented operations [actual achievement]						0	0								
Selected operations [forecast provided by beneficiaries]	CO44	Labour market and training: Number of participants in joint local employment initiatives and joint training	persons	100		0	0									
Fully implemented operations [actual achievement]						0	0									

Priority Axis	ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)	
					2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
PA3 cont.	O311	Selected operations [forecast provided by beneficiaries]	Number of (integrated territorial) action plans	number	10		0	0								
		Fully implemented operations [actual achievement]					0	0								
	O312	Selected operations [forecast provided by beneficiaries]	Number of women in joint local employment initiatives and joint trainings (participants of employment initiatives from above CO44)	persons	50		0	0								
		Fully implemented operations [actual achievement]					0	0								
	O313	Selected operations [forecast provided by beneficiaries]	Number of participants from groups at risk of discrimination, including Roma in joint local employment initiatives and joint trainings (participants of employment initiatives from above CO44)	persons	25		0	0								
		Fully implemented operations [actual achievement]					0	0								
	O314	Selected operations [forecast provided by beneficiaries]	Number of new business services promoting employment and consultancy services	number	15		0	0								
		Fully implemented operations [actual achievement]					0	0								

Priority Axis	ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)		
					2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
PA4	O411	Selected operations [forecast provided by beneficiaries]	Number of cross-border products and services developed	Number	20		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O412	Selected operations [forecast provided by beneficiaries]	Number of documents published or elaborated outside of the framework of SPF	Number	40		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O413	Selected operations [forecast provided by beneficiaries]	Number of cross-border events	Number	400		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O414	Selected operations [forecast provided by beneficiaries]	Number of documents published or elaborated in the framework of SPF	Number	200		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O415	Selected operations [forecast provided by beneficiaries]	Number of people participated in cooperation	Number	10 000		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O416	Selected operations [forecast provided by beneficiaries]	Number of women participated in cooperation	Number	4 000		0	0									
		Fully implemented operations [actual achievement]					0	0									
	O417	Selected operations [forecast provided by beneficiaries]	Number of participants from socially marginalized groups, including Roma	Number	300		0	0									
		Fully implemented operations [actual achievement]					0	0									

Priority Axis		ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE										Observations (if necessary)
						2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
PA5	Selected operations [forecast provided by beneficiaries]	O511	Number of employees (FTEs) whose salaries are co-financed by technical assistance	FTE	41		0	11								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	O512	Number of publicity events	Number of events	15		0	21 ¹								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	O513	Number of studies and evaluation documents	Finished studies and evaluation documents	2		0	0								
	Fully implemented operations [actual achievement]						0	0								
	Selected operations [forecast provided by beneficiaries]	O514	Number of training initiatives for the management bodies	Training initiatives	15		0	1 ²								
	Fully implemented operations [actual achievement]						0	0								

¹ 14 infodays, opening conference and European Co-operation Day. Because of the high rate of interest of the local citizens (with more than 700 interested potential applicants) JS decided to hold info days in all counties in the programme area, 6 in Slovakia and 8 in Hungary. Additionally 5 events organised by Košice region.

² Training for Info-points and JS on 1st CfP.

Milestones and targets defined in the performance framework³

Information on the milestones and targets defined in the performance framework

3. Table

PA	Indicator Type	ID	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final target 2023	14	15	16	17	18	19	20	21	20	23	Observations
PA1	Output	CO02	Productive investment: Number of enterprises receiving grants	enterprises	0	40	0	0	0								
	Key imp.step	K0001	Number of calls for SMEs	number	1	1	0	0	0								
	Output	CO13	Roads: Total length of newly built roads	km	0	7	0	0	0								
	Key imp.step	K0002	Elaborated technical documentation for road construction	number	1	4	0	0	0								
	Output	O11	Length of reconstructed and newly built 'green ways'	km	9	89	0	0	0								
	Output	CO23	Nature and biodiversity: Surface area of habitats supported in order to attain a better conservation status	hectares	28 000	100 549	0	0	0								
	Financial	F0001	Total amount of submitted expenditure for validation	EUR	4 207 597	65 209 186	0	0	0								

³Submitted in annual implementation reports from 2017 onwards.

PA	Indicator Type	ID	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final target 2023	14	15	16	17	18	19	20	21	22	23	Observations
PA2	output	CO13	Roads: Total length of newly built roads	km	0	9	0	0	0								
	Key imp.step	K0002	Elaborated technical documentation for road construction	NA	1	3	0	0	0								
	output	O221	Number of new public transport services started within the framework of the programme	piece	2	10	0	0	0								
	output	O222	Number of new logistic services started within the framework of the programme	piece	1	10	0	0	0								
	output	CO13	Roads: Total length of newly built roads	km	0	9	0	0	0								
PA3	output	O311	Number of (integrated territorial) action plans	number	0	10	0	0	0								
	Key imp.step	K0003	Selected action plans	number	5	10	0	0	0								
	output	CO44	Labour market and training: Number of participants in joint local employment initiatives and joint training	persons	30	100	0	0	0								
	output	O314	Number of new business services promoting employment and consultancy services	number	5	15	0	0	0								
	Financial	F0001	Total amount of submitted expenditure for validation	EUR	2 627 144	40 715 389	0	0	0								

PA	Indicator Type	ID	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final target 2023	14	15	16	17	18	19	20	21	22	23	Observations
PA4	Output	O411	Number of cross-border products and services developed	Number	4	20	0	0	0								
	Output	O412	Number of documents published or elaborated outside of the framework of SPF	Number	5	40	0	0	0								
	Output	O413	Number of cross border events	Number	100	400	0	0	0								
	Output	O414	Number of documents published or elaborated in the framework of SPF	Number	50	200	0	0	0								
	Financial	F0001	Total amount of submitted expenditure for validation	EUR	1 656 117	25 666 448	0	0	0								

3.3. Financial data

Financial information at priority axis and programme level

4. Table

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
The financial allocation of the priority axis based on the Cooperation programme						Cumulative data on the financial progress of the Cooperation programme					
Priority axis	Fund	Category of region	Basis for the calculation of Union support* (Total eligible cost or public eligible cost)	Total funding (EUR)	Co-financing rate (%)	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) [column 7/ column 5 × 100]	Public eligible cost of operations selected for support (EUR)	Total eligible expenditure declared by beneficiaries to the managing authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries (%) [column 10/ column 5 × 100]	Number of operations selected
PA1	ERDF		Total eligible cost	65 209 186	85%	0	0%	0	0	0%	0
PA2	ERDF		Total eligible cost	40 715 389	85%	0	0%	0	0	0%	0
PA3	ERDF		Total eligible cost	40 715 389	85%	0	0%	0	0	0%	0
PA4	ERDF		Total eligible cost	25 666 448	85%	0	0%	0	0	0%	0
PA5	ERDF		Total eligible cost	10 998 282	85%	0	0%	10 998 282	0	0%	10
Total				183 304 694							

Breakdown of the cumulative financial data by category of intervention for the transmission made by 31 January

5. Table

Priority axis	Characteristics of expenditure		Categorisation dimensions								Financial data			
	Fund	Category of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial delivery mechanism	5 Thematic objective dimension ERDF/Cohesion Fund	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected for support (EUR)	Public eligible cost of operations selected for support (EUR)	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected
PA1	ERDF		032 – Local access roads (new build)	01 – Non-repayable grant	01 – Large Urban areas (densely populated > 50 000 population)	07 – Not applicable					0	0	0	0
			075 – Development and promotion of tourism services in or for SMEs								0	0	0	0
			077 – Development and promotion of cultural and creative services in or for SMEs								0	0	0	0
			085 – Protection and enhancement of biodiversity, nature protection and green infrastructure								0	0	0	0
			086 – Protection, restoration and sustainable use of Natura 2000 sites								0	0	0	0
			090 – Cycle tracks and footpaths								0	0	0	0
			091 – Development and promotion of the tourism potential of natural areas								0	0	0	0
			092 - Protection, development and promotion of public tourism assets								0	0	0	0
			094 – Protection, development and promotion of public cultural and heritage assets								0	0	0	0

Priority axis	Characteristics of expenditure		Categorisation dimensions								Financial data			
	Fund	Category of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial delivery mechanism	5 Thematic objective dimension ERDF/Cohesion Fund	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected for support (EUR)	Public eligible cost of operations selected for support (EUR)	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected
PA2	ERDF		030 – Secondary road links to TEN-T road network and nodes (new build)	01 – Non-repayable grant	01 – Large Urban areas (densely populated > 50 000 population)	07 – Not applicable					0	0	0	0
			032 – Local access roads (new build)								0	0	0	0
			042 – Inland waterways and ports (regional and local)								0	0	0	0
			043 – Clean urban transport infrastructure and promotion (including equipment and rolling stock)								0	0	0	0
			044 – Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring, control and information systems)								0	0	0	0
			072 – Business infrastructure for SMEs (including industrial parks and sites)								0	0	0	0

Priority axis	Characteristics of expenditure		Categorisation dimensions								Financial data			
	Fund	Cat. of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial delivery mechanism	5 Thematic objective dimension ERDF/Cohesion Fund	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected for support (EUR)	Public eligible cost of operations selected for support (EUR)	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected
PA3	ERDF		032 - Local access roads (new build)	01 – Non-repayable grant	01 – Large Urban areas (densely populated > 50 000 population)	07 – Not applicable					0	0	0	0
			055 - Other social infrastructure contributing to regional and local development								0	0	0	0
			072 - Business infrastructure for SMEs (including industrial parks and sites)								0	0	0	0
			073 - Support to social enterprises (SMEs)								0	0	0	0
			102 - Access to employment for job-seekers and inactive people, including the long-term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility								0	0	0	0
			103 - Sustainable integration into the labour market of young people, in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee								0	0	0	0
			104 - Self-employment, entrepreneurship and business creation including innovative micro, small and medium sized enterprises								0	0	0	0
			109 - Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability								0	0	0	0

Priority axis	Characteristics of expenditure		Categorisation dimensions								Financial data				
	Fund	Cat. of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial delivery mechanism	5 Thematic objective dimension ERDF/Cohesion Fund	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected for support (EUR)	Public eligible cost of operations selected for support (EUR)	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected	
PA4	ERDF		096 - Institutional capacity of public administrations and public services related to implementation of the ERDF or actions supporting ESF institutional capacity initiatives	01 – Non-repayable grant	01 – Large Urban areas (densely populated > 50 000 population)	07 – Not applicable					0	0	0	0	
			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				02 – Small Urban areas (intermediate density > 5 000 population)					0	0	0	0
			120 - Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies, including through sectoral and territorial pacts to mobilise for reform at the national, regional and local levels				03 – Rural areas (thinly populated)					0	0	0	0
PA5	ERDF		121 - Preparation, implementation, monitoring and inspection	01 – Non-repayable grant	01 – Large Urban areas (densely populated > 50 000 population)	07 – Not applicable					0	0	0	0	
			122 - Evaluation and studies				02 – Small Urban areas (intermediate density > 5 000 population)					0	0	0	0
			123 - Information and communication				03 – Rural areas (thinly populated)					0	0	0	0

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

6. Table

1	2	3	4	5
	The amount of ERDF support ⁴ envisaged to be used for all or part of an operation implemented outside the Union part of the programme area based on selected operations (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 2/total amount allocated to the support from the ERDF at programme level *100)	Eligible expenditure of ERDF support incurred in all or part of an operation implemented outside the Union part of the programme area declared by the beneficiary to the managing authority (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 4/total amount allocated to the support from the ERDF at programme level *100)
All or part of an operation outside the Union part of the programme area	0	0%	0	0%

⁴ERDF support is fixed in the Commission decision on the respective cooperation programme.

4. SYNTHESIS OF THE EVALUATIONS

Synthesis of the findings of all evaluations of the programme that have become available during the previous financial year, including the name and reference period of the evaluation reports used.

Not relevant in the case of the present report.

5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN

5.1. Issues which affect the performance of the programme and the measures taken

During 2016 the management system of the programme has been changed which made the modification of the Cooperation Programme necessary. After the parliament elections in the Slovak Republic a ministerial decision handed over the Managing Authority role and functions to Hungary. In line with this decision the Managing Authority functions is to be performed by Hungary in the Interreg V-A Slovakia Hungary Cooperation Programme. The Prime Minister's Office initiated the modification of the relevant regulations that is needed to provide the legislative background for the takeover. Based on partly Common Provision Regulation and the agreement between Member States, the Audit Authority function will be provided by the Directorate General for Audit of European and the Certifying Authority function by the Hungarian State Treasury. The Joint Secretariat remained in their position in Budapest. Technical Assistance budget needed to be adjusted and Chapter V. of the Cooperation Programme (describing the implementing provisions for the cooperation programme and programme management bodies) was amended accordingly. The change was adopted by the European Commission on 1st of September 2016 (EC decision number: C(2016)5653) and the amended programme entered into force on 16th June 2016.

Interreg V-A Slovakia-Hungary Cooperation Programme has incorporated several novelties which were not applied in the antecedent programmes, as Small Project Fund, B-Light Scheme, and more territorial focus in case of Action Plans in priority axis 3. The planning of the Small Project Fund and B-Light Scheme has been proceeded during the year; after several discussions with the relevant stakeholders in Budapest and in Bratislava the selection criteria for umbrella projects was approved and the drafting of ruling documents as well as the template for the strategy were finalised by the end of the year. However the decision on the composition of the management system took more time than was initially planned, the launching of the Call for Proposals for the umbrella projects is still scheduled for the first half of 2017.

Concerning the Priority Axis 3 the preparation of the concept of the two-round call for proposal as well as of the application form was going on. The MC was informed about the

brief conceptual overview of the Territorial Action Plan on its 3rd MC meeting held at 30th of June 2016 in Budapest. It was agreed that the projects and the TAPs will be selected through a two-round selection procedure. In the first round applicants can submit the action plan aiming to improve the level of employment of a particular border area through integrated cross-border interventions.

In PA2 the construction of cross-border roads, bridges, ferries and infrastructure with clear and direct link to the TEN-T network is part of actions to be supported. During the first Call for Proposals, altogether four applications arrived. All the four were submitted in SO2.2.1 Improving cross-border public transport services. The relatively low interest for PA2 can be explained by its flexible timeframe, because applications can be submitted continuously. For Specific Objective 2.2.2 *Improving cross-border logistic services* no project proposal was submitted until 31st December 2016. Nevertheless, according to the planned schedule accepted by the MC the contracting of the whole budget (34 608 080 EUR of ERDF) was estimated along the second half of 2017 and the first payments for the second half of 2018. Based on the relatively low interest for PA2, the programme is planning to prepare communication actions in 2017. Interested partners will be addressed directly asking them to submit their idea of the project proposal indicating the timeframe of the implementation. Personal consultations are going to be provided afterwards for the better development of applications. If these actions cannot generate more project proposals, and considering the fulfilment of n+3 requirements and the fulfilment of the performance framework indicator the reallocation of resources might be taken into consideration, with the necessary modification of the programme.

The setting up of the requirements of the e-cohesion system continued along 2016. Description on management and control system, moreover government decree specifies the bodies being responsible for validation of expenditures as well as responsible persons were nominated for the designation process at MA level (from professional and financial point of view).

Regarding the status of e-cohesion the development of IT system is continued: the specification of Programme, CfP, Application Form, Integrated Control as well as National and TA module of IMIS system has started.

On 21st June 2016 the ARACHNE project was presented on a conference in Budapest; the representatives of the MA and JS participated on this event. The information provided on the ARACHNE was then deeply scrutinized by the MA and based on this examination the following measures were taken to put in place effective and proportionate anti fraud measures:

- elaborated Anti-Fraud Strategy;
- incorporated in the Strategy MA uses the tool of the Guidance on Fraud Risk Assessment and Effective and Proportionate Anti-Fraud Measures provided by the Commission;
- training plan;
- close cooperation is established between the affected bodies.

6. CITIZEN'S SUMMARY

The Annual Report 2016 of the Interreg V-A Slovakia-Hungary Cooperation Programme has been prepared pursuant to Annex X of Commission implementing regulation (EU) 2015/207. The report is intended to give a brief overview of the activities that were undertaken in the frame of the programming process, focusing on the year 2016.

In the first half of 2016 the preparation of the first Call for Proposals of the Interreg V-A Slovakia-Hungary Cooperation Programme was in focus. During the 2nd and 3rd Monitoring Committee (MC) meeting, which took place on 9th March (in Budapest) and on 30th June (also in Budapest), the ruling documents and the application package were discussed and approved.

Finally the 1st Call for Proposals (CfP - SKHU/1601) has been launched on 29 July 2016 with an allocation of 67,5 MEUR.

Related to the 1st CfP the programme held 14 Info days, 8 in Hungary and 6 in Slovakia; eventually one info day was held in all eligible counties. These events were organized in cooperation with the self-governing regions and county governments. And as the MC members of the programme, who have extended professional network in the field of cross-border cooperation placed banners on their websites about the launch of the CfP, the number of reached potential applicants was presumably higher than ever before.

The deadline for the submission of the applications for the 1st Call for Proposals was 3rd November in Priority Axis (PA) 1 *“Nature and culture”* and 4 *“Enhancing cross-border cooperation of public authorities and people living in the border area”* and continuous in Priority Axis 2 *“Enhancing cross-border mobility”*. Altogether 348 applications were submitted: 199 in PA1, 145 in PA4, and 4 in PA2. In PA1 Nature and culture the allocated ERDF fund was 25 386 977 EUR 199 applications were submitted with an amount of more than 250 MEUR of ERDF which is ten times higher than the allocated amount. Concerning PA4 the programme had a similar level of interest; the allocated ERDF amount was 7 480 765 EUR, 145 project proposals have arrived with a total ERDF amount of 43 MEUR, which is six times higher than expected. In PA2 the number of applications was relatively low, four proposals were submitted, which can be explained by the fact that applications can be submitted continuously.

On 13th September 2016 the programme organized its opening conference in Belá, SR, which event was merged with this year's European Cooperation Day in Štúrovo with a HUSK flagship project visit (Cargo ferry riding between Esztergom and Štúrovo). The event was open for the public. The number of participants was 112 people.

The planning of the Small Project Fund (SPF) has been ongoing during the year. The Monitoring Committee members on their fourth meeting on 29th November 2016 approved the selection criteria for the umbrella projects. So the SPF call for proposals for the umbrella projects is foreseen in February 2017.

The first Call for Assessors was also launched with the submission deadline of 2nd December 2016. The call was published on the programme's official website, on social

media platforms and advertised by banners – the same way as in case of the Call for Proposals. The interest in the assessors call was unexpectedly high, so the programme has reopened the call to give the opportunity for more application.

The update of the content of the website and social media platforms was also continuous; the 3rd place was awarded to our programme on the Interreg Annual Meeting 2016 by the European Commission on 6th June 2016 in the Best Interreg V website competition. The three language versions, the special section for the visually impaired, the user-friendly platform and the transparent and updated information content was mentioned as the best qualities of our website.

7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS

Not relevant for Interreg V-A SKHU.

8. PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS

8.1. Major projects

Not relevant for Interreg V-A SKHU.

8.2. Joint action plans

Not relevant for Interreg V-A SKHU.

Significant problems encountered and measures taken to overcome them

Not relevant for Interreg V-A SKHU.

PART B

REPORTING SUBMITTED IN YEARS 2017, 2019 AND FINAL IMPLEMENTATION
REPORT

9. ASSESSMENT OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME

9.1. Information in Part A and achieving the objectives of the programme

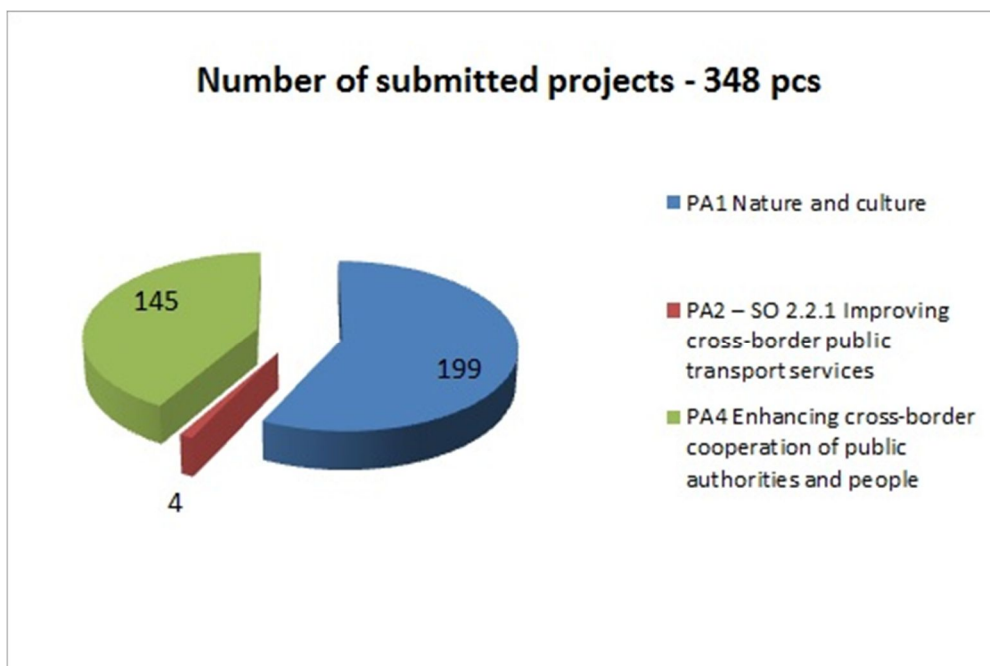
FOR EACH PRIORITY AXIS — Assessment of the information provided above and progress towards achieving the objectives of the programme, including the contribution of the ERDF to changes in the value of result indicators, when evidence is available from evaluations

The first Call for Proposals was launched with the indicative ERDF amount was 67 475 822 EUR and projects proposals were to be selected through open call in Priority Axis 1 and 4. In Priority Axis 2 projects proposals were to be selected through permanently open call as infrastructural projects must have had completed documentation and technical plans with all permissions was needed.

Altogether 348 applications were submitted by the deadline of 3rd November with an amount of 298,4 MEUR of ERDF. Submitted proposals were evaluated based on evaluation criteria approved by the Monitoring Committee. The Managing Authority and Joint Secretariat were responsible for coordination of the assessment process. The admissibility, administrative and eligibility assessment were provided by the Joint Secretariat. Quality assessment will be provided by external assessors using the assessment grids.

The admissibility check of the project proposals, started on 7th November 2016 at the premises of the JS. 346 applications fulfilled the admissibility criteria – that is the timely submission of the signed (and stamped) project proposal on pre-defined format in English language – and applicants were informed about the results by the end of November 2016 by electronic letters. Two applications were rejected because the Lead Beneficiary missed the deadline.

Administrative and eligibility assessment of the project proposals began parallelly with the admissibility check and was conducted by JS staff with the involvement of the members of the Info Points; and was finished until 28th December 2016.



Project proposals could be submitted concerning the full thematic scope (Small Project Fund was not included in the present CfP, The management structure of the Small Project Fund is to be realised through two umbrella projects; for which the call for proposal is expected to be launched in 2017.)

In Applicants' Manual it is specified that all projects must have clear cross-border aspect and projects must demonstrate the additional character of the cross-border approach compared to regional, national, interregional or transnational approaches. In case of soft projects they should demonstrably draw on the results of cross-border cooperation. In the strategic evaluation part of the assessment grids altogether eight points are devoted to the assessment of the aspects of true cross-border cooperation.

Projects must also be in line with existing territorial strategies (e.g. Programs of economic and social development in Slovakia, and in Hungary, development strategies of EGTCs, other regional strategies, etc.) and foster the fulfilment of the objectives thereof. Each project proposal will be approved under a single Priority axis and must contribute to one of the relevant Specific objective. In general, Applicants have to demonstrate how the Project objectives are logically linked to the relevant Programme specific objective. During the evaluation special emphasis is given to the contribution of the projects to programme goals as altogether twenty-two points can be given to project relevance and project environment and coherence. Project contribution to the priorities of the EU Strategy for the Danube Region is also checked during quality assessment.

In each priority axis Applicants shall describe and quantify the project's contribution to the fulfilment of the relevant result indicator. Result indicators have to be fulfilled during sustainability period (5 years duration after the end date of the project) and are measured at the Programme level by the Managing Authority. The contribution to the expected results of

the programme is evaluated under the criterion *Added value and expected results* and can be recompensed by twelve points.

[The following criteria for selection of project proposals were set per priority axis:](#)

As a result of the projects implemented within Priority Axis 1 *Nature and Culture*, new, integrated tourist areas with own products and brand have to be developed. The interventions have to be carried out in an environmentally sound way with a view to guaranteeing the higher attention toward the natural and cultural values of the common region. It was expected that the number of visitors coming from the neighbouring country will significantly grow on each side of the border and long-term, strategic cooperation starts in many small regions for protecting natural and cultural heritage.

As a result of the implementation of activities in Priority Axis 2 *Enhancing cross-border mobility* the density of border crossing road infrastructure has to be increased, travelling time from regional and sub-regional centres to the TEN-T corridors has to be shortened, and consequently the specific greenhouses gas emission has to decrease. Investments have to result in a better connectivity between the urban zones (secondary and tertiary nodes) and the comprehensive and core components of TEN-T network crossing the programming region. The projects are expected to promote also the implementation of measures of the 2nd River Basin Management plan both national level and the Danube River Basin District level coordinated by the ICPDR (Specific Objective 2.1 - Increasing the density between border crossing points along the Hungarian-Slovak border).

Thanks to the planned interventions the interconnectivity of regional centres and sub-centres and the internal permeability of the border region have to be improved. Increase in number of users of public transport facilities has to decrease pollution. The number of cross-border public transport services and the passengers using these services will increase which indirectly improves also the level of social interconnectivity (Specific Objective 2.2.1 - Improving cross-border public transport services).

The planned interventions have to contribute to the improvement of the interconnectivity of regional centres and sub-centres as well as economic areas along the border. Increase in volume of rail and inland waterway transport decreases the pollution. As a result, logistic service providers start to cooperate in order to create synergies across the border. The users of integrated logistics services will increase and in this way economic cohesion of the border area will be strengthened (Specific objective 2.2.2 - Improving cross-border logistic services).

As a result of the activities of the Priority Axis 4 - *Enhancing cross-border cooperation of public authorities and people* internal social cohesion of the programming area has to be strengthened and the level of inter-institutional cooperation, bilingualism as well as the capacities of the institutions participated in and strengthened interest toward cross-border activities and the mutual understanding and mutual rapprochement among the ethnic groups living in the region has to be improved.

Projects under Priority Axes Nature and Culture and Enhancing cross border mobility are also evaluated against rejection criteria. In Priority Axis 2 project partners are responsible for the preparation and implementation of the project, which means that they are not allowed to play an intermediary role. The respect of Article 4 of the Directive 2000/60/EC is also checked. In PA 1 and SO 2.2.1 and SO 2.2.2 road connection within the project can only be complementary investment and can be supported only if it is absolutely necessary for spreading the benefits of the project over the border. Additionally in SO 2.1 projects have to have TEN-T relevance.

In the documents of the call it is described that Applicants shall choose at least one Common or Programme Specific Output Indicator which is the most relevant to the project. Projects not contributing to any predefined Output indicator cannot be supported. In case the project can contribute to more Output indicators, Applicants shall describe and quantify all relevant indicators.

Priority Axis 5 – Technical Assistance:

During the end of 2016 the JS had an active role in the administration and the assessment of the submitted project proposals. The admissibility check of the project proposals, started on 7th November 2016 at the premises of the JS. All project proposal packages that were received in time have been opened. Applicants were informed about the results on 30th November 2016 by electronic letters. Formal and eligibility assessment of the project proposals began parallelly with the admissibility check and was conducted by JS staff with the involvement of the members of the Info Points.

In order to reduce the administrative burden both for the organisation of the management system and for the Beneficiaries the JS was communicating with the Lead Beneficiary through electronic or electronic and postal mail. Moreover during the application phase of the Beneficiaries were encouraged to calculate with the option of flat rate financing for management staff and office and administration cost as it was described in the documents of the first Call for Proposals in line with Articles 67 and 68 of Regulation (EU) No 1303/2013.

Experiences from the implementation of the Hungary-Slovakia Cross-Border Cooperation Programme 2007-2013 showed that the attainment of the valid building permission of the investment projects meant the most time-consuming and sumptuous tasks for the Applicants. In order to speed up the application phase and save financial resources for the Applicants the Monitoring Committee decided that in case the building permissions were not available at the time of submission of the Application, Applicants were required to submit only the proof of the request for building permits with the application form. (Afterwards the Applicants could submit the building permissions not later than three month *after the receipt of the notifying letter on approval* of the project from the Managing Authority.)

In case the project contains construction of border crossing roads, bridges or ferries and land acquisition procedure is necessary, the Call for Proposals is much more permissive; Applicants may submit the building permissions not later than *six month after the receipt of the notifying letter on approval* of the project from the Managing Authority.

The same procedures could be applied in the submission of the Environment Impact Assessment as well.

9.2. Specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations

An assessment of the implementation of specific actions to take into account the principles set out in Article 7 of Regulation (EU) No 1303/2013 on promotion of equality between men and women and non-discrimination, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of specific actions taken to promote equality between men and women and to promote non-discrimination, including accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations

The Programme and each project have to act in respect of Horizontal principles [HP] regardless of the Specific objective addressed. The three principles are the Equal opportunities and non-discrimination, Equality between men and women and Sustainable development. In the present programming period the management bodies introduced specific measures which shall be selected during the application phase and afterwards fulfilled by potential Applicants. Each principle is supported by these measures, some of which shall be applied by Beneficiaries.

Overview of the actions taken to promote horizontal principles of equal opportunities and non-discrimination and the equality between men and women during programme implementation (1st CfP):

Programme specific measures

The Programme and Project specific measures shall ensure that Applicants not only respect the Horizontal principles during the implementation of their projects; but they shall find concrete actions in order to increase awareness of these principles and foster a behavioural change.

During the preparation of the project and filling in the Application Form the Applicants must choose at least one measure concerning each Horizontal principle and describe the project's contribution to its fulfilment from qualitative and quantitative point of view. Applicants shall describe their contribution to the chosen Programme specific measures in the Application form. Selection and the description of the contribution to the Programme specific measures were eligibility requirements of the submitted applications; therefore projects without clear connection to horizontal principles were rejected at the administrative assessment phase of project selection procedure.

Equal opportunities and non-discrimination

Projects shall contribute to prevention from any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation. In particular, projects shall take into account the accessibility of the results for persons with disabilities.

During quality assessment two points can be given to project proposals according to the extent of the project contribution to the specific horizontal measures defined for each Priority Axis.

Programme specific measures regarding Equal opportunities and non-discrimination are the following:

- Project must be transparent and must take into account non-discrimination principles.
- Project ensures accessibility of people with disabilities to newly developed services.
- The project gives preference to the social inclusion and gives advantage to Roma people and to people living in deep poverty.

According to the Applicants' Manual if the project application fails to contribute to any of the PA specific measure the project proposal will be rejected.

Equality between men and women

The projects selected for being granted shall ensure that equality between men and women and the integration of gender perspective should be taken into account and promoted throughout the preparation and implementation as well. The main objective of the principle is to decrease the horizontal and vertical gender segregation in every sector of the economy.

Programme specific measures regarding Equality between men and women are the following:

- Project increases access to employment opportunities for women and supports flexible working hours;
- Project promotes female entrepreneurship and self-employment of women;
- Project ensures minimum 50% in number of women or disadvantaged persons participating in joint education and training activities, events;
- Project supports equal pay initiatives at the workplace.

PA specific measures in the 1st Call for Proposals

However Horizontal principles are applicable regardless of the Priority axes, the Programme introduced specific measures which are applicable only in the frame of the selected Priority axis. Applicants are obliged to choose **at least two PA specific measures** regarding the relevant PA and describe the project's contribution to its fulfilment in the Application Form. Applicants may add other Project specific measures if they are relevant in terms of the project. Predefined project specific measures help the programme bodies to summarize the programme's contribution towards the demolition of barriers in respecting the HPs. Project specific measures are listed as follows.

PA1 – Nature and Culture

- Project shall build environmental and cultural awareness and respect and provide positive experiences for both visitors and hosts.
- Project provides direct benefits for conservation and generates benefits for both local people and local economy.
- Project shall design, construct and operate low energy demand or nearly zero-energy buildings.

PA2 - Enhancing cross-border mobility

- Project shall improve the attractiveness of the border region in order to ensure better accessibility to possible work places thus enhance job creation.
- Project makes available public services in a higher standard for the people living in underdeveloped territories.

PA4 - Enhancing cross-border cooperation of public authorities and people

- Project shall contribute to the accessibility of cross-border education, social and other public services.
- Project improves service provision in the borderland, enhances mutual understanding and bilingualism.
- Project ensures the accessibility of people with disabilities to existing services.

PA specific measures in upcoming Call for Proposals

PA3 - Promoting sustainable and quality employment and supporting labour mobility

In 2016 the Call for Proposal for PA3 is under preparation, but special emphasis will be put on horizontal principles *Equal opportunities and non-discrimination* and *Equality between men and women* as result indicators *O312 Number of women in joint local employment initiatives and joint trainings* and *O313 Number of participants from groups at risk of discrimination, including Roma in joint local employment initiatives and joint trainings* can also be chosen by Applicants. Furthermore project specific indicator *Number of new working places (PS06)* can be selected in all PAs.

9.3. Sustainable development

An assessment of the implementation of actions to take into account the principles set out in Article 8 of Regulation (EU) No 1303/2013 on sustainable development, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of the actions taken to promote sustainable development in accordance with that Article

Overview of the actions taken to promote horizontal principle of sustainable development during programme implementation (1st CFP):

Concerning the preservation of environment the requirements set in the Call for Proposals were elaborated in close cooperation with the relevant authorities (Ministry of Environment of the Slovak Republic). As a consequence applicants had to ensure that the planned activities are in line with the national rules concerning the Environmental Impact Assessment and do not harm Natura 2000 sites.

Obligatory requirements for projects:

According to the Cooperation Programme document three measures concerning the HP are mandatory for all projects. These requirements have to be respected in each project that contains activities concerned. Applicants shall declare in the Application form that these HPs were respected during the preparation and implementation of the project. In case these requirements are not respected, the project will be rejected without any possibility for further completion.

Obligatory requirements defined in the first Call for Proposals– relating to HPs – are the following:

1. Investments negatively affecting nature, fauna and flora, and biodiversity, have to be accompanied by compensatory measures and damage mitigation.
2. Projects including construction and/or renovation works have to choose climate-friendly architectural solutions and cost-optimal levels of energy performance according to the Directive 2010/31/EU.
3. In case of investments to inland waterways and/or infrastructure, projects have to be implemented in accordance with Art. 4 of the Directive 2000/60/EC and the river basin management have to be respected.

Programme specific measures:

The Programme and Project specific measures shall ensure that Applicants not only respect the Horizontal principles during the implementation; but they shall find concrete actions in order to increase awareness of these principles and foster a behavioural change.

Applicants must choose at least one measure concerning each Horizontal principle and describe the project's contribution to its fulfilment from qualitative and quantitative point of view. Applicants shall describe their contribution to the chosen Programme specific measures in the Application form.

Basic pillars of the Sustainable development are the environmental, economic and social sustainability. The main purpose of the sustainable development is to ensure the environmental, social, and economic sustainability with special emphasis on protection and improvement of the environment. During the Programme implementation the Polluter pays principle⁵ have to be applied and the selected projects must contribute to the requirements of environmental protection, resource efficiency, reduction climate change mitigation and adaptation to this change, resistant towards disasters, at the same time enables shift towards the quality prevention of environmental resources.

Programme specific measures regarding Sustainable development are the following:

- Project contributes to the reduction of greenhouse gas emission by reduced usage of hazardous material for the environment;
- Project reduces the consumption of energy, water and limited resources and increase the usage of renewable energy;
- Project increases the energy efficiency and usage of recycled materials;
- The project pays attention to efficiency and rational approach to funds and resources and goes beyond cost-optimal levels according to Directive 2010/31/EU;
- In case project involves purchasing products the requirements set out in Annex III of the Energy Efficiency Directive (2012/27/EU) is respected.

PA specific measures

⁵ The party responsible for producing pollution is responsible for paying for the damage done to the natural environment.

However Horizontal principles are applicable regardless of the Priority axes, the Programme introduced specific measures which are applicable only in the frame of the selected Priority axis. Applicants are obliged to choose at least two PA specific measures regarding the relevant PA and describe the project's contribution to its fulfilment. Applicants may add other Project specific measures if they are relevant in terms of the project. Project specific measures are listed as follows.

PA1 – Nature and Culture

- Project shall build environmental and cultural awareness and respect and provide positive experiences for both visitors and hosts.
- Project provides direct benefits for conservation and generates benefits for both local people and local economy.
- Project shall design, construct and operate low energy demand or nearly zero-energy buildings.

PA2 - Enhancing cross-border mobility

- Project shall improve the attractiveness of the border region in order to ensure better accessibility to possible work places thus enhance job creation.
- Project makes available public services in a higher standard for the people living in underdeveloped territories.

PA4 - Enhancing cross-border cooperation of public authorities and people

- Project shall contribute to the accessibility of cross-border education, social and other public services.
- Project improves service provision in the borderland, enhances mutual understanding and bilingualism.
- Project ensures the accessibility of people with disabilities to existing services.

9.4. Reporting on support used for climate change objectives

Figures calculated automatically by the SFC2014 based on categorisation data. Optional: clarification on the given values

The selected operations of the programme contribute to the requirements of reduction climate change mitigation as explained in chapter 9.3.

9.5. Role of partners in the implementation of the cooperation programme

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

The partnership principle will be properly applied also in the process of implementation, monitoring and evaluation of the programme. The partnership concerning monitoring and evaluation will be enabled through the membership in the MC. Many of the partners currently involved in the preparation of the cooperation programme are foreseen to be involved in the MC in the future. Continuity between the preparation and implementation and monitoring will be ensured through the organisations or people involved in both the preparation and later the

implementation and monitoring. Having a link between preparation and later implementation contributes to good management of the programme and achievement of the objectives.

The members of the Task Force were appointed according to the Commission Delegated Regulation (EU) No 240/2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds. The Monitoring Committee of the programme consists basically of the members of the former members of the Task Force, along the nomination of the regions, respecting the requirements of the regulation:

That is, the Monitoring Committee consists of:

1. Competent regional, local, urban and other public authorities,
2. Economic and social partners,
3. Independent bodies representing civil society, such as environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

Moreover, to ensure the smooth management of the processes the member states agreed that some of the members (observers) are representing themselves either in a rotating system (e.g. EGTCs) or memberships of some of the institutions are divided between the two countries (e.g. chamber of commerce and industry is nominated only from Slovak Republic).

MC members were involved so far in the communication of the objectives of the programme. They also contributed to the promotion of the first Call for Proposals as they were asked to put banners to their official website about the launch and the deadline of the first CfP. Regions and Info Points were also involved in the organisation and the management of the Info Days. It is also agreed that regions shall express their interests for the actions of Priority Axis 3 *Promoting sustainable and quality employment* by filling a questionnaire on the needs of the regions.

10. OBLIGATORY INFORMATION AND ASSESSMENT

10.1. Progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations

The Evaluation plan of the Interreg V-A Slovakia-Hungary Cooperation Programme sets out the evaluation strategy for the entire implementation period of the programme, taking into account the lessons learned from evaluations made in previous programming periods. The plan is meant to facilitate informed programme management and policy decisions and to support programme implementation and its result orientation. It sets out the framework to properly plan and implement quality programme evaluations with the aim to secure the effective and efficient programme implementation and fulfilment of required impacts.

Evaluation(s) shall be carried out to improve the quality of the implementation of programme, as well as to assess their effectiveness, efficiency and impact. Effectiveness refers to the degree to which set objectives and targets are achieved. Efficiency refers to the use of financial/administrative resources in relation to outputs and results. Impact evaluation

assesses how the support from the ERDF has contributed to the objectives for each priority axis.

Evaluation of efficiency and effectiveness of the programme will be performed two times during the programme duration. First one in beginning of 2018, to feed the AIR 2017 and the second one in beginning of 2020, to feed the AIR 2019. Impact evaluations is planned to be carried out in time to feed the report on evaluation results due by 31 December 2022.

10.2. The results of the information and publicity measures of the Funds carried out under the communication strategy

Several tasks was planned and completed regarding information and publicity activities in 2016.

The promotion of the corporate identity created for the Interreg V-A SKHU programme was ongoing in 2016. The promotion of the first call for proposals (CfP) on online platforms, the info days and the unified appearance of programme's documents, emails and letters supported this activity. The target group of this activity included various sectors: the general public, potential beneficiaries, media/press organizations, programme bodies, government departments and agencies, EU related organizations. The aim was to strengthen the association between the programme and its visual elements.

The website was fully operation in 2016. Minor corrections took place to fix some bugs that were found during the daily usage of the site. The content was continuously updated (News, Calendar, CfP, FAQ) on the page based on the needs of the target groups and the actual status of the programme. The target group of the website related communication was mainly the potential beneficiaries due to the current stage of the life of the programme. It contains, though, interesting information for the media/press and the general public, as well.

The [Facebook](#) page of the new programme is a well performing information source for the target group. 69 posts were published last year. The programme reached the highest visibility with the promotion of the first call for proposals (5 428 reaches) and the recruitment announcement (3 240 reaches).

The programme decided to use the professional [LinkedIn](#) community site to enhance the partner search. The programme page was launched; its promotion however was not strong enough. The page has many connections in its network but the partner-search tool did not attract many people. This is a field where the programme needs to put more effort in, and consider whether it would be more effective to use an alternative partner-search tool (e.g.: event) parallel with this site.

The main target group of the communication through social media channels was our applicants and potential applicants in case of the Interreg SKHU programme. It is a very effective way to spread news quickly and also to raise awareness among those who are just interested in the issues of the border area, as well as to direct the visitors to the official website of the programme.

For the fifth anniversary of the European Cooperation Day the programme organized its opening conference. The event was free and available for everyone but bound to registration. Approximately the half of the participants was those who are participating in the implementation of the programme (monitoring committee members). Others were those who are involved or interested in joining the programme as applicants. The program started with a conference in Belá (Slovakia) where the ambassadors from both countries, the high management of the Managing and National Authority as well as the representatives of the European Commission took part and gave a speech. During the second half of the event the participants jointly visited a HUSK project site and had a cargo ferry ride between Štúrovo and Esztergom, whose operation was supported from the HUSK CBC 2007-2013 programme.

Related to the first Call for proposals the Joint Secretariat organized altogether 14 info days with more than 700 interested potential applicants in both countries. 6 info days in Slovakia, 8 in Hungary took place with the cooperation of the self-governing regions and county governments, who are also voting members of the Monitoring Committee, as well as other external partners who has extended professional network in the field of cross-border cooperation.

Small promotional materials decorated with the programme logo were prepared and a part of them was distributed during the MC meetings and the opening conference to promote the corporate identity of the programme. Printed leaflets were prepared internally with info graphics for the information days (guides). However, the audience did not show much interest in paper format but in electronic version therefore the prepared materials were uploaded to the programme website and also sent to the participants of the info-days.

During the first CfP and the opening conference the JS reached out to the local media (county level online sites) on both sides of the border, as well as local EC representations. Major news was taken over by the regional media platforms, mostly by the online news portals. During the info days the regional TV stations came on site and made interviews with the heads of the local governments and the members of JS. After one year of building media relations this result is acceptable. This network needs to be further developed and widened in the future.

The possibility to have consultations with any member of the JS has been open for many years now. It was the same this year as well. The JS ensured that everyone has access to information on national languages during personal consultations and on info days. The JS is available on the phone and email also.

Most of the communication activities in 2016 were aimed at potential applicants and after the submission of project proposals to the applicants. The general public and the media were also targeted parallel with the potential applicants. The programme goals and visions were promoted, however the launch of the programme and the involvement of as many institutions as possible was more highlighted during the activities. The setup of media connections has also been started. In summary, approximately 70% of the information and publicity activities were aimed at the potential applicants, and 30% to the general public and the media. All activities, used tools and channels emphasized that the programme is an EU funded

initiative, and that it is a continuation of a previous EU programme. We used not only verbal or written materials to that but the new corporate identity shall support this idea. The new logo in its visual appearance is a modern, re-thought version of the old logo. This way we wanted to ensure that the already existing awareness towards the Slovak-Hungarian cooperation, and thus the financial support of the European Union can be channeled to the new programme. Used budget in 2016

Tools used in 2016	Total net budget until 2023 (EUR)	Total net budget 2016 (EUR)	Comment
Creation of corporate identity for the Interreg V-A Slovakia-Hungary Cooperation Programme	N/A	N/A	financed from HUSK TA
Interreg SKHU website – first development of trilingual new website, with back office function and maintenance till the end 2015	N/A	N/A	financed from HUSK TA
Interreg SKHU website development and monthly maintenance until 2023	36 800,00	1 935,00	SKHU TA
Social media activities			staff costs from SKHU TA
Newsletters			staff costs from SKHU TA
Events (workshops, LP seminars, Info days, EC Days, conferences, MC and internal meetings)	243 880,00	17 812,00	SKHU TA
Promotion materials (giveaways and printed promotional materials)	30 000,00	4 553,50	SKHU TA
Publications (printed or audio-visual materials)	15 000,00	0,00	SKHU TA
Media (promotion, advertisements)	36 000,00	0,00	SKHU TA

Communication objectives and indicators

The indicators are defined in the Communication strategy of the Interreg Slovakia-Hungary Cooperation Programme. Column 'Present number' is showing the actual values by the end of the reporting period.

CO1 Raise awareness about the INTERREG SKHU programme

Objectives	Target group	Activity type	Name of indicator	Unit of measurement	Base number	Present number	Target number
SO 1.1 Promote the funding opportunities offered by the programme and by disseminating its results	General public Potential and final beneficiaries Media/press organizations	Digital platforms: - website - social media - newsletter - online publications - media - branding Offline platforms: - events (info days, promotion events) - publications (books, leaflets) - promotional materials - personal consultations - branding	No. of newsletter subscriptions	pc	0	140	2000
			No. of public events organized by the programme	pc	0	1	10
SO 1.2 Facilitate project communication	Final beneficiaries	Digital platforms: - website,- social media - newsletter - online publications - media - branding Offline platforms: - events (trainings) - publications (books) - branding - personal consultations	No. of media appearances of projects	pc	0	0	500

Description of the actual value of indicators (Column 'Present number')

SO 1.1 Promote the funding opportunities offered by the programme and by disseminating its results

- No. of newsletter subscriptions (140): the number of subscribed people is taken from the database in CMS of the website.
- No. of public events organized by the programme (1): Opening conference (organized in Belá, Slovak Republic).

SO 1.2 Facilitate project communication

- No. of media appearances of projects (0): the present number is zero because we have no running projects yet.

CO2 Ensure the adequacy of project level information

Objectives	Target group	Activity type	Name of indicator	Unit of measurement	Base number	Present number	Target number
SO 2.1 Ensure the adequacy among the publicity measures, the target groups and the objectives	Final beneficiaries General public Potential and final beneficiaries Programme bodies Government departments and agencies EU related organizations Media/press organizations	Digital platforms: - website - social media - newsletter - online publications - media Offline platforms: - events (info days, application seminars) - publications (leaflets) - promotional materials - personal consultations	No. of events (info days, seminars, public events)	pc	0	15	30
			No. of downloads of key documents (application package, ruling documents)	pc	0	0	3000
SO 2.2 Ensure the proper quality of information	Potential and final beneficiaries	Digital platforms: - website Offline platforms: - events (trainings, Lead Beneficiary seminars) - personal consultations	Satisfactory level based on event feedback form relevant questions	score	n/r	4,3	4

Description of the actual value of indicators (Column 'Present number')

SO 2.1 Ensure the adequacy among the publicity measures, the target groups and the objectives

- No. of events (info days, seminars, public events) (15) – 14 info days, 1 opening conference
- No. of downloads of key documents (application package, ruling documents) (0) – the counting process of the downloaded documents was not built in the website. It needed to be developed by the maintenance company. This process is up and running from 2017.

SO 2.2 Ensure the proper quality of information

- Satisfactory level based on event feedback form relevant questions (4,3) – after every external event (info days) a feedback form was sent out to the participants of the event, which asked for their opinion about the quality of the event. The feedback form helps the JS to develop the events if needed, and its anonymity ensures that JS receives honest responses.

11. ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME

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

According to the analysis of the programme area the mobility of cross-border labour force is mostly determined by the level of the unemployment rate, the language shortages of the labour force and the lack of infrastructural conditions. In order to improve the employment and to enhance the labour force mobility in the border area, utilization of endogenous potentials, implementation of local initiatives and local employment strategies are needed; also the level of cooperation between small and medium sized enterprises and qualification level of the labour force shall be increased. The Priority axis 3 [PA3] – Promoting sustainable and quality employment and supporting labour mobility – focuses on the development of key conditions for improving labour mobility and puts emphasis on the integration of the cross-border labour market. PA3 fosters creation of employment opportunities based on endogenous potentials and development strategies and improves the accessibility to job opportunities and to cultural and natural resources as well.

Since single projects can hardly guarantee the fulfilment of the expected results in PA3 each project shall be implemented as part of a complex territorial development plan called Territorial action plan for employment [TAPE]. In TAPE applicants shall clearly identify territorial needs of employment on the appointed border area and answer these needs by proposing interrelated group of projects with an overall view to create new jobs and enhancing cross-border labour mobility. Each TAPE shall contain several project proposals that are in synergic relation and are absolutely necessary for the overall success of the TAPE. In TAPE applicants shall describe the key parameters of each project proposal including the necessary financial, human and time resources and introduce all stakeholders responsible for the implementation.

TAPE is the first relevant step towards the integrated approach to territorial development, including sustainable urban development, and community-led local development.

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

Not relevant for Interreg V-A SKHU.

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

Projects financed within the framework of the Programme are justifying their contribution to macro-regional strategies by the following ways:

During the preparation phase in the Application Form applicants are asked to evaluate on the contribution to synergies with macro-regional strategies, other policies, programmes and projects. Moreover in Priority Axis 1 during quality assessment project coherence is also assessed as altogether six points can be gives to the contribution to higher level territorial strategies.

Moreover in the assessment phase in case a project proves to contribute to one of the Priority Areas of the EU Strategy for the Danube Region based on its action plan (SEC(2010) 1489 final, available here:

http://dunaregiostrategia.kormany.hu/download/3/a9/10000/DRS_Action_Plan_-_08_12_2010.pdf), extra points could be awarded during evaluation.

11.4. Progress in the implementation of actions in the field of social innovation

Not relevant for Interreg V-A SKHU.

12. FINANCIAL INFORMATION AT PRIORITY AXIS AND PROGRAMME LEVEL

For the purpose of assessing progress towards the achievement of milestones and targets set for financial indicators in the years 2018 and 2023.

	13	14
	Data for the purpose of the performance review and performance framework	
	Only for report submitted in 2019: Total eligible expenditure incurred and paid by beneficiaries and certified to the Commission by 31/12/2018 Article 21(2) of Regulation (EU) No 1303/2013	Only for final implementation report: Total eligible expenditure incurred and paid by beneficiaries by 31/12/2023 and certified to the Commission Article 22(7) of Regulation (EU) No 1303/2013
Priority axis 1		
Priority axis 2		
Priority axis 3		
Priority axis 4		
Priority axis 5		
Total		

PART C

REPORTING SUBMITTED IN YEAR 2019 AND FINAL IMPLEMENTATION REPORT

13. SMART, SUSTAINABLE AND INCLUSIVE GROWTH

Information and assessment of the programme contribution to achieving the Union strategy for smart, sustainable and inclusive growth. *(Input 17 500)*

14. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN — PERFORMANCE FRAMEWORK

Where the assessment of progress made with regard to the milestones and targets set out in the performance framework demonstrates that certain milestones and targets have not been achieved, Member States should outline the underlying reasons for failure to achieve these milestones in the report of 2019 (for milestones) and in the final implementation report (for targets). *(Input 7000)*