

Interreg-IPA CBC Hungary-Serbia

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# Annual Implementation Report 2016



ANNEX X

**Model for the implementation reports for the European Territorial Co-operation goal**

PART A

**DATA REQUIRED EVERY YEAR ('LIGHT REPORTS') (Article 50(2) of Regulation (EU) No 1303/2013)**

1. IDENTIFICATION OF THE ANNUAL / FINAL IMPLEMENTATION REPORT

CCI	2014TC1615CB001
Title	Interreg- IPA CBC Hungary-Serbia
Version	final
Reporting year	2016
Date of approval of the report by the Monitoring Committee	18 May2017

2. OVERVIEW OF THE IMPLEMENTATION OF THE CO-OPERATION PROGRAMME (Article 50(2) of Regulation (EU) No 1303/2013 and Article 14(3)(a) of Regulation (EU) No 1299/2013)

*Key information on the implementation of the Co-operation Programme for the year concerned, including on financial instruments, with relation to the financial and indicator data.*

The present Report, prepared pursuant to Annex X of Commission Implementation Regulation (EU) 2015/207, aims at providing a brief overview of the activities that were undertaken in relation to the Programme in the year 2016.

The approval EC for the Programme was provided on 15 December 2015 via Decision No. C(2015) 9488, thus the implementation started at the beginning of 2016.

The first step was – in line with the IPA II Implementation Regulation – the nomination of JMC members. The process of setting up the JMC finished in January 2016 and the first JMC meeting was convened on 25 February 2016.

According to the stipulations of the Cooperation Programme activities of strategic importance had been identified during the programming process. It was also agreed that the first Call for Proposals (CfP) shall cover those strategic activities, thus during the summer of 2015 the programme implementing bodies started preparing for the first CfP of the Programme.

On its first meeting the JMC approved its Rules of Procedures, the TA projects and the TA Manual, the Assessment Manual, the Information and Publicity measures and requirements of the Programme. Also, the Application Package of the 1st (Strategic) Call for Proposals has been discussed and approved.

The 1st CfP was launched on 29 March 2016. The deadline for submission of Applications was set as 26 August 2016, which was later on prolonged until 30 September 2016.

Only the first three Priorities were open in this Call. All together 6 applications were submitted by the given deadline. Formal and Quality Assessment was done according to the Assessment Manual of the Programme. The JMC selected the projects in 2017 Q1.

The 2nd CfP's Application Package was prepared by the JS during the spring of 2016 and the JMC approved the final package on 21 June 2016. The 2nd Call has been published on 3 October 2016. Applicants had 4 months for preparing and submitting their applications electronically via the IMIS 2014-2020 monitoring system.

Nevertheless, the preparation of other Programme implementation or designation related documents, such as Joint Procedures Manual, Memorandum of Understanding, Financial Agreement, Description of Management and Control System started in the second half of 2015 and continued in 2016.

In addition to the preparation of Programme documents, the MA/JS put the main focus on the development of the Monitoring System, enabling the Programme to be compliant with e-cohesion targets.

To support the efficient day-to-day communication of the Programme towards the general public and the interested potential applicants, a new website was elaborated in November-December 2015, and published in January 2016 ([www.interreg-ipa-husrb.com](http://www.interreg-ipa-husrb.com)). The official programme website is complemented by an official Facebook and Twitter profile as well, started by the Joint Secretariat (JS) in 2016.

At the end of 2016 the JS consisted of the following employees: 2 Programme Managers, 2 Programme- and Financial Managers, 1 Communication Manager, 1 Office Manager, the Deputy Head of JS and the Head of the JS. Horizontal Units of the hosting institution (Széchenyi Program Office Nonprofit Llc.) helped the management of the Programme. The JS Antenna in Subotica operated with two Programme Managers, one of them having the role of Head of JS Antenna.

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

#### 3.1 Overview of the implementation

ID	Priority Axis	Key information on the implementation of the Priority Axis with reference to key developments, significant problems and steps taken to address these problems
PA 1	Improving cross-border water management and risk prevention systems	<p>The Priority represents <b>34,5 % of the IPA funding</b> allocated to the Programme (meaning 22 500 000 EUR).</p> <p>The specific objective of this PA is decreasing environmental risks (e.g. drought, flood, hail) and preventing negative effects on quality of water bodies and nature protected areas</p> <p><b>The potential beneficiaries of the PA actions are</b> water management organisations in partnership with the relevant public organisations, local governments, associations, NGOs etc.</p> <p>Calls for Proposals targeting this PA were launched in 2016:</p> <ul style="list-style-type: none"> <li>- The first Call for Proposals targeted activities of strategic importance. Two strategic applications were submitted to this Priority. The financial allocation was 13,5 m EUR IPA-contribution, which is 60 % of the total allocation in PA 1.</li> <li>- The second Call for Proposals targeted wide range of activities. The financial allocation was 5 m EUR IPA-contribution, which is 22,2 % of the total allocation in PA 1.</li> </ul> <p>82,2 % of the total allocation in PA 1 was covered by the first two CfPs allocation.*</p>
PA 2	Decreasing the bottlenecks of cross-border traffic <sup>1</sup>	<p>The Priority represents <b>22,3 % of the IPA funding</b> allocated to the Programme (meaning 14 500 000 EUR).</p> <p>The specific objective of this PA is increasing the capacities of border crossing and the connected transport lines through promoting development of road transport and use of sustainable transport modes (public transport, bicycle, water transport)</p> <p><b>The potential beneficiaries of the PA actions are</b> national, county and regional level bodies and their organisations having responsibilities related to the development of cross-border transport, railway management and development companies,</p>

\*The allocation of the first two CfP does not equal with the contracted amount of the projects selected in those calls.

		<p>border control and customs administrations, organisations which are maintaining the transport stations and operating public transport: bus and railway public transport companies, organizations dealing with shipping etc.</p> <p>Calls for Proposals targeting this PA were launched in 2016:</p> <ul style="list-style-type: none"> <li>- The first Call for Proposals targeted activities of strategic importance. Two strategic applications were submitted to this Priority. The financial allocation was 7,9 m EUR IPA-contribution, which is 54,5 % of the total allocation in PA 2</li> <li>- The second Call for Proposals targeted wide range of activities. The financial allocation was 6 m EUR IPA-contribution, which is 41,4 % of the total allocation in PA 2</li> </ul> <p>95,9 % of the total allocation in PA 1 was covered by the first two CfPs allocation.*</p>
PA 3	Encouraging tourism and cultural heritage cooperation	<p>The Priority represents <b>19,5 % of the IPA funding</b> allocated to the Programme (meaning 12 700 000 EUR).</p> <p>The specific objectives of this PA are creation of commonly coordinated cross-border tourism destinations based on the complementary local assets in order to ensure sustainable development of tourism potentials and promoting co-operation activities in the field of culture, leisure, sport, and nature protection.</p> <p><b>The potential beneficiaries of the PA actions are</b> regional tourism organisations with the involvement of the local tourism destination management associations, NGOs, and local / county / regional level authorities, local governments, county and regional level bodies and their organisations etc.</p> <p>Calls for Proposals targeting this PA were launched in 2016:</p> <ul style="list-style-type: none"> <li>- The first Call for Proposals targeted activities of strategic importance. Two strategic applications were submitted to this Priority. The financial allocation was 3,4 m EUR IPA-contribution, which is 26,8 % of the total allocation in PA 3.</li> <li>- The second Call for Proposals targeted wide range of activities. The financial allocation was 5,5 m EUR IPA-contribution, which is 43,3 % of the total allocation in PA 3</li> </ul> <p>70,1 % of the total allocation in PA 1 was covered by the first two CfPs allocation.*</p>

PA 4	Enhancing SMEs' economic competitiveness <sup>2</sup> through innovation driven development	<p>The Priority represents <b>13,7 % of the IPA funding</b> allocated to the Programme (meaning 8 911 600 EUR).</p> <p>The specific objective of this PA is enforcing the growth capabilities and employment potential of SMEs through the development and adaptation of new technologies, processes, products or services.</p> <p><b>The potential beneficiaries of the PA actions are</b> economic clusters, business and innovation support organizations, in cooperation with R&amp;D&amp;I and higher education institutions, vocational and adult training organisations, labour market organisations which coordinate labour flows in the CBC area, chambers, public organisations or NGOs etc.</p> <p>This Priority was only opened in the course of the second Call for Proposals. The financial allocation was 5 m EUR IPA-contribution, which is 56 % of the total allocation in PA 4</p>
PA 5	Technical Assistance (TA)	<p>The Priority represents <b>10% of the IPA funding</b> allocated to the Programme (meaning 6 512 400 EUR).</p> <p><b>The main result will be the sound and timely execution of all necessary measures</b> that are the prerequisite for the Programme's effectiveness (such as the setting up and operating of programme bodies, including financing of their personnel and external service needs, the preparation and launch of CfP-s, the selection of projects, project monitoring, administrative and technical assistance, programme evaluation, information and communication activities, audit and first level control measures, development and operation of an electronic monitoring system etc).</p> <p>The TA projects were discussed and approved by the JMC on it's first meeting (25/02/2016).</p>

### **3.2 Common and programme specific indicators (Article 50(2) of Regulation (EU) No 1303/2013)**

*Data for common and programme-specific indicators by Investment Priority transmitted using the Tables 1 to 2 below.*

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\* The allocation of the first two CfP does not equal with the contracted amount of the projects selected in those calls.

Table 1

**Result indicators (by Priority Axis and Specific Objective); applies also to the Technical Assistance Priority Axis**

Automatic from SFC						Annual value			Observations (if necessary)
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014	2015	2016	
PA 1, 1.1	Water quality (good ecological status) of cross-border surface water bodies (rivers and water flows) in the eligible area	Weighted average ecological status (average, no unit) of cross-border surface water bodies (rivers) in the eligible area	2,91	2012	2,7	Na.	Na.	Na.	Frequency of reporting is planned to be 2019, and 2023.
PA 2, 2.1	Share of border-crossing traffic at smaller border-crossing points within all border-crossing traffic	% of persons crossing the border at smaller border-crossing points	35,4%	2014	40%	Na.	Na.	Na.	Frequency of reporting is planned to be 2019, and 2023.
PA 3, 3.1	Number of overnight stays	overnight stays	1 835 757	2013	1 964 000	Na.	Na.	Na.	Frequency of reporting is planned to be 2019, and 2023.
PA 3, 3.2	Level of cross-border cooperation intensity of the public and non-profit organisations dealing with cultural,	rating	3,24	2015	3,73	Na.	Na.	Na.	Frequency of reporting is planned to be 2019, and 2023. Baseline and

	leisure sport and nature protection issues								target values elaborated in Annex 5A of the CP
PA 4, 4.1	Rate of innovative SMEs in the CBR	%	Official survey carried out in 2016 by the statistical offices according to the methodology of EUROSTAT	2015	Increased rate of innovative SMEs (to be developed by the survey)	Na.	Na.	Na.	Frequency of reporting is planned to be 2019, 2021 and 2023.



Table 2

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

	ID	Indicator (Name of indicator)	Measurement unit	Target value (2023)	CUMULATIVE VALUE			Observations (if necessary) <sup>3</sup>
					2014	2015	2016	
Selected operations (forecast provided by Beneficiaries)	1.1	Population benefiting from flood protection measures	persons	100 000	0,00	0,00	0,00	n. a.
Fully implemented operations (actual achievement)				100 000	0,00	0,00	0,00	n. a.
Selected operations	1.2	Length of new or improved water manageme nt system	metres	6000	0,00	0,00	0,00	n. a.
Fully implemented operations				6000	0,00	0,00	0,00	n. a.
Selected	1.3	Area	hectares	700 000	0,00	0,00	0,00	n. a.

<sup>3</sup> There were no projects under implementation in 2016.

operations		benefiting from modern hail protection measures						
Fully implemented operations				700 000	0,00	0,00	0,00	n. a.
Selected operations		Surface area of habitats supported in order to attain a better conservation status	hectares	500	0,00	0,00	0,00	n. a.
Fully implemented operations	1.4			500	0,00	0,00	0,00	n. a.
Selected operations		Number of improved or newly built border crossing points	border crossing points	3	0,00	0,00	0,00	n. a.
Fully implemented operations	2.1			3	0,00	0,00	0,00	n. a.
Selected operations		Total length of newly	kilometres	3	0,00	0,00	0,00	n. a.
	2.2			3				
Fully implemented						0,00	0,00	0,00

operations		built roads						
Selected operations	2.3	Total length of reconstructed or upgraded roads	kilometres	2	0,00	0,00	0,00	n. a.
Fully implemented operations				2	0,00	0,00	0,00	n. a.
Selected operations	2.4	Total length of newly built bicycle paths	kilometres	5	0,00	0,00	0,00	n. a.
Fully implemented operations				5	0,00	0,00	0,00	n. a.
Selected operations	2.5	Total length of the railway line directly affected by development plans	kilometres	50	0,00	0,00	0,00	n. a.
Fully implemented operations				50	0,00	0,00	0,00	n. a.
Selected operations	2.6	Number of improved public transport services	services	3	0,00	0,00	0,00	n. a.
Fully implemented operations				3	0,00	0,00	0,00	n. a.

Selected operations		Expected number of visits to supported sites of cultural and natural heritage and attractions	visits/year	30 000	0,00	0,00	0,00	n. a.
Fully implemented operations	3.1				0,00	0,00	0,00	n. a.
Selected operations		Number of joint cultural, recreational and other types of community events and actions organised	events	200	0,00	0,00	0,00	n. a.
Fully implemented operations	3.2			200	0,00	0,00	0,00	n. a.
Selected operations		Average monthly user entries to online	user entries	5 000	0,00	0,00	0,00	n. a.
Fully implemented	3.3			5000	0,00	0,00	0,00	n. a.

operations		communication tools developed						
Selected operations	4.1	Number of enterprises cooperating with research institutions	enterprises	35	0,00	0,00	0,00	n. a.
Fully implemented operations				35	0,00	0,00	0,00	n. a.
Selected operations	4.2	Number of organisations actively participating in the work of the "knowledge platforms"	organisations	60	0,00	0,00	0,00	n. a.
Fully implemented operations				60	0,00	0,00	0,00	n. a.
Selected operations	4.3	Number of months spent in the institutions and companies on the other side	months	200	0,00	0,00	0,00	n. a.
Fully implemented operations				200	0,00	0,00	0,00	n. a.

		of the border through scholarships						
Selected operations	4.4	Rate of persons from vulnerable groups involved in supported actions	percentage	50	0,00	0,00	0,00	n. a.
Fully implemented operations				50	0,00	0,00	0,00	n. a.
Selected operations	5.1	Number of projects administered by the JS	number	-	0,00	0,00	9,00	MA, AA, CA, Hungarian and Serbian NA, Core Activities (JS + Hosting Institution), JS Antenna, Hungarian and Serbian FLC bodies
Fully implemented operations				-	0,00	0,00	0,00	
Selected operations	5.2	Number of publicity	number	-	0,00	0,00	5,00	Opening/Closing conference, 4

		events						Information days
Fully implemented operations				-	0,00	0,00	0,00	
Selected operations	5.3	Number of employees	employees in FTE	-	0,00	0,00	8,00	At the end of the year 2016
Fully implemented operations				-	0,00	0,00	0,00	

### **3.3 Milestones and targets defined in the performance framework (Article 50(2) of Regulation (EU) No 1303/2013) – submitted in Annual Implementation Reports from 2017 onwards**

*Reporting on financial indicators, key implementation steps, output and result indicators to act as milestones and targets for the performance framework (submitted starting with the report in 2017).*

Please note that the Performance Framework was introduced with the 1<sup>st</sup> Modification of the CP, in May/June 2017. The **below tables containing the data from the Draft version of the 1<sup>st</sup> Modification of the CP.**

<b>Priority axis 1</b>		<b>„Improving the cross-border water management and risk prevention systems“</b>						
<b>Indicator type</b>	<b>ID</b>	<b>Indicator or Key implementation step</b>	<b>Measurement unit, where appropriate</b>	<b>Milestone 2016</b>	<b>Milestone target 2018</b>	<b>Final target (2023)</b>	<b>Source of data</b>	<b>Comment</b>
Output indicator	OI 1.2	Length of new or improved water management system	Metres	0	0	6000	Beneficiaries, AIR	No projects contracted in 2016.
Key Implementation Step	KIS 1.2	Number of projects contracted related to the improvement of the water management system's physical infrastructure in the cross border region	Pieces	0	4	6	Monitoring System AIR	No projects contracted in 2016.
Financial indicator	FI 1	Eligible certified IPA funding of the PA 1 "Improving the cross-border water management and risk prevention systems"	EUR	0	1 917 101	26 470 589	Monitoring System	No projects contracted in 2016.

<b>Priority axis 2</b>		<b>“Decreasing the bottlenecks of cross-border traffic”</b>						
<b>Indicator type</b>	<b>ID</b>	<b>Indicator or Key implementation step</b>	<b>Measurement unit, where appropriate</b>	<b>Milestone 2016</b>	<b>Milestone target 2018</b>	<b>Final target (2023)</b>	<b>Source of data</b>	<b>Comment</b>
Output indicator	OI 2.2	Total length of newly built roads	Km	0	0	3	Beneficiaries,AIR	No projects contracted in 2016.
Output indicator	OI 2.3	Total length of reconstructed or upgraded roads	Km	0	0	2		No projects contracted in 2016.



Key Implementation Step	KIS 2.2	Number of projects contracted related to the improvement of physical infrastructure of border crossing roads	Pieces	0	1	2	Monitoring System AIR	No projects contracted in 2016.
Financial Indicator	FI 2	Eligible certified expenditure of the priority axis 2 "Decreasing the bottlenecks of cross-border traffic"	EUR	0	1 235 465	17 058 824	Monitoring System	No projects contracted in 2016.

Priority axis 3	"Encouraging tourism and cultural heritage cooperation"							
Indicator type	ID	Indicator or Key implementation step	Measurement unit, where appropriate	Milestone 2016	Milestone target 2018	Final target (2023)	Source of data	Comment
Output indicator	OI 3.2	Number of joint cultural, recreational and other types of community events and actions organised	Number	0	20	200	Beneficiaries, AIR	No projects contracted in 2016
Financial Indicator	FI 3	Eligible certified expenditure of the priority axis 3 "Encouraging tourism and cultural heritage cooperation"	EUR	0	1 082 097	12 700 000	Monitoring System	No projects contracted in 2016

Priority axis 4	"Enhancing SMEs' economic competitiveness through innovation driven development"							
Indicator type (Key Implementation Step, Financial, or output indicator)	ID	Indicator or Key implementation step	Measurement unit, where appropriate	Milestone 2016	Milestone target 2018	Final target (2023)	Source of data	Comment
Output indicator	OI 4.1	Number of enterprises cooperating with research institutions	Number		10	35	Beneficiaries, AIR	No projects contracted in 2016

Financial indicator	FI 4	Eligible certified expenditure of the priority axis 4 "Enhancing SMEs' economic competitiveness through innovation driven development"	EUR		759 308	10 484 236	Monitoring System	No projects contracted in 2016
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### 3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)

Table 4

#### Financial information at Priority Axis and Programme level

As set out in Table 1 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 (1) [Model for transmission of financial data] (2) and table 16 of model for co-operation programmes under the European Territorial Co-operation goal

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
<b>The financial allocation of the Priority Axis based on the Co-operation Programme</b>						<b>Cumulative data on the financial progress of the Co-operation Programme</b>					
PA	Fund	Category of region	Basis for the calculation of Union support	Total funding	Co-financing rate	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) (column 7/ column 5 *100)	Public eligible cost of operations selected for support (EUR)	Total eligible expenditure declared by beneficiaries to the Managing Authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries (%) (column 10/ column 5 *100)	Number of operations selected
PA 1	IPA		Total	26 470	85%	0,00	0,00%	n.r. <sup>4</sup>	0,00	0,00%	0,00

<sup>4</sup> The Programme uses total eligible costs as basis for the calculation of the EU contribution.

			eligible cost	589							
PA 2	IPA		Total eligible cost	17 058 824	85%	0,00	0,00%	n.r.	0,00	0,00%	0,00
PA 3	IPA		Total eligible cost	14 941 177	85%	0,00	0,00%	n.r.	0,00	0,00%	0,00
PA 4	IPA		Total eligible cost	10 484 236	85%	0,00	0,00%	n.r.	0,00	0,00%	0,00
PA 5	IPA		Total eligible cost	7 661 648	85%	0,00	0,00%	n.r.	0,00	0,00%	9,00
<b>Total</b>	<b>IPA</b>		<b>Total eligible cost</b>	<b>76 616 474</b>	<b>85%</b>	<b>0,00</b>	<b>0,00%</b>	<b>n.r.</b>	<b>0,00</b>	<b>0,00%</b>	<b>0,00</b>

Table 5

**Breakdown of the cumulative financial data by category of intervention (Article 112(1) and (2) of Regulation (EU) No 1303/2013 and Article 5 of Regulation (EU) No 1304/2013)**

(as set out in Table 2 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 [Model for transmission of financial data] and tables 6-9 of Model for cooperation programmes)

Priority Axis	Characteristics of expenditure		Categorisation dimensions								Financial data			
	Fund	Category of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial Delivery mechanism	5 Thematic Objective dimension	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected (EUR)	Public eligible cost of operations selected (EUR)	Total eligible expenditure declared to MA	Number of operations selected
PA 1	IPA		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	01. Non-repayable grant	02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			085 Protection and								0,00	0,00	0,00	0,00

			enhancement of biodiversity, nature protection and green infrastructure											
PA 2	IPA		026 Other Railways	01. Non-repayable grant	03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			032 Local access roads (newly built)								0,00	0,00	0,00	0,00
			034 Other reconstructed or improved road (motorway, national, regional or local)								0,00	0,00	0,00	0,00
			044 Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring, control and information systems)								0,00	0,00	0,00	0,00
			090 Cycle tracks and footpaths							0,00	0,00	0,00	0,00	
PA 3	IPA		092 Protection, development and promotion of public tourism assets	01. Non-repayable grant	01. Large Urban areas 02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			093 Development and promotion of public tourism services								0,00	0,00	0,00	0,00
			094 Protection, development and promotion of public cultural and heritage								0,00	0,00	0,00	0,00

		assets											
		095 Development and promotion of public cultural and heritage services							0,00	0,00	0,00	0,00	
PA 4	IPA	060 Research and innovation activities in public research centres and centres of competence including networking	01. Non-repayable grant	01. Large Urban areas 02. Small Urban areas 03. Rural areas	07. Not applicable				0,00	0,00	0,00	0,00	
		062 Technology transfer and university-enterprise cooperation primarily benefiting SMEs							0,00	0,00	0,00	0,00	
		063 Cluster support and business networks primarily benefiting SMEs							0,00	0,00	0,00	0,00	
		066 Advanced support services for SMEs and groups of SMEs (including management, marketing and design services)							0,00	0,00	0,00	0,00	
		067 SME business development, support to entrepreneurship and incubation (including support to spin offs and spin outs)							0,00	0,00	0,00	0,00	

			072 Business infrastructure for SMEs (including industrial parks and sites)								0,00	0,00	0,00	0,00
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*Table 6*

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

1	2	3	4	5
	The amount of IPA support(*) envisaged to be used for all or part of an operation implemented outside the Union part of the Programme area based on selected operations (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 2/total amount allocated to the support from the IPA at programme level *100)	Eligible expenditure of IPA support incurred in all or part of an operation implemented outside the Union part of the Programme area declared by the Beneficiary to the Managing Authority (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 4/total amount allocated to the support from the IPA at programme level *100)
All or part of an operation outside the Union part of the Programme area (1)	-	0,00 %	0,00	0,00 %

(\*) IPA support is fixed in the Commission decision on the respective co-operation programme.

(1) In accordance with and subject to ceilings set out Article 20 of Regulation (EU) No 1299/2013.



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

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

There were no programme evaluations conducted or findings of such evaluations published in 2016. **The Evaluation Plan of the Programme was elaborated in 2016 and approved by the JMC on 29 December 2016.** It contains the schedule of further evaluations of the Programme in the programming period, the first evaluation of the Programme's efficiency and effectiveness (in line with Article 56 (3) of the CPR) is planned for the last quarter of 2017.

#### 5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN (article 50(2) of Regulation (EU) No 1303/2013)

(a) Issues which affect the performance of the Programme and the measures taken

The Programme's 1<sup>st</sup> Modification will be submitted in 2017, containing the Performance Framework and other indicator related changes. During 2016 the Programme did not have issues affecting the performance.

(b) OPTIONAL FOR LIGHT REPORTS, otherwise it will be included in point 9.1 (Article 50(4) of Regulation (EU) No 1303/2013)

*An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate*

The implementation of the Programme is in line with the expectations of the participating Countries. Following the approval by the EC in December 2015 the institutional setup has been created, TA projects have been approved for the main bodies of the programme implementing structure in the first half of 2016, the JMC was formed and had one regular meeting in 2016. Two Calls for Proposals were launched in 2016 covering more than 70% of the available IPA allocation of the Programme.

Work continues on the electronic monitoring system of the Programme, designed to ensure conformity with the requirements of e-Cohesion by the time of application (from the 2<sup>nd</sup> CfP available), contracting and implementing the projects. Programme progress is advanced and all stakeholders are looking forward to see the start of implementation of the selected Strategic projects and to the assessment and the second round of applications.

6. CITIZEN'S SUMMARY (Article 50(9) of Regulation (EU) No 1303/2013)

*A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report*

**Annual Implementation Report (AIR) 2016**

The Annual Implementation Report (AIR) of the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia (Interreg-IPA CBC Hungary-Serbia) provides a brief overview of the activities implemented within the Programme by the end of 2016.

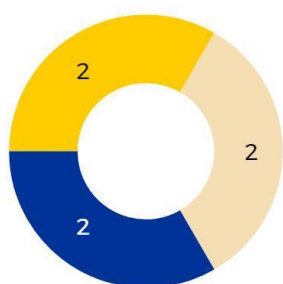
**European Commission approved the Cooperation Programme on 15 December 2015.**

Programme is managed by several institutions, from both Participating Countries. The main responsibility for implementation lies with **the Managing Authority – MA** (the Prime Minister’s Office of Hungary), **the National Authority – NA** (the European Integration Office, Government of Republic of Serbia) and **the Joint Monitoring Committee – JMC**, a joint body composed of local and central stakeholders, as well as representatives of civil society from both countries.

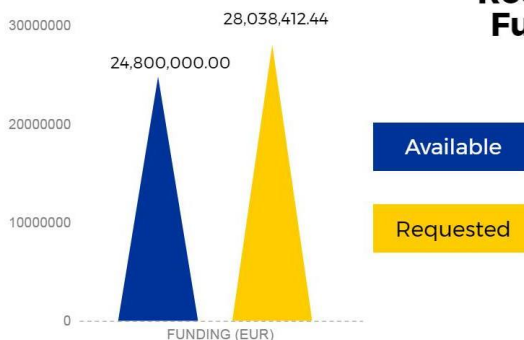
**Joint Secretariat – JS**, with offices in Budapest and Szeged in Hungary, and the **Joint Secretariat Antenna – JS Antenna** in Subotica, Serbia are at disposal to non-profit organizations, actively operating in the Hungary-Serbia border region which are interested in preparing a joint project idea in the field covered by the Programme.

**First Call for Proposals – Strategic Call**, targeting activities of strategic importance for the two partnering countries – Hungary and Serbia, was opened to Applicants on 29 March 2016, with a submission deadline 30 September 2016. Within the Strategic Call, the first three Priorities of the Programme were open to Applicants: **PA 1**: Improving cross-border water management and risk prevention systems; **PA 2**: Reducing traffic bottlenecks in the cross-border transport network; and **PA 3**: Encouraging cooperation in tourism and cultural heritage preservation.

**Applications per Priority Axis**



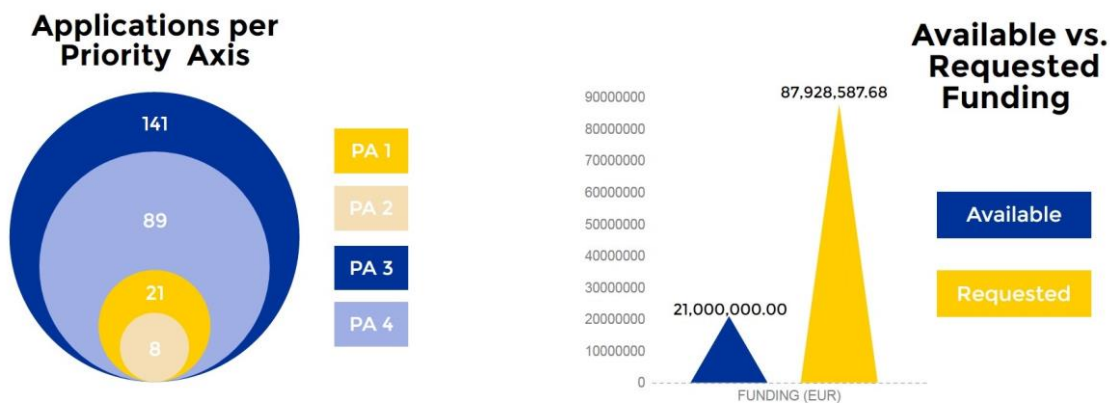
**Available vs. Requested Funding**



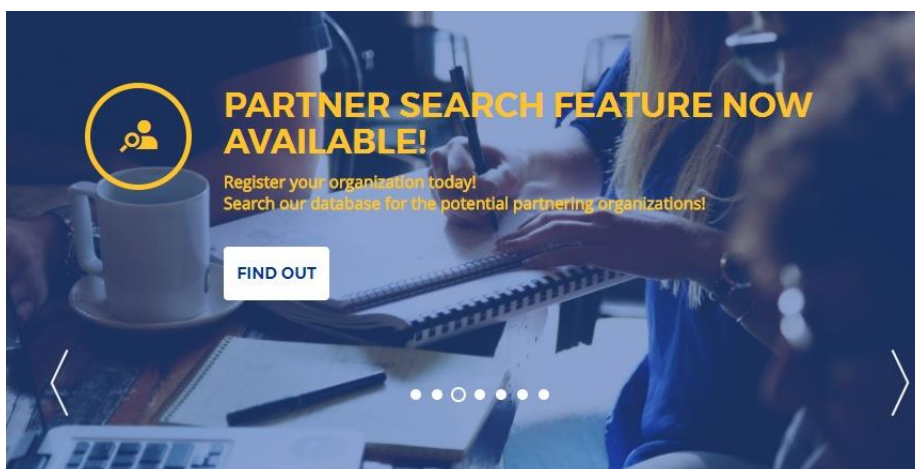


To avoid waste of paper and energy, the Programme uses electronic administration as much as possible. Therefore, the Programme had electronic monitoring system, called **IMIS 2014-2020** established. The first step of this process was electronic application process within the Second Call for Proposals. The Programme bodies are constantly working on developing additional modules of the system.

**Second Call for Proposals** was launched on 3 October 2016, with a submission deadline 31 January 2017, and it was intended for a broad range of Actions. Within the Second Call, all four Priorities of the Programme were open to Applicants: **PA 1**: Improving cross-border water management and risk prevention systems; **PA 2**: Reducing traffic bottlenecks in the cross-border transport network; **PA 3**: Encouraging cooperation in tourism and cultural heritage preservation; and **PA 4**: Enhancing SMEs' economic competitiveness through innovation-driven development.



With the goal to facilitate Application process and help interested organizations find partners for developing joint projects, the Programme offered an online tool **Partner Search** on the Programme's website – allowing organizations to register and to search the database of other registered organizations. By the end of 2016, 77 organizations registered for the *Partner Search*.





In November 2016, the [Joint Secretariat and the Antenna of the Joint Secretariat](#) organized four seminars [Info Days](#) on both sides of the border intended for potential Applicants within the Second Call for Proposals. Applicants had a chance to get informed about the Application process, the Programme-related criteria, and to consult directly with Programme Managers.



In addition to *Info Days*, the Joint Secretariat and the Antenna of the Joint Secretariat were at disposal to Applicants, and anyone interested in obtaining more information about the Application process and about the Programme, in general.



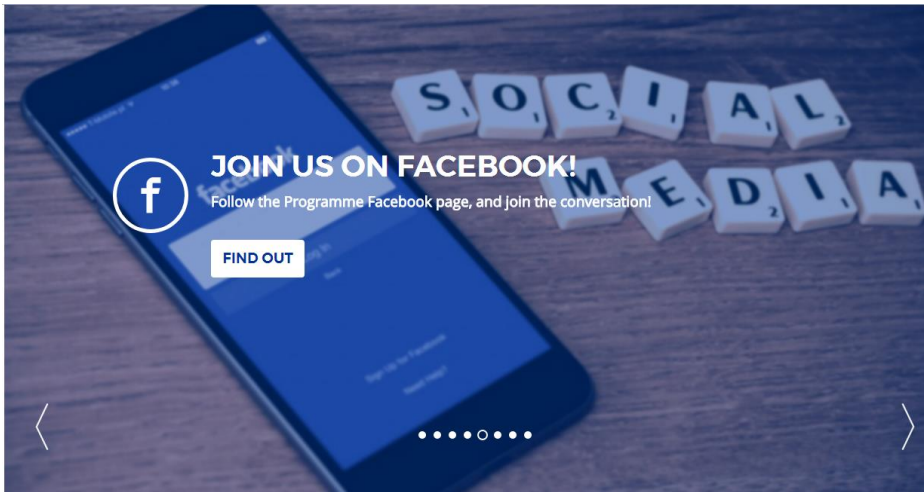
In October 2016, the Programme bodies organized a **media conference for closing of the previous and opening of the current cross-border cooperation programme between Hungary and Serbia**. Click [here](#) for more information about this event and statements of the Programme officials and other speakers.



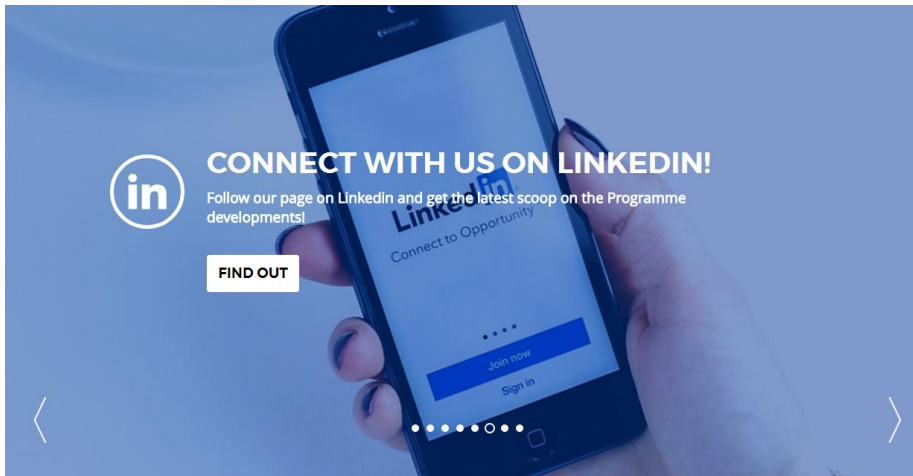
At the end of 2016, the Managing Authority (MA) launched the first audit of the Programme implementation structures and ruling documents called the **Designation** process. Once the designation of the Programme is confirmed as successful, the Programme will be able to claim the EU funds based on the validated expenditures made within the projects.

All Programme-related information, including the information about the past and current Calls for Proposals is available on its website [www.interreg-ipa-husrb.com](http://www.interreg-ipa-husrb.com).

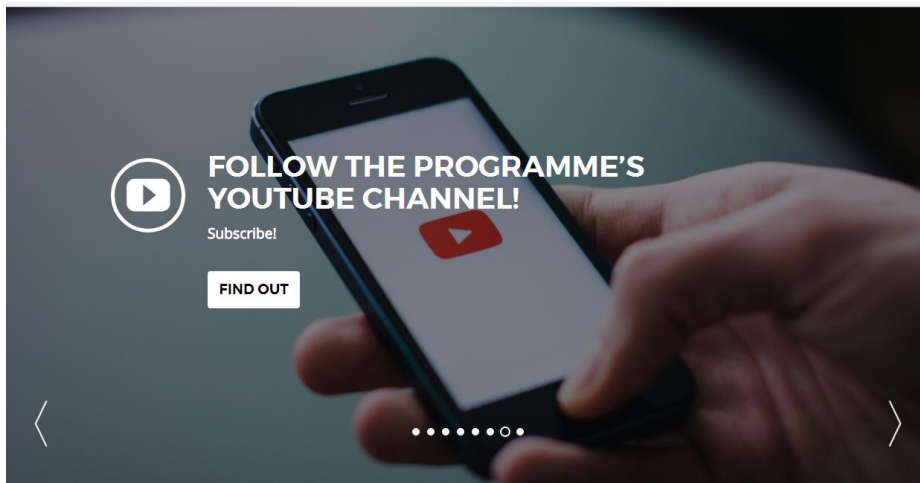
Follow the [Programme's Facebook page](#), and join the conversation!



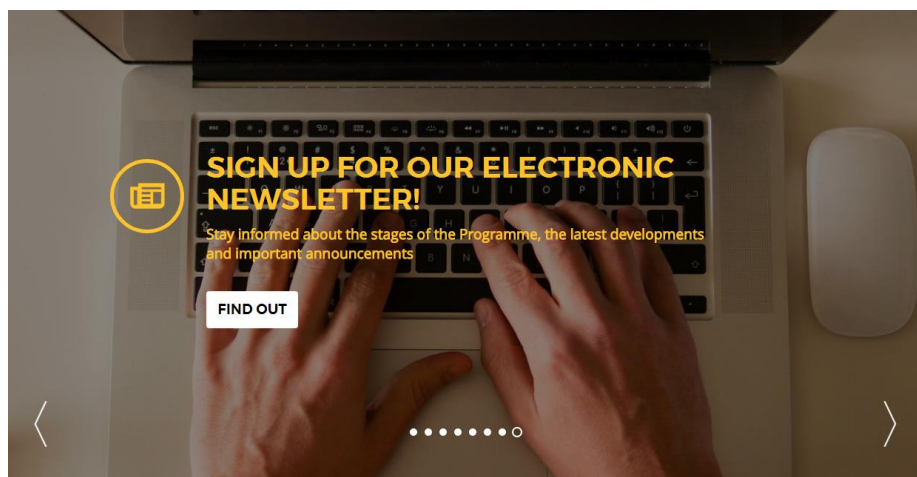
Follow the [Programme's page on LinkedIn](#) and get the latest scoop on the Programme developments!



Subscribe to the [Programme's YouTube channel!](#)



Sign up for the [Programme's Newsletter](#) to stay informed about the stages of the Programme, the latest developments and important announcements!



7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS (Article 46 of Regulation (EU) No 1303/2013)

*Where the Managing Authority decided to use financial instruments it must send to the Commission a specific report covering the financial instruments operations as an annex to the annual implementation report:*

Not relevant in case of the Interreg-IPA CBC Hungary-Serbia Co-operation Programme 2014-2020. (There are no financial instruments in the meaning of Article 46 of the CPR in the Programme.)





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

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

*Not relevant for the Programme.*

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

*Not relevant for the Programme.*

## **8.2. Joint action plans**

*Progress in the implementation of different stages of joint action plans*

*Not relevant for the Programme.*

Table 8

**Joint action plans**

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

*Significant problems encountered and measures taken to overcome them*

*Not relevant for the Programme.*

## **PART B**

### **REPORTING SUBMITTED IN YEARS 2017, 2019 AND FINAL IMPLEMENTATION REPORT**

(Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU) No 1299/2013)

#### **9. ASSESSMENT OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU) No 1299/2013)**

##### **9.1 Information in Part A and achieving the objectives of the programme (Article 50(4) of Regulation (EU) No 1303/2013)**

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

The table 3.1 contains details regarding the state of play of each Priority. Since the Programme was adopted on 15 December 2015 the year 2016 was the first year of Programme implementation. According to the Evaluation Plan the first evaluation of the Programme is due in Q4 of 2017.

##### **9.2. Specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 2, (d) of Regulation (EU) No 1299/2013)**

In case of the two Calls for Proposals launched in 2016 the JMC approved the following criteria to be considered during the quality assessment of the submitted applications' regarding the specific actions in subject:

The Programme considers the principles of equal opportunities and non-discrimination and ensures that these are taken into account in all phases of its implementation, as well as in terms of Programme management (PA 5). Needs of various target groups at risk of discrimination and the requirements ensuring accessibility for persons with disabilities is to be respected.

During programme implementation, all projects are obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equal opportunities. Interventions contributing to equal opportunities and non-discrimination of vulnerable groups (including ethnic minorities, people with disabilities, elderly people, children, women, unemployed, etc. as relevant for the action) will be preferred during the assessment and selection.

In case of PA1: Improving the cross-border water management and risk prevention systems preference shall be given to projects:

- promoting social inclusion of vulnerable groups that might be affected by climate change or any type of environmental risk (pollution, flood, draught, etc.)
- affecting underprivileged territories with a larger share of population belonging to vulnerable groups
- providing access for persons with disabilities to nature protection sites
- ensuring access to information and education to vulnerable groups regarding pollution, risk prevention, nature protection etc.

In case of PA2: Decreasing the bottlenecks of cross-border traffic preference shall be given to projects

- providing citizens in remote areas with easier and shorter transport modalities
- taking into account special needs of specific target groups (e.g. bus or railway stations or communication forms for people with disabilities)
- affecting underprivileged territories with a larger share of population belonging to vulnerable groups

In case of PA3: Encouraging tourism and cultural heritage cooperation preference shall be given to projects

- fostering cultural cooperation with minority groups
- presenting and promoting the cultural heritage of ethnic minorities
- enabling access to information and education for vulnerable groups
- enabling access for persons with disabilities to cultural sites and events
- fostering activities for children and youth in order to promote and educate social integration and cooperation
- affecting underprivileged territories with a larger share of population belonging to vulnerable groups

In case of PA4: Enhancing SMEs competitiveness through innovation driven development preference shall be given to projects

- including innovative actions which help the daily life of vulnerable groups or provide them with special services
- promoting entrepreneurship and self-employment of vulnerable groups (especially youth and women)

- contributing to the creation of employment opportunities to vulnerable groups

The Applications which demonstrate clear and unambiguous contribution to objectives of sustainable development, non-discrimination and equal opportunities as well as equality between women and men will be awarded up to 3 (three) points during the quality assessment. The main principles for assessment and for awarding the points for the contribution to the horizontal principles during the quality assessment and selection of Applications for co-financing are summarized in the table below.

	Pertinent question or process	Sustainable Development	Equal opportunities and non-discrimination	Equality between men and women
NEGATIVE	Can the Application be selected for funding?	No	No	No
	Quality Assessment decision	Rejected Application	Rejected Application	Rejected Application
NEUTRAL	Relevant Chapter of the Application Form	3	3	3
	Can the Application be selected for funding?	Yes	Yes	Yes
	Quality Assessment	0 points	0 points	0 points
PROACTIVELY POSITIVE	Relevant Chapter of the Application Form	3 and 5 or ALL	3, (4) and 5 or ALL	3, (4) and 5 or ALL
	Can the Application be selected for funding?	Yes	Yes	Yes
	Quality Assessment	1-3 points	1-3 points	1-3 points

The Applicants are advised that the contribution to horizontal principles will be closely monitored and verified during the implementation of the project.

### 9.3. Sustainable development (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 2, (e) of Regulation (EU) No 1299/2013)

In case of the two Calls for Proposals launched in 2016 the JMC approved the following criteria to be considered during the quality assessment of the submitted applications's regarding the specific actions in subject:

Sustainable development and protection of the environment are integrated as horizontal principles in the Cooperation Programme. Therefore all projects supported by the programme will have to respect the relevant policies and rules.

The main focus of the Programme is the protection and enhancement of the environment, creation of favourable conditions for economic activities (agriculture, tourism) and support of sustainable transport modes.

Priority Axes targeted by the CfPs directly contribute to the sustainable development of the Programme area, as follows.

***PA1: Improving the cross-border water management and risk prevention systems***

Implementation of this PA contributes to the principle of sustainable development with a special emphasis on the specificities of the Programme area:

- preserving quality of water (following the Water Framework Directive), which is demonstrated with the following examples
  - Investment in the green infrastructure for natural water retention (e.g. restoration of flood plains and wetlands, afforestation) will be considered. The planned investments should fit to the Danube River Basin Management Plan (DRBMP) for the period 2016-2021.
  - For any project that modifies the hydro-morphological characteristics of a water body causing deterioration of its status, an appropriate analysis is required by Article 4(7) of Water Framework Directive 2000/60/EC and it should be carried out as early as possible in the planning process. This will entail the analysis of alternatives (better environmental options), the setting-up of necessary mitigation measures and a justification of the importance of the project for the overriding public interest.
  - Navigation projects should take into account the WFD requirements (Directive 2000/60/EC), and in particular the conditions of Article 4(7), where relevant.
- preventing risks and damages caused by climate change
- preserving natural habitats and ecosystems
- promoting renewable energy where it is applicable in a sustainable way

In case of any use of solid biomass the emission limit values developed under the eco-design directive (Directive 2009/125/EC) will be applied.

During implementation the national air quality plans (under Directive 2008/50/EC in the EU or equivalents elsewhere) and national air pollution control programmes (linked to reaching compliance with National Emission Ceilings) will be considered.

***PA2: Decreasing the bottlenecks of cross-border traffic***

Improvements in public transport infrastructure within the CBR will contribute to sustainable transport development through the following actions:

- harmonising transport development plans in order to decrease CO2 emissions, ensure inter-connectivity, enable easier and cheaper access to markets
- improving quality of service and safety for passengers, especially in case of public transport
- improving railway transport in the border region

Navigation projects should take into account the WFD requirements (Directive 2000/60/EC), and in particular the conditions of Article 4(7), where relevant.

***PA3: Encouraging tourism and cultural heritage cooperation***

All activities under this PA will pay special attention to promoting sustainable utilisation and development of natural and cultural heritage, while protecting and maintaining the functionality of the ecological network.

When improving the accessibility of tourist attractions, the environmental friendly transport solutions will be preferred. This approach is in line with the sustainable urban or regional mobility plans to be linked to air quality plans under Directive 2008/50/EC (or equivalent).

***PA4: Enhancing SMEs competitiveness through innovation driven development***

Operations funded under this PA may focus on specific fields that directly contribute to sustainable development, such as:

- promotion of clean and green technologies, technologies that decrease industrial pollution, chemical pollution, thus contribute to the improvement of air quality etc.



- education, training and support services in the context of environment protection and sustainable development.

In general, sustainable development will be considered during the assessment and selection of projects as well as the monitoring of implementation based on the following principles:

- Preference for projects demonstrating resource efficiency and sustainability will be considered both during implementation and maintenance.
- The measures and actions which harm the environment cannot be supported. The Programme encourages the actions which promote and contribute to environmentally sustainable development. In case of major investments environmental impact analysis should be taken into consideration during the assessment of Applications.
- Application of compensatory measures and the intent to moderate damage shall be presented in the Application, where relevant (e.g. related to catchment areas in case of water quality protection measures under PA1, or related to nature protection areas in case of touristic utilization of natural heritage under PA3, etc.);
- Climate-friendly architectural solutions (e.g. the use of silent road surface, passive noise reduction, impermeable rainwater drains, etc.), application of renewable energy produced solutions (heating systems, small plants) and in case of construction, buildings fitting into the landscape shall be considered. It is desirable that modern, up to date green technology is used for the investments.
- During the implementation of the projects the use of sustainable procurement (green public procurement) will be taken into account.
- It is recommended for projects involving purchasing products that these products should comply with the energy efficiency requirements set out in Annex III of the Energy Efficiency Directive (2012/27/EU) or should comply already now with future requirements as established by the Regulations under the Ecodesign Framework Directive for products subject to public procurement. If a project involves building construction and renovation, cost-optimal levels of energy performance according to Directive 2010/31/EU are required.

The Applicants can describe the contribution to the sustainable development in the Chapters 3 and 5 and throughout the Application Form as described in the sections 5.1.6 and 5.1.7 of the present Guidelines.

Whether projects are directly addressing the issues sustainable development or not, the Applicants are invited and encouraged to implement actions/measures in their day-to-

day and project management activities which reduce the negative impact on the environment. These can include, but are not limited to, the following:

- Use of video conferencing to reduce travelling;
- Use public or modes of organized massive transportation (mini-bus, bus) or car-pooling for project meetings and events;
- Use green modes for transport, especially for covering shorter distances
- Use of “green public procurement” procedures and innovative public procurement where appropriate;
- Use of short supply chains in the implementation of projects activities;
- Use recycled paper for administrative purpose, but also for information and publicity printed material where possible;
- Raising awareness of partners, beneficiaries and target groups about sustainability issues;
- Promotion of activities with limited use of energy and natural resources.

The list is not exhaustive and activities and measures with similar effects are also encouraged. The Applications implementing the measures for reducing environmental impact in their day-to-day and project management activities should not describe them in the Chapter 5 of the Application Form and will not be awarded additional points for the question 31, Criterion VI Sustainability and Horizontal Principles of the Quality Assessment grid.

The Applications which demonstrate clear and unambiguous contribution to objectives of sustainable development, non-discrimination and equal opportunities as well as equality between women and men will be awarded up to 3 (three) points during the quality assessment. The main principles for assessment and for awarding the points for the contribution to the horizontal principles during the quality assessment and selection of Applications for co-financing are summarized in the table below.

	Pertinent question or process	Sustainable Development	Equal opportunities and non-discrimination	Equality between men and women
NEGATIVE	Can the Application be selected for funding?	No	No	No
	Quality Assessment decision	Rejected Application	Rejected Application	Rejected Application
NEUTRAL	Relevant Chapter of the Application Form	3	3	3
	Can the Application be	Yes	Yes	Yes

	selected for funding?			
	Quality Assessment	0 points	0 points	0 points
PROACTIVELY POSITIVE	Relevant Chapter of the Application Form	3 and 5 or ALL	3, (4) and 5 or ALL	3, (4) and 5 or ALL
	Can the Application be selected for funding?	Yes	Yes	Yes
	Quality Assessment	1-3 points	1-3 points	1-3 points

The Applicants are advised that the contribution to horizontal principles will be closely monitored and verified during the implementation of the project.

9.4. Reporting on support used for climate change objectives (Article 50(4) of Regulation (EU) No 1303/2013)

Figures calculated automatically by the SFC2014 based on categorisation data.

9.5 Role of partners in the implementation of the cooperation programme (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 1, (c) of Regulation (EU) No 1299/2013)

The members of the JMC appointed by the Participating Countries represent, in a balanced and effective manner, the competent authorities of the Programme's eligible territory in compliance with the partnership principle and multi-governance approach according to Article 5 of (EU) No 1303/2013.

The JMC is composed of the following **members including voting members and observers**:

**Voting members from Hungary:**

1. Prime Minister's Office, in the role of the Hungarian National Authority
2. Bács-Kiskun County,
3. Csongrád County,
4. Ministry of Foreign Affairs and Trade
5. Ministry of National Development
6. Ministry for National Economy
7. Ministry of Agriculture
8. Ministry of Interior

**Voting members from the Republic of Serbia:**

1. European Integration Office, Serbian National Authority
2. Government of Autonomous Province of Vojvodina,
3. Standing Conference of Towns and Municipalities,
4. Ministry of Interior,
5. Ministry of Foreign Affairs,
6. Ministry of Agriculture and Environmental Protection,
7. Ministry of Economy,
8. Ministry of Trade, Tourism and Telecommunications,
9. Ministry of Construction, Transport and Infrastructure

**Observers:**

1. European Commission
2. CSEMETE Nature and Environment Protection Association, Hungary
3. Social Cooperation for Bácsalmás, Hungary
4. Chamber of Commerce of Serbia
5. The Office for Cooperation with Civil Society
6. Budapest Danube Contact Point, National Priority Axis Coordinator
7. Hungarian State Treasury – Certifying Authority
8. Directorate General for Audit of European Funds – Audit Authority
9. Széchenyi Programme Office - Hungary

**10. OBLIGATORY INFORMATION AND ASSESSMENT ACCORDING TO ARTICLE 14(4), SUBPARAGRAPH 1 (a) AND (b), OF REGULATION (EU) No 1299/2013**

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

The Evaluation Plan of the Programme was elaborated in 2016 and approved by the JMC on 29 December 2016. It contains the schedule of further evaluations of the Programme in the programming period, the first evaluation of the Programme's efficiency and effectiveness (in line with Article 56 (3) of the CPR) is planned for the last quarter of 2017.

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

Communication activities of the Interreg-IPA CBC Hungary-Serbia Programme (the Programme) are based on its Communication Strategy.

Communication activities follow the Programme phases: Preparation (2014-2015), Implementation (2016-2021) and Closing (2022-2023). Annual Implementation Report 2016 (AIR 2016) reflects on the results achieved within the Preparation phase (2014-2015) and a part of the Implementation phase (2016).

### **Preparation phase communication – 2014-2015**

This phase represented a transition between the two programming periods. The previous programme's communication activities in this period involved both programme-level and project-level communication, and were intended both for internal and for external audiences, mainly focusing on reporting about the results of the implemented projects. At the same time, the current Programme communication activities were characterized by the programme-level communication, which was entirely internal (between the Programme bodies). During this phase, the current Programme foundations were laid – the Programme bodies were established, the Cooperation Programme (CP) was drafted, and other Programme-related documents were prepared. In terms of communication, the key communication elements and channels of the Programme were developed in this phase, including:

- the visual identity of the Programme;
- the website;
- the Programme's communication-related documents, including the *Communication Strategy*, the *Guidelines for Implementation of Information and Publicity Measures for Projects* and the Reporting forms for projects' communication activities.

### **Implementation Phase communication – 2016**

The implementation phase began with the European Commission's approval of the Cooperation Programme (CP) on 15 December 2015, and it will last till 2021. AIR 2016 covers a part of the Implementation phase up to 31 December 2016. It includes the launch of two calls for proposals and the official launch of the Programme (merged with the closure of the previous programme).

The programme-level communication activities at this stage of the implementation phase were both:

- internal – intended for the Programme bodies and related to preparation and launch of the Call for Proposals; and
- external – intended for Potential Beneficiaries and the general public, focusing on informing about the Programme and promoting it.

The official launch of the Programme took place on 7 October 2016 in Novi Sad, Serbia, in the form of a media conference *Opening of the new and closing of the previous cross-border cooperation programme of Hungary and Serbia*. This event secured strong media coverage about the Programme in the local and the national media in Hungary and Serbia, promoting the features of the Programme, its features and the funding opportunities provided by the EU via IPA fund.

The project-level communication activities at this stage of the Implementation phase were external, and they focused on informing the potential Beneficiaries, as well as the general public about the calls for proposals, and the application process.

In 2016, two out of three planned calls for proposal were launched. Strategic Call for Proposals, as the first call, which was open between 29 March 2016 and 30 September 2016, and the Second Call for Proposals was open between 3 October 2016 and 31 January 2017. The Joint Secretariat of the Programme (JS) posted regular updates and important announcements via website, social media channels, and media (via press releases and newspaper ads), and provided regular and direct consultations to Applicants/Potential Beneficiaries via email, telephone and in-person. In order to facilitate the process of finding project partners for Potential Beneficiaries, the JS launched a search tool *Partners Search* on the Programme's website, allowing organizations to register and to search for partnering organizations. This online tool was regularly promoted in all announcements related to the calls for proposals.

Within the Second Call for Proposals, the JS and the JS Antenna organized *Info Days*, four full-day seminars on both sides of the Hungary-Serbia border intended for Potential Beneficiaries applying for funds within the Second Call for Proposals. *Info Days* generated strong TV coverage – both national and local, informing about and promoting the Second Call for Proposals, and the Programme itself.

Communication-related activities implemented in the period covered by AIR 2016 report are outlined in the following table:

Name of the activity	Description and comments	Time of the implementation
<b>Programme Logo</b>	Programme Logo was produced by INTERACT in three language versions: English, Hungarian and Serbian.	2015
<b>Visual Identity Manual of the Programme</b>	<b>Visual Identity Manual of the Programme</b> is a guide into the Programme's brand standards, requirements and rules of usage of its elements. The Manual is primarily intended for graphic design professionals, who would be creating the design of the Programme's branded material, as well as for the Beneficiaries/projects within the Programme which would use it as a guide for creating the communication material for the projects.	2015
<b>Guidelines for Implementation of Information and Publicity Measures for Projects</b>	<b>Guidelines for Implementation of Information and Publicity Measures for Projects</b> is a document to be used by the projects selected/to be contracted within the framework of the Strategic Call for Proposals of the programme Interreg-IPA CBC Hungary-Serbia. This document contains relevant information and instructions for Lead Beneficiaries/Beneficiaries to be used during the implementation of the projects.	Approved by the JMC in February 2016
<b>Reporting forms for projects' communication activities</b>	Reporting forms <b>Before Project Event</b> and <b>After Project Event</b> are to be used by the contracted projects to report on the communication-related activities of the projects.	Approved by the JMC in February 2016
<b>Communication Strategy and Annual Communication</b>	Communication Strategy of the Programme and the <i>Interreg-IPA CBC HUSRB- Annual Communication Plan 2016</i> were produced and submitted to the JMC on 14 June 2016. Along with these two documents, the Designation Letter for the Communication Manager of the Programme was submitted for approval, as well.	Approved by the JMC on 25 June 2016 and submitted to the EC

<b>Plan 2016</b>		
<b>Programme Website</b>	Preparation and development of the website	2015
	Programme website launch	March 2016
	Adaptation of the Hungarian and Serbian language version	June 2016
	Optimization of the website for the vision impaired persons	July 2016
	Regular content updates and the Programme-related posts	Jan – Dec 2016
	Regular website maintenance	Jan – Dec 2016
<b>Project Templates</b>	Templates intended for the information and publicity activities of the projects were produced in the Q3 2016.	July 2016
<b>Press releases</b>	Press releases were distributed to the local and the national media in Hungary and Serbia to inform about and promote the first two calls for proposals and the official launch of the Programme.	March – December 2016
<b>Newspaper ads</b>	Ads in the newspaper in Hungary and Serbia were placed to inform about and promote the Second Call for Proposals and the official launch of the Programme.	October 2016
<b>Social Media</b>	Launch of the Facebook and LinkedIn pages of the Programme	March 2016
	Launch of the YouTube channel of the Programme, following a media conference. YouTube channel was launched once the Programme had its first video clips (related to the media conference) produced.	October 2016
	Posts on Facebook – the minimum of one post per week was published	March – Dec 2016
	Posts on LinkedIn – several posts per each month were published	March – Dec 2016
<b>Newsletter</b>	Joint Secretariat (JS) produced a free-of-charge Newsletter using MailChimp, online marketing tool. The first issue of the newsletter was distributed in Q4 2016. It was distributed to recipients who subscribed for it on the Programme's website.	21 November 2016
<b>Stock Photography</b>	JS purchased stock photography via one-month subscription. The purchased images were used and will continue to be used for the website posts, social media posts,	24 November 2016



	presentations, and alike.	
<b>Events</b>	<p>JS organized a media <b>conference: <i>Opening of the new and closing of the previous cross-border cooperation programme of Hungary and Serbia on 7 October 2016 in Novi Sad, Serbia.</i></b> The event gathered the regional and the national media. The speakers were representatives of the Programme bodies, state-level officials, a representative of the EU Delegation to the Republic of Serbia, and representatives of three projects implemented within the previous programme.</p> <p>The event resulted in media coverage, which contributes to the good reputation of the Programme, and the opportunities the EU offers via IPA fund.</p> <p>Although it was originally planned for the event to also mark the European Cooperation Day 2016, based on a mutual agreement of the Programme bodies, the event date was moved to October, and changed the original event concept.</p>	7 October 2016
	<p>JS and the JS Antenna organized <b><i>Info Days</i></b>, four full-day seminars for Applicants/Potential Beneficiaries within the Second Call for Proposals in Szeged and Kecskemét in Hungary, and in Novi Sad and Subotica in Serbia.</p> <p>The events provided the opportunity for attendees to ask questions after each session, as well as to network during the lunch and breaks.</p>	24 – 30 November 2016
<b>JMC meetings</b>	Joint Monitoring Committee (JMC) meeting was held before the launch of the Strategic Call for Proposals.	February 2016
<b>Information and promotional material</b>	<p>Programme Brochure was produced in English, Hungarian and Serbian and printed in October 2016, in time for the Info Days.</p> <p>Electronic version of the Brochure in the three language versions was posted on the Programme's website.</p>	November 2016
	Order of branded promo accessories was planned as dependent on the decision of the Managing Authority (MA). It was not completed in 2016 due to the unavailable funds for the Programme until Q4 2016.	To be produced in 2017

<b>Infographics</b>	This activity was planned as provisional and dependent on the decision of the MA. It was not completed in 2016 due to the unavailable funds for the Programme until Q4 2016.	To be produced in 2017
<b>Production of two promotional video clips</b>	Based on the request by the MA, the JS launched a project of production of two video clips – one promoting the results of the previous CBC programme, and the other one promoting the current programme. The project started in November 2016 and it was extended to Q1 2017.	To be produced in 2017

*Table 1: Implemented activities within the period covered by the Annual Implementation Report 2017*

## **<sup>5</sup>Revision of the Communication Strategy**

Prior to preparation of the AIR 2016, the Joint Secretariat, on behalf of the Managing Authority, proposed a revision of the section *Evaluation*, within the Communication Strategy. The Evaluation table in the Communication Strategy was modified to include the Output Indicators and their Target Values, as well as the Result Indicators and their Target Values to be achieved by the end of the Programme (2022/2023). The reason for this change was establishing a more effective and measurable method of evaluation of the Communication Strategy of the Programme.

The revised Communication Strategy was approved by the Joint Monitoring Committee (JMC) of the Programme during its 3<sup>rd</sup> Meeting, on 18 May 2017, in Subotica, Serbia.

## **Evaluation of the communication activities**

By the end of 2016, the Programme has made a positive progress towards achieving the set targets in its Communication Strategy. In some instances, the results surpassed the targets set for the end of the Programme - 2022/2023.

The following information presents the results of the information and publicity measures implemented by the end of 2016, relying on the targets defined in the Evaluation Table in the *Communication Strategy* which are due in 2022/2023. The information presents the contribution of the results to the set targets (in percentages).

Additionally, the results of the information and publicity measures implemented in the period covered by AIR 2016 report are presented in the Evaluation Table, in the columns marked as *AIR 2016*.

### **Communication Objective 1: Generating interest in the Programme and facilitating the application process**

#### Output Indicators:

- With the goal to generate interest in the Programme and facilitate the application process, announcements of the calls for proposals were published via: website articles, press releases, media ads, social media posts, and Newsletter. The number of announcements was by 73% higher than the set target (2023);
- With the goal to generate interest in the Programme and facilitate the application process, Info Day seminars for Applicants were organized and they made for 50% of the set target (2022);
- With the goal to generate interest in the Programme and facilitate the application process, the website and its features were promoted in all announcements for the

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<sup>5</sup> Revision of the table Evaluation of the Communication Strategy is a subject of approval of the MA and the JMC. Once approved by the JMC, the revised Communication Strategy would be submitted to the EC.

calls for proposals. The number of such promotions was by 33% higher than the set target (2023);

- With the goal to generate interest in the Programme and facilitate the application process, the online tool *Partner Search* was promoted via announcements for the calls for proposals. The number of such promotions made for 43% of the set target (2022).

Result Indicators:

- Number of attendees at Info Days made for 74.8% of the set target (2022);
- Number of website visitors made for 26% of the set target (2023);
- Number of registered organizations via *Partner Search* tool made for 51% of the set target (2022).

**Communication Objective 2: Facilitating project implementation and raising awareness of the projects' positive impact on the border region**

Defined activities are related to project implementation and as such, they have yet to be implemented, beginning 2017.

**Communication Objective 3: Ensuring transparency of the whole programme implementation process**

Output Indicators

- With the goal to ensure transparency of the whole Programme, all key Programme announcements were published via Newsletter. The number of distributed Newsletter issues made for 5% of the set target (2022). This result is ahead of the planned activity and the set target, as the baseline for the activity is 2017;
- With the goal to ensure transparency of the whole programme implementation process among the Programme bodies – all material within Written Procedures in 2016 was published on the Back Office directory intended for the JMC members on the Programme's website;
- With the goal to ensure transparency of the whole programme implementation process among the Programme bodies – all planned JMC meetings in 2016 were held. They made for 12% of the set target (2023);

Result Indicators are to be measured by survey at the end of the Programme (2022/2023).

**Communication Objective 4: Increasing awareness about Interreg and generating a positive image of the EU**

Output Indicators

- With the goal to increase awareness about Interreg and generate a positive image of the EU, all planned annual visibility initiatives in 2016 were implemented. They made for 14% of the set target (2023).
- With the goal to increase awareness about Interreg and generate a positive image of the EU, promotional items were produced. The number of the items made for 40% of the minimum set target (2023);
- With the goal to increase awareness about Interreg and generate a positive image of the EU, press releases were distributed to the local and national media in both

countries. The number of issued press releases made for 40% of the set target (2023);

- The rest of the defined activities have yet to be implemented, starting 2017.

Result Indicators:

- Total number of attendees/participants in the annual visibility events and/or press conferences made for 2.4% of the set target (2023);
- Number of distributed promotional items made for 40% of the minimum set target (2023);
- Number of generated pieces of media coverage made for 42% of the minimum set target (2023);
- The rest of the defined activities have yet to be implemented, starting 2017.

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	AIR 2016	Result Indicator	RI Target Value	AIR 2016	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
<b>1. Generating interest in the Programme and facilitating the application process</b>	Announcements of calls for proposals via: website articles, press releases, media ads, social media posts, and Newsletter	Total number of announcements	30	<b>52 (73% more than the set target was achieved)</b>	Number of attendees at Info Days	600	<b>449 (74.8% of the set target was achieved)</b>	2016	2023	Joint Secretariat - JS	Annual Reports 2016 - 2023
	Organizing Info Day seminars for Applicants	Number of organized events	8	<b>4 (50% of the set target was achieved)</b>					2022	JS and JS Antenna	Annual Reports 2016 - 2023
	Promoting the website and its features via all Programme channels	Including link to the website in all calls for proposals announcements	30	<b>40 (33% more than the set target was achieved)</b>	Number of website visitors	100,000	<b>26,282 (26% of the set target was achieved)</b>	2016	2023	JS	Annual Reports 2016 - 2023
	Promoting the online tool <i>Partner Search</i> via Call for Proposal announcements	Total number of announcements	30	<b>13 (43% of the set target was achieved)</b>	Number of registered organizations	100	<b>77 (77% of the set target was achieved)</b>	2016	2022	JS	Annual Reports 2016 - 2023
<b>2. Facilitating project</b>	Organizing the LB seminars	Number of organized	4	<b>N/A</b>	Minimum number of attendees	Number of contract	<b>N/A</b>	2017	2022	JS - Annual Reports	Annual Reports

implementation and raising awareness of the projects' positive impact on the border region	events					ed projects x 1					2017 - 2023
	Publishing articles about Projects on the Programme's website	Total number of articles	Number of implemented projects x 1	N/A	Raised awareness of the Projects	Votes: 3 or above - O-going evaluation: Mark: 1 - 5	N/A	2017	2022	Programme website	
	Publishing posts about Projects on the Programme's social media pages	Number of posts	Number of implemented projects x 1	N/A			N/A	2017	2022	Programme Social media pages	
3. Ensuring transparency of the whole programme implementation process	Promoting all key Programme announcements via Newsletter (also available on the website)	Number of distributed Newsletter issues	20	1 (5% of the set target was achieved)	Number of opened Newsletters	Average of 20% of opened per issue	65.1% opened	2017	2022	JS - Annual Reports	Annual Reports 2016 - 2023
	Regular communication with Programme Bodies	Publishing all material intended for the Programme Bodies on the Back Office	Number of all Written Procedures x 1	6 - all written procedures in 2016 were published on the Back Office	Positive On-going evaluation of internal communication (mark 1- 5)	The votes: 3 and above	N/A	2016	2023	JS; On-going Evaluation Report	At the end of Programme
	Organizing internal Programme events	Number of JMC meetings	8	1 (12% of the set target was achieved)	Positive On-going evaluation of internal communication (mark 1- 5)	The votes: 3 and above	N/A	2016	2023	JS; JS Antenna; On-going Evaluation Report	At the end of Programme

<b>4. Increasing awareness about Interreg and generating a positive image of the EU</b>	Organizing Programme's visibility events	Annual EC Day events and/or press conferences	7	<b>1 (14% of the set target was achieved)</b>	Total number of attendees/participants	3,000	<b>73 (2.4% of the set target was achieved)</b>	2016	2023	JS (with contribution of other Programme bodies)	2016 - 2023
	Applying the Programme Visual Identity	Minimum number of all promotional items produced	5,000	<b>2,000 (40% of the set target was achieved)</b>	Minimum number of promotional items distributed	3,000	<b>1,201 (40% of the set target was achieved)</b>	2016	2023	JS	2016 - 2023
	Securing the Programme's presence in the media (online, print and electronic)	Number of distributed press releases	10	<b>4 (40% of the set target was achieved)</b>	Minimum number of pieces of media coverage	70	<b>30 (42% of the set target was achieved)</b>	2016	2023	JS JS Antenna	2016 - 2022
	Securing the Programme's and projects' presence in the media (online, print and electronic)	Minimum one of media-related activity per project (e.g. visibility events, press releases, interviews, etc.)	Number of implemented projects x 1	<b>N/A</b>	Number of pieces of media coverage	Number of implemented projects x 1	<b>N/A</b>	2017	2023	Contracted projects; Project Progress Reports; Annual Communication Reports	2017 - 2023
	Projects' visibility events	Minimum number of organized events	Number of implemented projects x 1	<b>N/A</b>	Minimum number of attendees	Number of implemented projects x 20	<b>N/A</b>	2017	2023	Contracted projects;	Project Progress Reports; Annual Communication Reports 2017 - 2023
	Producing a summary of implemented projects, the	Minimum number of publications	1	<b>N/A</b>	Minimum number of distributed copies	500	<b>N/A</b>	2017	2023	JS (with contribution of other	2023



	problems they tackled and their positive impact on the region - print and electronic version									Programme bodies)	
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*Table 2: Evaluation of the Communication Strategy including the results achieved in the period covered by the AIR 2016 report*

11. ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME (Article 14(4), subparagraph 2 (a), (b), (c) and (f), of Regulation (EU) No 1299/2013)

11.1 Progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the cooperation programme  
Not relevant in the Programme.

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

11.3 Contribution to macro-regional and sea basin strategies (where appropriate)  
In case a project proves to contribute to one of the Priority Areas of the EU Strategy for the Danube Region based on its action plan (SEC(2010) 1489 final, available here: [http://dunaregiostrategia.kormany.hu/download/3/a9/10000/DRS\\_Action\\_Plan\\_-\\_08\\_12\\_2010.pdf](http://dunaregiostrategia.kormany.hu/download/3/a9/10000/DRS_Action_Plan_-_08_12_2010.pdf)) one extra point can be awarded during evaluation according to assessment grid Point IV. 18. "Are the proposed activities and objectives compliant with the Danube strategy?"

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

12. FINANCIAL INFORMATION AT PRIORITY AXIS AND PROGRAMME LEVEL  
(Articles 21(2) and 22(7) of Regulation (EU) No 1303/2013)

For the purpose of assessing progress towards the achievement of milestones and targets set for financial indicators in the years 2018 and 2023, table 4 of Part A of this Annex shall have the following two additional columns:

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

