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European Union
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Cooperation Programme Document – Draft 1. Version 2

28 August 2014

OP_DRAFT1_DV2

**Cross-border Cooperation Programme Romania– Hungary 2014-
2020**
under the European territorial cooperation goal



DRAFT COOPERATION PROGRAMME DOCUMENT

Draft 1, Version 2.0

This programme has been prepared by the Joint Working Group (JWG) of Romania and Hungary and has been supported by the Consortium of:

MEGAKOM Development Consultants



ICG Ex Ante



This version has been elaborated in line with the Commission Implementing Regulation (EU) No 288/2014 of 25 February 2014 laying down rules pursuant to Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund with regard to the model for operational programmes under the Investment for growth and jobs goal and pursuant to Regulation (EU) No 1299/2013 of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal with regard to the model for cooperation programmes under the European territorial cooperation goal

This document is a draft intended for public consultation. As such, the document is subject to change, and is not to be quoted, cited in any reference, or used by anyone for any other purpose.

Contents of this document are subject to change until its final adoption by the European Commission.



CCI	<0.1 type='S' maxlength='15' input='S'> ¹
Title	Cross-Border Cooperation Programme between Romania and Hungary (RO-HU CBC)
Version	Draft 1, Version No. 2
First year	2014
Last year	2020
Eligible from	1 January 2014
Eligible until	31 December 2023
EC decision number	<0.8 type='S' input='G'>>
EC decision date	<0.9 type='D' input='G'>>
MS amending decision number	<0.10 type='S' maxlength='20' input='M'>>
MS amending decision date	<0.11 type='D' input='M'>>
MS amending decision entry into force date	<0.12 type='D' input='M'>>
NUTS regions covered by the cooperation programme	<p>EU Member States</p> <p>Romania NUTS III regions: Satu Mare County Bihor County Arad County Timiș County</p> <p>Hungary NUTS III regions: Szabolcs-Szatmár-Bereg County Hajdú-Bihar County Békés County Csongrád County</p>

¹

Legend:

*type: N=Number, D=Date, S=String, C=Checkbox, P=Percentage, B=Boolean
decision: N=Not part of the Commission decision approving the cooperation programme
input: M=Manual, S=Selection, G=Generated by system*

“maxlength”= Maximum number of characters including spaces.



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LIST OF ABBREVIATION



EXECUTIVE SUMMARY



INTRODUCTION

The present document is the first draft of the ***Cross-border Cooperation Programme between Romania and Hungary under the European territorial cooperation goal***. It has been prepared by the Joint Working Group, the body responsible for the preparation of the joint programme in the eligible border area. The Programme document has been elaborated using the template as provided by the European Commission.

The main goal of this draft is to provide all necessary information to serve as a solid basis for further discussions within the JWG and also for the consultation process with various stakeholders.

This draft programme document is the result of a thorough planning process that started already in early 2013, and was coordinated by the Joint Working Group, with the support of the Joint Technical Secretariat and of external consultants. As a first step of this process, a socio-economic analysis of the eligible area was carried out, resulting in the preparation of the so-called *Strategic Territorial Analysis (STA)*. This document provides a detailed overview of the eligible border area, its key problems, challenges and potentials. The next step was the design of a joint strategy set out to address the main challenges identified and exploit the joint potentials of the eligible border area. The strategy is presented in due details in the *Common Territorial Strategy (CTS)* document.

The preparation of both documents relied on an extensive consultation process enabling every important stakeholder to get actively involved and contribute to the design of the joint strategy. Both the STA, and then subsequently the CTS were thoroughly discussed and then officially approved by the Joint Working Group.

Since references are made in the Programme and conclusions and findings are included, the full versions of the STA and the CTS - providing complementary information - are available in Annex I-II of the present document.



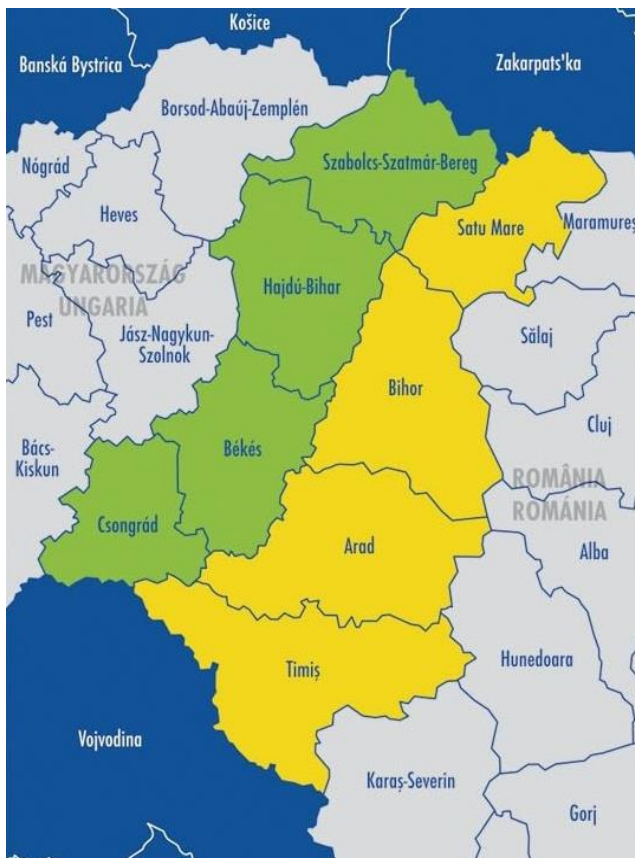
1 SECTION 1: UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION

1.1 Strategy for the cooperation programme's contribution to the Union strategy...

(...for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion)

1.1.1 Description of 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

1.1.1.1 Designation of the area



The Cross-border Cooperation Programme between Romania and Hungary is the continuation of the Hungary-Romania Cross-border Cooperation Programme 2007-2013. When designing the Programme the Member States declared the same eligible area. The eligible area under analysis consists of eight counties (NUTS III regions) in Hungary and Romania: Szabolcs-Szatmár-Bereg, Hajdú-Bihar, Békés and Csongrád in former; Satu Mare, Bihor, Arad and Timiș in latter. These counties are included in the following NUTS II regions in Romania: North-West (RO11): Bihor County, Satu Mare County, West (RO42): Arad County, Timiș County. In Hungary: NUTS II Northern Great Plain (HU32): Hajdú-Bihar County, Szabolcs-Szatmár-Bereg County, Southern Great Plain (HU33): Békés County, Csongrád County. These counties combine an area of over 50 thousand km², representing

15.2% of the two countries' territory (23.7% of Hungary and 11.9% of Romania, resp.). The counties' surface varies within the range of 4,263 km² (Csongrád) and 8,697 km² (Timiș – which is also the largest county of Romania).

According to the latest census, in 2011 in Hungary there were 9,985,722, in Romania 19,042,936² inhabitants (in the European Union – 28 member states: 505,7 million). The cross-border counties unite almost 4 million people, representing 12.7% of the two countries' inhabitants. The county with the biggest population in the eligible area is Timiș,

² Provisional census data, official results has not yet been published.



with 680 thousand inhabitants (17% of the eligible area population), while Satu Mare, with 362 thousand people is the smallest (9% of population of the eligible area). On the other side of the border, the population of the Hungarian counties falls between 9 and 14% of the eligible area population. In terms of population, the biggest Hungarian county in the region, Szabolcs-Szatmár-Bereg is still far behind Timiș, while Békés, the smallest one is on the same level as Satu Mare. Consequently, Timiș and Szabolcs-Szatmár-Bereg are the biggest counties in the eligible area, having the majority of the region's population.

1.1.1.2 Key conclusions from the analysis of the current socio-economic situation

Demography

The eligible area has a major contribution to the whole population of Hungary and Romania, representing 12.7% of the two countries' total number of inhabitants. This fact is accompanied by the decreasing population of the region in the past years that is a result of – among others – negative net migration. Slight differences can be observed between the Hungarian and Romanian part regarding the net migration: with the exception of Csongrád, all Hungarian border county suffered from negative net migration compared to the Romanian ones.

The figures are also remarkable mainly for the benefit of the Romanian side. The eligible area can be characterized as rural with a few important large cities accompanied by a number of smaller cities. The majority of the population centres in the vicinity of the county capitals and bigger cities.

The population density is well below the national and EU28 average in the case of each county although the Hungarian ones *are more densely populated than their Romanian counterparts*.

The proportion of Hungarian minority in the Romanian counties ranges between 9% and 34%, with major differences between counties; on the other hand, in the Hungarian counties the proportion of Romanian minority varies among 0% and 1%. Despite the imbalance between the two countries, this provides good opportunities for cooperation initiatives.

The proportion of Roma population is significant in the entire eligible area, with some internal differences. Given that the majority of Roma families live under the poverty threshold, this is a major social challenge and long-term social risk.

Economy and labour market

The analysis of the economy and labour market of the counties and the region clearly demonstrates that the region produces a smaller portion of the two countries' GDP (11.3%) than its population share, so – based on this indicator - the economic performance of the eligible area is relatively modest compared to the other parts of the countries. Six of the eight counties have a smaller share of national GDP than their population: only Arad and Timiș are more productive than their national average in this respect. In the Hungarian part Szabolcs-Szatmár-Bereg is regarded to be the only county the GDP share of which is much lower than its population share (by 2.5%).



The position of Timiș is well established as the county produces the biggest part (25.9%) of the total GDP of the eligible area.

The development of the counties in the eligible area is far behind the EU level and according to the widely accepted threshold of 75%, the region is amongst the “less developed” ones within the EU.

Between 2001 and 2010 all counties’ GDP per capita rose: especially the Romanian counties experienced significant increase; however, increase in GDP per capita in Békés county still remained below the EU28 development.

On a ten-year comparison, the overall GDP-share between the three main sectors did not change fundamentally. The Romanian counties’ GDP depends more on industrial output, while the Hungarian counties owe a larger share of GDP in services, especially to public administration and community services/activities of households.

There is a trend of the decreasing proportion of agriculture in the economy, accompanied by corresponding rise of the industrial sector while services still uphold their leading position in this figure.

With regard to business infrastructure, the number of industrial parks is much higher on the Hungarian side of the border, while the number of business incubators is quite similar to the one on the Romanian side of the border. In addition to the sheer number, the rate of occupancy is also a crucial issue: it is obvious, that there are a number of facilities that are unused, while the ones around the larger cities are better performing, with high occupancy rate. The currently operating incubators mainly attract start-up enterprises; on the other hand, there is a lack of business incubators that could actually support technology transfer processes and help the technology development of SMEs.

The eligible area is lagging behind in the level of development of ICT infrastructure in comparison to the EU28+4, with some internal differences, though the proliferation of mobile Internet devices is likely to gradually close this gap.

The labour market data show a negative picture: the total number of economically active population in the eligible area decreased since 2001 and the share of total active population within total population show a lower figure for all participating counties than the EU average. Regarding the change of the employment rate between 2001 and 2009, Timiș experienced the biggest growth (8%) and Szabolcs-Szatmár-Bereg the most significant decline (9%) in the given period. According to the changing importance of the different sectors, most of the border population is employed in the industry and services. This shows similarity with the distribution of the national GDP among the sectors as well.

The long-term unemployment rate of the Hungary-Romania eligible area is somewhat higher than the EU28+4 value, the other CBC areas and the Romanian national average, but it is lower than the Hungarian national average ratio.

Labour market forecasts aimed at predicting the change in number of persons in labour force between 2005 and 2050 presume significant labour force reductions by 2050 for the complete CBC area³. In the Hungarian counties most of the unemployed population belongs

³ Source: ESPON Factsheet Hungary-Romania, ESPON Project TERREVI, November 2012



to the age group between 35 and 39. The share of unemployed is the highest among those who have completed the 8th grade, vocational education or obtained a high school degree.

Education, research and development

The share of the total population having completed at least upper secondary education is above the EU28 average both in Hungary and Romania. However, school expectancy in Romania is below the EU28 value (EU28: 17,3 year, Hungary: 17,7 year, Romania: 16,6 year), and the relatively high number of people leaving school early also presents a problem.

There is a vivid academic life in the eligible area with several universities and colleges, giving more than 200,000 students the opportunity to attend higher educational institutions. The counties with the largest universities – especially Hajdú-Bihar, Csongrád and Timiș - have a large number of R&D personnel employed, offering an excellent R&DI resource to capitalize on in the eligible area's economy.

Concerning the level of R&D expenditure, most of the counties are lagging behind the EU28 average. However, Hajdú-Bihar and Csongrád in Hungary exceed the EU27 average, and the Romanian counties – especially Timiș and Arad – have constantly increased their R&D expenditures in recent years. These figures demonstrate that the primary R&D centres are the universities of these four counties in the eligible area, offering an outstanding innovation potential. Most Romanian counties have experienced significant increase and the national goal within the Europe 2020 strategy aims to hold up this tendency.

Environment, energy, climate change; risk prevention and management

The natural environment and its protection is a key issue for both Hungary and Romania, also due to the fact that extensive Natura2000 areas are present.

Regarding the carbon dioxide emissions, the Romanian figures are showing an increasing trend after reaching their lowest level in 2010. The Hungarian emission indicators, on the other hand, have stagnated in the last years, and this trend seems to remain flat for the coming years as well.

Between 2005 and 2011 significant development of sewerage pipe networks took place in both countries. Regarding the improvement of the drinking water network, Romania outperformed Hungary. This is mainly due to the fact that the Hungarian drinking water network has already undergone significant improvements as compared to the Romanian network.

The arsenic content of well-waters in some part of Hungary is high. This issue is being addressed by a complex drinking water quality improvement programme in the concerned settlements.

In terms of energy mix, Romania consumes mainly natural gas, but the share of energy from renewable sources is also remarkably high comparing to Hungary and even to the EU28 average. In the researched Hungarian counties, though the share of natural gas is relatively high (38%), this is expected to decline – with the share of petroleum products and nuclear energy as well – in the period of 2014-2020.



Regarding the distribution of renewable energy production the proportion of biomass and renewable wastes exceeds the EU28 average in both countries. The share of hydropower is also higher in Romania than the EU28 value; however, regarding other forms of renewable energy, both countries lag behind the EU28 average.

While the eligible area is rich in thermal water, it is far from being used to its full potential for energy-generating purposes. The conditions for harvesting solar power are also above average in the eligible area – significant progress was made in this field on the Romanian side, while the Hungarian part is lagging behind. Altogether, better use of solar energy also offers an important potential.

The eligible area can expect – with some internal differences – low to medium level of negative impacts of climate change⁴. This – combined with a modest capacity to adapt to the effects of climate change results in a fairly high level of vulnerability to the effects of climate change. More specifically, the increase of weather extremities may result in increased risks of floods, while the significant increase of mean temperature can lead to more frequent droughts.

The eligible area is rich in water resources – both surface water and groundwater. With the increasing global importance of water – if properly managed - this could be an important common asset of the area.

Infrastructure and mobility

The busiest border crossing points - considering the number of vehicles per day travelling to Hungary or Romania - are Ártánd-Borş, Nagylak-Nădlac and Csengersima-Petea. Vehicles passing the border crossing points are mostly small/family cars (59% towards Hungary, 60% towards Romania), trucks (40% towards Hungary, 38% towards Romania), while the share of buses or bicycles is not significant (0-1%).

Improvements of transport infrastructure are in progress within the region in Romania and in Hungary alike. Both countries are planning to construct connecting motorways, although the completion date is still many years ahead. There is no north-south motorway constructions planned which would directly connect the whole region.

There are currently five railroads that cross the Hungarian-Romanian border. The analysis suggests that further development of the railway system would be beneficial. The main problem with the railroads is the lack of electrification (solely the railway between Békéscsaba and Salonta is electrified). Because of the long travel time railway traffic is insignificant compared to the road traffic.

There are five international airports (Debrecen, Arad, Oradea, Satu Mare, Timișoara) in the eligible area - partly with scheduled flights to foreign countries. The most significant one is in Timișoara with 1,035,929 passengers in 2012.

Transboundary rivers are actually unused as transport routes – neither between Romania and Hungary, nor within each country.

⁴ Source: ESPON Factsheet Hungary-Romania, ESPON Project TERREVI, November 2012



Bicycles are the least significant within the distribution of vehicles passing the border crossing points (cc. 1%).

Tourism and leisure

Although the Hungarian counties have a larger accommodation capacity, the counties on the two sides of the border have a similar number of visitor nights spent each year.

The tourists in the eligible area are primarily of domestic origin: the share of foreign visitors is fairly low in the eligible area, much lower than the EU28, or even the Hungarian average, and barely 1% higher than the Romanian national average.

This is regrettable, as the eligible area is rich in (potential) touristic attractions – mainly natural and cultural heritage sites. In order to become exciting attractions, however, many of these rundown facilities require investments aimed at their improvement, as well as the improvement of related touristic facilities, services and proper communication.

The main types of tourism in the eligible area include spa and health tourism, cultural tourism, active and sports tourism as well as rural tourism.

There is a rich offer of attractive events in the eligible area, but these are mostly neither properly coordinated (not even on national level, let alone across the border) nor professionally marketed. In the eligible area one can see many standalone propositions, but only a small number of well designed, internationally competitive cross-border programme packages and tourism destinations.

Society and health care

Similarly to the general situation of Europe, the population of the eligible area is aging; however, a minor decreasing trend is observable in Arad and Timiș counties. There is no major difference in the share of people above the age of 65 as the proportion of the total population between the counties. However, having a look at the historical data, in most of the counties – with the exception of Bihor, Arad and Timiș – there was a significant increase. The largest change can be seen in Csongrád (8.5%).

Both in Hungary and in Romania the share of the population at risk of poverty, severely materially deprived or living in households with very low work intensity is far above the EU average. However, trends are more favourable in Romania as this ratio has been declining since 2007, while the opposite is observable in case of Hungary.

In terms of health care, there is a major difference between the conditions (facilities and staff) of the two countries that partly derives from the differences in per capita total spending, but also the low level of investments in infrastructure development in the Romanian side of the eligible area. Currently, the quality of health care services is higher in Hungary, which results in health care migration between the two countries – mainly from Romania to Hungary. This is a challenge in itself, further exacerbated by the fact that mutual financing of health care services by the National Health Insurance systems is solved, even though there is a relevant EC directive in place.



1.1.1.3 Identification of the main challenges and untapped potentials

In the course of the strategic programming the main challenges and the untapped potentials are identified based on the statements of the SWOT analysis in Strategic Territorial Analysis – in compliance with the requirements formulated in the Aide Memoire (2014) 126651 – 21/01/2014. Main challenges and untapped potentials were identified for all 11 TOs and numbered for need on further identification (hereinafter: challenges: CH, potentials: P) as follows. In addition to that the SWOT analyses can be found in the CTS, in Annex II.

TO1 Strengthening research, technological development and innovation

CH1. As a result of the low level of RTDI expenditure and the lack of sectoral focus of the research activities the innovation potential of the eligible area is not used to its full potential.
P1. The universities of the eligible area have a strong academic background and RTDI capacity providing a good foundation for better utilizing research results.

TO2 Enhancing access to, and use and quality of, ICT

CH2. The ICT indicators reflect modest level of ICT development; this limits the competitiveness of the eligible area.
CH3. Social and territorial disparities of ICT development level within the eligible area reduce the competitiveness of the business sector, as well as of the population as labour force in the less developed territories.
P2. Rapid proliferation of mobile internet devices (and mobile internet) gradually eliminates major territorial differences in the access to the internet and in the benefits of using ICT.

TO3 Enhancing the competitiveness of SMEs

CH4. Sustaining administrative burdens and lack of trust hinder more widespread cooperation of businesses, which has a long-term negative influence on economic performance and attractiveness of the eligible area.
CH5. The technology transfer processes and the innovation potential of SMEs are weak.
CH6. Although a number of industries are present in the eligible area, the lack of sectoral focus makes the comprehensive and concentrated economic development of the whole cross-border region difficult.
P3. The 4 million population of the eligible area, including 8 large cities represent not only a potential joint market, but also a competitive labour force pool for SMEs.
P4. Local SMEs – based on their traditional (partly agricultural) quality products – could sell more of their products within the wider (cross-border) region, which is essential for the better economic performance of the eligible area.
P5. Better utilisation of the existing business infrastructure and – if necessary – building new facilities in appropriate locations in order to contribute to the stability and the interconnection of the joint economy of the eligible area.

TO4 Supporting the shift towards a low-carbon economy in all sectors

CH7. Existing power plants are mainly outdated and rarely use renewable sources of energy, which increases the energy dependence of the eligible area.
CH8. The inadequate energy efficiency of the public infrastructure increases the dependence on energy resources and energy import of the eligible area.



P6. The eligible area has remarkable geothermal, solar, wind, hydropower, and biomass capacity offering a strong potential for increasing the currently modest share of renewable sources of energy in total energy consumption (which is much lower in the Hungarian side of the area).

TO5 Promoting climate change adaptation, risk prevention and management

CH9. Natural disasters and civilization-origin hazards threaten localities (e.g. risk of floods threatens 376 localities including their population, businesses and agriculture which cause permanent uncertainty and material damages).

CH10. The eligible area can expect a strong increase in mean temperature in summer days, and a strong decrease in frost days; and sudden changes in precipitation during summer months, which requires higher adaptation of agriculture and other sectors.

P7. Population has growing sensibility to environmental issues, which is an important stimulating factor for climate change adaptation and risk prevention.

TO6 Preserving and protecting the environment and promoting resource efficiency

CH11. Increasing human activity in agriculture, forestry, transport, certain industrial sectors, and tourism and the increasing amount of the municipal solid waste may threaten the nature (air pollution, water pollution, biodiversity loss, etc.), which causes a reduction in quality of life.

CH12. The insufficient public transport links to the sights, the lack of the tourism infrastructure, services, and programme packages reduce the attractiveness of the eligible area and make the joint development of complementary attractions difficult.

CH13. The eligible area is rich in surface water – preserving its quantity and quality requires coordination and major resources.

P8. Joint natural assets, primarily water – if properly protected and managed – could be important common assets of the eligible area because of the increasing global importance of surface and ground-water (irrigation, energy production, drinking water, spa and health tourism).

P9. With common waste collection and management the rate of the municipal solid waste stored in landfills can be reduced and the rate of the recycled and composted waste can further increase, which results in better resource efficiency.

P10. Natural, historical and cultural heritages of the eligible area (thermal water and spas, natural protected areas, theatres, cultural institutions, castles, churches, watermills and other historical and archaeological sites) provide stable base for the higher level of cross-border/international tourism and institutions, which help to preserve the cultural heritage (cultural cradle).

TO7 Promoting sustainable transport and removing bottlenecks in key network infrastructures

CH14. Deficiencies of the cross-border public transportation system (railway and bus) hinder the economic and labour market integration and indirectly make difficult the achievement of the CO2 reduction targets.

CH15. Problems with the density and the quality of roads with cross-border impact cause mobility inconveniences (long access time, risk of accidents, etc.) directly and economic disadvantages indirectly.



CH16. Shortcomings of the bicycle road infrastructure weaken the mobility of people living in the border area.

P11. The new border crossing points can multiply the mutually beneficial interactions between people and businesses living and functioning in the border region.

P12. Existing and potential new logistic centres contribute to enhancement of cross-border transport and business connections.

P13. Development of bicycle road network can contribute to increase the mobility of people and to better exploit the touristic potential of the border area.

TO8 Promoting sustainable and quality employment and supporting labour mobility

CH17. Due to the weak economic potential of the eligible area and to the partial lack of adequate job opportunities the selective outmigration is growing. Because of it and of the natural decrease of the population the labour force potential of the eligible area in decline, In the long run, this self-reinforcing process weakens the economic performance of the cross-border region.

CH18. Administrative obstacles, language issues, improper flow of information make cross-border labour market mobility marginal and the development of a joint labour market more difficult.

P14. Development of joint labour market – through elimination of institutional and administrative obstacles – can reduce the intraregional and cross-border differences in employment levels and can raise the activity and employment rate and mitigate structural problems in the labour market in the whole eligible area.

P15. Improving the infrastructure conditions for enterprises in the eligible area can increase their competitiveness, which can result in higher employment rate.

TO9 Promoting social inclusion, combating poverty and any discrimination

CH19. Inequalities in health- and social care infrastructure (together with various other factors) and services contribute to, worse health status on the Romanian side of the border and also to patient migration from Romania to Hungarian hospitals.

CH20. Failure to create proper administrative conditions for cross-border health care financing may lead to the increase of semi-legal or illegal practices and hinders the evolution of a consistent cross-border health care system

CH21. High proportion of people at risk of poverty and of population living in poor areas in the eligible area leads to increasing risk of irreversible socio-economic marginalization of the concerned social groups and areas.

P16. Based on the existing cross-border cooperation between the hospitals of the eligible area the health care infrastructure and services can be better harmonized to address the needs of potential patients, ensure efficient use of capacities and to improve health care indicators as life quality factors directly and as employment factors indirectly.

TO10 Investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure

CH22. The high number of early school leavers and the inadequate cooperation between the education system and the business sectors potentially increase the gap between demand and supply in the labour market of the eligible region.



P17. The strong pool of higher education institutions with (partly) complementary training offer ensures a constant supply of highly-educated workforce in the eligible area which increases attractiveness of the eligible region for investors.

TO11 Enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional capacity and the efficiency of public administration and public services related to the implementation of the ERDF, and in support of actions under the ESF to strengthen the institutional capacity and the efficiency of public administration

CH23. Administrative and institutional burden, trust deficiencies and language barriers reduce the possibility to create regular connection and sustainable cooperation between institutions (e.g. labour market and emergency response institutions) and communities of the eligible area.

CH24. Many of the existing institutional co-operations are one-off, project-based initiatives with limited sustainability partly because of the restricted financial capacity of the partners.

P18. Long-standing traditions and positive examples of small-scale collaborations between institutions, municipalities, business entities and civil organisations provide a basis for more intensive, more frequent and closer cross-border relations due to the joint outputs of the cooperation (e.g. joint protocols and teams in various fields) directly and to the strengthening confidence indirectly.

P19. Cross-border cooperation, joint use of capacities by neighbouring communities can improve their resilience and contribute to the quality of life of their residents.

1.1.1.4 Establishment of the ranking of the identified challenges and potentials

After defining the most important challenges and potentials, they have been examined and evaluated to identify those ones, which potentially can be addressed in the framework of the *Cross-border Cooperation Programme between Romania and Hungary under the European territorial cooperation goal 2014-2020*.

In categorising the challenges and potentials and for reasonable narrowing of the list the following criteria have been taken into consideration:

- coherence with goals of the EU 2020 strategy objectives and targets and also with the relevant regulations,
- cross-border character of the issue (e.g. cross-border impact, level of current cooperation),
- relevance and justification of the challenges and potentials,
- issues of implementation (e.g. time horizon, funding needs),
- complementary character and synergy with mainstream programmes and macro-regional strategies

Based on the criteria mentioned above, the challenges and potentials have been classified into three main categories.

The first category contains the challenges and potentials, i) which have strong cross-border character; ii) addressing them can bring about major benefits for the eligible area and



contribute to the strengthening and extending future cooperation; iii) show strong coherence with the EU-targets:

- protection, development and sustainable use of natural and cultural heritages (CH12, P10),
- improving conditions of sustainable mobility (CH14, CH15, CH16, P11, P12, P13),
- creating a joint labour market and economic area (CH4, CH5, CH6, CH18, P3, P4, P5, P14, P15).

The second category incorporates challenges and potentials that are important for the eligible area, but have less pronounced cross-border character, addressing them offers slightly weaker socio-economic advantages or have weaker coherence with EU-targets:

- climate change adaptation (CH9, CH10, P7) – though the problem of climate change is extremely complex, addressing it is very resource-intensive, some of its elements can best be addressed in a cross-border context;
- cross-border water protection and management (P8, CH13),
- nature protection (CH11),
- harmonization of health care infrastructure and services (CH19, CH20, P16),
- reducing the number of people at risk of structural poverty and of population living in poor areas (CH21),
- enhancing institutional and civil cooperation (CH22, CH23, CH24, P17, P18, P19).

The elements of the third category are significant, but for several reasons indicated below, they are not proposed to be addressed in framework of the current strategy:

- strengthening cross-border RTDI activities (CH1, P1)
- improvement of ICT infrastructure and services (CH2, CH3, P2) – while important, these challenges are properly addressed by commercial operators; besides, for regulatory reasons this area can be better addressed on national level;
- increasing the share of renewable sources of energy, in total energy consumption and improving energy efficiency (CH7, CH8, P6) – on the one hand, this objective is supported from mainstream programmes in both countries, and on the other hand it would have limited cross-border effects.
- common waste collection and management (P9) – in addition to the significant funding needs of this issue, i) it can generate disapproval among the population, who can interpret this as “waste import” ii) the joint treatment of solid waste has significant regulatory obstacles.

1.1.1.5 Summary of lessons from the programme 2007-2013

In the frame of the Hungary-Romania Cross-Border Cooperation Programme 2007-2013 several different types of interventions have been supported. The experiences gained from these interventions can provide important inputs to the design of the 2014-2020 programming period.

Between 2007-2013 the following 8 key areas of intervention were covered correlating with the respective actions of the Operational Programme:

- 1.1 Improvement of cross-border transport facilities



- 1.2 Improvement of cross-border communication
- 1.3 Protection of the environment
- 2.1 Support for cross-border business cooperation (including 2.1.3 Development of tourism: tourism attractions and infrastructure⁵)
- 2.2 Promotion of co-operation in the field of R+D and innovation
- 2.3 Cooperation in the labour market and education – joint development of skills and knowledge
- 2.4 Health care and prevention of common threats
- 2.5 Cooperation between communities

The on-going evaluation of the Hungary-Romania Cross-border Cooperation Programme revealed several different factors of programme implementation by providing useful experiences for the Programme 2014-2020. The 8 key areas of intervention and the large number of project categories unfortunately have resulted in the Programme becoming less focused, and as such the interventions could not reach in certain areas the initially envisioned critical mass. The Programme has concentrated on infrastructure developments, 78% of the total budget being allocated to this type of projects. However, the programming period 2007-2013 had limited focus on interventions that promote and enable the actual utilisation of the facilities created. Key lessons of HURO Programme 2007-2013 are presented as follows:

1.1 Improvement of cross-border transport facilities

- Almost one-third of the funds supported CB Transport infrastructure development. However, no resources remained to enhance the traditional mobility (e.g. public transport, multimodal logistic solution);
- The project selection was carried out on entirely competitive basis, led by applicant's activity. Thus, in most cases there is modest strategic focus and integrated approach present in the projects;
- The Programme has aimed to double the border crossings between Hungary and Romania. However, at the moment these crossings cannot be opened permanently due to the Schengen regulations and the lack of a bilateral agreement. While this is a problem, efforts have already been made on intergovernmental level to remedy this.
- Not only the road infrastructure development but also the cycle path infrastructure developments aim to improve the tourism potential, health- and living conditions and the labour market of the area, besides improvement of accessibility.

1.2 Improvement of cross-border communication

- Limited interest of potential beneficiaries;
- Several of the projects are driven by existing local needs rather than real cross-border needs;
- As this intervention was based on an open, bottom-up approach, without strong strategic coordination, the projects have had a very limited impact on the CBC area.

⁵ Although tourism is a project category of the KAI 2.1 Support for cross-border business cooperation, it is handled as a thematic area because of its importance.



1.3 Protection of the environment

- High relevance due to the cross-border nature of the key issues;
- Water and waste management projects implemented in the immediate proximity of the border have a clear cross-border nature, while the ones more remote from the border have served rather local needs;
- Projects supporting studies and plans foster a common approach for problems affecting both side of the border. Several of these projects expect resources from the next programming period and without further support will not be implemented due to the lack of resources;
- Different legal environment in RO and HU made joint waste management projects difficult to be elaborated, and even more difficult to be implemented.

2.1 Support for cross-border business cooperation

- In some cases the business facilities established rather serve local needs, with limited cross-border impact;
- The soft activities (trainings, conferences, exhibitions) have a comprehensive nature besides the infrastructural element with stronger cross-border character;
- The long-term utilisation of some business infrastructure facilities may be difficult;
- Most of the cooperation projects were unable to mobilise SMEs as they could not offer sufficient direct benefits to them;
- Lack of sectoral focus on key sectors of the region led to limited impact.

2.1.3 Development of tourism: tourism attractions and infrastructure

- Many projects had solely focused on infrastructure development, without relying on a joint thematic concept common strategy resulting in limited impact and cross-border character.
- Typically, the thematic routes possess a high CB character, as these projects create well established connections among the attractions from both sides of the border;
- In case of promotion activities, projects introducing a joint brand, theme and / or focusing on common target groups could reach a higher impact;
- Several of the promotion activities could not reach a critical mass; therefore, had a lower visibility and could achieve a limited impact.

2.2 Promotion of co-operation in the field of R+D and innovation

- Majority of the beneficiaries are universities;
- Support to research centre development projects have had overlaps with mainstream programmes;
- Lack of sectoral/thematic focus in the support of research and development projects has resulted in limited impacts while making the evaluation process more demanding from professional point of view;
- Several of the R&D projects are rather opportunity-driven and have had a limited real cross-border character; in addition, they have also failed to create new workplaces.

2.3 Cooperation in the labour market and education

- The open character of the call invited several small NGOs with limited outreach to apply;



- In most cases the key employers of the area have not been involved or at least consulted;
- The relatively high number of fragmented small projects has not been able to elicit a significant labour market impact;
- Many higher education projects involving joint training, joint doctoral programmes and introduction of joint curriculum have adequate cross-border character;
- The cooperation of primary and secondary schools – aimed at joint activities of students – are important as they bring people together at an early age, and thus have a strong cross-border character;
- Considering the small size of projects of primary and secondary education, in most cases the application and implementation procedures created an disproportionate administrative burden;
- Overall, this intervention can actually strengthen the real cooperation of educational institutions.

2.4 Health care and prevention of common threat

- There is a need for health care infrastructure developments in the region; however, this could be supported from mainstream Programmes as well;
- The soft activities (e.g. knowledge transfer, surgery with a joint team) possess a high CB character;
- There is a high need for cross-border health care services in the region. However, there are still questions regarding the regulatory environment, consistency with the national health care strategies and the transparency of the joint treatments.

2.5 Cooperation between communities

- The cooperation between communities in the border area has a strong CB dimension. Contrary, the sustainability of these projects is low compared to the other interventions. On the other hand, they create and could maintain long-lasting relationship between communities in the border region.
- From an administrative point of view the application and implementation procedures are rather complicated for the beneficiaries, especially when considering the small grant amounts;
- Overall, this type of intervention requires small amount from the Programme's budget, and significantly increases the visibility of the Programme.

1.1.1.6 Strategy of the cooperation programme

Based on the detailed analysis of the eligible border area, the identification and categorisation of the most important joint challenges and potentials, as well as on the results of extensive consultations with the stakeholders carried out, a coherent strategy has been devised.

Strengthening trust and improving cross-border mobility are in the heart of this strategy as key conditions of cooperation-based integrated development of the eligible border area. Without easy and quick access across the border, joint actions to address key challenges and making use of the common potentials are almost impossible. Similarly, trust is also a key



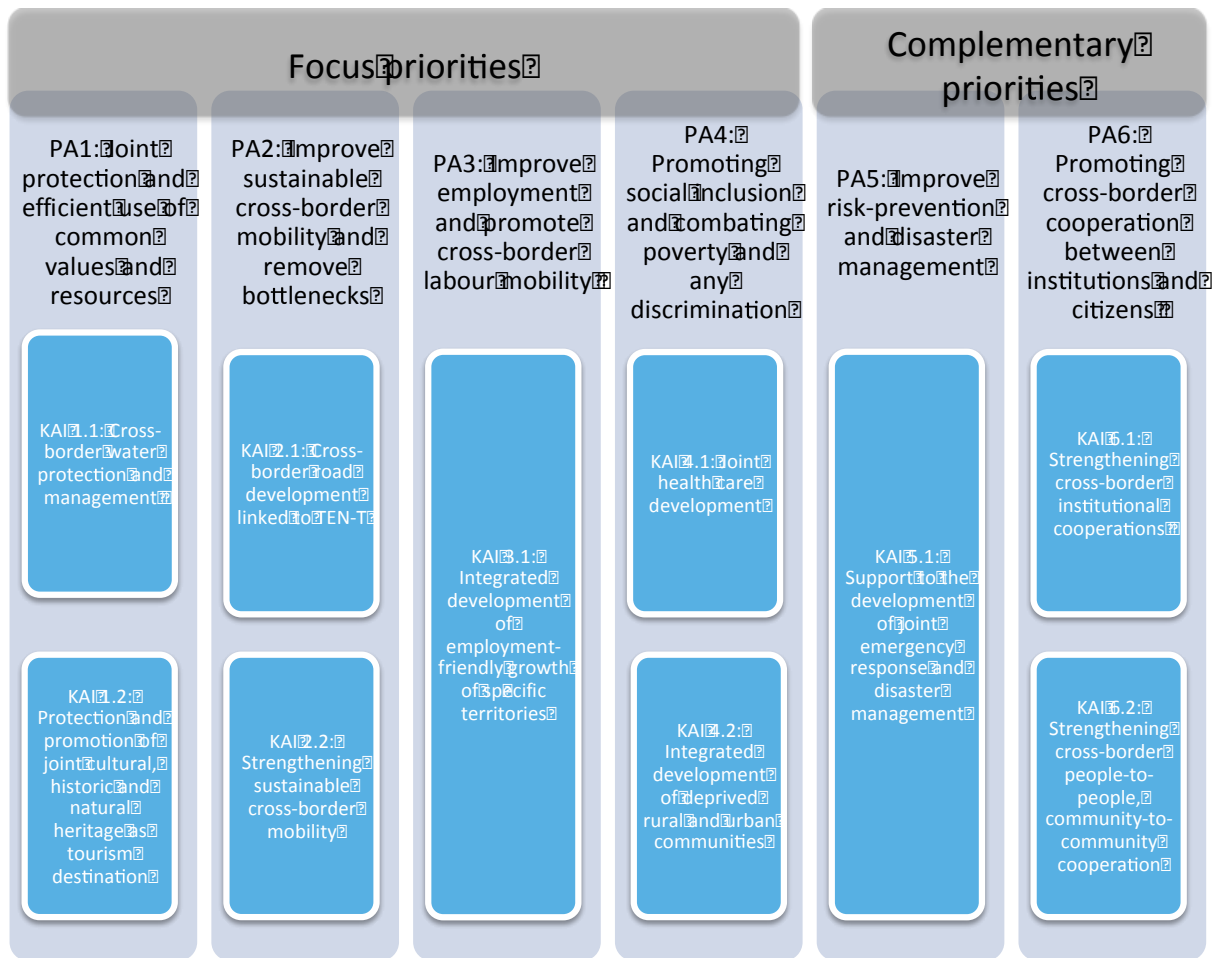
factor: without knowing and trusting each other, no cooperation initiatives can be sustained over time.

Building on trust and gradually improving mobility, there are four (interdependent) main challenges (some of which – if addressed properly – may turn into valuable potentials in the long run) the eligible area intends to address with joint solutions:

- a) Increasing employment, enabling joint economic growth through better and more coordinated use of the labour force in the area based on the potentials of specific territories;
- b) Enhancing disaster resilience, facilitating rapid and coordinated response to emergency situations based on the harmonized development and coordinated use of existing capacities
- c) The protection of joint values and resources, using them as attractions to build common thematic routes around and develop mutually advantageous common tourism;
- d) Addressing jointly the challenges of deprived areas – rural and urban -, and health care challenges to provide better services across the entire area, using the existing resources more efficiently and eliminating major inequalities in service provision;

The proposed strategy can be implemented through a pool of 6 thematic objectives with 9 investment priorities. These have been selected and agreed upon and reflect the consensus of the Joint Working Group, and will be implemented through 6 priority axes with 10 corresponding key areas of intervention. Out of the 6 thematic objectives selected, 4 represent the focus areas of the programme, concentrating the majority (over 80%) of the funds available. This is a combination of interventions that can serve as a solid basis for a joint programme enabling the concentrated use of limited resources.

The following figure shows a summary of the proposed priority axes and key areas of intervention, and they are presented in more details in the subsequent chapters.



1.1.1.7 Linkage and synergy effects

One of the key characteristics of a good strategy is coherence, which is ensured, on the one hand, through consistent adherence to thematic objectives and investment priorities during the whole strategy development process from the SWOT analysis through the identification of strategic objectives to the definition of proposed activities.

On the other hand, the Programme is also expected to facilitate synergies between the proposed new interventions and already completed projects (e.g. funded from previous HURO CBC Programme or other instruments).

In addition to the coherence with the thematic objectives and investment priorities, priority axes and key areas of intervention are also expected to reflect the ETC-specific country recommendations of the Commission. The internal and external coherence of the programme have been thoroughly analysed and presented in Chapter 4.3. of the CTS (Annex II.)

Concerning the synergy with mainstream Operational Programmes in Hungary, the 2007-2013 Programme has been characterized by slight fragmentation and has covered many of the interventions that were also present in sectoral/mainstream programmes 2007-2013. During the elaboration of the Partnership Agreement of Hungary for the period 2014-2020, also the ETC was taken into consideration when a comprehensive synergy and coherence



study was carried out. On the whole it can be stated that the ETC Programmes always have a complementary character compared to the sectoral and regional Programmes, with a strong focus on cross-border needs and potentials.

In case of Romania, during 2007-2013, territorial cooperation programmes included three major components: cross-border cooperation (accessibility projects, environment and risk prevention, economic development and "people to people" social actions), transnational territorial cooperation (developing networks for integrated territorial development in areas such as environment, urban development, innovation and accessibility) and interregional territorial cooperation (programs supporting cooperation between public authorities on issues of common interest, through transfer of experience and good practices between European regions and by building specific networking).

As to the Partnership Agreement of Romania for 2014-2020, ETC Programmes are considered particularly important both from political and economic point of view, focusing on common priorities within specific territories, thus bringing added value to reaching a balanced regional development at the EU level. The cooperation programmes have a significant contribution towards targeting the territorial integration in cross-border and transnational areas, which represents one of the territorial challenges of Romania. The agreement on the areas to be financed under these programmes follows the decision-making procedure specific to the ETC objective, aiming for a better coordination between the ESI Funds, especially in case of the regional programmes and other EU financing instruments, in order to create and exploit synergies, at all levels of cooperation.

1.1.1.8 Contribution to the union strategy for smart sustainable and inclusive growth

The Programme is one of the instruments for the implementation of the EU cohesion policy. With this policy the EU pursues harmonious development across the Union by strengthening its economic, social and territorial cohesion to stimulate growth in the EU regions and participating countries.

The policy aims to reduce existing disparities between EU regions in terms of their economic and social development and environmental sustainability, taking into account their specific territorial features and opportunities. In terms of socioeconomic development, programmes must take into account the consequences of the economic crisis that changed the situation for many economic operators, for the population and for local and regional public bodies confronted to tighter budget constraints.

From a strategic point of view, the general orientations for the coming years have been set up in the EU 2020 strategy aiming to turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion.

Europe 2020 is an agenda for the whole Union, taking into account Member States' different starting points, needs and specificities to promote growth for the whole EU.

Europe 2020 has 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 Europe 2020 strategy, together with the Territorial Agenda 2020, which connects smart, sustainable and inclusive growth to territorial cohesion, provides the overall strategic framework for EU cohesion policy 2014-2020 and as such for the MED programme.

The regulatory framework for the Programme is provided by the regulations for cohesion policy 2014-2020. These are accompanied by a Common Strategic Framework (CSF) setting out key actions to address EU priorities and giving guidance to ensure coordination between funds.

The thematic scope of the Programme is provided by the 11 thematic objectives described in the Common Provisions Regulation outlining that programmes should aim to strengthen cooperation and achieve a higher degree of territorial integration contributing to territorial cooperation across the Union.

The Romania-Hungary Cross-Border Cooperation Programme 2014-2020 contributes to smart (priority axis 1, 2 & 5), sustainable (priority axis 2, 3, 4 & 5) and inclusive (priority axis 1 & 5) growth through an integrated approach in order to address common territorial challenges. The programme is based on an in-depth analysis of territorial features of all participating NUTS 3 regions (Section 1.1 and Annexes 1 and 2).

1.1.1.9 Results expected

The proposed strategy contributes to the long-term vision of the eligible area, that has been identified during the planning process as the synthesised result of statistical analysis, the review of strategic documents, as well as various consultations delivered during the planning process (including personal interviews and county level workshops, as well as a series of joint cross-border thematic workshops).

In order for the programme to contribute to this joint vision, the interventions proposed need to produce results that contribute to the specific elements of this vision. In this chapter we provide an overview of the expected results of the programme and their contribution to the various elements of the joint vision.

Good quality environment is clearly a mutual interest of all counties involved in the programme, just like the mitigation of potential negative effects of climate change. This, however, requires constant and coordinated actions of all parties involved. The programme is certainly not capable of addressing all related challenges. Nevertheless, it can contribute to reduced risks in relation to the use and management of water, one of the most important joint asset of the eligible area, water; moreover, it can also help the protection and rehabilitation of the most important natural, built, historic and cultural values of the eligible area. It may also increase the possibilities of cultural cooperations and result in better preservation of the joint cultural heritage. With proper coordination and concerted actions these values can also become parts of a joint and **integrated tourism destination**, attracting visitors both internally, and also from outside the eligible area.



Mobility is a key condition of cross-border cooperation. The establishment of the foreseen integrated and harmonized multimodal transport network – both passenger and freight – however, requires major investment and also considerable time to create.

The programme is expected to contribute to improved accessibility historic and cultural heritage, better flow of labour force. In addition, it is also expected to result in an increase in the proportion of passengers using sustainable forms of cross-border transport through facilitating a gradual shift towards more sustainable forms of cross-border transport – railway and road-based public transport, bicycle transport.

Increased cross-border labour mobility and a more integrated labour market are important ingredients of the better economic performance and increased employment in the eligible area. This requires various measures on national and regional level also, but the programme can contribute to the growth and increased employment of selected specific territories through facilitating joint integrated actions.

One of the key potentials of cross-border cooperation is the coordinated use and development of various facilities and services. **Health care and emergency response are typically such services** – proper coordination can result in increased efficiency and higher quality of services. To facilitate proper cooperation, there are working standards of cross-border health service financing in place between the two countries. In the field of health care the programme can contribute to better coordination, and also to improving access to improved health care services across the entire eligible area through targeted and coordinated development of facilities and services.

Concerted actions and rapid response are crucial - especially in the close proximity of the border to quickly and effectively tackle emergency situations, accidents. In order to tackle nature and technology related emergencies effectively and quickly in the border region, the programme can contribute to better facilities and equipment, development of joint protocols and action plans for both risk prevention and risk management.

Trust is a basic precondition of cross-border cooperation, just like appropriate administrative conditions and a **proper institutional environment**, preferably facilitating – by no means impeding – cooperation activities. The programme can bring people and communities together through joint cultural, educational and sports programmes, and it can also result in simplified administrative procedures, institutional protocols and procedures affecting cooperation activities.



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)

In order to develop the strategic rationale and focus of the Programme on a transparent and consultative basis, a number of steps were implemented. In the CTS SWOT analysis alongside all 11 Thematic Objectives was carried out. Moreover in the CTS the rationale giving the basis for selection of Thematic Objectives was also summarized in case of all 11 TOs.

The overall and comprehensive analyses are enclosed in Annex I. - Strategic Territorial Analysis (STA) and Annex II. - Common Territorial Strategy (CTS) of the present document. Under this chapter – due to maximum size of character limitation – brief summary of major conclusions are provided with references to the appropriate chapter of the STA regarding the 6 Thematic Objectives strongly discussed and approved in CTS. Moreover in Table 1: Justification for the selection of thematic objectives and investment priorities, the justification for selection can be found in the CTS in each PA and KAI under “Needs, challenges and justification”.

In line with Article 5 of the ETC Regulation⁶, 80% of the total ERDF allocation will be concentrated on 4 thematic objectives selected (TO6, TO7, TO8, TO9), while the remaining maximum 20% shall be allocated to 2 thematic objectives (TO11, TO5) and Technical Assistance.

⁶ REGULATION (EU) No 1299/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal



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

Selected thematic objective	Selected investment priority	Justification for selection
TO6 – Preserving and protecting the environment and promoting resource efficiency	6/b Investing in the water sector to meet the requirements of the Union’s environmental acquis and to address needs, identified by the MS, for investment that goes beyond those requirements	<ul style="list-style-type: none"> – The surface waters carry risks of flood and pollution. – 65% of rivers, streams or lakes in the past 10 years showed improved quality, while 35% have shown a negative trend. – Vulnerable areas are the Ier Valley / Cris river area. – In some settlements the drinking water quality did not fulfil the legal requirements. – Joint actions are crucial on cross-border water looking back in history that provides a solid foundation for the future cooperation in effective emergency situations.
TO6 – Preserving and protecting the environment and promoting resource efficiency	6/c Conserving, protecting, promoting and developing natural and cultural heritage	<ul style="list-style-type: none"> – Significant balneal and health tourism due to existence of mineral and thermal water. – Potential in cultural tourism: medieval monuments, architectural buildings. – Potential in active and eco-tourism (water sports on the river Tisza), and in the area of mountains (in Romania) are great for hiking trips, winter sports, and speleological tourism. – Potential of increasing mutual visits from both sides of the border, but joint proposition strong enough to compete at international level. – Previous CBC-projects proved their strong cross-border character. – Heritages located in less developed rural areas which lag behind. – Adaptation to the effects of climate change by developing ecosystems and the natural heritage
TO7 – Promoting sustainable transport and removing bottlenecks in key network infrastructure	7/b Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes	<ul style="list-style-type: none"> – Romania and Hungary share a 450 km long borderline, currently with 10 road and 5 railroad border-crossing points, with 10 further road BCPs completed or being built. Until Romania's joining the Schengen zone these additional crossing points will not increase capacity until the conclusion of a bilateral agreement in this sense. In general, access times – especially across the border – are long, which limits cross-border mobility: access of TEN-T networks from many peripheral settlements in the neighbourhood is complicated and time-consuming. – Connections between larger cities show deficiencies. – The current level of cross-border traffic is fairly limited. – Potential: improve the accessibility of micro-regions or settlements and the average distance of border crossing points can be reduced – Isolation of the affected settlements can be



		<p>eliminated</p> <ul style="list-style-type: none"> – Better legislation regulating small scale commerce and border crossing points
<p>TO7 – Promoting sustainable transport and removing bottlenecks in key network infrastructure</p>	<p>7/c Developing and improving environment-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</p>	<ul style="list-style-type: none"> – The majority of cross-border transport is the most polluting forms of transport. – Cross-border road public transport is only provided on a very limited scale by small private enterprises. – Cross-border cycle path creates direct connections between local communities and contribute to improvement of tourism potential of isolated tourist attractions (in 2011 the bicycles represent only 1% of the total transit traffic). – Cross-border passenger and freight railway transport play a minor role in the eligible area. – Number of passengers of the 5 railway lines and the 18 pairs of trains is low, access times between major cities across the border are unacceptably high. – Fostering possibilities the shift towards more sustainable forms of transport. – Several airports exist (including two major ones with fairly significant international traffic – Timisoara with 830 994 passengers and Debrecen with 130 000 passengers in 2013), cross-border use is rare as they are not part of a cross-border multimodal system.
<p>TO8 – Promoting sustainable and quality employment and supporting labour mobility</p>	<p>8/b Supporting employment friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources</p>	<ul style="list-style-type: none"> – Low employment rate, total number of economically active population (1.36 million) decreased since 2001 and the share of total active population within total population shows a lower number for all counties than the EU average. – Long-term unemployment rate higher than the EU-27+4 value, presumable extremely high labour force reductions by 2050. EU2020 sets a target of 75% of 20-64 year old in employment by 2020 (Romania's target – 70%, Hungary's target – 75%) – Low level of job creation due to poor economic performance, the restricted ability to attract capital, and the limited competitiveness of the SMEs; – Underused potential of tourism due to the lack of connection and complementarity of attractions. – 17,4% of the total population of the eligible area actually lives in poor areas showing potential in the stronger integration. – Potential to enhance employment building on the endogenous assets of specific territories, building on integrated territorial strategies.
<p>TO9 – Promoting social inclusion, combating poverty and any discrimination</p>	<p>9/a Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status,</p>	<ul style="list-style-type: none"> – Unbalanced healthcare system: general condition and the level of equipment of health care facilities in HU (especially the 22 hospitals) is better, than in RO, many institutions of the 54 hospitals (struggling with rundown infrastructure and equipment). Health care spending is under the EU average (8.5%) in both countries, especially in Romania (HU:



	promoting social inclusion through improved access to social, cultural and recreational services and transition from institutional to community-based services	<p>7.6%, RO, 5.3% in 2012).</p> <ul style="list-style-type: none"> – “Health care migration” Romanian residents living in the proximity of the border travel to Hungary (4763 patients in 2012) – Still problems in financing (even though the related EU directive entered into force on October 25, 2013). – Potential in coordination of patient flow, creating a system enabling cross-financing, harmonization of development between the relevant hospitals, improvement of general quality of facilities in Romania. – Potential in tele-medical infrastructure and knowledge transfer. – Harmonization of development plans can bridge the differences between the national health care strategies.
TO9 – Promoting social inclusion, combating poverty and any discrimination	9/b Providing support for physical economic and social regeneration of deprived urban and rural areas	<ul style="list-style-type: none"> – Area is characterised by a rural-urban duality. Multitude of areas in the eligible area struck by poverty. In Hungary there are 10 least developed micro-regions (216 settlements). In Romania 78 settlements belong to territory struck by poverty, Number of people living in poor areas: in HU 346.231, in RO 340.035. – Struggling economy, underdeveloped infrastructure, low income, High proportion of extremely poor Roma communities – Strong outmigration, social segregation
TO5 - Promoting climate change adaptation, risk prevention and management by	5/b Promoting investment to address specific risks, ensuring disaster resilience and developing disaster management system	<ul style="list-style-type: none"> – Various natural hazards carry a significant risk of disasters or sudden emergency situations. – The most significant natural risk factors in the eligible area are floods and inland waters. The flood vulnerability of the cross-border counties is actually very high both in national and in international comparison. – Industrial, environmental, transport-related risk factors are also present, constituting potential threats and requiring joint actions. – Both in Romania and in Hungary, there is a solid legislative background supporting the identification of the areas with risk of flood. – Also human activities may also result in emergency situations such as water pollution, landslide and even traffic accidents.
TO11-Enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional	11/a Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions	<ul style="list-style-type: none"> – Major differences in the regulatory background of a given area; – Excessive administrative burden related to citizens, organizations, SMEs from the partner country (e.g. employment, establishing an enterprise, etc.) – Lack of services or information provision related to cross-border activities; – Drastically differing processes, protocols of institutions operating in the same field in the two countries;



<p>capacity and the efficiency of public administration and public services related to the implementation of the ERDF, and in support of actions under the ESF to strengthen the institutional capacity and the efficiency of public administration</p>		<ul style="list-style-type: none">– Cumbersome information flow between regional and local public administration bodies and sectoral organizations;– Joint potential in harmonized development, active cooperation of the various institutions.– Danube Strategy also identifies the well-functioning institutional capacity and cooperation of institutions as fundamental factors to enhance the coherence in a cross-border region.
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1.2 Justification for the financial allocation

Justification for the financial allocation (i.e. Union support) to each thematic objective and, where appropriate, investment priority, in accordance with the thematic concentration requirements, taking into account the ex-ante evaluation.

The objective of the financial allocation is to effectively achieve the Programme's results with the financial resources devoted to each Priority Axis. The Programme is co-financed by the European Regional Development Fund (ERDF). The overall ERDF allocation of the Programme of around is xxx MEUR. The financial allocation has been calculated based on the number and size of flagship projects planned to be implemented as well as on an average number and financial size of projects planned to be launched in an open Call for Proposals in each Priority Axis.

The financial allocation to the chosen thematic objectives reflects:

- The estimated financial size of the actions foreseen in each priority axis.
- The coherence with the funding priorities as in the EC Country Position Papers.
- The inputs provided by relevant partners within consultations and by the JWG.
- The experiences of the programming period 2007-2013.
- The determination of flagship projects.

Priority Axis 1 (TO6)

xxx

Priority Axis 2 (TO7)

xxx

Priority Axis 3 (TO8)

xxx

Priority Axis 4 (TO9)

Xxx

Priority Axis 5 (TO5)

Xxx

Priority Axis 6 (TO11)

xxx

Priority Axis 7 (TA)

xxx



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) ⁷			Thematic objective ⁸	Investment priorities ⁹	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective ¹⁰
		ERDF ¹¹	ENI ¹² (where applicable)	IPA ¹³ (where applicable)				
PA1: Joint protection and efficient use of common values and resources (Cooperating on natural and cultural resources)	?	?	Not relevant	Not relevant	6. Preserving and protecting the environment and promoting resource efficiency	6/b Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the MS, for investment that goes beyond those requirements	Improved quality of cross-border rivers Or Improved cross-border water management	Water quality of cross-border rivers Or Improved catchment area (km2)
PA1: Joint protection and efficient use of	?	?	Not relevant	Not relevant	6. Preserving and protecting the environment and	6/c Conserving, protecting, promoting and developing natural and cultural heritage	Sustainable use of historic,	Number of overnight stays in the

⁷ Presentation of the shares corresponding to ENI and IPA amounts depends on management option chosen.

⁸ Title of the thematic objective (not applicable to technical assistance)

⁹ Title of the investment priority (not applicable to technical assistance)

¹⁰ Indicators cannot be considered final. They shall be further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to all indicators.

¹¹ European Regional Development Fund.

¹² European Neighbourhood Instrument.

¹³ Instrument for Pre-Accession Assistance.



common values and resources (Cooperating on natural and cultural resources)					promoting resource efficiency		cultural and natural heritage within the eligible area	eligible programme area.
PA2: Improve sustainable cross-border mobility and remove bottleneck (Cooperating on accessibility)	?	?	Not relevant	Not relevant	7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	7/b Enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure	Improved cross-border accessibility	Reduction of travelling time % of cross-border population served by modernized infrastructure leading to TEN-T
PA2: Improve sustainable cross-border mobility and remove bottleneck (Cooperating on accessibility)	?	?	Not relevant	Not relevant	7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	7/c Developing and improving environment-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	Increase the proportion of passengers using sustainable forms of cross-border transport	Proportion of people and vehicles crossing the border
PA3: Improve employment and promote cross-border labour market (Cooperating on business solutions)	?	?	Not relevant	Not relevant	8. Promoting sustainable and quality employment and supporting labour mobility	8/b Supporting employment friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources	Increase employment in specific territories within the eligible area	Increase in the employment rate in the eligible area
PA4: Promoting social inclusion and combating poverty and any	?	?	Not relevant	Not relevant	9. Promoting social inclusion and combating poverty and any discrimination	9/a Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities	Improve health-care service across the eligible	Average service level in hospitals in the eligible



discrimination (Cooperating on social solutions)						in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and transition from institutional to community-based services	area.	area.
PA4: Promoting social inclusion and combating poverty and any discrimination (Cooperating on social solutions)	?	?	Not relevant	Not relevant	9. Promoting social inclusion and combating poverty and any discrimination	9/b Providing support for physical economic and social regeneration of deprived urban and rural areas	Mitigate poverty and reduce discrimination in deprived areas	Number of people living in deep poverty
PA5: Improve risk-prevention and disaster management (Cooperating on risk prevention)	?	?	Not relevant	Not relevant	5. Promoting climate change adaptation, risk prevention and management	5/b Promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems (ERDF)	Improved cross-border coordination of emergency and risk prevention.	Satisfaction rate of local administrations with the joint emergency and risk prevention
PA6: Promoting cross-border cooperation between institutions and citizens (Cooperating cross-border)	?	?	Not relevant	Not relevant	11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional capacity and the efficiency of public administrations and public services related to the implementation of the ERDF, and in support of actions under the ESF to strengthen	11/a Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions	Intensify sustainable cross-border cooperation of institutions and communities	Level of the cross-border cooperation intensity of the public and non-profit organizations



					the institutional capacity and the efficiency of public administration and an efficient public administration support of actions in institutional capacity and in the efficiency of public administration			
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2 SECTION 2: PRIORITY AXES

Description of the priority axes other than technical assistance

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



2.1 Priority Axis 1: Joint protection and efficient use of common values and resources (Cooperating on common values and resources)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.1.1 Investment Priority 6/b

Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the MS, for investment that goes beyond those requirements

2.1.1.1 6/b - Specific objective

Specific objective: Improved quality of cross-border rivers or Improved cross-border water management

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field, integrated cross-border water management will be adapted to the effects of climate change. The joint surface and underground water base will be well-protected against pollution. Coordinated interventions will be carried out including water quality monitoring. Information and data will be exchanged and available on both side of the border. Natural waters will be rehabilitated in a joint manner. As a result of the various interventions foreseen, the water quality of cross-border rivers and water basin will improve. The unique water resource is efficiently used, and its quality and quantity are safeguarded in the long run. Joint investigation of occasional accidental pollution of natural waters is executed. Also the potential negative impacts of climate change will be mitigated.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ¹⁴	Source of data	Frequency of reporting
SO 1. <i>Improved quality of cross-border rivers</i>	Water quality of cross-border rivers Improved catchment	xxx	xxx	xxx	xxx	xxx	2018 and 2023

¹⁴Target values may be qualitative or quantitative.



Improved cross-border water management	area (km2)						
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2.1.1.2 6/b - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

Integrated water management actions related to cross-border surface water – rivers, streams, flows – and ground water, including water quality monitoring, information and data exchange, as well as the rehabilitation of natural waters, even their original flow direction, flood-protection, retention of surface water resources, agricultural and energy generation use of water, protection of the common water basin.

Indicative actions

Joint investment or joint integrated investments and actions (monitoring, management, planning pollution control, etc.) to protect and improve water quality and quantity and ensure sustainable use of water resources, in line with the provisions of the Water Framework Directive¹⁵.

Water management is a traditionally important field of cross-border cooperation on the Romania-Hungary eligible border area. Water management organizations have jointly implemented various projects already under the current programme, and future actions are foreseen (and even planned) to further improve the quality and safeguard the quantity of joint water resources. Types of investments foreseen include the development of water supply system, weir reconstruction and small stream reconstruction in the border area, as well as the collection and use of excess water.

Types of actions include, among others:

- Protection and utilization of the common water basin
- Development of water quality and quantity monitoring, information, forecasting and management systems
- Identification of polluting sources, the necessary measures to reduce water pollution
- Development of water supply systems, weir and small-stream reconstruction
- Prevention and mitigation of the negative impacts of significant water pollutions caused by flood, collection and use of excess water, measurements for the mitigation of flood risks, development of flood protection /drainage systems
- Organization of field-related dissemination - workshops and seminars

¹⁵Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for the Community action in the field of water policy



Legal types of potential beneficiaries¹⁶:

- Public authorities
 - Bodies governed by public law¹⁷.
- that have their seats or a regional/local branch registered in the programme area.

Activity 1.1.1	
Target groups	The target groups of this KAI are people living in the eligible area.
Possible forms of support	open calls
Cross-border character	The primary focus of this intervention is to improve the quality and quantity, as well as to ensure the sustainable use of common water resources, thus it has a strong cross-border character.

2.1.1.3 6/b - Guiding principles for the selection of operations

Call for Proposal

The Programme aims for project generation and selection procedures that are both proactive and transparent. The MA, with the support of the JS, launches official CfPs via relevant information channels. CfPs might have different characteristic i.e. might be open to all Programme priorities or thematically targeted in response to changed framework conditions or to progress of the Programme implementation. Determining the project selection model and details in CfP is the responsibility of the MC. The MC has the right to launch restricted CfPs taking into account the single CfP's specific arrangements. Application procedures and templates will be developed and part of the application package including the necessary guidance to assist project partnerships. Applications submitted will be evaluated against a pre-defined set of criteria stipulated in the CfP and Evaluation and assessment manual approved by the MC. Final decision is the responsibility of the MC.

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

¹⁶ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.

¹⁷ This means any body (As defined in *Directive 2004/18/EC*, Article 1):

- established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;
- having legal personality; and
- financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.



2.1.1.4 6/b - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6/b 1	<i>Length of cross-border rivers affected by interventions (programme specific output indicator)</i>	<i>km</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>

2.1.2 Investment Priority 6/c

Conserving, protecting, promoting and developing natural and cultural heritage

2.1.2.1 6/c - Specific objective

Specific objective: Sustainable use of historic, cultural and natural heritage within the eligible area.

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field joint touristic potential will be offered, key natural, historic and cultural heritages will be rehabilitated. Their accessibility will be improved. Attractive and internationally competitive thematic routes will be developed, joint touristic destinations will be established. Common geothermal potential will be exploited by rehabilitating values and facilities. Integrated, competitive packages will be promoted in a well-organized manner. As a result of the various interventions foreseen, increase in number of visitors to the rehabilitated facilities and increase in nights spent can be expected. The tourism can be foreseen to boost to a competitive extent.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ¹⁸	Source of data	Frequency of reporting
6/c 1	Number of overnight stays in the eligible programme area	xxx	xxx	xxx	xxx	xxx	2018 and 2023

¹⁸Target values may be qualitative or quantitative.



2.1.2.26/c - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

Taking into account the differentiating elements of the eligible area's touristic offer – historic and cultural and natural heritage and values –, as well as the focus of the corresponding investment priority, the focus of tourism development should be the development of thematic routes built around natural, historic and cultural values, including gastronomy and folk traditions, with complementary health and active tourism elements.

In order to use the joint touristic potential offered by the area better and in a more sustainable manner, concerted actions are necessary to protect and rehabilitate the key natural, historic and cultural heritages, values on both sides of the border, their accessibility needs to be improved, attractive and internationally competitive thematic routes need to be developed, joint tourism destinations have to be established, managed and promoted. There are some similar initiatives funded from the current programme, aimed at the creation attractive cross-border thematic routes; interventions can build on these initiatives.

This, however, requires a truly integrated approach: instead of standalone investments, complex developments that are parts of a wider concept need to be implemented: buildings, historic and natural values to be rehabilitated have to belong to a cross-border thematic route, together they have to be able to attract a critical mass of visitors to be sustainable (major increase in visitor number is an expectation), and there has to be a joint institutional structure in place that ensures destination management and promotions.

Rehabilitation, conservation and joint promotion of natural, as well as cultural and built heritage, that can be jointly promoted and sustainably exploited.

Instead of the development of standalone, individual natural and built values, within this KAI support can be provided to complex interventions, including the rehabilitation of various natural and cultural and historic values, as well as of facilities contributing to the protection of the joint cultural heritage on both sides of the border. Support can also be provided to creating competitive thematic routes for the rehabilitated values and facilities, as well as to the promotion of these routes and to improving their accessibility (e.g. thematic routes or programmes).

Creation and rehabilitation of facilities based on the sustainable use of common geothermal potential of the cross-border area

Thermal water is an important asset – resource of the eligible border area. Support can be provided to investments aimed at protecting and efficiently using the geothermal potential of the eligible area. The main priority is the improvement of existing facilities with the focus on more efficiently protecting and using the geothermal resources. Only projects of strong cross-border character may be implemented.

Types of actions include, among others:



- Preparation of studies, strategies, plans etc. in the field of preservation, development and utilisation of cultural/natural heritage
- Training and awareness-raising campaigns regarding the protection, promotion and development of natural and cultural heritage
- Improving the state of conservation of monuments and buildings that are part of the area's natural or cultural heritage (e.g. churches, castles, museums, theatres)
- Preservation, promotion and development of intangible cultural heritage
-
- Development, reconstruction and promotion of cultural facilities protecting the cultural heritage of the eligible area
- Development of natural parks, nature reserves and other protected areas, safeguarding biodiversity
- Improvement of existing facilities or building new ones aimed at protecting and efficiently using geothermal potential
- Creation of thematic routes, tourism products and services based on the natural and cultural heritage
- Improving the accessibility of the rehabilitated natural and cultural heritages (road rehabilitation and construction and ensuring accessibility by bicycle)
-
- The promotion and utilisation of cultural/natural heritage potential by investments in sustainable touristic infrastructure

Legal types of potential beneficiaries¹⁹:

- Public authorities
- Bodies governed by public law.

that have their seats or a regional/local branch registered in the programme area.

Activity 1.2.1	
Target groups	People living in the eligible area and tourists visiting the area from outside
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls
Cross-border character	Joint development of natural and cultural values, linking and promoting them as thematic routes has a strong cross-border character. The development of geothermal facilities has a modest cross-border character

2.1.2.3 6/c - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

¹⁹ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



Restricted calls to implement flagship projects

Under this Priority Axis, in addition to carrying out open calls, flagship projects will also be implemented.

With regard to the selection and implementation of flagship projects, the following basic general rules apply:

- The fields of interventions under thematic areas (thematic objectives and investment priorities) for flagship projects are identified already in the planning phase.
- The total budget of all flagship projects supported may not exceed 50 % of the total programme budget.
- The flagship projects are not becoming part of traditional open calls: in order to first develop, then select flagship projects, a dedicated restricted call procedure with a separate guide is applied, with the following main procedural steps:²⁰
 - Submission of expressions of interest by the potential beneficiaries identified in the planning phase (first phase).
 - Invitation to further elaborate flagship projects on a long template (second phase).
 - Project development phase - following the submission of the flagship projects using the long template an iterative project development procedure starts, involving the project owners, the JS and external experts.
 - Effective assessment and decision on the flagship projects to be funded
 - Contracting the approved flagship projects - after the Programme is endorsed by the EC, the approved flagship projects can be contracted if the necessary supporting documents are submitted.
- The procedure shall ensure the balanced allocation of funds available for flagship projects among the 8 eligible counties. Future partners may sign pre-Agreements to implement a joint project.

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.1.2.4 6/c - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (name of indicator)²¹	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6/c 1	Increase in expected number of visits to supported sites of	Visits/year	Xxx	Project Monitoring	2018 and 2023

²⁰ Main procedural steps shall be discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to all IPs where restricted calls are foreseen.

²¹ Indicators cannot be considered final. They shall be further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to all indicators.



	<i>cultural and natural heritage and attractions (Common output indicator)</i>				
<i>6/c 2</i>	<i>Surface area of habitats supported in order to attain a better conservation status (Common output indicator)</i>	<i>Hectares</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
<i>6/c 3</i>	<i>Number of supported heritage sites</i>	<i>Piece</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
<i>6/c 4</i>	<i>Total length of newly built roads</i>	<i>km</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
<i>6/c 5</i>	<i>Total length of reconstructed roads</i>	<i>km</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>



2.2 Priority Axis 2: Improve sustainable cross-border mobility and remove bottlenecks (Cooperating on accessibility)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.2.1 Investment Priority 7/b

Enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure

2.2.1.1 7/b - Specific objective

Specific objective to IP 7/b 1: Improved cross-border accessibility

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field access time will be shorter, the accessibility cross the border will be enhanced. Access of TEN-T networks from many peripheral settlements in the neighbourhood of the state border will be solved and reduce time-consuming travel time. It will contribute to the connection of small villages and the one to larger cities. As a result of the various interventions foreseen, increase in daily average number of passengers crossing the border can be expected, thus easy access can be ensured. The level of cross-border traffic will improve and can be tackled with the infrastructure.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ²²	Source of data	Frequency of reporting
7/b 1	Reduction of travelling time	xxx	xxx	Xxx	Xxx	xxx	2018 and 2023
7/b 2	% of cross-border population served by modernized infrastructure leading to TEN-T	%	xxx	Xxx	Xxx	xxx	2018 and 2023

²²Target values may be qualitative or quantitative.



2.2.1.27/b - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

In order to improve cross-border mobility, further development of the road infrastructure cannot be neglected. Road development, however, needs to rely on a strategic approach: only roads that are on a joint priority list agreed by both countries (national level and county level alike) should be supported and bilateral – international – agreements need to be signed. Also, the cross-border programme needs to support the development of road links that truly enhance cross-border mobility: major connections (cross-border roads) creating direct links between the two countries, as well as roads in the proximity of the border, linking cross-border roads with TEN-T infrastructure. Priority should be given to roads that eliminate bottlenecks – longer stretch of border without road connection and also to ones that drastically reduce access time.

Indicative actions

Improving the access of inhabitants of the cross-border region to core and comprehensive TEN-T network

Support to building, modernization and upgrading of roads with cross-border impact to improve the opportunities for transboundary mobility. In line with the relevant investment priority, the development of roads only with direct link to secondary and tertiary nodes of TEN-T networks may be supported under this KAI.

Types of actions include, among others:

- Preparation of particular investment: elaboration of studies, analyses, feasibility studies, technical plans, purchase of permissions,
- Building, modernization, upgrading of cross-border roads and related infrastructure (also taking into account improving the conditions and safety of cycling, where possible).

Legal types of potential beneficiaries²³:

- Public authorities
- Bodies governed by public law

Activity 2.1.1	
Target groups	People living in the eligible area
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls
Cross-border character	The development of cross-border roads and roads improving the accessibility of the border have a strong cross-border character.

²³ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



2.2.1.3 7/b - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Restricted calls to implement flagship projects

Under this Priority Axis, in addition to carrying out open calls, flagship projects will also be implemented.

(For the guiding principles for the selection of flagship projects, see Chapter 2.1.2.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.2.1.4 7/b - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7/b 1	Total length of newly built road: of which TEN-T: (common indicator)	km	Xxx	Project Monitoring	2018 and 2023
7/b 2	Total length of reconstructed or upgraded road: Of which TEN-T (common output indicator)	km	xxx	Project Monitoring	2018 and 2023
7/b 3	Total length of cross-border roads affected by feasibility study and engineering plan (programme specific output indicator)	km	xxx	Project Monitoring	2018 and 2023



2.2.2 Investment Priority 7/c

Developing and improving environment-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

2.2.2.1 7/c - Specific objective

Specific Objective: Increase the proportion of passengers using sustainable forms of cross-border transport

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field, public transportation (including timetable harmonization, establishment of cross-border public transport links between major settlements of the eligible area) will be developed. Multimodal transport will be enhanced by creating links between various transport modes the connection cross-border Environment-friendly transport solutions will be offered cross the border also by further building bicycle routes. As a result of the various interventions foreseen, increase in number of users of cross-border public transport services and bicycle routes, increase in access time, boost in utilisation of airport capacity can be expected, thus contributing to enhancement of the environment-friendly transport.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ²⁴	Source of data	Frequency of reporting
7/c 1	Proportion of people and vehicles crossing the border	%	xxx	Xxx	Xxx	xxx	2018 and 2023

2.2.2.2 7/c - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

Public transport development (including timetable harmonization, establishment of cross-border public transport links between major settlements of the eligible area), enhancing multimodal transport by creating links between various transport modes. Also, as cross-border travel often covers shorter distances (between two settlements in the proximity of the border), development of bicycle roads is also proposed. (Such projects, however, need to demonstrate that they either serve daily work commute or become part of a touristic thematic route.)

With regard to improving railway transport, the programme with its fairly limited budget can only undertake to induce and catalyse investments from other sources (like mainstream OP-

²⁴Target values may be qualitative or quantitative.



s of the two countries) by supporting the preparation phase (feasibility studies, engineering designs) of the development of major railway infrastructure developments between the two countries. And, even with this limitation in place, it is proposed that the programme only supports preparation measures related to cross-border links enjoying the joint commitment of the two national governments and also of the national railway companies to actually implement (from future national or European funds), this way ensuring the efficient use of the limited CBC funds.

Indicative actions

Coordinated development of key railway and tram-train lines connecting major cities in the eligible area

Support can only be provided to the preparation phase (feasibility studies, engineering designs) of the investments into major railway infrastructure projects between the two countries.

Development of cross-border public transport services

Support to improving the key conditions of environment-friendly forms of public transport.. The focus of activities is the improvement of road-based (bus) public transport, including the purchase of environment-friendly vehicles, development of complementary facilities (like charging stations), provision of non-fossil fuel for the vehicles. Support can only be provided to projects that directly serve cross-border public transport.

Development of key conditions of cross-border bicycle transport

Investments into the development of new cross-border bicycle roads, extension of existing cross-border bicycle roads, development of complementary infrastructure (for instance bicycle parking and storage) directly linked to cross-border bicycle transport.

Providing support to building, modernization and upgrading of bicycle roads and the complementary infrastructure particularly to improve the labour force mobility and the access of tourism destinations.

Types of actions include, among others:

- Preparation of particular investments: elaboration of studies, analyses, concepts, engineering design, elaboration of recommendations concerning legal administrative bottlenecks hampering cross-border mobility
- Development of cross-border intelligent transport system, passenger information system, on-line schedule, e-ticketing, mobile apps, common tariff systems
- Development and integration of cross-border public transport services
- Investment into public transport related infrastructure (e.g. low emission vehicles, bus)
- Innovative solutions to improve cross-border public transport and reducing transport-related emission
- Building, modernization and upgrading of roads, bicycle roads, path or lane, also by using existing infrastructure elements, where appropriate (eg. dams, agricultural roads, etc.)



Legal types of potential beneficiaries²⁵:

- Public authorities
- Bodies governed by public law that have their seats or a regional/local branch registered in the programme area.

	Activity 2.2.1	Activity 2.2.2	Activity 2.2.3
Target groups	People living in the border area		
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls		
Cross-border character	Strong cross-border character		

2.2.2.3 7/c - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Restricted calls to implement flagship projects

Under this Priority Axis, in addition to carrying out open calls, flagship projects will also be implemented.

(For the guiding principles for the selection of flagship projects, see Chapter 2.1.2.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.2.2.4 7/c - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7/c 1	Annual capacity of new cross-border public transport services (programme specific output indicator)	Persons	Xxx	Project Monitoring	2018 and 2023
7/c 2	Total length of newly build or reconstructed bicycle road (programme specific output indicator)	km	Xxx	Project Monitoring	2018 and 2023

²⁵ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



<i>7/c 3</i>	<i>Total length of newly build or reconstructed road (programme specific output indicator)</i>	<i>km</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
<i>7/c 4</i>	<i>Total length of cross-border railway lines affected by feasibility study and engineering plans (programme specific output indicator)</i>	<i>km</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>



2.3 Priority Axis 3: Improve employment and promote cross-border labour mobility (Cooperating on employment)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.3.1 Investment Priority 8/b

Supporting employment friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources

2.3.1.1 8/b - Specific objective

Specific Objective: Increase employment in specific territories within the eligible area

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field, integrated strategies of specific territories based on endogenous potentials will be in place and implemented, and, as a result, the environment of businesses will be improved, cooperation will be enhanced based on mutual advantages, and facilities will be developed enabling cross-border sales of local products. Moreover cross-border mobility will be also improved in the entire area. The accessibility of important facilities, cultural or natural values will be strengthened. As a result of the various interventions foreseen, employment rate of the territories covered can be expected to increase.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ²⁶	Source of data	Frequency of reporting
8/b 1	Increase in the employment rate in the eligible area.	%	xxx	xxx	Xxx	Xxx	2018 and 2023

²⁶Target values may be qualitative or quantitative.



2.3.1.2 8/b - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

With the aim to strengthen the employment-related approach of the priority with a specific focus on balancing supply and demand in the labour market of the programme area and enhancing the mobility of workforce. For the employment-friendly growth of specific territories – in line with the key principles and philosophy of the relevant investment priority (8b) –, complex interventions building on the endogenous potential and territorial specificities of the given areas need to be implemented with the aim to increase the employment with focus on balancing supply and demand in the labour market and to enhance the mobility of workforce.

The actions to be supported may differ from territory to territory, examples could include:

- Improving the environment of businesses, enhancing cooperation based on mutual advantages, development of facilities enabling cross-border sales of local products
- Improving the cross-border accessibility of the entire area, or that of important facilities, cultural or natural values to strengthen the local economy and employment through the development and rehabilitation of roads.
- Enhancing the co-operation of local labour market actors in order to improve labour matching and the employment situation of the eligible territory.

Indicative actions

Support to integrated programmes enabling the employment-friendly growth of less developed areas

Instead of supporting individual projects, this priority is aimed at supporting groups of projects of cross-border partnerships of municipalities and other relevant stakeholders including employment centres, training institutions, social partners and NGOs aimed at jointly improving the local conditions of employment friendly growth. It is proposed that this intervention focuses on the integrated development of micro-regions located in the immediate neighbourhood of the border. Moreover it also includes measures aiming to promote matching of labour market needs and supply, the development of training and employment programmes focusing on the disadvantaged people so as to promote employment in a more inclusive way.

Types of actions include, among others:

- Preparation of integrated development strategy and action plans of specific territories (identification of endogenous potential and infrastructure development needs to increase employment)

The following actions can be implemented based on the strategies:

- Implementation of cross-border training and employment initiatives, cross-border cooperation between relevant stakeholders of labour market (e.g. employment centres, training institutions, social partners and NGOs)
- Targeted actions strengthening employment by the creation of local products/services and related infrastructures based on the local potential



- Improving environment and services with the aim of increasing employment: establishment and development of cross-border business infrastructure facilities - industrial parks, business incubators, clusters, marketplaces and others.
- Improving cross-border accessibility in the selected specific territories through the rehabilitation and construction of cross-border roads
- Creation of infrastructural conditions and establishment of specific services

Legal types of potential beneficiaries²⁷:

- Public authorities
- Bodies governed by public law. , that have their seats or a regional/local branch registered in the programme area.

Activity 3.1.1	
Target groups	People living in micro-regions (HU) and ATUs ²⁸ or groups of ATUs (RO) in the immediate proximity of the state border
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls
Cross-border character	Strong cross-border character

2.3.1.3 8/b - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Restricted calls to implement flagship projects

Under this Priority Axis, in addition to carrying out open calls, flagship projects will also be implemented.

(For the guiding principles for the selection of flagship projects, see Chapter 2.1.2.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

²⁷ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.

²⁸ Towns and communes as defined by the Law 351/2001



2.3.1.4 8/b - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
8/b 1	<i>Number of inhabitants affected by joint integrated strategies for specific territories. (programme specific output indicator)</i>	<i>Persons</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
8/b 2	<i>Number of participants in joint local employment initiatives and joint training. (common output indicator)</i>	<i>Persons</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
8/b 3	Size of infrastructure buildings established or rehabilitated	<i>square meters</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
8/b 4	<i>Total length of newly built roads. (common output indicator)</i>	<i>km</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
8/b 5	<i>Total length of reconstructed roads. (common output indicator)</i>	<i>km</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>



2.4 Priority axis 4: Promoting social inclusion and combating poverty and any discrimination (Cooperating on social solutions)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.4.1 Investment Priority 9/a

Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and transition from institutional to community-based services

2.4.1.1 9/a - Specific objective

Specific Objective: Improve health-care service across the eligible area.

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field the health care system will be balanced in the eligible area. The outdated and rundown infrastructure and equipment will be replaced. Efficient diagnosis and treatment can be realized. It makes cross-border patient information and medical history mutually available and transparent, which will be realized through cross-border communication system, telemedical infrastructure and knowledge transfer. The harmonization of development plans will bring solutions to the differences between the national health care strategies and ensure the consistency and balance of the treatment in the eligible area. As a result of various interventions foreseen, increase in number of people benefiting from improved health services across the border can be expected contributing to a balanced system of treatment.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ²⁹	Source of data	Frequency of reporting
9/a 1	Average service level in hospitals in the eligible area.	xxx	xxx	xxx	Xxx	xxx	2018 and 2023

²⁹Target values may be qualitative or quantitative.



2.4.1.29/a - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

Types of actions to be supported include coordinated development of health care infrastructure, equipment and services, design and introduction of mechanisms implementing the EU Directive on cross-border health care, setting up joint specialist teams, development of joint health care protocols, establishment of telemedical systems, joint prevention activities. In addition, complementary interventions may also be supported, facilitating easier and quicker accessibility of medical services in the eligible area.

Interventions should focus on improving facilities and services in order to ensure early identification, prevention and quality treatment of illnesses that are the leading causes of death.

In order to ensure the most efficient use of health care capacities in the border area, to have an agreement of the Romanian and Hungarian health administration regarding main directions of development and also cross-border financing would be important – this could ensure complementarity and sustainability of the infrastructure and services created.

Indicative actions

Investment to improve health care infrastructure and equipment

Investment support to infrastructure development, purchase and installation of equipments in order to ensure access to quality services across the entire area and to harmonized development of specialized services.

Know-how exchange and joint capacity development

Support for joint trainings, workshops, conferences, internships and other forms of know-how exchange related to the service development supported. Only interventions complementary to health care investments can be supported.

Development of cross-platform central telemedical, e-health infrastructure

Providing support to the development of joint telemedical and e-health infrastructure ensuring that cross-border patient information and medical history can be made mutually available and transparent, thus increasing the efficiency of diagnosis and treatment.

Types of actions include, among others:

- Investments in health-care infrastructure adapted to specific needs
- Purchase and installation of equipment
- Exchange of know-how and capacity building activities (training courses, workshops, conferences, internships)
- Harmonized development of specialized services
- Development of telemedical and e-health infrastructure for diagnosis and treatment
- Improving cross-border accessibility of health-care services



Legal types of potential beneficiaries³⁰:

- Public authorities
- Bodies governed by public law.
that operate hospitals or other health care institutions in the eligible area.

Activity 4.1.1	
Target groups	Population of the eligible area, primarily risk groups of leading death causes
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls
Cross-border character	Joint development of services and know-how exchange has a strong cross-border character. One-sided, individual development projects have limited cross-border character.

2.4.1.3 9/a - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Restricted calls to implement flagship projects

Under this Priority Axis, in addition to carrying out open calls, flagship projects will also be implemented.

(For the guiding principles for the selection of flagship projects, see Chapter 2.1.2.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.4.1.4 9/a - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
9/a 1	<i>Population covered by improved health services (common output in ETC Reg)</i>	<i>Persons</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>

³⁰ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



9/a 2	Number of health-care departments affected by modernized equipment	Pieces	Xxx	Project Monitoring	2018 and 2023
9/a 3	Health-care personnel participating in capacity building and know-how exchange activities	Persons	Xxx	Project Monitoring	2018 and 2023
9/a 4	Total length of newly built and reconstructed roads	km	Xxx	Project Monitoring	2018 and 2023

2.4.2 Investment Priority 9/b³¹³²

Providing support for physical, economic and social regeneration of deprived urban and rural areas

2.4.2.1 9/b - Specific objective

Specific Objective: Mitigate poverty and reduce discrimination in deprived areas

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field the general living conditions are foreseen to improve. Accessibility to segregated areas can be solved. Better environment is provided for businesses. As a result of various interventions foreseen, increase in number of people benefiting from services and facilities in deprived areas across the border can be expected contributing to a direct development of poor areas and the reduction of peripherality.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ³³	Source of data	Frequency of reporting
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³¹ Inclusion of IP 9/b in the OP will be discussed and decided at the JWG meeting in September 2014.

³² The IP 9/b has been challenged in a comment because of the lack of justification. It cannot be considered final. It shall be further discussed at the ex-ante workshop and sub-JWG meeting.

³³ Target values may be qualitative or quantitative.



9/b 1	Number of people living in deep poverty	persons	xxx	xxx	Xxx	xxx	2018 and 2023
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2.4.2.29/b - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

This intervention is aimed at the integrated development of poor and deprived areas; instead of individual projects, programmes should be supported that provide a complex answer to the challenges of the given area. The intervention is proposed to have a territorial focus as well: funding can only be applied for from areas that are struck by poverty (the Strategic Territorial Analysis contains a proposed demarcation of such territories in the eligible area).

Indicative actions

Integrated development of deprived rural areas (with special emphasis of joint poor and deprived areas)

This activity is aimed at the integrated improvement of the general living conditions of the people in deprived rural areas through ensuring better socio-economic status. Specific actions may include improving accessibility, providing better environment for businesses, improving housing conditions, as well as raising educational and skill levels in order to ensure better employability – as part of an integrated programme.

Social urban rehabilitation of segregated urban areas

This activity is focused on improving the situation of segregated urban communities.

Types of actions include, among others:

- Designing complex integrated development programmes (microregional and local action plans) built on cross- border cooperation and exchange of experience of communities, aimed at reducing poverty and enhancing social inclusion in deprived urban and rural areas
- Delivery of small-scale pilot actions based on the designed integrated development programmes in:
 - Developing public spaces
 - Improving cross-border accessibility
 - Social economy
 - Social housing



Legal types of potential beneficiaries³⁴:

- Public authorities
- Bodies governed by public law.

	Activity 4.2.1	Activity 4.2.2
Target groups	People living in deprived rural areas	People living in segregated urban areas
Possible forms of support	Open calls	Open calls
Cross-border character	The joint integrated development of <i>cross-border (joint) deprived rural areas</i> has a strong cross-border character	Social urban rehabilitation actions typically respond to local – urban – challenges. The proposed actions have modest cross-border character.

2.4.2.3 9/b - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.4.2.4 9/b - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
9/b 1	<i>Population living in areas with integrated urban development strategies (common output indicator)</i>	<i>Persons</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
9/b 2	<i>Number of people benefitting from new services and facilities in deprived areas (programme specific output indicator)</i>	<i>Persons</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
9/b 3	<i>Number of participants in projects promoting gender equality, equal opportunities and social inclusion across</i>	<i>Persons</i>	<i>.xxx</i>		

³⁴ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



	<i>borders (common output indicator)</i>				
<i>9/b 4</i>	<i>Open space created or rehabilitated in urban areas (common output indicator)</i>	<i>Square metres</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
<i>9/b 5</i>	<i>Public or commercial buildings built or renovated in urban areas ((common output indicator)</i>	<i>Square metres</i>	<i>Xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>



2.5 Priority axis 5: Improve risk-prevention and disaster management (Cooperating on risk prevention)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.5.1 Investment Priority 5/b

Promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems (ERDF)

2.5.1.1 5/b - Specific objective

Specific Objective: Improved cross-border coordination of emergency and risk prevention

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field, emergency response actions will be jointly handled with joint (and thus larger) capacity immediate help will be provided from the other side of the border. Emergency response time will be reduced contributing to eliminate high risk factors. Rapid reaction can be ensured in case of emergency situations. Proper infrastructure is in place, and plans, protocols are harmonized. As a result of the various interventions foreseen, increase in number of people benefiting from joint emergency response system can be expected that contributes to effective addressing of emergency situations across the border.

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ³⁵	Source of data	Frequency of reporting
5/b 1	Satisfaction rate of local administrations with the joint emergency and risk prevention	xxx	xxx	xxx	XXX	xxx	2018 and 2023

³⁵Target values may be qualitative or quantitative.



2.5.1.25/b - Description of the type and examples of actions to be supported and their expected contribution

Focus of interventions

Joint development of the emergency response and disaster management capacity in the eligible border area in order to facilitate rapid joint actions in case of emergency situations, reducing response time, especially in the immediate neighbourhood of the state borders.

Coordinated development of common risk prevention and emergency response system - investments into emergency response and risk prevention facilities and equipment, improvement of emergency response communication, harmonization of protocols and procedures, joint training and practices of organizations involved in emergency response and disaster management in the eligible area.

Types of actions include, among others:

- Set-up and integration harmonised standards and systems for better forecasting and managing natural and anthropic hazards in the CBC area, including the rivers area
- Land improvement for regions with high and medium hazard natural risk level
- Setting up harmonized integrated tools for risk prevention and mitigation, creation/development of structures for urgent, unexpected situations
- Development of regional level cross-border infrastructure in the field of emergency preparedness
- Exchange of experience and knowledge in the field of efficient risk prevention and management in the cross-border area
- Awareness-raising activities targeted at specific groups
- Elaboration of detailed maps and data bases indicating natural and technological risks, and land use
- Purchasing equipment for measuring/monitoring environmental parameters
- Setting up common rules/legislation and protocols related to risk prevention and disaster management

Legal types of potential beneficiaries:

- Public authorities³⁶
- Bodies governed by public law that have their seats or a regional/local branch registered in the programme area.

Activity 5.1.1	
Target groups	The target groups of this KAI are people living in the eligible area.
Possible forms of support	open calls flagship project(s) to be selected through targeted restricted calls
Cross-border character	The focus of this intervention is the joint development and harmonization of the

³⁶ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



	emergency response and disaster management capacity to enable concerted and efficient actions in emergency situations, thus it has a solid cross-border character.
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2.5.1.3 5/b - Guiding principles for the selection of operations

Call for Proposal

(For the guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.5.1.4 5/b - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
5/b 1	<i>Population benefiting from improved emergency response services (programme specific output indicator)</i>	<i>Persons</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>



2.6 Priority axis 6: Promoting cross-border cooperation between institutions and citizens (Cooperating across the border)

The entire priority axis will be implemented solely through financial instruments set up at Union level.		
Justification for the establishment of a priority axis covering more than one thematic objective	Not applicable	
Fund and calculation basis for Union support	<i>Fund</i>	ERDF
	<i>Calculation basis</i>	total eligible expenditure

2.6.1 Investment Priority 11/a

Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions

2.6.1.1 11/a - Specific objective

Specific Objective: Intensify sustainable cross-border cooperation of institutions and communities

The results that the Member States seek to achieve with Union support

By means of implementing joint actions in this field, communities close to state border will share and develop in a coordinated way their facilities, infrastructure and capacities. Maximum efficiency will be ensured to avoid wasteful parallel capacities, tasks and duties. Jointly created and exchanged best practices will be used. Better services to (cross-border) clients will be offered. Regulatory background will be harmonized. Administrative burdens will be reduced. Cooperation, joint cultural, educational and sports programme will bring people and community closer and will be natural part of everyday life which build trust among people and communities will be more open to each other. As a result of various interventions foreseen, increase in number of institutions and also people benefiting from cooperation can be expected that contributes to harmonization, building trust and making cooperation a natural part of everyday life as well as increasing visibility of the Programme.



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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) ³⁷	Source of data	Frequency of reporting
11/a 1	Level of the cross-border cooperation intensity of the public and non-profit organizations	xxx	xxx	xxx	XXX	xxx	2018 and 2023

2.6.1.2 11/a - Description of the type and examples of actions to be supported and their expected contribution

a) Institutional cooperation

Focus of interventions

In compliance with the related Thematic Objective, this intervention is aimed at enhancing the joint institutional capacity to provide better services to their (cross-border) clients. This entails providing support to joint projects of institutions, aimed at the development of joint solutions, methodologies, protocols, delivering joint training courses, helping the harmonization of relevant legislations, supporting institutional development, exchanging know-how, information, developing language skills to facilitate better communication, developing services provided to cross-border clients, etc.

Types of actions include, among others:

- Analysis of the regulatory background in different fields, proposing solutions and actions to harmonize relevant regulations
- Initiatives aimed at the reducing of administrative burdens of cross-border activities of people, enterprises and other organizations
- Needs assessment, identification of legal, social and economic conditions and obstacles of joint service provision
- Elaboration and introduction of institutional cooperation models
- Capacity development of regional and local public administration bodies to facilitate more active participation in cross-border cooperation
- Institutional capacity building and promotion of the EU legislation
- Activities focusing on the improvement of cross-border services, development of necessary small-scale works and equipment

³⁷ Target values may be qualitative or quantitative.



It is proposed, that instead of one-off cooperation initiatives projects that can sustain cooperation in the long-run are supported.

Legal types of potential beneficiaries³⁸:

- Public authorities
- Bodies governed by public law that have their seats or a regional/local branch registered in the programme area.

Activity 6.1.1	
Target groups	Unemployed people, job-seekers, employers Students of higher education institutions, pupils of educational institutions People living in the proximity of the border Enterprises
Possible forms of support	open calls
Cross-border character	As the interventions are aimed at the cross-border cooperation of institutions, they have a strong cross-border character

b) People-to-people cooperation

Focus of interventions

The focus of intervention is to help cooperation initiatives that bring communities and people closer to each other, build cooperation and trust.

Indicative actions

Providing support to initiatives and events promoting and preserving cultural diversity and common traditions – involving the local civil society. Examples may include support to small-scale cooperation initiatives of communities, civil organizations and institutions in the fields of culture, sports, youth and other leisure activities (e.g. organising village-days, joint sport events, preserving common cultural traditions) is essential from social and cultural point of view. In order to improve sustainability, it is proposed that multiannual programmes are supported instead of one-off projects.

Types of actions include, among others:

- Small-scale joint initiatives promoting cultural diversity and joint traditions
- Joint events in the field of sports, culture, leisure activities

Legal types of potential beneficiaries³⁹:

³⁸ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



- Public authorities
- Bodies governed by public law that have their seats or a regional/local branch registered in the programme area.

Activity 6.2.1	
Target groups	Population of the eligible area
Possible forms of support	open calls and/or simplified call
Cross-border character	The people-to-people and community-to-community cooperation in the border area has a strong cross-border dimension.

2.6.1.3 11/a Guiding principles for the selection of operations

Call for Proposal (open or simplified)

(For the general guiding principles for the selection of operations in the frame of call for proposals, see Chapter 2.1.1.3)

The projects under this area of intervention are typically small-scale initiatives with modest budget. In order to ensure proportionality and to reduce the administrative burden of both the beneficiaries and the implementing bodies simplified project selection and implementation procedures need to be applied.

Planned use of financial instruments	Not applicable
Planned use of major projects	Not applicable

2.6.1.4 11/a - Output indicators

Table 4: Common and programme specific output indicators

ID	Indicator (<i>name of indicator</i>)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
11/a 1	<i>Number of institutions directly involved in cross-border cooperation initiatives (programme specific output indicator)</i>	<i>institutions</i>	<i>xxx</i>	<i>Project Monitoring</i>	<i>2018 and 2023</i>
11/a 2	<i>Number of people</i>	<i>persons</i>	<i>xxx</i>	<i>Project</i>	<i>2018 and</i>

³⁹ Legal types of beneficiaries cannot be considered complete, thus final. The list shall be amended and further discussed at the ex-ante workshop and sub-JWG meeting and shall be finalized and approved in the 2. draft OP. Generally it applies to legal types of beneficiaries in all TOs/IPs.



	<i>participating in cross-border cooperation initiatives. (programme specific output indicator)</i>			<i>Monitoring</i>	<i>2023</i>
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2.7 Performance framework (2.A.7)

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
PA1	Key implementation steps		Number of projects selected for financing and implemented	Number	Xxx	xxx	MC decision	•
PA2	Key implementation steps	•	Number of projects selected for financing and implemented	Number	Xxx	xxx	MC decision	•
PA3	Key implementation steps	•	Number of projects selected for financing and implemented	Number	Xxx	Xxx	MC decision	•
PA4	Key implementation steps	•	Number of projects selected for financing and implemented	Number	Xxx	xxx	MC decision	•
PA5	Key implementation step	•	Number of projects selected for financing and implemented	Number	Xxx	xxx	MC decision	•
PA6	Key implementation step	•	Number of projects selected for financing and implemented	Number	Xxx	xxx	MC decision	•

Additional qualitative information on the establishment the performance framework (optional)



2.8 Categories of intervention (2.A.8.)

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

Priority axis	Code	Amount (EUR)
PA1(IP 6/b)	021 Water management and drinking water conservation (including river basin management, water supply, specific climate change adaptation measures, district and consumer metering, charging systems and leak reduction)	Xxx
PA1 (IP 6/c)	091 Development and promotion of the tourism potential of natural areas	Xxx
PA1 (IP 6/c)	094 Protection, development and promotion of public cultural and heritage assets	Xxx
	095 Development and promotion of public cultural and heritage services	
PA2 (7/b)	030 Secondary road links to TEN-T road network and nodes (new build)	Xxx
PA2(7/b)	032 Local access roads (new build)	Xxx
PA2 (7/b)	034 Other reconstructed or improved road (motorway, national, regional or local)	Xxx
PA2 (7/c)	044 Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring, control and information systems)	Xxx
PA2 (7/c)	090 Cycle tracks and footpaths	Xxx
PA3 (IP 8/b)	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	Xxx
	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	xxx
	104 Self-employment, entrepreneurship and business creation including innovative micro, small and medium sized enterprises	xxx
	105 Equality between men and women in all areas, including in access to employment, career progression, reconciliation of work and private life and promotion of equal pay for equal work	xxx
	106 Adaptation of workers, enterprises and entrepreneurs to change	xxx
	108 Modernisation of labour market institutions, such as public and private employment services,	xxx



	and improving the matching of labour market needs, including through actions that enhance transnational labour mobility as well as through mobility schemes and better cooperation between institutions and relevant stakeholders	
PA4 (IP 9/a)	053 Health infrastructure	Xxx
PA4 (IP 9/a)	112 Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest	Xxx
PA4 (IP 9/b)	109 Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability	Xxx
PA4 (IP 9/b)	112 Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest	Xxx
	? 087 Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures	xxx
PA5 (IP 5/a)	088 Risk prevention and management of non-climate related natural risks (i.e. earthquakes) and risks linked to human activities (e.g. technological accidents), including awareness raising, civil protection and disaster management systems and infrastructures	xxx
PA6 (IP 11/a)	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	xxx

Table 7: Dimension 2 Form of finance		
Priority axis	Code	Amount (EUR)
PA1	01 Not repayable grant	Xxx
PA2	01 Not repayable grant	Xxx
PA3	01 Not repayable grant	Xxx
PA4	01 Not repayable grant	Xxx
PA5	01 Not repayable grant	xxx
PA6	01 Not repayable grant	Xxx

Table 8: Dimension 3 Territory type		
Priority axis	Code	Amount (EUR)
Not applicable		

Table 9: Dimension 6 Territorial delivery mechanisms		
Priority axis	Code	Amount (EUR)
Not applicable		



2.9 A summary of the planned use of technical assistance (2.A.9)

(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)



2.10 Priority Axis 7 - Technical Assistance

According to Article 17 of Regulation (EU) no 1299/2013, the limit for Technical Assistance (TA) is determined in a maximum of 6% of the total ERDF amount allocated to the Programme.

The TA aims at supporting the implementation of the Programme, the involvement of relevant partners, as well as to increase capacity of institutions and beneficiaries in the Programme area for the cross-border actions.

The Priority Axis 7 TA seeks in particular to achieve two specific objectives, namely a) to secure the core management for the implementation of the Programme (preparation, contracting, implementation, monitoring, evaluation and control) and b) to implement accompanying activities to support the generation and implementation of high-quality, result-oriented cross-border projects and partnerships in a way that the TA contributes to the effective and smooth management and implementation of the Programme.

Besides the use of TA 2014-2020 the preparation of the Programme was financed from the HURO CBC Programme 2007-2013 TA allocation with the involvement of all relevant stakeholders respecting the multi-level governance approach.

During the planning and programming phase, assistance of experts might be also needed in the preparation and creation of flagship projects from their idea from strategic point of view until start of their implementation.

Detailed description of the TA can be found in Chapter 2.B.



2.B. Description of the priority axes for technical assistance

2.10.1 Priority axis (2.B.1)

<i>ID</i>	
<i>Title</i>	Technical Assistance

2.10.2 Fund and calculation basis for Union support (2.B.2)

(repeated for each fund under the priority axis)

<i>Fund</i>	ERDF
<i>Calculation Basis (total eligible expenditure or eligible public expenditure)</i>	<i>Total eligible expenditure</i>

2.10.3 Specific objectives and expected results (2.B.3.)

Specific objective(repeated for each specific objective)

<i>ID</i>	
<i>Specific objective</i>	Effective and efficient programme and project implementation
<i>Results that the Member States seek to achieve with Union support</i> ⁴⁰	Not applicable (Required where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million)

2.10.4 Result indicators⁴¹ (2.B.4.)

Not applicable (Required where objectively justified by the given the content of the actions and where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million.)

⁴⁰Required where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million.

⁴¹Required where objectively justified by the given the content of the actions and where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million.



2.10.5 Actions to be supported and their expected contribution to the specific objectives (2.B.5.)

(by priority axis)

2.B.5.1. Description of actions to be supported and their expected contribution to the specific objectives

The Technical assistance will support actions that enhance the capacity of applicants and beneficiaries to apply for and to use the programme funds and that improve the administrative procedures while ensuring a proper verification of project outputs and results under the quantitative and qualitative point of view

Moreover, Technical Assistance funds will be used to prepare programme processes and templates, for programme administration, monitoring, evaluation, communication, auditing and to improve the administrative capacity and the common working procedures of the programme bodies and stakeholders. Therefore, Technical Assistance funds will finance the programme staff: the Managing Authority (MA) and Certifying Authority (CA), the Joint Secretariat (JS) and the Audit Authority (AA). All operation costs linked to the staff (office and administration, travel costs etc.) will be covered from the TA. Moreover tasks related to national activities (National Authority, FLC) will be also covered from TA.

Indicative actions supported under this Priority Axis are listed below and refer to principles and tasks described in Sections 5:

- Management of the programme by the MA with support of the JS and support to the Monitoring Committee for the implementation and day-to-day management of the programme.
- The drafting and implementation of calls of proposals, including the development of the guidance documents
- The drafting of information documents for applicants and beneficiaries to guide them in the preparation of applications and in the implementation, evaluation, control and communication of approved operations
- Implementation of proper procedures for the quality assessment, monitoring and control of operations implemented under the cooperation programme, also making use of external experts where necessary, and contributing to the reduction of administrative burden for beneficiaries
- Evaluation of the programme implementation by gathering data concerning the progress of the programme in achieving its objectives, as well as financial data and data relating to indicators and milestones, and reporting to the Monitoring Committee and the European Commission. For this purpose, an evaluation plan may be drafted.
- Organisation and implementation of audit activities with regard to the programme management and control system and on operations.
- Establishment of cooperation and coordination networks and contacts among representatives of other relevant EU-co- funded programmes by MA and JS (EUSDR, neighbouring ETC programmes, national programmes, etc.)



- Implementing widespread information activities about the programme and the projects through the elaboration and implementation of a programme communication strategy.
- Support to (potential) project holders in developing and implementing relevant projects. Diverse seminars, trainings and information events will be organised on national and cross-border level (details will be set out in the communication plan)
- Elaboration of studies, reports and surveys on strategic matters concerning the programme that can contribute to the sustainability and the take up of results and achievements into policies, strategies, investments or that are of public interest, making use of experts when necessary.
- Development and maintenance of a structured integrated database of the programme data management that is accessible to all relevant implementing bodies of the programme. The database will enable data management on various level of implementation, it will work as an integrated statistical tool and as a method of the day-to-day management on programme and project level. Innovative front office tools will be developed such as electronic submission of applications.
- Costs related to tasks to be performed by the National Authority.
- Costs related to tasks to be performed by the controllers.

Technical Assistance actions will be implemented by all authorities involved in the management of the Programme, listed in Section 5.

<i>Priority axis</i>	Technical Assistance
<i><2.B.3.1.2 type='S' maxlength='7000' input='M'></i>	



2.B.5.2 Output indicators expected to contribute to results (by priority axis)

Table 11: Output indicators

ID	Indicator	Measurement unit	Target value (2023) (optional)	Source of data
<2.B.3.2.1 type='S' maxlength='5' input='M'>	<2.B.2.2.2 type='S' maxlength='255' input='M'>	<2.B.3.2.3 type='S' input='M'>	<2.B.3.2.4 type='N' input='M'>	<2.B.3.2.5 type='S' maxlength='100' input='M'>



2.10.6 Categories of intervention (2.B.6.)

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)
<2B.4.1.1 type='S' input='S' Decision=N >	<2B.4.1.2 type='S' input='S' Decision=N >	<2B.4.1.3 type='N' input='M Decision=N '>

Table 13: Dimension 2 Form of finance		
Priority axis	Code	Amount (EUR)
<2B.4.2.1 type='S' input='S' Decision=N >	<2B.4.2.2 type='S' input='S' Decision=N >	<2B.4.2.3 type='N' input='M' Decision=N >

Table 14: Dimension 3 Territory type		
Priority axis	Code	Amount (EUR)
<2B.4.3.1 type='S' input='S' Decision=N >	<2B.4.3.2 type='S' input='S' Decision=N S' >	<2B.4.3.3 type='N' input='M' Decision=N '>



3 SECTION 3: FINANCING PLAN



3.1 Financial appropriation from the ERDF (in EUR)

Table 15

Fund	2014	2015	2016	2017	2018	2019	2020	Total
<3.1.1 input='G'> type='S'								
<i>ERDF</i>	<3.1.3 type='N' input='M' >	<3.1.4 type='N' input='M' >	<3.1.5 type='N' input='M' >	<3.1.6 type='N' input='M' >	<3.1.7 type='N' input='M' >	<3.1.8 type='N' input='M' >	<3.1.9 type='N' input='M' >	<3.1.10 type='N' input='G' >
<i>Total</i>								



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

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 EIB⁴² 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) (2)	For information	
					National Public funding (c)	National private funding (d) (1)			Contributions from third countries	EIB contributions
<3.2.A.1 type='S' input='G'>	<3.2.A.2 type='S' input='G'>	<3.2.A.3 type='S' input='G'>	<3.2.A.4 type='N' input='M'>	<3.2.A.5 type='N' input='G'>	<3.2.A.6 type='N' input='M'>	<3.2.A.7 type='N' input='M'>	<3.2.A.8 type='N' input='G'>	<3.2.A.9 type='P' input='G'>	<3.2.A.10 type='N' input='M'>	<3.2.A.11 type='N' input='M'>
Priority axis 1	ERDF (possibly incl. amounts transferred from IPA and ENI) ⁴³									

⁴²European Investment Bank

⁴³Presentation of amounts transferred from ENI and IPA depends on management option chosen.



<i>Priority axis N</i>	ERDF (possibly incl. amounts transferred from IPA and ENI)									
	IPA									
	ENI									
Total	ERDF									
	IPA									
	ENI									
Total	Total all Funds									

(1) To be completed only when priority axes are expressed in total costs.

(2) This rate may be rounded to the nearest whole number in the table. The precise rate used to reimburse payments is the ratio (f).



3.3 Breakdown by priority axis and thematic objective (3.2.B.)

Table 17

Priority axis	Thematic objective	Union support	National counterpart	Total funding
<3.2.B.1 type='S' input='G'>	<3.2.B.2 type='S' input='G'>	<3.2.B.3 type='N' input='M'>	<3.2.B.4 type='N' input='M'>	<3.2.B.5 type='N' input='M'>
		•	•	•
TOTAL				



Table 18: Indicative amount of support to be used for climate change objectives

Priority axis	Indicative amount of support to be used for climate change objectives (€)	Proportion of the total allocation to the programme (%)
<3.2.B.8 type='S' input='G'>	<3.2.B.9 type='N' input='G' Decision=N>	<3.2.B.10 type='P' input='G' Decision=N>
Total		



4 SECTION 4: AN INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

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

Both national PAs recognise the six priority axis as relevant as follows: the Hungarian Partnership Agreement states that in line with the following main co-operation areas need to be supported in the framework of the international territorial co-operation:

1. Enhancing competitiveness and employment based on cross-border cooperation,
2. Promoting territorial integration in the border areas by strengthening environmental, transport, water management,
3. Promoting institutional integration and improving relationships between communities in the border region.

In the Romanian Partnership Agreement it stipulates that the cooperation programmes have a significant contribution towards targeting the territorial integration in cross-border areas, which represents one of the territorial challenges of Romania. Joint actions under these programmes will target:

- improve research and innovation, the development of tourism and promotion of cultural heritage in the border areas,
- strengthening cooperation between the relevant communities, supporting the development and improvements of infrastructure, removing the bottlenecks related to cross-border transport flows, waste and water treatment,
- developing and implementing common solutions to joint difficulties, which are often caused by natural environmental conditions, in fields as climate change impacts, risk prevention and risk/disaster management.

Based on the above, the programme strategy combines thematic and territorial dimensions and is well in line with the PAs of the two Member States in all its chosen priorities as follows:



Priority 1 (TO 6): According to the PAs, a common priority for the two states is to enhance joint protection, development and touristic utilization of the border region's common natural and cultural heritage, to facilitate integrated water management.

Priority 2 (TO 7): According to the PAs, a common priority for the two states is to enhance the development of a higher level of territorial cohesion by means of the improvement of accessibility within the region (cross-border infrastructure and capacities of the public transport)

Priority 3 (TO 8): According to the PAs, a common priority for the two states is to enhance the development of key conditions for improving labour mobility and putting emphasis on the integration of the cross-border labour market, fostering the employment as well as the improvement of accessibility to cultural, natural resource and job opportunities based on local growth strategies and on endogenous potentials.

Priority 4 (TO 9): According to the PAs, a common priority for the two states is to enhance an efficient use of health care capacities and joint, coordinated development of health care system and infrastructure.

Priority 5 (TO 5): According to the PAs, a common priority for the two states is to enhance to jointly tackle risk factors by means of a coordinate risk prevention and disaster management.

Priority 6 (TO 11): According to the PAs, a common priority for the two states is to enhance a stronger cohesion and a long-term cooperation between the institutions, municipalities and people across the border.



4.1 Community-led local development

Approach to the use of community-led local development instruments and principles for identifying the areas where they will be implemented

Not applicable



4.2 Integrated actions for sustainable urban development

Principles for identifying the urban areas where integrated actions for sustainable urban development are to be implemented and the indicative allocation of the ERDF support for these actions

Not applicable

Table 19: Integrated actions for sustainable urban development – indicative amounts of ERDF support

Fund	Indicative amount of ERDF support (EUR)
ERDF	Not applicable



4.3 Integrated Territorial Investment (ITI)

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

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)
TOTAL	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)(Where Member States and regions participate in macro-regional and sea basin strategies)

The EU Strategy for the Danube Region (EUSDR) is a macro-regional strategy adopted by the European Commission in December 2010 and endorsed by the European Council in 2011. The Strategy was jointly developed by the Commission together with the Danube Region countries and stakeholders, in order to address common challenges together. The Strategy aims at creating synergies and coordination between existing policies and initiatives taking place across the Danube Region. The region is facing several challenges: environmental threats (water pollution, floods, and climate change), untapped shipping potential and lack of road and rail transport connections, insufficient energy connections, uneven socio-economic development, uncoordinated education, research and innovation systems and shortcomings in safety and security. In order to address the above-mentioned challenges a strong coordination and cooperation is needed meaning the Strategy does not have own financing mechanism but seeks to foster funding opportunities.

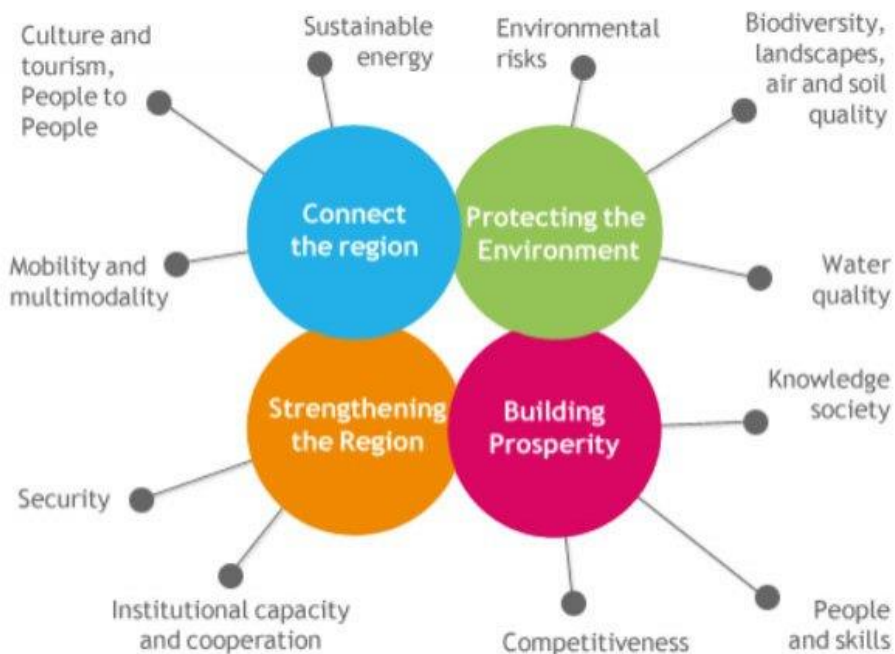
In order to provide financing for the Strategy, the Danube Transnational Cooperation Programme 2014-2020 will be set up as the successor of the South-East Europe Transnational Cooperation Programme 2007-2013 since in December 2012 the European Commission proposed to create a new transnational cooperation programme for the period 2014-2020. The Danube Programme area includes Austria; Bosnia and Herzegovina; Bulgaria; Croatia; Czech Republic; Germany (Baden-Württemberg and Bavaria) not whole territory); Hungary; the Republic of Moldova; Montenegro; Romania; Serbia; Slovakia; Slovenia; Ukraine (not whole territory). The geography of the new Danube Programme matches exactly the territory of the EU Strategy for the Danube Region adopted in 2011. The macro-regional strategy and the transnational Programme are two different instruments developed for similar aims but acting on different levels and principles. Their matching territory and goals provide great opportunities for cooperation between the two: besides contributing to the Strategy's thematic goals by realizing relevant cooperation projects, the Programme might also support the institutional cooperation of stakeholders and institutions of the Danube Strategy.

The territory of the Programme between Romania and Hungary 2014-2020 is part of the area covered by the EUSDR. Taking the area of relevance into account and the thematic objectives to be selected for the Programme 2014-2020, it can be stated that the above-mentioned challenges could be also identified as the ones related to the eligible border area of Romania and Hungary, thus strong coherence is determined.



The Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 has taken into account the comments of the European Commission and it is in compliance with the recommendations of the Position Papers issued by the European Commission and with the Partnership Agreements.

In the implementation of the activities under the priority axis of the Programme elaborated according to the selected thematic objectives and investment priorities, the EUSDR strategy will be taken into account as appropriate. Strong connection has been determined between the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 priorities and the ones of the EUSDR. The Programme seeks to support the implementation of the EUSDR in a way that it contributes to its 4 pillars and the majority of its Priority Areas. It can be foreseen that Programme as well as the projects to be selected for financing and implemented is related to the following priority axis:



The Priority Axis 1 and 6 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 1. Pillar “Connecting the Regions” of EUSDR as follows:

- Priority Area 3 of the EUSDR "To promote culture and tourism, people to people contacts"

The Priority Axis 1 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 2. Pillar “Protecting the environment” of EUSDR as follows:

- Priority Area 4 of the EUSDR "To restore and maintain the quality of waters"
- Priority Area 5 of the EUSDR "To manage environmental risks"



The Priority Axis 2 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 1. Pillar “Connecting the Regions” of EUSDR as follows:

- Priority Area 1B of the EUSDR "To improve mobility and intermodality - rail, road and air"

The Priority Axis 3 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 3. Pillar “Building prosperity” of EUSDR as follows:

- Priority Area 8 "To support the competitiveness of enterprises"

The Priority Axis 4 and 5 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 3. Pillar “Building prosperity” of EUSDR as follows:

- Priority Area 9 of the EUSDR "To invest in people and skills"

The Priority Axis 6 of the Cross-Border Cooperation Programme between Romania and Hungary 2014-2020 contributes to the 4. Pillar “Strengthening the region” of EUSDR as follows:

- Priority Area 10 "To step up institutional capacity and cooperation"

Annex 1, Article 7.3 of the CPR gives the possibility the Programme to support to Macro-Regional Strategies. The Monitoring Committee has the right to decide during the selection procedure on priorities. Based on the experience of the implementation of the HURO CBC Programme 2007-2013, priority was offered to projects related to MRS (Danube) by giving additional scores during the evaluation according to the application form containing separate section for MRS (Danube). This best practice could be continued in this Programme as well. It might be a good solution if projects having a contribution to the EUSDR would meet the following criteria a) Does the project have an impact on the whole eligible area or beyond to a wider scope?, b) Does the project support the objectives of the EUSDR? C) Does the project contribute to such results that can be used also outside of the eligible programme area?



5 SECTION 5: IMPLEMENTING PROVISIONS FOR THE COOPERATION PROGRAMME



5.1 Relevant authorities and bodies

Table 21: Programme authorities

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
Managing authority Bucharest	tbd
Certifying authority, where applicable Bucharest	tbd
Audit authority Bucharest	tbd

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

<input type="checkbox"/> the managing authority	<5.1.7 type type='C' input='M'>
<input type="checkbox"/> the certifying authority	<5.1.8 type type='C' input='M'>

Table 22: Body or bodies carrying out control and audit tasks

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
Body or bodies designated to carry out control tasks	<i>Széchenyi Programme Office, Budapest, Mátészalka, Békéscsaba BRECO Oradea</i>	<5.1.10 type='S' maxlength='255' input='M' >
Body or bodies designated to be responsible for carrying out audit tasks	<5.1.11 type='S' maxlength='255' input='M' >	<5.1.11 type='S' maxlength='255' input='M' >



5.2 Procedure for setting up the joint secretariat

According to Article 25 of ETC Regulation the Managing Authority (hereinafter: MA) after consultation with the Member States participating in the Programmes shall set up a Joint Secretariat (hereinafter: JS).

The JS is located in Békéscsaba and Budapest and hosted by Széchenyi Programme Office. Detailed definition of tasks and responsibilities of the JS, the rules on supervisions will be laid down in the joint procedure manual.

In addition to the office of JS, ... Info Points (hereinafter: IP) or Access Point (hereinafter: AP) with full-time employees - who will be functionally independent from the hosting institution and supervised in work by the Head of JS. - will be also set up in the eligible area.

The JS shall assist the MA and the Monitoring Committee (hereinafter: MC) in carrying out their respective functions. The JS shall also provide information to potential beneficiaries about funding opportunities under cooperation programme and shall assist beneficiaries in the implementation of operations. The JS shall carry out its tasks under the responsibility of the MA. The JS shall be funded from Technical Assistance based on the TA fiche to be approved by the MC. Approximately ...% of the TA budget will be separated for the operation.

The contact information of the JS:...

The contact information of the IP/AP:...



5.3 Summary description of the management and control arrangements

I. Tasks and responsibilities of joint management bodies

Based on the experience gained between 2007-2013 by the institutions participating in the Programme a description of management and control system will be drafted and approved by the MC. The joint management structure consists of the following bodies:

- Managing Authority
- Certifying Authority
- Audit Authority and Group of Auditors
- Monitoring Committee
- Joint Secretariat

Managing Authority shall carry out the functions laid down in Article 125 of CPR Regulation and Article 23 of ETC Regulation. Managing Authority shall be funded from the Technical Assistance 2014-2020 based on the TA fiche approved by the MC. Approximately ...% of the TA budget will be separated for functioning of the MA.

Certifying Authority shall carry out the functions laid down in Article 126 of CPR Regulation. The Certifying Authority shall be funded from the Technical Assistance 2014-2020 based on the TA fiche approved by the MC. Approximately ...% of the TA budget will be separated for functioning of the CA.

Audit Authority shall carry out the tasks laid down in Article 127 of the CPR Regulation. The Audit Authority shall be funded from the Technical Assistance 2014-2020 based on the TA fiche approved by the MC. Approximately ...% of the TA budget will be separated for functioning of the AA. It is assisted by the Group of Auditors consisting of Auditors from both Member States who shall support the Audit Authority in carrying out the audit work. The Group of Auditors

Monitoring Committee shall carry out the function laid down in Article 110 of CPR. The MC shall be set up by...

Joint Secretariat shall carry out the functions laid down in Article 25 of ETC Regulation. However the tasks and responsibilities will be clearly detailed in the joint procedure manual, the following tasks shall be especially carried out:

- to

Information Point / Access Point shall carry out the following tasks:

The IP/AP will be the main contact and information point of the programme in the target region of the programme. Its main task will be to support the JS in the implementation and management of the programme.



Besides the strictly meant joint structure, the tasks and responsibilities of the management bodies at national level consisting of National Authorities and Controllers performing the verification of expenditures will be detailed also in the description of management and control system.

II. Short summary of the description of management and control system:

The detailed Description of Management and Control System (hereinafter: DMCS) will be approved by the MC after the OP will be endorsed by the EC after the MC will be set up. Nevertheless main characteristics of the DMCS are detailed below:

II. a. Selection of operations

II. b. Financing

II. c. Payment procedure

II. d. Conflict of Interest

II. e. Electronic data exchange system

II. f. Subsidy Contract

II. g. Resolution of Complaints

II. h. Arrangements for programme closure

III. Details rules on implementation of Programme and projects

However a short description was provided, detailed rules of procedures and procedure manuals will be elaborated for the smooth implementation of the Programme and the projects. The following documents are foreseen:

- Description of Management and Control System
- Implementation Manual
- Project Implementation Handbook (for project generation, project implementation, national eligibility rules)
- Programme's Assessment and Evaluation Manual
- Rules of Procedure of the Monitoring Committee
- Separate procedure manuals for MA, JS, CA, AA at joint level as well as NA, FLC at national level
- TA manual, TA agreement and TA fiches for TA beneficiaries
- Call for Proposals package including Applicants' Handbook
- Subsidy Contract template
- Database manual



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

The participating Member States and third countries or territories, where applicable, shall confirm in writing their agreement to the contents of a cooperation programme prior to its submission to the Commission. This agreement shall also include a commitment of all participating Member States to provide the co-financing necessary to implement the cooperation programme. In this agreement also the apportionment of liabilities among participating Member States will be also clearly detailed.

I. MSs' reaction mechanism, procedure and timeframes

II. Arrangements on liability in case of irregularities (including recoveries procedure) systematic errors in the programme implementation

III. Arrangements in case of interruption/suspension of payments or financial correction

III.a. Interruption and suspension

III.b. Financial correction

IV. Arrangements concerning projects subject to judicial or bankruptcy



5.5 Use of the Euro (where applicable)

- a) Expenditure in Hungary will incur in HUF and in Romania in RON. Expenditure incurred in a currency other than the euro shall be converted into euro by the beneficiaries using the monthly accounting exchange rate of the Commission (http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm) in the month during which that expenditure was submitted for verification to the Managing Authority or the first level controller in accordance with Article 23 of this Regulation.



5.6 Involvement of partners

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

In accordance with the multi-level governance principle the involvement of partners has been a central component throughout the development of the entire Programme. As detailed in Chapter 9.3 (“Relevant partners involved in the preparation of the cooperation programme”) during the planning and programming procedure the involvement of all relevant national, regional and local stakeholders was ensured.

Even a document titled “Consultation and involvement of stakeholders in programming process” has been elaborated as part of the programming process, that presents a methodology for ensuring active involvement of the relevant stakeholders. The stakeholders have been regularly consulted and have had the opportunity to express their opinion on several occasions during the process. As an integral part of elaborating the Strategic Territorial Analysis and the draft Common Territorial Strategy the following consultation steps have been taken:

- **21 individual, semi-structured interviews** have been delivered with the representatives of relevant national ministries, county councils and representatives of the county seat towns in the eligible counties.
- **8 interactive county-level workshops** have been carried out, one in each eligible county, with the objective to inform the stakeholders in the given county about the planning process, discuss the analysis, jointly identify needs, challenges and potentials and also project ideas for the future cooperation programme. The lists of participants of these workshops have been proposed by the relevant county councils, and in all cases ensured a proper representation of municipalities, the business sector and the non-governmental sector. Details of interactive workshops can be found in STA Annex 6.5.
- **4 parallel interactive thematic workshops** have been held in Békéscsaba with over 100 participants in total. The participants have been selected and delegated by the eligible counties and the JWG member national ministries from Romania and Hungary. At these workshops the major development needs have been identified and the most important ingredients of the joint vision of the eligible area have been proposed.

Further consultations have been carried out in the OP preparation phase of the programming in order - ensuring that the stakeholders are regularly informed and can contribute to the preparation of the programme. The following steps have been taken:



- **Further individual interviews** have been carried out on national and county level, with the representatives of organizations of relevant thematic areas, to discuss the proposed strategy and interventions;⁴⁴
- **8 interactive county workshops** have been delivered – one in each eligible county - (i) to inform the stakeholders on the progress and content of programme preparation, and, (ii) to give them the opportunity to voice their opinions and shape the content of the operational programme. In accordance with the *Commission Delegated Regulation (EU) No .../..of 7.1.2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds*,, the following stakeholders have been invited to these county workshops:
 - representatives of the relevant the county council (also represented in the Joint Working Group);
 - representatives of cities and urban areas;
 - representatives of higher education institutions from the given county;
 - representatives of chambers of commerce and other business associations;
 - representatives of the civil society, NGOs

At all the county workshops, the following main topics have been covered in due details:

- the process and status of the programming process;
- the selection of priorities and related specific objectives;
- the proposed interventions;
- the definition of indicators;
- the implementation of horizontal principles
- the allocation of funding;

Following a brief information-provision phase, all workshops have been delivered in an interactive manner. All participants have been provided the opportunity to make comments, voice proposals and clarify issues. All comments have been registered and then the considered for incorporation in the subsequent draft OP version.

- **Public consultation** of the draft operational programme – before submission the European Commission, the draft OP will be made available for the public for consultation. In that process, all opinions of any organization or even individual will be collected, registered and dealt with.

Besides the above mentioned consultations and workshops, during the preparation and elaboration of flagships projects, strong collaboration and coordination between the eligible counties are ensured alongside with the agreement between Romania and Hungary. This unbiased process can guarantee a proper balance and contributes to the appropriate preparation of the flagship projects of strategic importance.



Furthermore in order to guarantee the smooth transition between the Programme 2007-2013, as well as the planning of the period 2014-2020, mainly the members of the Joint Monitoring Committee of the Programme 2007-2013 and the majority of members of the Joint Working Group might be nominated to the future Monitoring Committee either as members or as observers.

Taking into account the need for wider participation, socio-economic stakeholders will also be nominated in the Monitoring Committee ensuring the active participation of the NGOs, umbrella organisations as well. The Managing Authority will contact all relevant stakeholders officially in writing for nomination in both MSs based on the input nationally given by Romania and Hungary. After the acceptance of the official nomination the Monitoring Committee shall be set up and its Rules of Procedure shall be approved.



6 SECTION 6: COORDINATION

Regarding the fact that the eligible area of the European Territorial Cooperation programme covers more than one Member State, the eligible area shall be respected as a whole to ensure that project selected for financing have a complementary character and do not show any overlapping regarding other support and financing instruments relevant in the Member States. Cooperation between the organisations managing EU and national funds will continue also in the Programme for the period 2014-2020. Further ensuring coordination and checking overlapping is of national responsibility meaning that on one hand the Member States will establish the required mechanism and on the other hand the composition of the Monitoring Committee will also guarantee the compliance respecting the multi-governance approach at national and regional level.

Besides avoiding overlapping, the aim of the coordination is to foster synergies in order to contribute to EU 2020 and Danube strategy. During the Programme's implementation special attention will be paid – as before – to the elaboration of Programme's document such as Rules of Procedure, Programme's Assessment and Evaluation Manual to be approved by the Monitoring Committee as well as the Project Implementation Handbook.

In addition, the proposed actions to be supported also contribute to the implementation of the tourism development strategy connected to the Framework Convention on the Protection and Sustainable Development of the Carpathians, as ratified by Romania under specific reserve. (This provides the framework for cooperation and multi-sectoral policy coordination and a joint platform for joint strategies for sustainable development improving the quality of life, the strengthening of local economies and communities, and the conservation of natural values and cultural heritage).

More specifically, applications will be submitted by describing any links to projects selected for financing or being implemented or already closed as well as to other programmes. Related activities shall be introduced and added value shall be presented. It shall be also declared that any other funds have not been received. At technical level cooperation is planned between ETC programmes as well as mainstream operational programmes on a regular basis. In Hungary the IT system for mainstream operational programme will be used to check double-financing as also stated in the Partnership Agreement of Hungary. In Romania the Ministry of European Funds took part in the planning and programming phase and will be nominated as member of the Monitoring Committee ensuring the appropriate co-ordination.



By having the same institutions for more ETC Programmes in both MSs the coordination among ETC programmes becomes simpler and basic rules can be setup for creating a mechanism in internal procedures.

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. There 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.

More globally, the Managing authority will be in charge of ensuring coordination and communication mechanism with its alter ego in charge of other funding instruments while the assessment of overlaps/synergies will mainly be made during the project evaluation phase by the JS. This strategic assessment will complement the quality assessment of applications already carried out by Projects that overlap with other funding programmes will not be submitted for approval to the Monitoring Committee. Nevertheless, the JS will be able to propose relevant changes for projects with strong complementarities with other funding programmes.

In the framework of the RO-HU 2014-2020 Cross-border Programme, the following mechanisms to avoid overlapping and to promote synergies can be set up:

- The application form will include a special section where the applicant will:
 - include information on the past, the current and the envisaged EU assistance
 - detail how the project is complementary with national and regional programs supported by ESI funds, with other Union funding or with national policies and funding instruments
 - describe what is the specific cross-border added value given by the project
- The applicants who will propose projects focused on investment preparation will explain how they expect to finance the implementation/realization of their projects through other funds.
- The creation of collaboration mechanisms between the relevant national or regional agencies involved in the implementation of ESI funded programmes in the cross-border area and the Managing authority and the JS. For example, through the exchange of relevant information (programme implementation documents and guidelines, etc.) or the organization of joint info events in the eligible area,



- The exchange of information between the EU Commission Services and other European and national bodies involved in the management of Union instruments and the MA and JS, in order to exchange good practice and to jointly spread information targeting common relevant stakeholders in accordance with the Financial Regulation 1605/2002 (Art. 93, Art. 94, Art. 96)
- The dissemination of the outputs and the results of the RO-HU Cross-border programme at European, national and cross-border level through the programme communication strategy.

A special focus will be made on the possibility to collaborate with other ETC programmes such as transnational programmes or other Cross-border cooperation programmes sharing or strongly linked with the eligible area. We can mention here the Danube programme 2014-2020, ... Here again, a coordination mechanism can be set up in order to detect and avoid possible overlapping and duplication as well as to foster synergies between complementary projects being implemented in neighbouring cooperation areas. This coordination mechanism will mainly consist of:

- Exchange of information during the assessment of project proposals
- Exchange of information during the monitoring of the implementation of approved projects in order to disseminate the results of the projects addressing similar challenges and needs and to create synergies between them.
- Fostering the use of the geographical flexibility, as mentioned in Article 20 (2) of the ETC regulation in order to support projects that will have stronger results if a part of their activities are implemented beyond the programme area, especially along the Danube area.

The INTERACT Programme will remain an important coordination tool between ETC Programmes. It will support the exchange between the programmes bodies and will gather information about funded projects in all Europe, which will allow applicants and decision makers to investigate previous and on-going cooperation on similar themes.



7 SECTION 7: REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

The on-going evaluation of the HURO Programme 2007-2013 was carried out and resulted in a set of recommendations provided by the selected external experts.

In the first evaluation report long and short-term recommendations regarding relevance, performance, implementation and communication have been defined. As part of the Final Evaluation Report, the evaluators aimed to monitor if the short-term recommendations have been implemented by the institutional system, thus main findings and conclusions have been further provided. According to the monitoring activity carried out in the final report actions to the short-term recommendations have been already made during the implementation of the HURO Programme 2007-2013, thus they can give a basis for further use as best practise in the Programme 2014-2020. The long-term recommendations will be respected and incorporated in the Programme and the project management when drafting the Project Implementation Handbook, the Programme Evaluation and Assessment Manual and further Programme's documents if required.

Nevertheless there is a possibility to further reduce the administrative burden by means of the following actions:

- Using electronic system according to Article 74 of CPR Regulation will be ensured. Moreover electronic submission will be introduced in order to ensure the smoother and shorter submission, evaluation, assessment and contracting procedure. If decided at Programme level.
- Establishing simplified rules of procedure for small scale so called soft projects based on the decision of the Monitoring Committee including simplified application form, implementation, reporting and validation procedure.
- Ensuring use of simplified cost category during the validation procedure made by the first level control based on the decision of the Monitoring Committee.
- Creating the framework of a more flexible project implementation and budget reduction in order to reduce the number of project changes of mostly technical character. In parallel to the introduction of such measures there is a high need



for a more frequent monitor of the project during on the spot visit or monitoring visit carried out either by the first level control or by the Joint Secretariat.

- Shortening the lead-time between submission and contracting procedure compared to the practice used in HURO Programme 2007-2013.
- Shortening the lead-time for validation of expenditures by the first level control of both MSs compared to the practice used in HURO Programme 2007-2013.
- Shortening the lead-time for checking and approving progress report carried out by the JS compared to the practice used in HURO Programme 2007-2013.
- Shortening the lead-time for reimbursement procedure by means of simplified financial procedure compared to the practice used in HURO Programme 2007-2013 or to create new mechanism by using direct transfer from Certifying Authority to Lead Beneficiaries.
- Ensuring national co-financing within a shorter and reasonable period of time in both MSs at the same level.
- Ensuring pre-financing mechanism in both MSs preferable at the same level.
- Introducing real-time monitoring of all projects and project doctor mechanism for projects with bottlenecks.
- Using the harmonized implementation tools (HIT) developed by the INTERACT for the ETC Programmes.

All detailed descriptions of the above mentioned actions will be elaborated in the Programme's Assessment and Evaluation Manual to be approved by the Monitoring Committee as well as the Project Implementation Handbook or similar programme documents.

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.



8 SECTION 8: HORIZONTAL PRINCIPLES



8.1 Sustainable development

Sustainable development will be taken into account as a horizontal principle during the programme and project implementation. Guidance on the requirements and methods of evaluation and assessment will be provided in the Programme's Evaluation and Assessment Manual to be approved by the Monitoring Committee as well as the Project Implementation Handbook providing guidelines even for project ideas and their elaboration. Projects with a direct negative impact on the environment and sustainable development will not be selected for financing.

In the Programme there will be such Priority Axis determined where main focus will be put environmental protection (Priority Axis 1: Joint protection and efficient use of common values and resources, Key Area of Intervention 1: Cross-border water protection and management).

The programme would like to contribute to the environmental sustainability, protection of the environment and the awareness raising activities. It will be of key importance from the point of view of the programme, to support the environmental assessment, impact studies and other related activities for the sustainable protection of the environment.

The projects funded in the frame of the cross-border programme will have to contribute to the environmental sustainability of the programme area and have to integrate environmental considerations with the aim to promote sustainable development. Projects having proven negative effect on the environment will not be rewarded from funds. In the frame of the selection and evaluation process will be checked whether the national and EC environmental legislations are correctly applied.

The information access for the applicants concerning the relevant guiding rules is offered in the Applicant's Handbook, and will be available on the programmes' website, as well. The handbook contains two separate guidelines for these issues. In the selection and evaluation process a separate evaluation line will evaluate the horizontal principles. First level control bodies will also have to check the compliance with these two principles when validating project expenditure.

Further rules to be observed and respected by the applicants, as well as instructions and guidance on the application of these rules are described in details in the Applicant's Handbook. The compliance with the mentioned requirements shall be verified by the designated control bodies.

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.



8.2 Equal opportunities and non-discrimination

Ensuring equal opportunities contributing to guaranteeing to avoid discrimination are principles of major importance. These principles shall be respected during the implementation of the Programme and even the selection and implementation of each project to be selected for financing. Such projects can be envisaged in Priority Axis 3: Improve employment and promote cross-border labour mobility and Priority Axis 6: Promoting cross-border cooperation between institutions and citizens where equal opportunities and anti-discrimination directly are mainly foreseen. Guidance on the requirements and methods of evaluation and assessment will be provided in the Programme's Evaluation and Assessment Manual to be approved by the Monitoring Committee as well as the Project Implementation Handbook providing guidelines even for project ideas and their elaboration. Projects with a direct negative impact on not ensuring equal opportunities and non-discrimination will not be selected for financing.

The Programme is committed in combating discrimination, promoting gender equality and promoting the integration of disabled people in the society. The programme will emphasise the awareness raising and information flow on discrimination, gender equality between woman and man. Special attention will be paid on reinforcing social inclusion disadvantaged people, as well as the inclusion of ethnic minorities in the programme area, i.e. Roma population.

The projects will have to apply the gender mainstreaming and promote the fundamental rights, non-discrimination and equal opportunities in their activities. The projects shall promote equal opportunities for all in order to tackle the barriers faced by ethnical minorities, the disabled, and other vulnerable groups. There's a need in the programme area to combat discrimination and to integrate the disadvantaged people in the labour market. This need is generated by the programme area's demographic challenge and the declining number of working age population.

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.



8.3 Equality between men and women

Besides the overall principle to be ensured stipulated in Chapter 8.2. the Programme will also pay attention to the equality between men and women. Especially under the Priority Axis 3: Improve employment and promote cross-border labour mobility and Priority Axis 6: Promoting cross-border cooperation between institutions and citizens such projects to be submitted and selected for financing will be foreseen. Guidance on the requirements and methods of evaluation and assessment will be provided in the Programme's Evaluation and Assessment Manual to be approved by the Monitoring Committee as well as the Applicants' Handbook and Project Implementation Handbook providing guidelines even for project ideas and their elaboration. Projects with a direct negative impact on equality between men and women will not be selected for financing.

Description of the contribution of the cooperation programmes 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.



9 SECTION 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 24: Performance framework (summary table)

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
<9.2.1 type='S' ' input='G'>	<9.2.3 type='S' ' input='G'>	<9.2.4 type='S' ' input='G'>	<9.2.5 type='S' ' input='G'>	<9.2.6 type='S' ' input='G'>



9.3 Relevant partners involved in the preparation of the cooperation programme

Hungary and Romania clearly articulated at the kick-off meeting held on 4 October 2011 their intention to design the Programme for the period 2014-2020. The participating Member States officially nominated the members of the Joint Working Group and adopted the Rules of Procedures. Therefore members from line ministries responsible for different relevant portfolios as well as from the counties in the eligible areas participated at the JWG meetings. Besides the permanent delegations the Rules of Procedure gave the opportunity to invite further experts from specific areas if required.

The members of the JWG appointed by the Member States, as follows:

Romania

- Ministry of Regional Development and Public Administration, General Directorate for European Programmes
- Ministry of Regional Development and Public Administration, General Directorate for Regional Development
- Ministry of Transports
- Ministry of Environment and Climate Change
- Satu Mare County
- Bihor County
- Timis County
- Arad County

Hungary

- Prime Minister's Office
- Ministry of National Development
- Ministry of Public Administration and Justice
- Ministry for National Economy
- Szabolcs-Szatmár-Bereg County
- Hajdú-Bihar County
- Békés County
- Csongrád County

Members with no voting rights:

Romania

- Regional Development Agencies relevant for the border region,
- Ministry of European Funds
- Ministry of External Affairs
- Romanian National Railway Company
- Romanian National Company for Highways and Roads
- BRECO

Hungary

- Budapest Danube Contact Point, EU Strategy for the Danube Region



Altogether xxx JWG meetings were organized by the JTS and financed from Technical Assistance of HURO Programme 2007-2013 according to the TA fiche as approved by the Joint Monitoring Committee.

Selected external experts supporting the planning and programming procedure can be also considered as actively involved partners (selected through public procurements: LOT1 creating Strategic Territorial Analyses, and Common Territorial Strategy, LOT2 elaborating the Operational Programme, Ex-ante evaluation and Strategic Environment Assessment).

Moreover during the workshops, consultations, online questionnaires either at the stage of planning and drafting the Programme, or at the phase of ex-ante and SEA, the participants were selected such a way that the widest range of relevant stakeholders could be involved. In addition to that during interviews the interviewees were determined respecting the fully comprehensive approach as also detailed in Chapter 5.6. Involvement of partners. Citizens' voice and opinion was also respected during the design of the Programme, public consultations were held and recommendations were incorporated accordingly.

Although during the programming phase widespread involvement was ensured, during the implementation of the Programme the members and observes of the Monitoring Committee will be nominated keeping this principle in mind in order to further strengthen this comprehensive approach, thus all relevant stakeholders will be invited to participate. For further details, please consult Chapter 5.6. Involvement of partners.



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 to electronic data exchange systems as separate files):

Annex I

Strategic Territorial Analysis

Annex II

Common Territorial Strategy

Annex III.

Draft report of the ex-ante evaluation, with an executive summary (mandatory)
(Reference: Article 55(2) of Regulation (EU) No 1303/2013)

Annex IV.

Confirmation of agreement in writing to the contents of the cooperation
programme (mandatory)
(Reference: Article 8(9) of Regulation (EU) No 1299/2013)

Annex V.

A map of the area covered by the cooperation programme (as appropriate)

Annex VI.

A citizens' summary of the cooperation programme (as appropriate)

Annex VII.

References



ANNEX VII. REFERENCES

During the elaboration of the Programme, there is a complex environment that needs to be taken into account, thus in this section, the frame of reference is briefly presented.

- **Europe2020 strategy – country-specific recommendations:** As this strategy will serve as the basis for the Programme for which the majority of funding will be provided by the European Union, their expectations also need to be taken into consideration: therefore the strategy needs to be in line with the strategy of the European Union, aimed at the smart, sustainable and inclusive growth of the European Union. Also, the Commission makes recommendations on the development of the partnership agreements and programmes of the two countries – these shall be also respected.
- **European regulatory framework:** for the European funding to become available, the programme – including the entire programming and implementation process - needs to be in accordance with the relevant EU level regulations as follows:
 - Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 regarding the “Common Provisions” laying down the common rules applicable to the ERDF, ESF and EAFRD as well as EMFF. Such provisions shall apply where provisions are not covered in other fund-specific regulations (e.g. ERDF, ETC), moreover stipulating the thematic objectives.
 - Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Development Fund and on specific provisions concerning the Investment for growth and jobs goal (ERDF regulation) stipulating common rules for ERDF programmes,
 - Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Fund to the European territorial cooperation goal (ETC regulation) laying down the detailed provisions of the ETC programmes.

The regulations present the 11 thematic objectives and related investment priorities: any interventions identified need to be in line with either of these thematic objectives and investment priorities (more precisely, a maximum of 4 thematic objectives can be selected for 80 per cent of the programme’s allocation). The regulations entered into force on 17 December 2013.

- **Implementing and delegated acts (listed in the CTS)**
- **Relevant lessons learned from the current programme:** the implementation of the current programme offers various important lessons that need to be taken into account when designing the Programme. Therefore, a summary of relevant key lessons from the on-going evaluation was respected and incorporated in strategy.



- **Methodological guidelines provided by the European Commission:** the European Commission published its informal working document – “Aide Memoire on the Strategy & Management, Financial & Control Arrangements” for cooperation programmes 2014-2020 on the 21st of January 2014. This document proposes clear guidelines and methods for the establishing cooperation strategies as well as providing input for elaborating the Programmes.
- **The current situation of the eligible area: challenges, bottlenecks and potentials of cooperation** are explored in details in the strategic territorial analysis, and distilled into the SWOT analysis.
- **County / local level needs and priorities:** The Programme based on the strategy is to be implemented in the eligible area comprising of 8 counties – these counties all have their (in some areas understandably differing) priorities and needs articulated. These priorities reflect a strategic choice: what are the needs and interventions the counties want to focus on and which are the ones they put less emphasis on by means of having multi-level governance approach. In fact, the proposed set of priority axes and areas of interventions builds upon the processed and structured information provided by the stakeholders.
- **National level priorities of Romania and Hungary** needs to fit in the wider national level strategies of both MSs, and they have to be in line (harmonized with, and definitely not duplicate) the content of other national level operational programmes of the two counties.
- **Strategic Territorial Analyses (STA)** provides an interim output for “Strategic Planning for the 2014-2020 programming period”. It provides an overview of the eligible area and the framework – key conditions and constraints – for the strategic planning process.
- **Common territorial strategy (CTS)** lays down the foundation of the Programme 2014-2020 providing appropriate impetus for the decision-makers when elaborating the Programme. The strategy development process followed a balance between strictly evidence-based planning and an iterative process of strategic choices done by the relevant stakeholders.
- **Ex-ante Evaluation** carried out by the selected external experts.
- **Strategic Environmental Assessment** carried out by the selected external experts.
- **List of flagship projects and procedure for generation, preparation, selection and contracting.**