

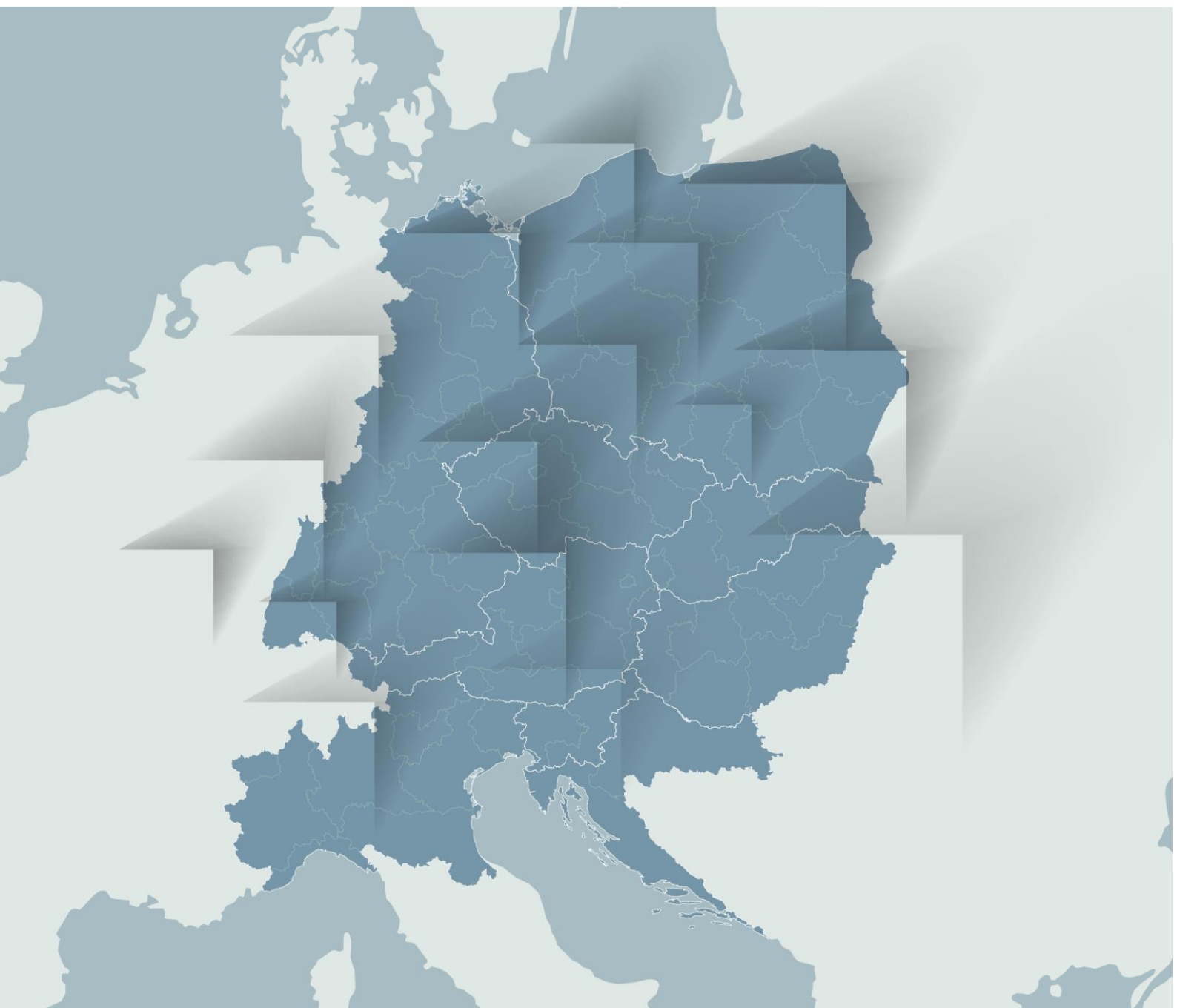
# Interreg CENTRAL EUROPE Cooperation Programme

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European Territorial Cooperation 2014-2020

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## TABLE OF CONTENTS

SECTION 1: STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION .....	5
1.1 <i>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</i> .....	5
1.1.1 <i>Description of the cooperation programme's strategy for contributing to the delivery of the Union strategy for smart, sustainable and inclusive growth and for achieving economic, social and territorial cohesion.</i> .....	5
1.1.2 <i>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, the missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation.</i> .....	14
1.2 <i>Justification for the financial allocation</i> .....	16
SECTION 2: PRIORITY AXES.....	21
2.A. <i>Description of the priority axes other than technical assistance</i> .....	21
2.A.1/P1 <i>Priority Axis 1</i> .....	21
2.A.1/P2 <i>Priority Axis 2</i> .....	34
2.A.1/P3 <i>Priority Axis 3</i> .....	52
2.A.1/P4 <i>Priority Axis 4</i> .....	69
2.B. <i>Description of the priority axes for technical assistance</i> .....	83
SECTION 3: FINANCING PLAN.....	88
3.1 <i>Financial appropriation from the ERDF (in EUR)</i> .....	88
3.2.A <i>Total financial appropriation from the ERDF and national co-financing (in EUR)</i> .....	88
3.2.B <i>Breakdown by priority axis and thematic objective</i> .....	91
SECTION 4: INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT.....	92
4.1 <i>Community-led local development (where appropriate)</i> .....	93
4.2 <i>Integrated actions for sustainable urban development (where appropriate)</i> .....	93
4.3 <i>Integrated Territorial Investment (ITI) (where appropriate)</i> .....	93
4.4 <i>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)</i> .....	94
SECTION 5: IMPLEMENTING PROVISIONS FOR THE COOPERATION PROGRAMME.....	96
5.1 <i>Relevant authorities and bodies</i> .....	96
5.2 <i>Procedure for setting up the joint secretariat</i> .....	97

5.3	<i>Summary description of the management and control arrangements</i> .....	97
5.4	<i>Apportionment of liabilities among participating Member States in case of financial corrections imposed by the managing authority or the Commission</i> .....	107
5.5	<i>Use of the Euro (where applicable)</i> .....	108
5.6	<i>Involvement of partners</i> .....	108
SECTION 6: COORDINATION.....		111
6.1	<i>Coordination with other ESI Funds</i> .....	111
6.2	<i>Coordination with other Union instruments</i> .....	112
6.3	<i>Coordination with ENI and IPA</i> .....	113
6.4	<i>Coordination with relevant national funding instruments</i> .....	113
6.5	<i>Coordination with the EIB</i> .....	113
SECTION 7: REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES .....		115
SECTION 8 : HORIZONTAL PRINCIPLES.....		117
8.1	<i>Sustainable development</i> .....	117
8.2	<i>Equal opportunities and non-discrimination</i> .....	118
8.3	<i>Equality between men and women</i> .....	120
SECTION 9: SEPARATE ELEMENTS .....		121
9.1	<i>Major projects to be implemented during the programming period</i> .....	121
9.2	<i>Performance framework of the cooperation programme</i> .....	122
9.3	<i>Relevant partners involved in the preparation of the cooperation programme</i> .....	123
9.4	<i>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</i> .....	123
ANNEXES (uploaded to the electronic data exchange systems as separate files): .....		124

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

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

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

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

##### **1.1.1.1 Geographical coverage of the programme area**

Covering an area of over 1 million square km the Interreg CENTRAL EUROPE Programme is home to about 146 million people (according to data from 2013). Nine European Union (EU) Member States (MS) cooperate in the programme, including all regions from Austria, Croatia, the Czech Republic, Hungary, Poland, Slovakia and Slovenia, as well as eight Länder from Germany (Baden-Württemberg, Bayern, Berlin, Brandenburg, Mecklenburg-Vorpommern, Sachsen, Sachsen-Anhalt, Thüringen) and nine regions from Italy (Emilia-Romagna, Friuli Venezia Giulia, Liguria, Lombardia, Piemonte, Provincia Autonoma Bolzano, Provincia Autonoma Trento, Valle d'Aosta, and Veneto). In total, the programme area is made up of 76 statistical NUTS 2 regions (cf. annex 03).

Map 1: Location of the area of Interreg CENTRAL EUROPE (cf. annex C)

##### **1.1.1.2 Analysis of the situation of the programme area**

A detailed territorial analysis of the central Europe area was carried out in 2012 (cf. ÖIR et al., 2012), showing that the programme area is highly heterogeneous in geographical terms (including coastal areas, mountain ranges, rural areas, large urban agglomerations, etc.) as well as in economic and social terms (with a still visible east-west divide). The area owns a large number of assets but also faces numerous challenges which are classified and analysed according to eight main topics (classified on the basis of: Commission of the European Communities, 2008; European Commission, 2006b; ESPON, 2006). These topics are

- Globalisation and economic development
- Social cohesion
- Demographic change
- Climate change
- Energy
- Natural and cultural resources
- Accessibility, transport and communication infrastructure;
- Governance structures

### *Globalisation and economic development*

The central Europe area is characterised by a significantly uneven distribution of economic strength, which is rooted in the historical economic development (east-west divide) as well as in structural differences between regions (urban and industrialised areas vs. rural and peripheral areas). Research and development (R&D) as well as investments are concentrated in few, mostly urban growth poles including capital city agglomerations like Warsaw, Prague, Berlin, Vienna, and Budapest (cf. Eurostat 2011b; see also Map 2, cf. annex 06). As a consequence, rural and peripheral areas often show a lower competitiveness combined with significant brain-drain. The level of skills and knowledge in these regions suffers accordingly.

Map 2: Gross domestic product (GDP) in thousands of EUR per inhabitant - current market prices in 2010 and total intramural R&D expenditure (GERD) in 2009 (in percent) (cf. annex 06)

Specific regional economic profiles and functions are crucial for global competitiveness and integration. Western regions highlight research and the knowledge economy while in eastern regions the large-scale industrial production established after EU accession leaves them more vulnerable towards global declines in demand. In the eastern part of the programme area only capital regions show extensive research activities (cf. Eurostat, 2011b). Transnational and regional links and networks between actors within the innovation systems are weak.

Small and medium enterprises (SMEs) form the majority of business entities and are the biggest employers in central Europe. Combined with adequate human resources, SMEs may act as regional innovation motors; however there is a *“severe underinvestment in research and innovation in the private sector”* (cf. European Commission, 2012i). A major reason for this was the difficult access to finance during the economic crisis.

In central European rural regions, tourism can be one of the most important economic sectors next to agriculture, energy production, etc. In remote regions tourism-related services are often the main sources of income for the local population (cf. Eurostat, 2013b: online). When linked to culture in particular, tourism is also a relevant factor of growth and income for cities even though the economic crisis reduced people's inclination to travel and thus negatively affected this sector (cf. Eurostat, 2012a).

### *Social cohesion*

The central Europe area is facing social polarisation and segregation. Social disparities within the central Europe can be observed especially along the former 'Iron Curtain' and the eastern external frontier of the EU.

Unemployment is a serious problem in some central European regions. Slovakia, Croatia and Hungary show particularly high unemployment rates while rates in other regions remain comparably low. Better or higher education is regarded as key to a more balanced social situation; however, education levels and quality vary greatly across central Europe. The highest share of population with high-level education in central Europe is concentrated around major cities, which at the same time fulfil the role of the countries' primary centres of education.

The accessibility to social services and services of general economic interest can increase social cohesion. However, there remains also a clear east-west divide in the availability of social services: new Member States spend less on services such as elderly and child care, family support and have less medical doctors per inhabitant.

The distribution of population at risk of poverty also illustrates disparities within central Europe. Especially in southern Germany, Austria, the Czech Republic and northern Italy the poverty risk is low. However, in the outermost eastern border regions of the EU the risk of poverty is very high (cf. European Union, 2010, European Commission, 2012e).

### *Demographic change*

Demographic change presents a key challenge in central Europe due to the fact that it influences the economic performance and social structure of regions. The notable ageing of the society due to higher life expectancy and lower birth rates raises the need to target shifts in consumption patterns, labour force, labour markets and productivity (cf. Demography Report 2010; European Commission, 2011b).

In addition, peripheral areas of central Europe face depopulation tendencies: out-migration of young and educated people, loss of labour force and know-how ('brain-drain'), economic decline and the shrinking of population, thus posing the challenge of sustaining basic services and infrastructure. Regions with significant population growth are characterised by immigration. Urban agglomeration areas with a growing population are confronted with higher demands in housing and an increase of land use conflicts. New Member States are, despite of their relatively fast growing economies, less attractive for migrants.

### *Climate change*

Climate change is supposed to affect the central Europe area considerably. Findings of the Intergovernmental Panel on Climate Change (IPCC) predict an increase of annual temperatures between 0.1 and 0.4 degree Celsius per decade (cf. IPCC, 2012: online). Due to the effects of climate change, central Europe has to deal with increasing average air temperatures and an increasing number of extreme weather events such as droughts, heat waves, floods, storms and landslides.

In the long term, heat will especially affect southern and south-eastern central European regions (cf. European Commission, 2013c). Eastern regions in the programme area are supposed to warm more rapidly in winter and cold winters may become rarer. In past decades a trend of reduced precipitation in the southern regions of the EU (IPCC, 2012: online) and a gain in more northern regions was observed and is expected to continue. Due to the fact that major river basins in the central Europe area often run through several countries, flooding is an interregional and transnational issue.

Map 3: Natural hazards. Map of vulnerability (cf. annex 06)

This will have a direct impact on human and economic activities and requires climate change adaptation and risk prevention and management measures including disaster management and rescue systems. For example, the increasing risk of aridity requires the transformation of water management, especially for agriculture, fisheries, forestry, energy production and tourism.

### *Energy*

Energy production in central Europe is still strongly dependent on fossil energy sources and energy imports while the gross inland consumption of renewable energy is still at low levels (with the notable exception of Austria). However, between 2000 and 2010 there was an increase of 120 percent in primary production of renewable energy in the central European countries with Germany, Slovakia, Hungary and the Czech Republic taking the lead, thereby illustrating the available experience and know-how in this sector (cf. Eurostat, 2011a).

In 2009, nearly 40 percent of final energy consumption in the EU27 could be attributed to households and services (cf. Eurostat, 2011a). Transport is the second largest sector when it comes to final energy consumption and it is the fastest growing sector in terms of energy use, with the strongest reliance on fossil fuel.

Limited investment in grid infrastructure together with the construction of intermittent power plants may probably result in increased technical vulnerability (cf. ESPON, 2010).

Since a substantial part of energy used in cities is related to buildings, EU legislation has put a specific focus on energy self-sufficiency of (public) buildings and the maximisation of heat-energy savings. The implementation of this legislation in central Europe is underway. The high level of experience and expertise on renewable energy production and energy efficiency is already available in some regions of central Europe, while others are less advanced. Cooperation and



knowledge exchange can facilitate reaching EU energy strategy goals throughout central Europe. It can also help to take stock of favourable location factors such as geothermal sources, wind conditions, solar radiation and regional biomass resources.

### *Natural and cultural resources*

The central Europe area is characterised by rich natural and cultural heritage constituting an important location factor. Central Europe boasts a wide array of valuable natural areas in terms of landscape and biodiversity, including large areas of forests, agricultural land, mountainous areas, watercourses and coastlines. Central Europe also has a significant cultural diversity including exceptional ancient architecture, built environments and artefact collections (European Commission, 2013b: online). Cultural heritage in all its variety plays an important role in stimulating business and creating income.

Map 4: Natura 2000 areas under the Habitats and Birds Directives, 2013 (cf. annex 06)

Central Europe's heritage is however under pressure: due to the fragmentation of habitats, biodiversity loss, water, air and soil pollution, unsustainable management practices and usage conflicts (e.g. with mass tourism, transport, urbanisation, and land use). Environmental infrastructure (such as drinking water supply, waste management and waste water treatment) still shows deficits in some regions of Poland, Hungary and Italy. Germany, Italy and the regions around major urban nodes as well as the triangle of South Poland, Slovakia and Czech Republic suffer from high concentrations of particulate matter and ozone in the air.

Since many urban areas are growing, a decline of the urban environmental situation and increase of land use conflicts can be observed. Current practices of environmental management and measures for mitigation of pollution sources (industry, traffic, etc.) are often not sufficient. At the same time improvements in this field would offer more attractive and liveable cities and regions. In combination with the rich cultural diversity numerous development and income potentials could be lifted (e.g. cultural and environmental tourism and creative industries).

### *Accessibility, transport and communication infrastructure*

Accessibility patterns in central Europe follow a core-periphery dichotomy distinguishing between core regions and regions in the western part of the programme area - showing a high potential in multimodal accessibility - and eastern peripheral regions/areas. Efficient transport connections are non-existent in some rural regions especially. In this respect secondary infrastructure for feeder transport and the integration of hubs in the local and regional transport schemes ('last mile') are important. Due to dense motorway and quality rail networks Germany, Austria and Italy show the best accessibility (cf. ESPON, 2009). The least accessible regions are mostly areas within the new Member States.

Although the importance of public transport and its improvement is highly prioritised, the share of sustainable passenger and freight transport has declined significantly over the last decade (cf. komobile, 2013). As for urban transport systems, there is great potential for improvements considering recently set sustainability goals (e.g. climate change mitigation, air quality and growing traffic volumes). Tackling these challenges would reduce disparities in regional accessibility and support environmentally friendly transportation modes, which would ultimately contribute to a significantly improved accessibility and competitiveness of central European regions.

This dichotomy is also visible in the uneven distribution of information and communication technology (ICT) infrastructure available in central Europe. Broadband coverage in thinly populated areas generally lags behind that of densely populated ones. Most of urban regions and rural southern Germany boast high levels of high-speed internet connections.

### *Governance structures*

Central Europe has diverse administration and governance systems and approaches. Various cooperation forms (e.g. urban-rural partnerships, metropolitan regions, European Territorial



Cooperation and other cooperation models such as macro-regional strategies and European Groups of Territorial Cooperation) create horizontal and vertical cooperation/coordination mechanisms between various levels of territorial governance (transnational, national, regional, local). Nevertheless, in some regions levels of public participation are low. Multi-level governance (connecting top-down and bottom-up initiatives with also cross-sectoral approaches) is needed to increase participation of local communities while fostering the efficiency of administrations and the consistency of policy-making. Electronic administration has been implemented to a very differing extent in central Europe regions.

EU macro-regional strategies (MRS) aim for cooperative activities and projects and can be described basically as *“a jointly agreed strategy on how to overcome challenges identified within a macro-region”* (cf. Blais, Liepa, 2012). Further information on MRS in the central Europe area is provided in section 4.4.

### 1.1.1.3 Strengths, weaknesses, opportunities and threats of central Europe

The following SWOT analysis presents internal strengths and weaknesses as well as external opportunities and threats of the central Europe area. It combines the situational analysis of the programme area with an analysis of strategic documents on European, transnational, national and regional level (e.g. programming documents and policy papers). A more detailed SWOT table per thematic objective (TO) can be found in annex 05.

#### Strengths

- High expenses in R&D in urban areas (attractive labour markets for highly skilled workers)
- Significant R&D activities (‘islands of innovation’) in some rural and intermediate areas
- High level of experience and know-how in high-tech services (e.g. renewable energy)
- Increasing level of renewable energy production (e.g. wind, solar, biomass, hydropower, and geothermal energy potentials)
- Use of energy saving technologies (e.g. in infrastructure and housing) in some regions
- Existing flood prevention measures and hazard zoning, especially in Alpine regions
- Richness and diversity of landscape, natural and cultural heritage (important location factor for e.g. tourism development)
- On-going investments in long-distance TEN-T networks/high potential multimodal accessibility in capital regions and in western regions of central Europe
- High diversity of cultures and population (ethnic diversity, linguistic minorities)
- Increasing level of education/lifelong learning/female participation in education (qualified workforce)
- Growth in business-related services, cross-sectoral and technology-oriented industries
- Connected top-down and bottom-up initiatives with the help of multi-level governance (including e.g. participatory elements)
- Tradition of interregional, transnational and cross-border cooperation on institutional, political and administrative level (e.g. strengthening of identities, economic cooperation, labour market migration)

#### Weaknesses

- Low level of R&D in several (rural) regions/insufficient technology transfer and lack in the access to R&D results especially for SMEs
- Sectoral and spatial inequalities of ICT infrastructure
- Strong economic disparities between central European regions (especially between older and newer Member States)
- Inequalities in GDP between peripheral and central areas
- High level of energy import dependency and imports from countries vulnerable to economic or political instability
- Increasing energy demand and lack of energy corridors and power lines especially for renewable energy

- Land use pressure leading to user conflicts, landscape fragmentation and biodiversity loss
- Low air quality and high concentrations of particular matter, ozone, SO<sub>2</sub> and NO<sub>2</sub> in cities
- Bad water quality of rivers and lakes in some regions (eutrophication)
- Deteriorating cultural heritage
- Lack of quality and quantity of environmental infrastructure in some regions
- Weak local, regional and transnational accessibility especially outside of agglomeration areas
- Lack of integrated transport systems and multimodality especially in the newer Member States
- Low quality of public transport, decreasing share of public transport as well as missing road links and border-crossings in many peripheral regions/areas
- Marginalisation of peripheral areas and insufficient access to services and employment in regions dominated by small villages and sparsely populated areas
- Risk of poverty for different population groups (e.g. families upbringing children, women, migrants)
- Low levels of public e-administration

#### *Opportunities*

- Promotion of innovation and an attractive investment climate
- Enhancement of competitiveness and deregulation for triggering SME development
- Globalisation and EU enlargement process for candidate and accession countries for accessing new markets and capital
- Policy support for cooperative economic activities, development of clusters and networks
- Increasing awareness about climate change effects and adaptation measures
- Cohesion policy focusing, amongst others, on environmental infrastructure including clean drinking water supply, waste management and waste-water treatment
- Establishment of a high proportion of protected areas through EU funds and policies (environment and Common Agricultural Policy)
- Investment in air quality triggering multiple benefits as demonstrated in the Clean Air policy package (e.g. for ecosystems, tourism, cultural heritage, crop yields etc.)
- Role as catalyst for implementing smart solutions answering to regional challenges
- A more flexible labour market and support of alternative employment through EU legislation
- Exchange of knowledge and cultural values promoting a flexible creative workforce
- Connectivity to macro-regional strategies such as the EUSBSR and the EUSDR

#### *Threats*

- Increasing gap between regulation and implementation
- Capacity needs (know-how, human resources) for administrations
- Overregulation in some policy fields (e.g. national market protection, social security, labour markets)
- Existing lifestyles in “mature” economies and catching up processes in newer Member States leading to increased energy demand
- Increase of average air temperature due to climate change (e.g. continuous reduction of snow blanket)
- Climate change affecting the natural environment (e.g. extinction of species; geographical shift of crops) and increasing aridity in some regions and the number of tropical nights in urban areas
- Increasing occurrences of natural hazards and floods
- Increasing unsustainable use of environmental resources due to economic activities
- Accelerating brain-drain of young and creative talents from peripheral regions/areas
- Increasing (labour) market competition with other global regions (e.g. China, India) and pressure on economic productivity
- Ageing population
- On-going suburbanisation processes

#### 1.1.1.4 How the cooperation programme will address these needs and challenges

The overall programme strategy is formulated in direct response to the EU 2020 strategy of smart, sustainable and inclusive growth. **Smart growth** means improving the EU's performance in education, research/innovation and digital society. **Sustainable growth** means building a more competitive low-carbon economy that makes efficient, sustainable use of resources. **Inclusive growth** means raising Europe's employment rate - more and better jobs, especially for women, young people and older workers, helping people of all ages to raise the employment rate. Within the EU 2020 Strategy the EU has set ambitious objectives to be reached by 2020 in five main areas:

- Employment: 75 percent of the 20-64 year-olds to be employed
- Research and development: 3 percent of the EU's GDP to be invested in R&D
- Climate change and energy sustainability: greenhouse gas emissions 20% (or even 30 percent, if the conditions are right) lower than 1990; 20 percent of energy from renewables, 20 percent increase in energy efficiency
- Education: Reducing the rates of early school leavers below 10 percent and at least 40 percent of 30-34-year-olds completing third level education
- Fighting poverty and social exclusion: at least 20 million fewer people in or at risk of poverty and social exclusion

In order to reach the envisaged 2020 targets, all European regions must be involved. In this context, the Common Strategic Framework (CSF) of the EU cohesion policy (Article 10 and Annex I of the Common Provision Regulation (CPR)) provides the necessary investment framework and delivery system.

The programme strategy also takes into account challenges and potentials for territorial development as defined in the "Territorial Agenda of the European Union 2020: Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions" (Territorial Agenda 2020), notably:

- Increased exposure to globalisation structural changes after the global economic crisis
- Challenges of EU integration and the growing interdependences of regions
- Territorially diverse demographic and social challenges, segregation of vulnerable groups
- Climate change and environmental risks: geographically diverse impacts
- Energy challenges come to the fore and threaten regional competitiveness
- Loss of biodiversity, vulnerable natural landscape and cultural heritage

With the objective of supporting economic, social and territorial cohesion, the overall goal of the Interreg CENTRAL EUROPE Programme is defined as:

**"Cooperating beyond borders in central Europe to make our cities and regions better places to live and work."**

The overall programme goal is further detailed in the following technical description:

*Transnational cooperation in central Europe is the catalyst for implementing smart solutions answering to regional challenges in the fields of innovation, low-carbon economy, environment, culture and transport. It builds regional capacities following an integrated bottom-up approach involving and coordinating relevant actors from all governance levels.*

Strengthening capacities is related to creating an enabling environment through improved:

- policy frameworks as well as legal and economic frameworks
- institutional and human resources development
- managerial systems

The specific characteristics of the transnational cooperation programme (CP) Interreg CENTRAL EUROPE is taking into account common challenges and needs shared by most or all regions involved in the programme area and can thus contribute better to social, economic and territorial cohesion

than national endeavours alone. The programme strategy seeks to reduce barriers of development by promoting sustainable and integrated territorial approaches. It aims to strengthen existing or to make use of yet untapped potentials to support territorial integration, which will ultimately result in smart, sustainable and inclusive growth directly contributing to the Europe 2020 goals.

The regulatory framework for the EU cohesion policy programming period 2014-2020 (Article 9 of the CPR) defines 11 thematic objectives (TOs) corresponding to the priorities of the Europe 2020 Strategy. To ensure critical mass necessary to deliver growth and jobs, European Territorial Cooperation (ETC) programmes must concentrate at least 80 percent of their ERDF allocation on a maximum of four TOs, selected on the basis of key challenges and needs identified in the programme area. Consequently, by exploiting potentials of the area and striving to overcome barriers of development, the Interreg CENTRAL EUROPE programme strategy builds on the following TOs that are in line with issues identified as being most suitable to be tackled by transnational cooperation:

- Strengthening research, technological development and innovation (TO 1)
- Supporting the shift towards a low-carbon economy in all sectors (TO 4)
- Preserving and protecting the environment and promoting resource efficiency (TO 6)
- Promoting sustainable transport and removing bottlenecks in key network infrastructures (TO 7)

More detailed information on the justification for the selection and non-selection of TOs is provided in annex 04.

The selected TOs have been translated into four priority axes, which reflect the needs and challenges as identified in the situational analysis of the programme area.

For each priority axis one or more investment priorities (IPs) have been selected, based on the set of IPs defined in Article 5 of the ERDF Regulation. The seven IPs selected are listed in table 1, which also provides justification for their selection.

For each IP one or two specific objectives (SO) were then defined. The ten SOs indicate specific changes that the Interreg CENTRAL EUROPE Programme intends to reach.

Figure 1 gives an overview of the programme strategy and its structure.

Figure 1: Programme strategy - objective tree (cf. annex 06)

### ***Priority axis 1 - “Cooperating on innovation to make CENTRAL EUROPE more competitive”***

Priority axis 1 addresses the main socio-economic challenges and needs within central Europe related to smart growth of the Europe 2020 Strategy, especially through more effective investments in research, innovation and education.

The priority targets the strengthening of existing potentials of technology-oriented areas that are destinations of foreign investment and capital flows, notably through a better linkage of actors of the innovation systems. This will enhance the transfer of R&D results and the set-up of cooperative initiatives and clusters. Furthermore, the priority addresses regional disparities in knowledge and education such as brain-drain, and will strengthen capacities and competences for entrepreneurship and social innovation, also responding to challenges related to demographic and climate change.

This approach builds on experiences made in the CENTRAL EUROPE 2007-2013 Programme, where the improvement of framework conditions for R&D and innovation was successfully targeted in programme priority 1 “Facilitating innovation across central Europe”.

This priority axis contributes in particular to the smart and inclusive growth goal of the EU 2020 Strategy as well as to the social cohesion goal. It supports the following flagship initiatives:

- Innovation union
- An industrial policy for the globalisation era
- An agenda for new skills and jobs

### ***Priority axis 2 - “Cooperating on low-carbon strategies in CENTRAL EUROPE”***

Priority axis 2 aims at strengthening the usage of renewable energies, improving energy efficiency, and at boosting the economic growth potential of this sector. It will also help enhancing knowledge and skills with regard to efficient energy management of public infrastructure.

Developing and implementing territorially based low-carbon strategies and low-carbon mobility of functional urban areas shall be supported, in order to tackle the challenges central Europe is facing in energy production and consumption and to mitigate climate change.

This priority axis builds on achievements of the previous programming period, in which the CENTRAL EUROPE 2007-2013 Programme successfully supported renewable energy and energy efficiency operations in programme priority 3 “Using our environment responsibly”. Furthermore, the priority axis builds on the existing knowledge and expertise about renewable energy and energy saving technologies available in several regions of central Europe.

This axis primarily contributes to the flagship initiatives below:

- Resource efficient Europe
- An agenda for new skills and jobs

### ***Priority axis 3 - ‘Cooperating on natural and cultural resources for sustainable growth in CENTRAL EUROPE’***

Priority axis 3 directly responds to the need for protecting and more sustainably using natural and cultural heritage and resources, which are subject to a variety of pressures and usage conflicts (e.g. from industry, intensive agriculture, climate change, transport, urbanisation and sub-urbanisation as well as tourism). They are also among the greatest assets of central Europe and represent important location factors for regional development.

In addition, the priority focuses on improving the environmental quality of functional urban areas by tackling key challenges such as land use conflicts, air, soil and water pollution and waste management. Improving the situation will have a direct effect on the quality of life for urban residents.

The priority axis reflects positive experiences made with programme priorities 3 (“Using our environment responsibly”) and partly also 4 (“Enhancing competitiveness and attractiveness of cities and regions”) of the CENTRAL EUROPE 2007-2013 Programme. Successful operations were then implemented in the fields of water and waste management, air quality, pollution control and prevention, brownfield rehabilitation, biodiversity, land use planning as well as in the preservation and sustainable use of cultural heritage.

A clear contribution to the following flagship initiatives can be observed:

- Resource efficient Europe
- An agenda for new skills and jobs

### ***Priority axis 4 - “Cooperating on transport to better connect CENTRAL EUROPE”***

Priority axis 4 provides answers to the core-periphery dichotomy of the CENTRAL EUROPE programme area. It will help to reduce gaps between peripheral, badly accessible regions and well-connected centres. More concretely, the programme will support the connectivity of regions and cities to European transport networks and improve multi-modal environmentally friendly freight and passenger transport within central Europe.

The CENTRAL EUROPE 2007-2013 Programme already supported actions in the field of interconnectivity and multi-modal logistics cooperation under programme priority 2 “Improving accessibility to, and within, central Europe”. A number of operations demonstrated the principal feasibility of modal switch in passenger transport providing a decisive momentum in the right direction (cf. komobile, 2013).

The priority axis contributes to the Europe 2020 smart and sustainable growth priorities and the flagship initiative “Resource efficient Europe”.

Within all priority axes the programme recognises sustainable development as an overall guiding principle (see also section 8). Furthermore, challenges related to demographic change, climate change and social inclusion are taken into account as horizontal issues within the respective thematic fields of the priority axes.

**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, the missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation.**

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

Selected thematic objective	Selected investment priority	Justification for selection
<b>T01</b> Strengthening research, technological development and innovation	1b	<ul style="list-style-type: none"> <li>– There is an uneven distribution of <b>R&amp;D activities</b> across central Europe (between western and eastern regions as well as agglomerations and more peripheral areas)</li> <li>– There is a high potential for mobilising <b>synergies between business and research</b> and investments in <b>product and process innovations</b> but linkages are not sufficiently established</li> <li>– The lack of <b>innovative skills and knowledge</b> is a major shortcoming in regions lagging behind</li> <li>– Potentials of <b>transnational and regional clusters</b> remain unused</li> <li>– A lack of cooperation and <b>common innovation strategies</b> hinders the use of synergies</li> </ul>
<b>T04</b> Supporting the shift towards a low-carbon economy in all sectors	4c	<ul style="list-style-type: none"> <li>– <b>Public infrastructures and buildings</b> are among the main energy consumers, their energy use is still wasteful in many central European regions</li> <li>– <b>Efficient use of energy</b> can contribute to <b>decreasing central Europe's energy import dependence</b>, to <b>reduce air pollution</b> and to <b>mitigating climate change</b></li> <li>– There is the need for <b>increasing the capacity of the public sector for energy efficiency measures</b></li> <li>– <b>Public infrastructure owners and operators</b> often lack the <b>expertise</b> of methods and technologies for reducing energy consumption</li> </ul>
	4e	<ul style="list-style-type: none"> <li>– The <b>potentials for a reduction of CO2 and other air pollutant emissions</b> (such as PM, SO2 and NO2) are not sufficiently exploited in central European territories</li> <li>– There is a need for increasing the use of <b>renewable energy sources</b>, especially in eastern regions of central Europe considering also climate change adaptation</li> <li>– The promotion of <b>endogenous resources and renewable energy technologies</b> is a high potential but capacities are often limited</li> </ul>



Selected thematic objective	Selected investment priority	Justification for selection
		<ul style="list-style-type: none"> <li>– There is a need for developing <b>low-carbon strategies</b> on a territorial level <b>including low-carbon mobility in urban areas</b> and their peripheries</li> </ul>
<b>T06</b> Protecting the environment and promoting resource efficiency	6c	<ul style="list-style-type: none"> <li>– The <b>richness of central Europe's natural and cultural resources</b> needs to be preserved and their management improved</li> <li>– The <b>sustainable use of natural and cultural resources</b> serves as an important location factor but they are often not sufficiently used, e.g. in tourism</li> <li>– <b>Pressures on natural and cultural resources</b> (including also climate change) endanger the existence and limit future usage potentials</li> <li>– <b>Integrated approaches for planning and managing</b> natural and cultural resources are not widely applied and respective capacities are limited</li> <li>– <b>Natural and cultural heritage sites</b> are not sufficiently linked</li> </ul>
	6e	<ul style="list-style-type: none"> <li>– The <b>environmental challenges of air, water and soil pollution, climate, land consumption and land use conflicts</b> and negative spill-over effects in agglomeration areas are development barriers</li> <li>– <b>Negative external effects of urban areas</b> (e.g. agglomeration disadvantages resulting in low air quality) are a major challenge for central Europe's environment and quality of life of urban residents</li> <li>– The <b>rehabilitation of brownfields</b> constitutes an important potential for urban development by limiting additional soil sealing and social segregation</li> <li>– <b>Integrated approaches for urban planning as well as environmental management</b> (including climate change adaptation measures) in the urban context are not sufficiently applied</li> </ul>
<b>T07</b> Promoting sustainable transport and removing bottlenecks in key network infrastructures	7b	<ul style="list-style-type: none"> <li>– <b>Weak regional and local accessibility</b> prevails outside of central Europe's agglomerations</li> <li>– There is a notable difference in <b>accessibility</b> between peripheral rural regions and economic centres in terms of public transport linking to the <b>TEN-T network</b></li> <li>– Existing <b>disparities in multimodal accessibility</b> lower the competitiveness of many regions in central Europe</li> <li>– <b>Sustainable and smart regional mobility</b> approaches are not sufficiently spread and related capacities are limited</li> </ul>
	7c	<ul style="list-style-type: none"> <li>– <b>Regional disparities in multimodal accessibility</b> for freight transport constrain the competitiveness of several central European regions</li> <li>– <b>Increasing transport volumes</b> reinforce the need for environmentally friendly and low-carbon freight transport systems contributing to climate change mitigation and reduction of air pollutant emissions</li> <li>– <b>Deficiencies of coordination between freight transport stakeholders</b> are a barrier for efficient sustainable multimodal transport</li> </ul>



Selected thematic objective	Selected investment priority	Justification for selection
		– <b>Optimisation of individual modes</b> of freight transport and their combination in multi-modal transport chains is needed

## 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 overall programme budget is EUR 298.987.026, with an ERDF contribution of EUR 246.581.112, as detailed in section 3. The financial allocation to the chosen thematic objectives reflects:

- The estimated financial size of 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 (cf. section 5.6)
- The experiences of the programming period 2007-2013

Further, for the estimation of the number of operations under each thematic objective an average budget of an operation of about EUR 2,1 million total cost has been assumed taking into account the average size of projects funded through calls. However, since the financial size of an operation shall reflect the activities and outputs planned, also smaller and larger operations can be supported.

### Priority axis 1 (TO 1)

The planned ERDF allocation to priority 1 is EUR 75.942.711 corresponding to 31 percent of the programme ERDF, with an estimated number of 47 operations that will be supported. This financial allocation reflects the planned size of actions facing the needs to strongly improve regional innovation capacities as well as to increase skills and entrepreneurship culture especially at the SMEs level.

The financial allocation is in line with the emphasis given to innovation, technology transfer and entrepreneurship within the funding priorities defined in the EC Country Position Papers of all Member States of the cooperation area - especially with regard to the need of setting up a favourable environment for innovation-driven business based on knowledge and skills, explicitly recognised as priorities for ETC in several countries. The financial allocation reflects the high interest shown by the relevant partners, with about 56 percent of participants to the online survey expressing their interest in this priority and a very high number of inputs collected in the national and transnational events.

Central European stakeholders have a long tradition and a growing need of cooperation in the field of innovation, technology transfer and skills, with around 300 project partners involved in central European transnational operations in the 2007-2013 programming period.

### Priority axis 2 (TO 4)

The planned ERDF allocation to priority 2 is EUR 42.684.600 corresponding to 17 percent of programme ERDF, with an estimated number of 25 operations that will be supported. This financial allocation reflects the expected size of the proposed actions facing the needs to increase regional capacities for improving energy efficiency and renewable energy usage in public infrastructure, for improved planning of territorially based energy strategies and for low-carbon mobility in functional urban areas.

The financial allocation is aligned with funding priorities defined in the EC Country Position Papers of all Member States of the cooperation area, with regard especially to energy efficiency and low-carbon economy also contributing to climate change mitigation. Moreover, the financial allocation is in line with the interest shown by relevant partners in the consultation process, with about 23 percent of

participants to the online survey expressing their interest in this priority and several specific inputs collected in the national and transnational events.

During the 2007-2013 programming period, central European stakeholders showed a specific and growing interest in cooperating within the fields of energy efficiency and renewable energy sources, with around 250 project partners involved in central European transnational operations.

### ***Priority axis 3 (TO 6)***

The planned ERDF allocation to priority 3 is EUR 85.469.200 corresponding to 35 percent of programme ERDF, with an estimated number of 48 operations that will be supported. This financial allocation reflects the expected size of actions facing the needs to increase capacities for an integrated management and sustainable use of natural and cultural heritage and resources as well as for improved environmental management of functional urban areas. The comparably higher allocation is justified by the fact that actions - ranging from natural and cultural heritage protection, management and valorisation to urban environmental management including rehabilitation of brownfields and supporting the development towards smart cities - tackle a wide array of challenges and needs affecting all regions of the programme area.

The financial allocation also reflects several funding priorities defined in the EC Country Position Papers of all Member States of the cooperation area, with regard especially to protection and sustainable management of natural and cultural heritage and improvement of the urban environment, including regeneration of brownfield sites and reduction of air pollution. Moreover, the financial allocation is aligned with the high interest shown by relevant partners in the consultation process, with about 50 percent of participants to the online survey expressing their interest in this priority and a high number of inputs collected from partners within national and transnational events.

Central European stakeholders have a long tradition and a growing need of cooperation in the field of natural and cultural heritage protection and urban environmental management, with around 450 project partners involved in central European transnational operations during the 2007-2013 period.

### ***Priority axis 4 (TO 7)***

The planned ERDF allocation to priority 4 is EUR 27.689.733 corresponding to 11 percent of programme ERDF, with an estimated number of 16 operations that will be supported. This financial allocation reflects the expected size of actions facing the needs to increase capacities for planning of regional transport systems as well as for making transport modes more sustainable, safe and energy efficient along coordinated multi-modal transport chains. The comparably lower allocation is justified by the fact that the urban dimension of transport is tackled within TO 4 under priority axis 2.

The financial allocation is in line with funding priorities defined in the EC Country Position Papers of the Member States involved in the cooperation area, in which a specific coordination and integration function in the field of transport is foreseen for ETC. Moreover, the planned financial allocation is aligned with the interest shown by relevant partners in the consultation process, with about 30 percent of participants to the online survey expressing their interest in this priority and several valuable inputs collected from partners within the national and transnational events.

Central European transport stakeholders showed high interest in transnational cooperation in the 2007-2013 programming period, with around 250 project partners involved in central European transnational operations in this thematic field.

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

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support for the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI (where applicable)	IPA (where applicable)				
1	75.942.711	31%			TO1	1b	1.1 To improve sustainable linkages among actors of the innovation systems for strengthening regional innovation capacity in central Europe	1.1 Status of linkages among actors of the innovation systems achieved through transnational cooperation in central European regions
							1.2 To improve skills and entrepreneurial competences for advancing economic and social innovation in central European regions	1.2 Status of capacities of the public and private sector for skills development of employees and entrepreneurial competences achieved through transnational cooperation driving economic and social innovation in central European regions
2	42.684.600	17%			TO4	4c	2.1 To develop and implement solutions for increasing energy efficiency and renewable energy usage in public infrastructures	2.1 Status of capacities of the public sector and related entities for increased energy efficiency and renewable energy use in public infrastructures achieved through transnational cooperation
						4e	2.2 To improve territorially based low-carbon energy planning strategies and policies supporting climate change mitigation	2.2 Status of capacities of the public sector and related entities for territorially based low-carbon energy planning and policies achieved through transnational cooperation

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support for the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI (where applicable)	IPA (where applicable)				
							<b>2.3</b> To improve capacities for mobility planning in functional urban areas to lower CO2 emissions	<b>2.3</b> Status of capacities of the public sector and related entities for low-carbon mobility planning in functional urban areas achieved through transnational cooperation
3	85.469.200	35%			TO6	6c	<b>3.1</b> To improve integrated environmental management capacities for the protection and sustainable use of natural heritage and resources	<b>3.1</b> Status of integrated environmental management capacities of the public sector and related entities for the protection and sustainable use of natural heritage and resources achieved through transnational cooperation
							<b>3.2</b> To improve capacities for the sustainable use of cultural heritage and resources	<b>3.2</b> Status of capacities of the public and private sector for the sustainable use of cultural heritage and resources achieved through transnational cooperation
						6e	<b>3.3</b> To improve environmental management of functional urban areas to make them more liveable places	<b>3.3</b> Status of integrated environmental management capacities of the public sector and related entities in functional urban areas achieved through transnational cooperation for making them more liveable places

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support for the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI (where applicable)	IPA (where applicable)				
4	27.689.733	11%			T07	7b	4.1 To improve planning and coordination of regional passenger transport systems for better connections to national and European transport networks	4.1 Status of coordinated planning capacities of the public sector and related entities for regional passenger transport systems linked to national and European transport networks achieved through transnational cooperation
						7c	4.2 To improve coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions	4.2 Status of coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions achieved through transnational cooperation
5 TA	14.794.868	6%			N/A	N/A	5.1 To effectively implement the cooperation programme	Not applicable since the Union support to the technical assistance in the cooperation programme does not exceed EUR 15 million.
							5.2 To support applicants and beneficiaries and to strengthen the involvement of relevant partners in programme implementation	

## SECTION 2: PRIORITY AXES

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

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

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

#### 2.A.1/P1 Priority axis 1

(repeated for each priority axis)

<i>ID of the priority axis</i>	<b>1</b>
<i>Title of the priority axis</i>	<b><i>Cooperating on innovation to make CENTRAL EUROPE more competitive</i></b>

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

#### 2.A.2/P1 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

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

Not applicable
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#### 2.A.3/P1 Fund and calculation basis for Union support

(repeated for each Fund under the priority axis)

<b>Fund:</b>	ERDF
<b>Calculation basis</b> <i>(total eligible expenditure or eligible public expenditure)</i>	Total eligible expenditure

## 2.A.4/P1/1b Investment priority 1b

(repeated for each investment priority under the priority axis)

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

<b>Investment priority</b>	1b: promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies
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## 2.A.5/P1/1b Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	1.1
<b>Specific objective</b>	To improve sustainable linkages among actors of the innovation systems for strengthening regional innovation capacity in central Europe
<b>The results that the Member States seek to achieve with Union support</b>	<p>Central Europe faces crucial disparities concerning regional innovation. “Islands of innovation”, located around agglomerations or in western intermediate areas, have been established with well performing innovation systems characterised by strong links between its actors. However, several, mostly rural and peripheral regions/areas are characterised by a low level of R&amp;D and weak linkages (cf. definition in annex 02) resulting in insufficient technology transfer and problems to access R&amp;D-results and financing of innovation, especially for SMEs. This challenge is even intensified by the recent financial and economic crisis which requires structural changes. The dynamism of regions and their connections through networks are opportunities in the frame of the globalisation process (Territorial Agenda 2020).</p> <p>Since innovation and technology development are the result of a complex set of relationships among actors in the innovation system, stronger links within and between regions as well as a critical mass of innovative actors are required (e.g. in a triple or quadruple helix context) for improving innovation capacity. This shall notably further enhance knowledge and technology transfer between key players of the innovation systems and will consequently contribute to innovation-driven growth at regional level and reduce disparities.</p> <p>In this context, an innovation system is to be understood as “<i>the network of institutions in the public and private sectors whose activities and interactions initiate, import, modify and diffuse new technologies</i>” (cf. Freeman, 1987). Actors of the innovation system include stakeholders from the research and business sectors, policy makers and public authorities (cf. definition in annex 02).</p> <p>Transnational cooperation will help to strengthen regional innovation capacities, thereby contributing to regional smart specialisation</p>



	<p>strategies, through better and more sustainable linkages among actors of the innovation systems.</p> <p>This shall be achieved through transnational and internationalised regional networks and clusters fostering technology transfer and the development and implementation of new services supporting innovation in businesses. Increased cooperation between actors of the innovation systems, especially between business and research, will improve access to research results for enterprises, notably SMEs, thus stimulating further investment in innovation. Furthermore, the link between research and public administration will be strengthened (e.g. by setting up specific mechanisms and promoting public procurement of innovation) which could positively contribute to both economic and social innovation transfer.</p> <p>The <u>main result</u> envisaged can be summarised as: “Increased and more sustainable linkages of actors in the innovation systems achieved through transnational cooperation strengthening the innovation capacity within central European regions”.</p>
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**Table 3/P1/1.1: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.1	Status of linkages among actors of the innovation systems achieved through transnational cooperation in central European regions	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	3.0	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

<b>ID</b>	<b>1.2</b>
<b>Specific objective</b>	<b>To improve skills and entrepreneurial competences for advancing economic and social innovation in central European regions</b>
<b>The results that the Member States seek to achieve with Union support</b>	Small and medium-sized enterprises (SMEs) are the major employers in central Europe. In many regions, especially peripheral ones, SMEs face a shortage of skilled labour force in relation to requirements posed by technological progress and economic innovation. Furthermore, demographic change is affecting the labour market throughout central Europe. This is particularly evident in regions with shrinking populations and related brain drain effects (peripheral and rural areas) thus deteriorating their competitiveness (Territorial Agenda 2020). Peripheral regions/areas are to be understood as marginalised or badly accessible

	<p>territories offering poor job opportunities and suffering from out-migration (cf. definition in annex 02).</p> <p>The ratio “number of SMEs/1,000 inhabitants” is strongly diverging within central Europe. This reflects disparities in the regional attitude to entrepreneurship (ÖIR et al, 2012), understood as the “mind-set and process to create and develop economic activity by blending risk-taking, creativity and/or innovation with sound management, within a new or an existing organisation”.</p> <p>In order to mitigate these disparities there is the need for improving technological competences and management skills of employees of the public and private sector, especially in SMEs as well as entrepreneurs. This should be done through integration into wider local and regional strategies (cf. European Commission, 2012j).</p> <p>By stimulating mutual exchange and learning, transnational cooperation will help to increase skills of employees and entrepreneurs for applying novel technologies and methods. This will enable enterprises (especially SMEs) to develop and implement innovative products, services and/or processes contributing to the respective regional smart specialisation strategies. Innovative learning systems, jointly developed at transnational level, can contribute to the targeted improvement of skills thus increasing regional competitiveness especially in regions facing social challenges.</p> <p>Joint approaches developed transnationally will further support entrepreneurship by building technological and managerial competences as well as promoting entrepreneurial mind sets and initiatives. Next to merely economically driven innovation the improvement of skills and the fostering of entrepreneurship should contribute to advancing social innovation. Social innovations are to be understood as new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations (cf. Murray et. al, 2010).</p> <p>This will allow for meeting social needs and will further improve the capacities of regions to manage new challenges such as those deriving from demographic and climate change, migration and brain drain.</p> <p>The <u>main result</u> envisaged can be summarised as: “Improved capacities of the public and private sector for skills development of employees and entrepreneurial competences achieved through transnational cooperation driving economic and social innovation in central European regions”.</p>
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**Table 3/P1/1.2: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.2	Status of capacities of the public and private sector for skills development of employees and entrepreneurial competences achieved	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	2.7	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
	through transnational cooperation driving economic and social innovation in central European regions						

## **2.A.6/P1/1b Actions to be supported under the investment priority (by investment priority)**

**2.A.6.1/P1/1b A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

<b>Investment priority</b>	<b>1b</b>
<p>The supported actions will contribute to strengthening the regional innovation capacity of central Europe and its enterprises, where there is a favourable innovation climate in several regions while at the same time many peripheral regions/areas are lagging behind and/or are facing (social) challenges in terms of missing or not sufficiently qualified labour force.</p> <p>Transnational actions can bring added value through connecting different actors of the innovation systems within and across different regions and sectors as well as through improving skills and entrepreneurial competences in the field of economic and social innovation.</p> <p>According to the two specific objectives within investment priority 1(b), two sets of interventions will be supported:</p> <ul style="list-style-type: none"> <li>– Actions to improve sustainable linkages among actors of the innovation systems for strengthening regional innovation capacity in central Europe (referring to specific objective 1.1)</li> <li>– Actions to improve skills and competences of employees and entrepreneurs for driving economic and social innovation in central European regions (referring to specific objective 1.2)</li> </ul> <p><b>Actions to improve sustainable linkages among actors of the innovation systems for strengthening regional innovation capacity in central Europe (specific objective 1.1)</b></p> <p>The supported actions shall make use of transnational cooperation for knowledge transfer and the implementation of pilot and demonstration actions for creating better linkages among actors in the innovation systems as precondition for innovation. Transnational and internationalised regional networks and clusters fostering technology transfer can contribute to improving the regional innovation capacity, developing joint internationalisation strategies, engaging in cross-sector approaches and specialising in new industrial niches along the dynamic value chains. Enhanced knowledge transfers between research institutions, businesses (in particular SMEs), the education sector as well as the public sector will enable better access to research results for enterprises and consequently stimulate further investment in the application of innovation, enhancing the</p>	

competitiveness of regions. If relevant, actions should identify and make use of synergies with the Enterprise Europe Network (EEN). The establishment of links with financing institutions will ease the access of enterprises to the financing of innovation. Due to the role of the public sector in stimulating innovation processes on the respective territories (e.g. through reduction of administrative barriers, innovation procurement etc.) its close cooperation with the private and the research sector is essential.

All the supported actions will clearly contribute to improving linkages among actors in the innovation systems, thereby strengthening the innovation capacity within the central European regions.

Examples of actions supported within SO 1.1 are:

- Establishing and further strengthening transnational innovation networks and clusters, also supporting their internationalisation
- Enhancing the transfer of R&D-results from research institutions to the business sector (in particular SMEs) leading to new services and products
- Building transnational links for improving existing and developing new services which support innovation in businesses
- Strengthening links between the public sector, finance institutions as well as the business sector (in particular SMEs) to design and test new structures and services that facilitate the access to financing of innovation
- Increasing cooperation between research, the public and private sectors to stimulate innovation and entrepreneurship (e.g. reduction of administrative barriers of innovation, public procurement of innovative products and services, social innovation, etc.)

**Actions to improve skills and competences of employees and entrepreneurs for driving economic and social innovation in central European regions (specific objective 1.2)**

The supported actions shall target at transnational level the improvement of knowledge and skills of employees and entrepreneurs (especially in SMEs) fostering the development and implementation of innovative products, services or processes for advancing economic and social innovation contributing to smart specialisation strategies of the respective regions. Furthermore, actions are expected to build a stronger culture of entrepreneurship and to enhance entrepreneurial mind sets, skills and attitudes. Innovative methods of learning can contribute to strengthening competences in the application of innovative technologies, methods and management. Beyond merely economically driven innovation, actions should also contribute to advancing social innovation thereby considering specific challenges deriving from climate change and demographic change such as brain drain, shrinking regions as well as linked to social segregation. In the area of health innovative actions such as defined in the frame of the European Innovation Partnership on Active and Healthy Ageing could be supported. Furthermore, attention should be given to sustainable development principles (such as eco-innovation, low-carbon measures, etc.).

All supported actions will clearly contribute to improved skills and competences of employees and entrepreneurs driving economic and social innovation in central European regions.

Examples of actions supported within SO 1.2 are:

- Increasing skills of employees in the business sector (particularly SMEs) regarding novel technologies (e.g. eco-innovation, low-carbon technologies, ICT, key enabling technologies, etc.), innovative products, services or processes and social innovation contributing to regional smart specialisation strategies
- Developing and implementing strategies and tools to improve creativity and entrepreneurial mind-sets building on different business cultures and on all levels of education
- Developing and implementing strategies and tools for improving technological and managerial competences for entrepreneurship for economic and social innovation (e.g. healthcare and social inclusion of minorities, disabled persons, elderly, etc.)

- Adapting, developing, and testing innovative learning systems for increasing skills and entrepreneurial competences considering demographic change challenges (e.g. ageing society, youth unemployment, shrinking regions facing skills shortages, etc.)

### **Types of outputs**

Within the supported actions different types of outputs can be obtained. Emphasis shall be put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building measures including training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.1.b). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

### **Main target groups and types of beneficiaries**

The main target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of an operation, though not necessarily being directly involved in the operation, are: enterprises (with a specific focus on SMEs) and their employees, entrepreneurs, cluster organisations, the public sector, intermediaries, private and public research institutions, R&D facilities, centres of R&D excellence. Additionally all public and private actors dealing with social and economic innovation as well as all population groups which are affected by the issue.

Beneficiaries (cf. definition in annex 02), to be understood as project partners benefitting from programme funds and implementing activities within the operation, are all legal personalities that can contribute to increasing economic and social innovation and entrepreneurial capacity. They comprise amongst others: local, regional and national public authorities, regional development agencies, chambers of commerce, enterprises (including SMEs), cluster organisations, universities, associations, technology transfer institutions, research institutions, centres of R&D excellence, NGOs, innovation agencies, business incubators, cluster management bodies, financing institutions, education and training organisations as well as social partners and labour-market institutions.

### **Specific territories targeted**

The supported actions can be implemented throughout the whole programme cooperation area: Emphasis shall be put on regions having deficiencies in their innovation system (e.g. peripheral and structurally weak regions/areas, regions facing industrial decline etc.) or having a shortage of skills and entrepreneurship (e.g. shrinking regions) for which their connection to and learning from more advanced regions will be targeted. Simultaneously, regions with a higher innovation performance will be further strengthened through internationalisation opening up for new development opportunities, intensifying of the entrepreneurial attitude and improving technological and managerial skills. Actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

## **2.A.6.2/P1/1b Guiding principles for the selection of operations**

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

Investment priority	1b
<p>The selection of operations will be carried out in application of Article 12 of the European Territorial Cooperation (ETC) Regulation following a standardised assessment procedure. It includes two sets of pre-defined quality criteria (presented below) constituting the methodological framework.</p> <p>This framework is tailored to each specific objective: for each criterion a direct link will be established to the thematic field, related territorial challenges, defined objectives, results and supported actions as described for each specific objective.</p> <p><u>Strategic criteria</u> allow for assessing the relevance of applications and the extent of their contribution to achieving a specific objective. They are directly linked to the results envisaged within a specific objective and can be summarised as follows:</p> <ul style="list-style-type: none"> <li>- Contribution to programme objectives and results, as defined for a specific objective</li> <li>- Coherence of planned activities and outputs with types and examples of actions and outputs as described under the respective investment priority</li> <li>- Relevance and strategic character in relation to territorial challenges and needs addressed by a specific objective as well as coherence with relevant policies at different levels</li> <li>- Cooperation character and transnational added value of the applications</li> <li>- Relevance of the partnership in terms of technical and institutional capacity</li> <li>- Contribution to the promotion of equality and to sustainable development</li> </ul> <p><u>Operational criteria</u> allow for assessing the quality of implementation with regard to the feasibility and viability of applications as well as their value for money (resources used in relation to results delivered). They can be summarised as follows:</p> <ul style="list-style-type: none"> <li>- Structure, coherence and transparency of the project work plan</li> <li>- Project communication and capitalisation strategy and activities</li> <li>- Coherence of the budget with the project work plan and value for money</li> <li>- Structures and procedures set in place for the daily management of the operation</li> </ul> <p>Overall, the programme will support operations having a clear focus on the implementation of joint transnational actions and demonstrating the value added of the transnational integrated approach versus regional, national, interregional or cross-border approaches. Operations should follow an output and result-oriented approach putting emphasis on the development of concrete, relevant and visible outputs and results. As a consequence, the programme specifically supports the delivery of outputs and results which feed into concrete future initiatives including new or improved policies, strategies and investments.</p> <p>The strategic value (as assessed by above strategic criteria) of applications will be a pre-condition for being selected for funding. The high importance of the strategic assessment will be reflected in the assessment methodology by score weights and/or thresholds set for the strategic criteria.</p> <p>Detailed quality assessment criteria will be laid down and made available to applicants in call-specific documents. The assessment will be conducted by qualified assessors with the required expertise.</p> <p>Programme bodies will strive for coordination with other programmes (cf. section 6) making use of synergies to the possible extent.</p> <p>Applications focussing on purely academic cooperation or basic research as well as on a mere exchange of knowledge and networking will not be funded.</p>	



### 2.A.6.3/P1/1b Planned use of financial instruments (where appropriate)

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

<b>Investment priority</b>	1b
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

### 2.A.6.4/P1/1b Planned use of major projects (where appropriate)

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

<b>Investment priority</b>	1b
Not applicable	

### 2.A.6.5/P1/1b Output indicators (by investment priority)

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

**Table 4/P1/1b: Common and programme-specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1b.1	Number of strategies and action plans developed and/or implemented for strengthening linkages within the innovation systems	Strategies/ action plans	50	Monitoring of operations	Annually
1b.2	Number of strategies and action plans developed and/or implemented for improving skills and competences of employees and entrepreneurs	Strategies/ action plans	33	Monitoring of operations	Annually
1b.3	Number of tools and services developed and/or implemented for strengthening linkages within the innovation systems	Tools/ services	62	Monitoring of operations	Annually
1b.4	Number of tools developed and/or	Tools/ services	55	Monitoring of operations	Annually



ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
	implemented for improving skills and competences of employees and entrepreneurs				
1b.5	Number of innovation networks established	networks	23	Monitoring of operations	Annually
1b.6	Number of pilot actions implemented for strengthening linkages within the innovation systems	Pilot actions	87	Monitoring of operations	Annually
1b.7	Number of pilot actions implemented for improving skills and competences of employees and entrepreneurs	Pilot actions	77	Monitoring of operations	Annually
1b.8	Number of trainings implemented for improving innovation capacity and mind-sets	Trainings	90	Monitoring of operations	Annually
CO1	Number of enterprises receiving support (common indicator)	Enterprises	2400	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	2400	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	300	Monitoring of operations	Annually
CO26	Number of enterprises cooperating with research institutions (common indicator)	Enterprises	2200	Monitoring of operations	Annually

## 2.A.7/P1 Performance framework

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

**Table 5/P1: 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 the relevance of indicator, where appropriate
1	Output indicator	P1.1	Number of strategies, action plans, tools and pilot actions developed and/or implemented for strengthening linkages within the innovation systems	Number	0	199	Monitoring of operations	Sum of IP 1b) output indicators 1,3 and 6
1	Output indicator	P1.2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for improving skills and competences of employees and entrepreneurs	Number	0	165	Monitoring of operations	Sum of IP 1b) output indicators 2,4 and 7
1	Financial indicator	P1.3	Total amount of eligible expenditure certified to EC for priority axis 1	EUR	10.100.000,00	91.497.242,00	Monitoring of operations	
1	Key implementation step	P1.4	Number of approved operations in priority axis 1	Number	21	47	MC decisions	

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

The performance framework has been set up following the methodology as outlined in the methodological document provided as annex 08 “Programme-specific output indicators, common indicators and performance framework”.

## 2.A.8/P1 Categories of intervention

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

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

**Tables 6-9/P1: Categories of intervention**

**Table 6: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
1	056	1.518.854
1	057	1.518.854
1	060	4.556.563
1	061	1.518.854
1	062	7.594.271
1	063	7.594.271
1	064	3.797.136
1	065	2.278.281
1	066	9.113.125
1	067	9.113.125
1	068	1.518.854
1	069	3.797.136
1	071	1.518.854
1	073	11.391.408
1	080	1.518.854
1	081	6.075.417
1	082	1.518.854

**Table 7: Dimension 2 Form of finance**

Priority axis	Code	Amount (EUR)
1	01	75.942.711

**Table 8: Dimension 3 Territory type**

Priority axis	Code	Amount (EUR)
1	07	75.942.711

Table 9: Dimension 6 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
1	07	75.942.711

**2.A.9/P1** *A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)*

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

<b>Priority axis</b>	1
Not applicable	

## 2.A.1/P2 Priority axis 2

(repeated for each priority axis)

<i>ID of the priority axis</i>	<b>2</b>
<i>Title of the priority axis</i>	<b><i>Cooperating on low-carbon strategies in CENTRAL EUROPE</i></b>

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

## 2.A.2/P2 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

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

Not applicable

## 2.A.3/P2 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

<b>Fund:</b>	ERDF
<b>Calculation basis</b> <i>(total eligible expenditure or eligible public expenditure)</i>	Total eligible expenditure

## 2.A.4/P2/4c Investment priority 4c(repeated for each investment priority under the priority axis)

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

<b>Investment priority</b>	4c: supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector
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## 2.A.5/P2/4c Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	<b>2.1</b>
<b>Specific objective</b>	<b>To develop and implement solutions for increasing energy efficiency and renewable energy usage in public infrastructures</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>Most central European regions show high energy consumption and a low degree of energy efficiency of buildings and infrastructure which are the main contributors to greenhouse gas emissions. The efficient use of energy can make an important contribution to achieving a low-carbon economy and combating climate change. It will also contribute to decreasing central Europe`s energy import dependence and will in many cases imply positive effects on air quality.</p> <p>Increasing energy efficiency and renewable energy usage in public infrastructure (i.e. infrastructure owned by the public and/or for public use, including public buildings, cf. annex 02) is a priority given the large potential for fossil fuel energy savings as well as for spreading approaches to other sectors thus having a multiplying effect.</p> <p>Despite some central European regions being quite advanced in terms of energy saving technologies, there is the need for increasing the overall capacity of the public sector for implementing measures to reduce CO2 emissions of public infrastructure. In particular, public infrastructure owners and operators often lack the necessary expertise (i.e. methods and technologies) for reducing energy consumption and/or replacing the consumption of fossil fuels with renewable energy sources.</p> <p>Transnational cooperation will help to reduce know-how disparities and increase capacities of the public sector and related entities for improving the energy efficiency of public infrastructures and ultimately reducing their energy consumption and CO2 emissions. This shall be achieved through strengthening competences as well as developing and implementing strategies, management approaches and financing schemes which will serve as seedbed for achieving higher energy efficiency. This will consequently leverage further investment such as the renovation of public buildings and the upgrading of the energy efficiency level of public infrastructure. Furthermore the usage of renewable energy in public infrastructures will be fostered through identifying potentials, testing innovative solutions and preparing follow-up investments.</p> <p>The <u>main result</u> envisaged can be summarised as: “Improved capacities of the public sector and related entities for increased energy efficiency and renewable energy use in public infrastructures in central Europe achieved through transnational cooperation.”</p>

**Table 3/P2/2.1: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.1	Status of capacities of the public sector and related entities for increased energy efficiency and renewable energy use in public infrastructures achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	2.9	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

**2.A.6/P2/4c Actions to be supported under the investment priority (by investment priority)**

**2.A.6.1/P2/4c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

Investment priority	4c
<p><b>Actions to develop and implement solutions for increasing energy efficiency and renewable energy usage in public infrastructures (specific objective 2.1)</b></p> <p>The supported actions shall contribute to strengthening capacities of the public sector for improving energy efficiency and increasing the use of renewable energy in public infrastructure including buildings. In the programme context, improving capacities is understood primarily as creating an enabling environment through improving the policy, legal and institutional frameworks as well as through developing human resources and strengthening managerial systems.</p> <p>Actions shall be based on transnational cooperation in order to build competences, accomplish strategies and management approaches for improving energy efficiency in public infrastructures. Further, actions shall be linked to testing and implementing solutions in terms of novel energy saving technologies as well as to increasing renewable energy shares in consumption. Innovative energy services, incentives and financing schemes will contribute to facilitating the implementation of energy efficiency measures. These actions will contribute to leveraging further investments such as the upgrading of the energy efficiency level of public infrastructure and the increased usage of renewable energy. All supported actions will clearly contribute to improving capacities for increased energy efficiency and renewable energy use in public infrastructures and buildings, thereby reducing the carbon footprint.</p>	



Examples of actions supported within SO 2.1 are:

- Developing, testing and implementing policies, strategies and solutions to improve the energy efficiency in public infrastructures including buildings as well as to increase the use of renewable energies
- Developing and testing innovative management approaches to increase regional capacities for improving the energy performance in public infrastructure including buildings (e.g. energy managers)
- Developing and implementing solutions for the application of novel energy saving technologies that will increase the energy efficiency in public infrastructures including buildings
- Harmonising concepts, standards and certification systems at transnational level to improve the energy performance in public infrastructure including buildings
- Strengthening the capacity of the public sector to develop and implement innovative energy services, incentives and financing schemes (e.g. energy performance contracting, PPP models, etc.)

### **Types of outputs**

Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building also through training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.4c). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

### **Main target groups and types of beneficiaries**

In terms of target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation, a main focus will be put on public institutions, in particular owners and operators of public infrastructure, which are expected to benefit from the improvement of competences and consequently increased energy efficiency and lower energy expenses. Additionally, all population groups which are benefitting from an improved energy performance of public infrastructure are affected by the issue.

Beneficiaries (cf. definition in annex 02), to be understood as project partners benefitting from programme funds and implementing activities within the operation, are all those actors that can contribute to an increase of energy efficiency of public infrastructures. They comprise among others local, regional and national public authorities and related entities, regional development agencies, energy suppliers, energy management institutions and enterprises, the construction sector, regional associations, regional innovation agencies, NGOs, financing institutions, education and training centres as well as universities and research institutes.

### **Specific territories targeted**

The supported actions can be implemented throughout the cooperation area: emphasis will be put on regions that face energy efficiency deficiencies in their public infrastructures and that can benefit from exchanges and learnings from more advanced regions. Simultaneously, regions which already show a better energy performance will be further strengthened as consequence of improving their implementation capacities (e.g. testing of novel pilot technologies and methods,

investment preparation, etc.). All actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

#### *2.A.6.2/P2/4c Guiding principles for the selection of operations*

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

<b>Investment priority</b>	<b>4c</b>
<p>The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.6.2/P11b referring to investment priority 1b.</p> <p>The methodological framework for the selection of operations is tailored to the programme specific objective under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objective will be established.</p>	

#### *2.A.6.3/P2/4c Planned use of financial instruments (where appropriate)*

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

<b>Investment priority</b>	<b>4c</b>
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

#### *2.A.6.4/P2/4c Planned use of major projects (where appropriate)*

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

<b>Investment priority</b>	<b>4c</b>
Not applicable	

2.A.6.5/P2/4c Output indicators (by investment priority)

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

**Table 4/P2/4c: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
4c.1	Number of strategies and action plans developed and/or implemented for improved energy efficiency and renewable energy use in public infrastructures	Strategies/ action plans	18	Monitoring of operations	Annually
4c.2	Number of tools and/or services developed and/or implemented for improved energy efficiency and renewable energy use in public infrastructures	Tools/ services	13	Monitoring of operations	Annually
4c.3	Number of pilot actions implemented for improved energy efficiency and renewable energy use in public infrastructures	Pilot actions	36	Monitoring of operations	Annually
4c.4	Number of trainings implemented for improved energy efficiency and renewable energy use in public infrastructures	Trainings	16	Monitoring of operations	Annually
CO1	Number of enterprises receiving support (common indicator)	Enterprises	40	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	40	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	50	Monitoring of operations	Annually

## 2.A.4/P2/4e Investment priority 4e

(repeated for each investment priority under the priority axis)

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

<b>Investment priority</b>	4e: promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures
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## 2.A.5/P2/4e Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	2.2
<b>Specific objective</b>	To improve territorially based low-carbon energy planning strategies and policies supporting climate change mitigation
<b>The results that the Member States seek to achieve with Union support</b>	<p>Central Europe has significant potentials with regard to renewable resources. However, the degree of exploitation of those resources varies largely: while the use of renewable energy is still low in several central European regions, some others show higher rates of exploitation. Despite the fact that in some regions considerable experience about renewable energy production already exists, the development and implementation of local and regional energy strategies and action plans is still at a low level. Energy challenges are thereby threatening regional competitiveness (cf. Territorial Agenda 2020).</p> <p>Consequently, there is the need to improve capacities for territorially-based energy planning in central Europe. Enhanced cooperation will enable coordinated local and regional approaches to formulating and planning low-carbon energy strategies, which is key to the uptake of renewable energy measures.</p> <p>Transnational cooperation shall help building new knowledge as well as exchanging existing knowledge and experiences between and within regions concerning the planning, financing and implementing of concrete actions to deliver sustainable energy measures. It aims to improve the capacity of the public sector and related entities, as a key starting point for mobilising investment for low-carbon measures at territorial level. Transnational cooperation will thereby contribute to triggering activities especially in regions with a lower usage of their renewable energy potentials. Furthermore, it will support the linking of approaches between the demand and supply sides, taking into account the quality and capacity of energy distribution grids. This shall be achieved through strengthening the knowledge and planning capacity of the public sector and related entities that facilitate the transition towards ‘Sustainable Energy Regions’. The programme will support them in the development and implementation of innovative local and regional energy planning strategies leading to an enhanced use of endogenous renewable energy potentials in a balanced way and to a reduction of CO<sub>2</sub> emissions. This will in many cases also imply positive effects on air quality.</p> <p>The <u>main result</u> envisaged can be summarised as: “Improved capacities of the public sector and related entities for territorially based low-carbon</p>

	energy planning and policies in central European regions achieved through transnational cooperation”.
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**Table 3/P2/2.2: Programme-specific result indicator (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.2	Status of capacities of the public sector and related entities for territorially based low-carbon energy planning and policies achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	3.0	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

<b>ID</b>	<b>2.3</b>
<b>Specific objective</b>	<b>To improve capacities for mobility planning in functional urban areas to lower CO2 emissions</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>In central Europe, as in the rest of Europe, transport is the second largest energy consuming sector and the fastest growing in terms of energy use. Its strong reliance on fossil fuels means high greenhouse gas emissions driving climate change as well as lowering air quality (e.g. nitric oxides emissions, particular matter and ozone). Due to the existing urbanisation tendencies these developments challenge especially central Europe's cities, where transport demand is constantly increasing and negative externalities are most evident.</p> <p>For addressing these issues and achieving the overall goal of reducing CO2 emissions there is a need to improve the energy efficiency of urban transport. However, due to the importance of interactions between cities and their hinterlands (e.g. commuters) urban mobility challenges are to be considered at the level of functional urban areas (FUA). According to the OECD, European Commission and Eurostat (OECD, 2012), a functional urban area is defined, as a functional economic unit characterised by densely inhabited “urban cores” and “hinterlands”, whose labour market is highly integrated with the cores (cf. definition in annex 02).</p> <p>A high potential for the reduction of greenhouse gas emissions and air pollution lies within the public transport sector. However, capacities of the public sector and related entities for low-carbon mobility planning at the level of FUAs are unevenly spread across central Europe and need to be improved through better governance and integrated approaches to planning. This calls for a closer vertical and horizontal coordination and</p>

	<p>integration of mobility planning and solutions between urban cores and their hinterlands.</p> <p>Transnational cooperation can help increasing planning capacities of the public sector and related entities for low-carbon mobility by bringing together fore-riders with territories lagging behind, thus enhancing low-carbon mobility in central European functional urban areas and reducing air pollution, thereby contributing to the objectives of the EU Clean Air Policy Package (2013). This will allow for the development and implementation of integrated mobility concepts, the setting up of coordinated management structures and the deployment of innovative technologies. The promotion of innovative low-carbon mobility solutions at transnational level will support authorities in their efforts towards the goal of sustainable mobility.</p> <p>The <u>main result</u> envisaged can be summarised as: “Improved capacities of the public sector and related entities for low-carbon mobility planning in central Europe’s functional urban areas achieved through transnational cooperation”.</p>
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**Table 3/P2/2.3: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
2.3	Status of capacities of the public sector and related entities for low-carbon mobility planning in functional urban areas achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	2.5	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

## **2.A.6/P2/4e Actions to be supported under the investment priority (by investment priority)**

**2.A.6.1/P2/4e** A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

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

Investment priority	4e
<p>Actions referring to this investment priority shall contribute to increasing the capacities of the public sector and related entities dealing with territorial energy planning as well as those dealing with mobility planning in functional urban areas, targeting the reduction of CO2 emissions. In the programme context, improving capacities is understood primarily as creating an enabling environment through improving policy, legal and institutional frameworks as well as through developing human resources and strengthening managerial systems.</p> <p>Transnational cooperation can bring added value through facilitating the exchange between territories further strengthening regions with highly advanced planning capacities and improving capacities of those lagging behind. Further, it will contribute to bringing together various stakeholders in energy and mobility planning in order to coordinate approaches.</p> <p>According to the specific objectives within investment priority 4(e), two sets of interventions will be supported:</p> <ul style="list-style-type: none"> <li>– Actions to improve territorially based low-carbon energy planning strategies and policies supporting climate change mitigation (referring to specific objective 2.2)</li> <li>– Actions to improve capacities for mobility planning in functional urban areas to lower CO2 emissions (referring to specific objective 2.3)</li> </ul> <p><b>Actions to improve territorially based low-carbon energy planning strategies and policies supporting climate change mitigation (specific objective 2.2)</b></p> <p>The supported actions shall build on transnational cooperation for improving capacities of the public sector and related entities. This will enable them to develop integrated local and/or regional strategies and plans for a better use of endogenous renewable energy potentials and for improving regional energy performances. Actions supported shall combine demand and supply sides and focus on strategies, policies, tools and new solutions for the exploitation of renewable energy resources as well as for increased energy efficiency.</p> <p>The implementation of pilot actions and exchanges of good practices will stimulate and trigger investment towards low-carbon development. Coordinated strategies for improved interconnections of energy networks will enable a better integration of renewable energy sources into the existing distribution networks and consequently open the opportunity for an increased production and use of renewable energy.</p> <p>All the supported actions will clearly contribute to the improvement of capacity of the public sector and related entities for an increased and balanced use of endogenous renewable energy potentials and for an enhanced energy performance in central European regions. Moreover, they will contribute to the improvement of territorially based energy planning strategies and policies supporting climate change mitigation. It is to be emphasized that the programme will not support actions and/or pilot investments having a negative effect on the environment (e.g. hydropower plants affecting the ecological status of water bodies, emissions of biomass installations etc.) - see also section 8.1 Sustainable development.</p> <p>Examples of actions supported within SO 2.2 are:</p> <ul style="list-style-type: none"> <li>– Developing and implementing integrated territorial strategies and plans to increase the use of endogenous renewable energy potentials and to improve regional energy performance</li> <li>– Designing and testing concepts and tools for the exploitation of endogenous renewable energy resources</li> <li>– Developing and implementing territorial strategies to improve the energy management in both the public and the private sector (especially in SMEs)</li> <li>– Developing demand-focused strategies and policies to reduce energy consumption (e.g. smart metering, distribution of smart consumer applications, etc.)</li> <li>– Developing and testing solutions for improved interconnections and coordination of energy networks targeting the integration and use of renewable energy sources</li> </ul>	



### **Actions to improve capacities for mobility planning in functional urban areas to lower CO<sub>2</sub> emissions (specific objective 2.3)**

The supported actions shall build on transnational cooperation and target the improvement of capacities for the public sector and related entities for mobility planning fostering the reduction of CO<sub>2</sub> emissions in functional urban areas. This will be achieved by the exchange of knowledge and the development of integrated mobility concepts and action plans considering interactions between “urban cores” and their “hinterlands” (cf. definition of functional urban areas in annex 02). In this respect also the setting up of governance systems facilitating this integration will be supported. Furthermore, actions are linked to fostering smart low-carbon mobility in functional urban areas through new services and products such as multimodal services. Practical tools and concepts (including financing models) can assist the policy level in their efforts towards the goal of sustainable mobility. Those approaches should consider governance aspects including horizontal and vertical coordination of stakeholders and policies at the level of functional urban areas.

The supported actions are clearly contributing to the improvement of capacities of the public sector and related entities for mobility planning and consequently to the reduction of CO<sub>2</sub> emissions in functional urban areas.

Examples of actions supported within SO 2.3 are:

- Developing and implementing integrated mobility concepts, action plans and services for reducing CO<sub>2</sub> emissions
- Setting up and/or adapting governance systems as a basis for integrated low-carbon mobility in functional urban areas
- Developing and testing concepts and strategies (including innovative financing and investment models) to facilitate the introduction of novel low-carbon technologies in the public transport sector in functional urban areas
- Developing and implementing services and products fostering smart low-carbon mobility in functional urban areas (e.g. multimodal services, etc.)

#### **Types of outputs**

Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level (novel technologies, etc.). These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, implementation of pilot actions - including pilot investments - as well as capacity building also through training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.4e). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

#### **Main target groups and types of beneficiaries**

A variety of relevant actors will be addressed as target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation, with different approaches to stimulate the uptake of solutions for improved energy efficiency, renewable energy use as well as low-carbon mobility. They include both public and private actors, such as energy and public transport operators, policy makers and planners, energy distributors, infrastructure providers and other local and regional energy actors as well as enterprises including SMEs. Target groups include all population groups which are benefitting from an improved regional and local energy performance as well as users of improved low-carbon public transport systems in functional urban areas which are affected by the issue.

Beneficiaries (cf. definition in annex 02), to be understood as project partners benefitting from programme funds and implementing activities within operations, are all legal personalities that can contribute to improved energy and low-carbon mobility planning. They comprise among others local, regional and national public authorities, regional development agencies, energy operators, energy management institutions, enterprises including SMEs, public transport operators, associations, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

#### **Specific territories targeted**

The supported actions can be implemented throughout the cooperation area. Emphasis will be put on territories having deficiencies in low-carbon energy planning as well as in functional urban areas with high CO2 emissions resulting from the transport sector, for which an exchange and learning from more advanced regions will be most beneficial. Simultaneously, territories which already show an advanced status of low-carbon energy planning and public transport will be further strengthened as consequence of improving their implementation capacities (e.g. novel low-carbon technologies, investment preparation etc.). All actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

#### **2.A.6.2/P2/4e Guiding principles for the selection of operations**

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

<b>Investment priority</b>	<b>4e</b>
<p>The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.6.2/P1/1b referring to investment priority 1b.</p> <p>The methodological framework for the selection of operations is tailored to the programme specific objectives under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objectives will be established.</p>	

#### **2.A.6.3/P2/4e Planned use of financial instruments (where appropriate)**

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

<b>Investment priority</b>	<b>4e</b>
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

#### **2.A.6.4/P2/4e Planned use of major projects (where appropriate) (**

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

<b>Investment priority</b>	<b>4e</b>
Not applicable	

#### 2.A.6.5/P2/4e Output indicators (by investment priority)

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

**Table 4/P2/4e: Common and programme-specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
4e.1	Number of strategies and action plans developed and/or implemented for improving local/regional energy performance	Strategies/ action plans	27	Monitoring of operations	Annually
4e.2	Number of strategies and action plans developed and/or implemented for low-carbon mobility in functional urban areas	Strategies/ action plans	17	Monitoring of operations	Annually
4e.3	Number of tools developed and/or implemented for improving local/regional energy performance	Tools/ services	10	Monitoring of operations	Annually
4e.4	Number of tools and/or services developed and/or implemented for low-carbon mobility in functional urban areas	Tools/ services	10	Monitoring of operations	Annually
4e.5	Number of pilot actions implemented for improving local/regional energy performance	Pilot actions	27	Monitoring of operations	Annually
4e.6	Number of pilot actions implemented for low-carbon mobility in functional urban areas	Pilot actions	21	Monitoring of operations	Annually
4e.7	Number of trainings implemented on low-carbon solutions	Trainings	28	Monitoring of operations	Annually
CO1	Number of enterprises receiving support (common indicator)	Enterprises	250	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	250	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	90	Monitoring of operations	Annually



## 2.A.7/P2 Performance framework

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

**Table 5/P2: 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 the relevance of indicator, where appropriate
2	Output indicator	P2.1	Number of strategies, action plans, tools and pilot actions developed and/or implemented in the field of improved energy efficiency and renewable energy use of public infrastructures	Number	0	67	Monitoring of operations	Sum of the IP 4c) output indicators 1,2 and 3
2	Output indicator	P2.2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for improving local/regional energy performance	Number	0	64	Monitoring of operations	Sum of the IP 4e) output indicators 1,3 and 5
2	Output indicator	P2.3	Number of strategies, action plans, tools and pilot actions developed and/or implemented for low-carbon mobility in functional urban areas	Number	0	48	Monitoring of operations	Sum of the IP 4e) output indicators 2,4 and 6
2	Financial indicator	P2.4	Total amount of eligible expenditure certified to EC for priority axis 2	EUR	6.500.000,00	51.427.229,00	Monitoring of operations	

2	Key implementation step	P2.5	Number of approved operations in priority axis 2	Number	13	25	MC decisions	
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Additional qualitative information on the establishment of the performance framework (optional)

The performance framework has been set up following the methodology as outlined in the methodological document provided as annex 08 “Programme-specific output indicators, common indicators and performance framework”.

## 2.A.8/P2 Categories of intervention

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

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

**Tables 6-9/P2: Categories of intervention**

**Table 6: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
2	009	2.134.230
2	010	2.987.922
2	011	5.122.152
2	012	8.536.920
2	013	11.097.996
2	015	2.134.230
2	016	2.134.230
2	043	5.122.152
2	044	2.134.230
2	090	1.280.538

**Table 7: Dimension 2 Form of finance**

Priority axis	Code	Amount (EUR)
2	01	42.684.600

**Table 8: Dimension 3 Territory type**

Priority axis	Code	Amount (EUR)
2	07	42.684.600

**Table 9: Dimension 6 Territorial delivery mechanisms**

Priority axis	Code	Amount (EUR)
2	07	42.684.600



**2.A.9/P2** *A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)*

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

<b>Priority axis</b>	<b>2</b>
Not applicable	

## 2.A.1/P3 Priority axis 3

(repeated for each priority axis)

<i>ID of the priority axis</i>	<b>3</b>
<i>Title of the priority axis</i>	<b><i>Cooperating on natural and cultural resources for sustainable growth in CENTRAL EUROPE</i></b>

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

## 2.A.2/P3 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

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

Not applicable
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## 2.A.3/P3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

<b>Fund:</b>	ERDF
<b>Calculation basis</b> (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

## 2.A.4/P3/6c Investment priority 6c

(repeated for each investment priority under the priority axis)

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

<b>Investment priority</b>	6c: conserving, protecting, promoting and developing natural and cultural heritage
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## 2.A.5/P3/6c Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	<b>3.1</b>
<b>Specific objective</b>	<b>To improve integrated environmental management capacities for the protection and sustainable use of natural heritage and resources</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>Central Europe has a very rich natural heritage including important eco-systems and abundant biodiversity. This heritage and related natural resources are highly valuable and need to be preserved, protected and if necessary ecologically restored. At the same time natural heritage is an important location factor and the use of its assets can serve as a driver for economic development. As a consequence, natural heritage and resources (including water, soil, fauna and flora) are subject to numerous pressures and usage conflicts, e.g. between environmental protection and industry, agriculture, transport, urbanisation or tourism. Further pressure arises from the increasing risk of natural hazards linked to the effects of climate change. The loss of biodiversity, the vulnerability of natural heritage and landscapes as well as the effects of climate change have a strong impact at territorial level (cf. Territorial Agenda 2020).</p> <p>The complexity of these challenges requires integrated approaches based on sustainable long-term strategic visions linking different policies, sectors and administrative levels. Integrated environmental management thereby means a comprehensive approach to natural resource planning and management that encompasses ecological, social, and economic objectives (such as river basin management plans, air quality etc.). It considers interrelations among different elements and incorporates concepts of carrying capacity, resilience and sustainability. The capacities for such integrated environmental approaches are, however, not yet sufficiently established in the public sector and in related entities dealing with the protection and sustainable use of natural resources. This is notably shown by the large number of usage conflicts and pressures on natural heritage and resources in many central European regions.</p> <p>Transnational cooperation will allow for improving the capacities of those actors by supporting the development and implementation of integrated environmental strategies and tools as well as the joint testing of pilot solutions. This will facilitate a larger uptake of the integrated environmental concept into the public and private sector such as the application of innovative technologies and introducing resource efficient solutions.</p> <p>The <u>main result</u> envisaged can be summarised as: “Improved integrated environmental management capacities of the public sector and related entities for the protection and sustainable use of natural heritage and resources in central Europe achieved through transnational cooperation”.</p>

**Table 3/P3/3.1: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of Data	Frequency of reporting
3.1	Status of integrated environmental management capacities of the public sector and related entities for the protection and sustainable use of natural heritage and resources achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	3.2	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

<b>ID</b>	<b>3.2</b>
<b>Specific objective</b>	<b>To improve capacities for the sustainable use of cultural heritage and resources</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>Central Europe has a great diversity of cultural heritage and resources in terms of historical sites, documentary heritage (e.g. archives and library collections), artefacts, traditions, cultural landscapes as well as traditional skills and knowledge. This heritage and its related resources represent important location factors, strongly contributing to the attractiveness of central Europe's territory. The protection and valorisation of cultural heritage and resources represent a powerful potential for economic growth (including cultural and creative industries), generating value and thereby directly benefiting citizens.</p> <p>The cultural richness is, however, often not well valorised or even threatened, and related potentials are not sufficiently used due to a lack of funding and investment, insufficient management and preservation skills as well as a lack of coordination. Furthermore, external pressures due to usage conflicts, unsustainable approaches (e.g. mass tourism) and also linked to climate change are negatively impacting central Europe's cultural heritage with adverse effects on the competitiveness of regions (cf. Territorial Agenda 2020).</p> <p>There is thus the need for facilitating a good balance between the preservation of cultural heritage and sustainable long-term socio-economic development of regions in order to strengthen their attractiveness and competitiveness. Emphasis needs to be given to managing conflicting usage interests and to capitalising the potential of cultural heritage assets for economic, social and cultural activities.</p> <p>Transnational cooperation will help improving capacities of the public and private sector dealing with the protection and sustainable use of cultural heritage and resources by supporting integrated approaches. This will</p>

	<p>allow for coordinating the preservation and management of cultural heritage and resources with sustainable growth. The development and implementation of strategies and policies for valorising cultural heritage and exploiting potentials of cultural and creative industries will trigger economic opportunities and employment at regional level.</p> <p>The main result envisaged can be summarised as: “Improved capacities of the public and private sector for the sustainable use of cultural heritage and resources in central Europe achieved through transnational cooperation”.</p>
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**Table 3/P3/3.2: Programme-specific result indicators (by specific objective)**

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
3.2	Status of capacities of the public and private sector for the sustainable use of cultural heritage and resources achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	3.0	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

## **2.A.6/P3/6c Actions to be supported under the investment priority (by investment priority)**

### **2.A.6.1/P3/6c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

<b>Investment priority</b>	<b>6c</b>
<p>The supported actions will contribute to improving capacities for the protection and sustainable use of both, natural and cultural heritage and resources. The application of an integrated approach is a key factor to ensure sustainable development and to avoid usage conflicts. In the programme context, improving capacities is understood primarily as creating an enabling environment by improving policy, legal and institutional frameworks as well as through developing human resources and strengthening managerial systems.</p> <p>Transnational cooperation can add value by building new knowledge and by fostering the exchange of knowledge and experience among regions, in particular addressing stakeholders dealing with the</p>	

protection of natural and cultural heritage and resources as well as their management and valorisation. Transnational coordination can also be essential for ensuring coherent and effective solutions and policies.

According to the specific objectives within investment priority 6(c), two sets of intervention will be supported:

- Actions to improve integrated environmental management capacities for the protection and sustainable use of natural heritage and resources (referring to specific objective 3.1)
- Actions to improve capacities for the sustainable use of cultural heritage and resources (referring to specific objective 3.2)

**Actions to improve integrated environmental management capacities for the protection and sustainable use of natural heritage and resources (specific objective 3.1)**

The supported actions shall increase capacities of the public sector and related entities to preserve, manage and use natural heritage and resources (including water, soil, fauna and flora). This includes building capacities for capitalising on location factors as the high-value of eco-systems in an integrated and sustainable way, promoting a sustainable regional development. Furthermore, the focus on integrated environmental management approaches and strategies shall contribute to reducing current and avoiding future usage conflicts as well as to ecological restoration of degraded ecosystems (e.g. river basin management, air quality etc.). Resource efficiency is thereby another key aspect to be considered as a guiding principle. In order to facilitate its application, both in the public and private sectors, innovative tools and technologies shall be developed and tested. Joint and harmonised tools and concepts will be applied for risk prevention and management (considering natural risks and risks linked to human activities) responding also to challenges of negative climate change impacts in order to allow for effective and coherent solutions.

All the supported actions will clearly contribute to improving integrated environmental management capacities and to fostering the protection and sustainable use of natural heritage and resources in central Europe.

Examples of actions supported within specific objective 3.1 are:

- Developing and implementing integrated strategies and tools for the sustainable management of protected or environmentally highly valuable areas (e.g. biodiversity, landscapes, eco-systems, etc.)
- Developing and implementing integrated strategies and tools to sustainably use natural resources for regional development, thus avoiding potential use conflicts (e.g. with tourism, transport, industry, agriculture, energy, etc.)
- Developing and testing the application of innovative technologies and tools that facilitate effective integrated environmental management (e.g. remediation technologies, monitoring tools etc.)
- Developing and testing applications to improve the efficient management of natural resources in public institutions and enterprises (e.g. reduction of natural resource consumption, closed loop systems)
- Harmonising environmental management concepts and tools on the transnational level for risk prevention and management (e.g. flood risk management plans) and to reduce negative climate change impacts on the environment and human life (e.g. adaptation measures)

**Actions to improve capacities for the sustainable use of cultural heritage and resources (specific objective 3.2)**

The supported actions shall build on transnational cooperation and target the improvement of capacities of the public and private sector working in the field of cultural heritage in order to accomplish a more sustainable use and valorisation of those assets. Actions are linked to setting up concepts, strategies and coordinated approaches aiming at an improved protection, management and sustainable use of cultural heritage and resources. Investment shall be prepared and business plans elaborated increasing the awareness on the value of cultural resources and fostering cultural and creative entrepreneurship, including creative industries. Overall, this improved capacity shall allow for better protection of cultural heritage and related resources going hand in hand with an

enhanced exploitation of existing potentials (e.g. in the growing sectors of cultural tourism, cultural and creative industries etc.), thus supporting sustainable economic development and employment.

All the supported actions will clearly contribute to improving capacities for the sustainable use of cultural heritage and resources, thereby fostering their preservation as well as their economic valorisation.

Examples of actions supported within specific objective 3.2 are:

- Developing and implementing strategies and policies for valorising cultural heritage and resources and/or the potentials of cultural and creative industries
- Developing and implementing integrated territorial development strategies and concepts that build on cultural heritage to foster sustainable economic growth and employment (e.g. in the tourism sector)
- Developing and testing innovative management tools for the preservation and sustainable use of cultural heritage and resources (e.g. ICT applications)
- Establishing and strengthening transnational cooperation among relevant actors to foster the sustainable use and the promotion of cultural heritage sites in central Europe

### **Types of outputs**

Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building also through training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.6c). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

### **Main target groups and types of beneficiaries**

A variety of actors in the natural and cultural heritage sector will be addressed as target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation. They include both the public and private sector, such as policy makers and planners and organisations dealing with the protection, management and valorisation of natural and/or cultural heritage and resources as well as owners and users of natural and/or cultural heritage sites. Target groups include all population groups which are benefitting from the improved management of natural and cultural heritage and resources.

Beneficiaries, (cf. definition in annex 02) to be understood as project partners benefitting from programme funds and implementing activities within operations, are all legal personalities that can contribute to an improved management and sustainable use of natural and cultural heritage and resources. They comprise among others local, regional and national public authorities, regional development agencies, enterprises (in particular SMEs within the cultural and creative industry as well as the environmental sector), associations, regional innovation agencies, special interest groups, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

### **Specific territories targeted**

The supported actions can be implemented throughout the cooperation area. Emphasis will thereby be put on regions with high value natural and cultural heritage sites or resources to be protected or valorised or with areas facing significant pressures and usage conflicts for which an exchange



and learning from more advanced regions will be most beneficial. Simultaneously, territories which already show an advanced status of integrated environment and/or cultural management will be further strengthened as a consequence of improving their implementation capacities (e.g. improved international connection of sites, novel technologies, investment preparation etc.). All actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

#### *2.A.6.2/P3/6c Guiding principles for the selection of operations*

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

<b>Investment priority</b>	<b>6c</b>
<p>The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.6.2/P1/1b referring to investment priority 1b.</p> <p>The methodological framework for the selection of operations is tailored to the programme specific objectives under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objectives will be established.</p>	

#### *2.A.6.3/P3/6c Planned use of financial instruments (where appropriate)*

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

<b>Investment priority</b>	<b>6c</b>
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

#### *2.A.6.4/P3/6c Planned use of major projects (where appropriate)*

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

<b>Investment priority</b>	<b>6c</b>
Not applicable	

2.A.6.5/P3/6c Output indicators (by investment priority)

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

**Table 4/P3/6c: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6c.1	Number of strategies and action plans developed and/or implemented for the protection and sustainable use of natural heritage and resources	Strategies/ action plans	45	Monitoring of operations	Annually
6c.2	Number of strategies and action plans developed and/or implemented for the sustainable use of cultural heritage and resources	Strategies/ action plans	69	Monitoring of operations	Annually
6c.3	Number of tools developed and/or implemented for the protection and sustainable use of natural heritage and resources	Tools	37	Monitoring of operations	Annually
6c.4	Number of tools developed and/or implemented for the sustainable use of cultural heritage and resources	Tools	57	Monitoring of operations	Annually
6c.5	Number of pilot actions implemented for the protection and sustainable use of natural heritage and resources	Pilot actions	52	Monitoring of operations	Annually
6c.6	Number of pilot actions implemented for the sustainable use of cultural heritage and resources	Pilot actions	80	Monitoring of operations	Annually
6c.7	Number of trainings implemented on the protection and sustainable use of natural heritage and resources	Trainings	30	Monitoring of operations	Annually
6c.8	Number of trainings implemented on the sustainable use of cultural heritage and resources	Trainings	46	Monitoring of operations	Annually

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
CO1	Number of enterprises receiving support (common indicator)	Enterprises	700	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	700	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	170	Monitoring of operations	Annually

#### 2.1.4/P3/6e Investment priority 6e

(repeated for each investment priority under the priority axis)

<b>Investment priority</b>	6e: taking action to improve the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites (including conversion areas), reduce air pollution and promote noise-reduction measures
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#### 2.A.5/P3/6e Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	3.3
<b>Specific objective</b>	To improve environmental management of functional urban areas to make them more liveable places
<b>The results that the Member States seek to achieve with Union support</b>	<p>Central Europe includes many regions in which urbanisation processes cause land use conflicts and generate urban environmental challenges. Although scale and intensity of problems vary, a common set of issues can be identified, including increased soil sealing, poor air and water quality, high levels of ambient noise, generation of large volumes of waste and waste water, vulnerability to climate change, as well as urban sprawl with its social implications. Due to these developments the quality of life (and health) of citizens varies strongly in different central Europe cities (cf. Mercer, 2013). They also have an impact on the environment and economic performance of cities.</p> <p>These challenges call for integrated environmental management of urban areas, which considers environmental impacts of all activities within the entire functional area of a city (cf. European Commission, 2006a). Therefore, integrated environmental management is addressing functional</p>

	<p>urban areas based on functional characteristics going beyond administrative boundaries of cities. According to the OECD, European Commission and Eurostat (cf. OECD, 2012), a functional urban area is a functional economic unit characterised by densely inhabited “urban cores” and “hinterlands” whose labour market is highly integrated with the cores (cf. definition in annex 02).</p> <p>Capacities of the public sector and related entities for integrated environmental management ensuring compliance with environmental policies, engaging with the relevant stakeholders and integrating environmental considerations into economic decisions are, however, not yet sufficiently established in many central European cities. This calls for a closer vertical and horizontal coordination and integration of environmental management measures considering urban cores and their hinterlands.</p> <p>Transnational cooperation will help to increase those capacities by supporting the development and implementation of integrated environmental management to improve the environmental performance (such as air quality, water management, flood risks etc.) of functional urban areas. Enhanced governance will contribute to better planning, management and decision making thereby reducing usage conflicts and negative externalities on the environment. The development and implementation of strategies and tools as well as the joint testing of pilot applications (e.g. for site rehabilitation) will trigger investments for improving the quality of the urban environment.</p> <p><u>The main result</u> envisaged can be summarised as: “Improved integrated environmental management capacities of the public sector and related entities in central Europe’s functional urban areas achieved through transnational cooperation for making them more liveable places”.</p>
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**Table 3/P3/3.3: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
3.3	Status of integrated environmental management capacities of the public sector and related entities in functional urban areas achieved through transnational cooperation for making them more liveable places	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	2.9	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

## **2.A.6/P3/6e Actions to be supported under the investment priority (by investment priority)**

### **2.A.6.1/P3/6e A description of the type and examples of actions to be supported and their expected contribution to the corresponding specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

<b>Investment priority</b>	<b>6e</b>
<p>The supported actions will contribute to improving capacities of the public sector and related entities within the urban context for enhancing integrated environmental management in functional urban areas (cf. definition in annex 02). In the programme context, improving capacities is understood primarily as creating an enabling environment by improving policy, legal and institutional frameworks as well as through developing human resources and strengthening managerial systems.</p> <p>The supported actions shall build on transnational cooperation in order to connect different actors within and across different functional urban areas. The aim is to build knowledge and competences and to accomplish strategies and integrated management systems that are able to tackle urban environmental problems (such as climate change, water management, flood risk management etc.) and deal with natural and man-made risks related to both core areas and their hinterlands. Integrated approaches shall include cross-sectoral and multi-governance aspects considering also social implications. The development and testing of innovative solutions and tools (including financing models) as well as pilot actions may further support the implementation of measures and investments for improving the quality of the urban environment and consequently the quality of life for urban residents.</p> <p>All the supported actions will clearly contribute to improving environmental management capacities in the public sector and related entities in central Europe's functional urban areas, thereby making them more liveable places.</p> <p>Examples of joint actions supported within specific objective 3.3 are:</p> <ul style="list-style-type: none"> <li>– Developing and implementing strategies and tools (including innovative financing and investment models) to manage and improve environmental quality (air, water, waste, soil, climate) as well as to tackle natural and man-made risks in functional urban areas</li> <li>– Strengthening the capacity for environmental planning and management (e.g. participatory planning mechanisms and decision-making processes) at the level of functional urban areas</li> <li>– Developing and implementing integrated strategies, policies and tools to reduce land-use conflicts in functional urban areas (e.g. urban sprawl, shrinkage and fragmentation also in the view of social implications)</li> <li>– Developing and implementing integrated strategies and pilot applications for the rehabilitation and reactivation of brownfield sites</li> <li>– Developing concepts and implementing environmental pilot applications to support the development towards smart cities (e.g. ICT applications, environmental technologies)</li> </ul> <p><b>Types of outputs</b></p> <p>Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building also through training.</p>	

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.6e). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

#### **Main target groups and types of beneficiaries**

A variety of relevant actors in the field of urban environmental management will be addressed as target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation. They include public and private actors, such as policy makers, planners, environmental facilities, infrastructure owners and operators as well as other organisations influencing the development of functional urban areas. Target groups include all population groups within functional urban areas which are benefitting from improved environmental management.

Beneficiaries (cf. definition in annex 02) to be understood as project partners benefitting from programme funds and implementing activities within the operation are all legal personalities that can contribute to improved environmental management of functional urban areas. They comprise among others local, regional and national public authorities, regional development agencies, enterprises, environmental facilities and infrastructure operators and owners, associations, regional innovation agencies, special interest groups, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

#### **Specific territories targeted**

The supported actions can be implemented throughout the cooperation area. Emphasis will be put on functional urban areas having deficiencies in integrated environmental management with the aim of exchanging with and learning from more advanced territories. Simultaneously, functional urban areas which already show an advanced status of integrated environment management will be further strengthened as a consequence of the improvement of their implementation capacities (e.g. novel rehabilitation methods, smart city approaches, investment preparation, etc.). All actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

### **2.A.6.2/P3/6e Guiding principles for the selection of operations**

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

<b>Investment priority</b>	<b>6e</b>
<p>The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.6.2/P1/1b referring to investment priority 1b.</p> <p>The methodological framework for the selection of operations is tailored to the programme-specific objective under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objective will be established.</p>	

#### 2.A.6.3/P3/6e Planned use of financial instruments (where appropriate)

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

<b>Investment priority</b>	6e
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

#### 2.A.6.4/P3/6e Planned use of major projects (where appropriate)

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

<b>Investment priority</b>	6e
Not applicable	

#### 2.A.6.5/P3/6e Output indicators (by investment priority)

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

**Table 4/P3/6e: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6e.1	Number of strategies and action plans developed and/or implemented for the improvement of environmental quality in functional urban areas	Strategies/ action plans	25	Monitoring of operations	Annually
6e.2	Number of tools developed and/or implemented for the improvement of environmental quality in functional urban areas	Tools	25	Monitoring of operations	Annually
6e.3	Number of pilot actions implemented for the improvement of environmental quality in functional urban areas	Pilot actions	40	Monitoring of operations	Annually
6e.4	Number of trainings implemented on the improvement of the environmental quality in functional urban areas	Trainings	20	Monitoring of operations	Annually



ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
C01	Number of enterprises receiving support (common indicator)	Enterprises	140	Monitoring of operations	Annually
C041	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	140	Monitoring of operations	Annually
C042	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	70	Monitoring of operations	Annually

## 2.A.7/P3 Performance framework

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

**Table 5/P3: 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 the relevance of indicator, where appropriate
3	Output indicator	P3.1	Number of strategies, action plans, tools and pilot actions developed and/or implemented for protection and sustainable use of natural heritage and resources	Number	0	134	Monitoring of operations	Sum of the IP 6c) output indicators 1,3 and 5
3	Output indicator	P3.2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for sustainable use of cultural heritage and resources	Number	0	206	Monitoring of operations	Sum of the IP 6c) output indicators 2,4 and 6
3	Output indicator	P3.3	Number of strategies, action plans, tools and pilot actions developed and/or implemented for the improvement of environmental quality in functional urban areas	Number	0	90	Monitoring of operations	Sum of the IP 6e) output indicators 1,2 and 3
3	Financial indicator	P3.4	Total amount of eligible expenditure certified to EC for priority axis 3	EUR	13.000.000,00	102.974.940,00	Monitoring of operations	
3	Key implementation step	P3.5	Number of approved operations in priority Axis 3	Number	27	48	MC decisions	

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

The performance framework has been set up following the methodology as outlined in the methodological document provided as annex 08 “Programme-specific output indicators, common indicators and performance framework”.

## 2.A.8/P3 Categories of intervention

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

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of the Union support

**Tables 6-9/P3: Categories of intervention**

**Table 6: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
3	017	1.709.384
3	018	1.709.384
3	019	1.709.384
3	021	5.982.844
3	022	2.564.076
3	076	5.982.844
3	077	6.837.536
3	083	4.273.460
3	085	12.820.380
3	086	2.564.076
3	087	4.273.460
3	088	2.564.076
3	089	6.837.536
3	091	4.273.460
3	094	17.093.840
3	095	4.273.460

**Table 7: Dimension 2 Form of finance**

Priority axis	Code	Amount (EUR)
3	01	85.469.200

**Table 8: Dimension 3 Territory type**

Priority axis	Code	Amount (EUR)
3	07	85.469.200

**Table 9: Dimension 6 Territorial delivery mechanisms**

Priority axis	Code	Amount (EUR)
3	07	85.469.200

**2.A.9/P3** *A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)*

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

<b>Priority axis</b>	<b>3</b>
Not applicable	

## 2.A.1/P4 Priority axis 4

(repeated for each priority axis)

<i>ID of the priority axis</i>	<b>4</b>
<i>Title of the priority axis</i>	<b><i>Cooperating on transport to better connect CENTRAL EUROPE</i></b>

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

## 2.A.2/P4 Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

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

Not applicable
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## 2.A.3/P4 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

<b>Fund:</b>	ERDF
<b>Calculation basis</b> (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

## 2.A.4/P4/7b Investment priority 7b

(repeated for each investment priority under the priority axis)

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

<b>Investment priority</b>	7b: enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes
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## 2.A.5/P4/7b Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	<b>4.1</b>
<b>Specific objective</b>	<b>To improve planning and coordination of regional passenger transport systems for better connections to national and European transport networks</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>The central Europe area shows weak local, regional and transnational accessibility especially outside of agglomerations and in its eastern parts. Transport systems mostly lack integration between modes of transport. Many peripheral regions, characterised by a low accessibility and few major centres of urbanisation, are facing a low quality of public transport and are not sufficiently linked to TEN-T corridors and transport nodes. Indeed, while some regions have well developed mobility planning systems, in others relevant knowledge and capacity is missing.</p> <p>With respect to the development and implementation of integrated passenger transport systems and multimodality, central European regions show large disparities and transnational coordination is lacking.</p> <p>In this context transnational cooperation aims to reduce existing disparities of knowledge as well as to increase the planning and implementation capacity in the field of integrated passenger transport systems where better regional and transnational coordination between stakeholders is considered a key factor. Transnational cooperation can strengthen connections to TEN-T corridors and to primary, secondary and tertiary transport nodes of the TEN-T network (as defined according to “The New Trans-European Transport Network Policy Planning and implementation issues”, SEC (2011) 101 final), in particular for peripheral regions. A specific focus will be put on public transport at regional level as the sustainability of those connections is considered to be an underlying principle. Strategies, tools and pilot applications will contribute to setting up improved connections to the TEN-T network and transport nodes. Furthermore, within the transnational context the development of coordinated concepts for smart regional mobility and services is foreseen, fostering improved service standards and interoperability. Particular attention will be put on mobility services in the public interest.</p> <p><u>The main result</u> envisaged can be summarised as: “Improved and coordinated planning capacities of the public sector and related entities for regional passenger transport systems in central Europe linked to national and European transport networks achieved through transnational cooperation”.</p>

**Table 3/P4/4.1: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.1	Status of coordinated planning capacities of the public sector and related entities for regional passenger transport systems linked to national and European transport networks achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology in annex 08	3.0	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

**2.A.6/P4/7b Actions to be supported under the investment priority (by investment priority)**

**2.A.6.1/P4/7b A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

Investment priority	7b
<p><b>Actions to improve planning and coordination of regional passenger transport systems for better connections to national and European transport networks (specific objective 4.1)</b></p> <p>The supported actions shall build on transnational cooperation in order to accomplish improved capacities of the public sector and related entities for coordinated planning of regional passenger transport systems within and between central Europe regions. Actions will particularly target the needs of peripheral regions with respect to linkages to the TEN-T network and transport nodes.</p> <p>In the programme context, improving capacities is understood primarily as creating an enabling environment by improving policy, legal and institutional frameworks as well as through developing human resources and strengthening managerial systems. This will be achieved by creating knowledge or exchanging on existing knowledge, developing and implementing strategies, tools and pilot applications for improving regional transport, which are expected to trigger investments in the field. Considering the principle of sustainable development, emphasis shall be put on public</p>	



transport at regional level and resilience of transport systems. Actions linked to the development of coordinated concepts for smart regional mobility and services (also considering mobility services in the public interest) will foster improved service standards and interoperability.

All the supported actions will clearly contribute to improving the planning and coordination of regional passenger transport systems in central Europe, thus strengthening the link to national and European transport networks. Multimodal transfer points will be also promoted and developed to streamline the movement of people and to make the passenger transport more sustainable (environmentally-friendly) contributing also to climate change mitigation. It is to be emphasized that the programme will not support actions and/or pilot investments having a negative effect on the environment (e.g. in case of inland navigation the requirements of the EU Water Framework Directive have to be respected) - see also section 8.1 Sustainable development.

Examples of actions supported within specific objective 4.1 are:

- Developing and implementing strategies (including innovative financing and investment models) to link sustainable passenger transport in particular in peripheral areas to the TEN-T network as well as to the primary, secondary and tertiary transport nodes
- Developing and implementing coordinated strategies, tools and pilot applications to improve regional public transport systems for passengers in particular across borders (e.g. commuter connections, interoperability, etc.)
- Developing concepts and testing pilot applications for smart regional mobility (e.g. multimodal ticketing, ICT tools, routes on demand, etc.)
- Developing coordinated concepts, standards and tools for improved mobility services in the public interest (e.g. for disadvantaged groups, for shrinking regions, etc.)

### **Types of outputs**

Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building also through training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.7b). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

### **Main target groups and types of beneficiaries**

A variety of actors in the field of regional passenger transport will be addressed as target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation. They include public and private actors, such as institutions responsible for planning and managing regional transport networks, public transport operators, infrastructure providers and other local or regional transport actors, additionally all population groups which can benefit from improved regional passenger transport services (e.g. commuters, tourists, etc.).

Beneficiaries (cf. definition in annex 02), to be understood as project partners benefitting from programme funds and implementing activities within operations are all legal personalities that can contribute to improved regional passenger transport. They comprise among others local, regional and national public authorities, regional development agencies, enterprises, public transport operators, infrastructure providers, regional associations, regional innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

### Specific territories targeted

The supported actions can be implemented throughout the cooperation area. Emphasis will be put on peripheral areas showing weak links to TEN-T corridors and transport nodes, which can profit from the exchange with - and learn from - more advanced regions. Simultaneously, regions which already show an advanced degree of connectivity to the TEN-T network will be further strengthened as consequence of improving their implementation capacities (e.g. ICT tools, smart regional mobility services, investment preparation, etc.). All actions will thereby need to consider the specific territorial characteristics of the respective targeted areas.

#### 2.A.6.2/P4/7b Guiding principles for the selection of operations

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

Investment priority	7b
<p>The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.6.2/P1/1b referring to investment priority 1b.</p> <p>The methodological framework for the selection of operations is tailored to the programme-specific objective under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objective will be established.</p>	

#### 2.A.6.3/P4/7b Planned use of financial instruments (where appropriate)

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

Investment priority	7b
Planned use of financial instruments	Not applicable
Not applicable	

#### 2.A.6.4/P4/7b Planned use of major projects (where appropriate)

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

Investment priority	7b
Not applicable	

#### 2.A.6.5/P4/7b Output indicators (by investment priority)

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

**Table 4/P4/7b: Common and programme specific output indicators**

ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7b.1	Number of strategies and action plans developed and/or implemented for the improvement of regional passenger transport	Strategies/ action plans	22	Monitoring of operations	Annually
7b.2	Number of tools and/or services developed and/or implemented for the improvement of regional passenger transport	Tools/ services	14	Monitoring of operations	Annually
7b.3	Number of pilot actions implemented for the improvement of regional passenger transport	Pilot actions	22	Monitoring of operations	Annually
7b.4	Number of trainings implemented on the improvement of regional passenger transport	Trainings	16	Monitoring of operations	Annually
CO1	Number of enterprises receiving support (common indicator)	Enterprises	30	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	30	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	20	Monitoring of operations	Annually

#### **2.A.4/P4/7c Investment priority 7c**

(repeated for each investment priority under the priority axis)

<b>Investment priority</b>	7c: developing and improving environmentally-friendly (including low-noise) and low-carbon transport systems including inland
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	waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility
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## 2.A.5/P4/7c Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

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

<b>ID</b>	<b>4.2</b>
<b>Specific objective</b>	<b>To improve coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions</b>
<b>The results that the Member States seek to achieve with Union support</b>	<p>The economic development of industrialised areas is closely linked to efficient multimodal exchange of goods at interregional and international level. The central Europe area shows regional disparities in multimodal accessibility which constrains the competitiveness of several regions. Beside the need for optimisation of individual modes of transport (i.e. making them more environmentally-friendly, safe and energy efficient), their combination in multi-modal freight transport chains is required for a sustainable transport system. There is a lack of shared standards and procedures and, more generally, of a harmonised framework. Deficiencies in terms of coordination among freight transport stakeholders can be observed, which represents a barrier to more streamlined, flexible and sustainable multimodal freight transport.</p> <p>In this context transnational cooperation aims to improve coordination among existing services, provided by different modes of transport, creating intermodal systems of existing transport facilities, overcoming discontinuity across borders and the lack of infrastructure. Coordinated strategies, concepts and management tools will contribute to improving the multimodality of environmentally-friendly freight transport (e.g. rail, river or sea transport). Multi-modal platforms will be promoted and developed as a potential for consolidating and optimising freight flows. This will enhance the efficiency, reliability and quality of greener freight transport modes and services, thus contributing also to trade facilitation. Such a coordinated approach will pave the way for designing future infrastructure in a sustainable manner and a more effective transportation of goods to and across central European regions.</p> <p><u>The main result</u> envisaged can be summarised as: “Improved coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions in central Europe achieved through transnational cooperation”.</p>

**Table 3/P4/4.2: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.2	Status of coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions achieved through transnational cooperation	Semi-quantitative (Likert scale) including qualitative description - see methodology as described in annex 08	2.6	2014/2015	10% increase compared to baseline value	Survey combined with transnational focus group discussion (thematic expert panel)	2018, 2020 and 2023

## **2.A.6/P4/7c Actions to be supported under the investment priority (by investment priority)**

### **2.A.6.1/P47c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries**

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

Investment priority	7c
<p><b>Actions to improve coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions (specific objective 4.2)</b></p> <p>The supported actions shall build on transnational cooperation in order to improve coordination and cooperation between freight transport actors as well as enhance capacities in multimodal logistics management. This will be achieved through the development and implementation of coordinated strategies, concepts and tools also in terms of harmonised standards and procedures for strengthening multimodality and the environmental sustainability of freight transport. Actions are further contributing to the improvement and testing of freight transport services and logistics planning, including pilot applications which are supposed to trigger investments in the field. If relevant, actions should link to the TEN-T core network corridor and the rail freight corridor initiatives in order to create positive synergies.</p> <p>All supported actions will clearly contribute to improving coordination among freight transport stakeholders, thereby increasing multimodal environmentally-friendly freight solutions which are also further fostering climate change mitigation in central Europe.</p> <p>Examples of actions supported within specific objective 4.2 are:</p> <ul style="list-style-type: none"> <li>– Developing and implementing coordinated strategies (including innovative financing and investment models) for strengthening the multimodality of environmentally-friendly freight transport systems (e.g. rail, river, or sea transport)</li> <li>– Developing and implementing coordination and collaboration mechanisms between multimodal freight transport actors</li> <li>– Developing and implementing coordinated concepts, management tools and services aimed at increasing the share of environmentally friendly logistics through optimised freight transport</li> </ul>	

chains (e.g. multimodal transnational freight transport flows)

- Developing and testing coordinated strategies and concepts for “greening” the last mile of freight transport (e.g. logistics planning)

### Types of outputs

Within the supported actions different types of outputs can be obtained. Emphasis is put on policy learning and/or implementation-oriented approaches at transnational level. These can include the development and implementation of strategies and action plans, the development, testing and implementation of tools, the preparation of investments and leverage of funds, the implementation of pilot actions - including pilot investments - as well as capacity building also through training.

Outputs will be monitored through programme-specific output indicators as set up for each investment priority (cf. table 4.7c). The output indicator system is reflecting the main typology of outputs as mentioned above, namely “Strategies and action plans”, “Tools”, “Pilot actions” and “Trainings”. In order to ensure a common understanding as well as the preciseness and robustness of the indicator system, clear definitions of the indicators will be included in the call specific application manuals as well as in the programme implementation documents.

### Main target groups and types of beneficiaries

A variety of key actors in the field of freight transport will be addressed as target groups (cf. definition in annex 02), to be understood as those individuals and/or organisations positively affected by the activities and results of operations, though not necessarily being directly involved in the operation. They include both public and private actors, such as providers and operators of freight transport and logistics services, commercial customers of freight transport systems, institutions planning and managing freight transport, infrastructure providers and other local or regional freight transport actors. Target groups include all population groups which are affected by the issue.

Beneficiaries (cf. definition in annex 02), to be understood as project partners benefitting from programme funds and implementing activities within operations, are all legal personalities that can contribute to improving freight transport. They comprise among others local, regional and national public authorities, regional development agencies, enterprises, transport operators including operators of multimodal logistics hubs, infrastructure providers, transport associations, regional innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

### Specific territories targeted

The supported actions can be implemented throughout the cooperation area. Emphasis will be put on areas showing deficiencies in terms of multimodal accessibility for freight transport, which can profit from the exchange with- and learn from- more advanced regions. Simultaneously, regions which already show an advanced status of multimodal freight transport will be further strengthened as consequence of improving their implementation capacities (e.g. logistic concepts, investment preparation, etc.). All actions will need to consider the specific territorial characteristics of the respective targeted areas.

## 2.A.6.2/P4/7c Guiding principles for the selection of operations

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

<b>Investment priority</b>	<b>7c</b>
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The selection of operations will be carried out following the guiding principles and the methodological framework as outlined in section 2.A.2.2.1b referring to investment priority 1b.

The methodological framework for the selection of operations is tailored to the programme-specific objective under this investment priority: for each criterion described in the methodology a direct linkage to the concerned thematic field, the related territorial challenges, the defined objectives, results and supported actions as described for the specific objective will be established.

#### *2.A.6.3/P4/7c Planned use of financial instruments (where appropriate)*

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

<b>Investment priority</b>	7c
<b>Planned use of financial instruments</b>	Not applicable
Not applicable	

#### *2.A.6/P4/7c Planned use of major projects (where appropriate)*

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

<b>Investment priority</b>	7c
Not applicable	

#### *2.A.6.5/P4/7c Output indicators (by investment priority)*

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

**Table 4/P4/7c: Common and programme specific output indicators**



ID	Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
7c.1	Number of strategies and action plans developed and/or implemented for multimodal environmentally-friendly freight transport	Strategies/ action plans	14	Monitoring of operations	Annually
7c.2	Number of tools and services developed and/or implemented for multimodal environmentally-friendly freight transport	Tools/ services	10	Monitoring of operations	Annually
7c.3	Number of pilot actions implemented for multimodal environmentally-friendly freight transport	Pilot actions	17	Monitoring of operations	Annually
7c.4	Number of trainings implemented on multimodal environmentally-friendly freight transport	Trainings	14	Monitoring of operations	Annually
CO1	Number of enterprises receiving support (common indicator)	Enterprises	300	Monitoring of operations	Annually
CO41	Number of enterprises participating in cross-border, transnational or interregional research projects (common indicator)	Enterprises	300	Monitoring of operations	Annually
CO42	Number of research institutions participating in cross-border, transnational or interregional research projects (common indicator)	Organisations	30	Monitoring of operations	Annually

## 2.A.7/P4 Performance framework

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

**Table 5/P4: 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 the relevance of indicator, where appropriate
4	Output indicator	P4.1	Number of strategies, action plans, tools developed and/or implemented and pilot actions for the improvement of regional passenger transport	Number	0	58	Monitoring of operations	Sum of the IP 7b) output indicators 1,2 and 3
4	Output indicator	P4.2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for multimodal environmentally friendly freight transport	Number	0	41	Monitoring of operations	Sum of the IP 7c) output indicators 1,2 and 3
4	Financial indicator	P4.3	Total amount of eligible expenditure certified to EC for priority axis 4	EUR	4.300.000,00	33.361.124,00	Monitoring of operations	
4	Key implementation step	P4.4	Number of approved operations in priority axis 4	Number	9	16	MC decisions	

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

The performance framework has been set up following the methodology as outlined in the methodological document provided as annex 08 “Programme-specific output indicators, common indicators and performance framework”.

## 2.A.8/P4 Categories of intervention

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

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9/P4: Categories of intervention

**Table 6: Dimension 1 Intervention field**

Priority axis	Code	Amount (EUR)
4	025	2.768.973
4	026	2.492.076
4	035	4.707.255
4	036	4.153.460
4	039	1.938.281
4	040	1.384.487
4	041	1.938.281
4	042	1.384.487
4	043	1.384.487
4	044	5.537.946

**Table 7: Dimension 2 Form of finance**

Priority axis	Code	Amount (EUR)
4	01	27.689.733

**Table 8: Dimension 3 Territory type**

Priority axis	Code	Amount (EUR)
4	07	27.689.733

**Table 9: Dimension 6 Territorial delivery mechanisms**

Priority axis	Code	Amount (EUR)
4	07	27.689.733

**2.A.9/P4** *A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)*

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

<b>Priority axis</b>	<b>4</b>
Not applicable	

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

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

### 2.B.1/P5 Priority axis 5

<b>ID</b>	<b>5</b>
<b>Title</b>	<b>Technical assistance</b>

### 2.B.2/P5 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

<b>Fund</b>	ERDF
<b>Calculation basis</b> (total eligible expenditure or eligible public expenditure)	Total eligible expenditure

### 2.B.3/P5 Specific objectives and expected results

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

Specific objective (repeated for each specific objective)

<b>ID</b>	<b>5.1</b>
<b>Specific objective</b>	<b>To effectively implement the cooperation programme</b>
<b>Results that the Member States seek to achieve with Union support</b>	Not applicable since the Union support to the technical assistance in the cooperation programme does not exceed EUR 15 million.

<b>ID</b>	<b>5.2</b>
<b>Specific objective</b>	<b>To support applicants and beneficiaries and to strengthen the involvement of relevant partners in programme implementation</b>
<b>The results that the Member States seek to achieve with Union support</b>	Not applicable since the Union support to the technical assistance in the cooperation programme does not exceed EUR 15 million. —

## 2.B.4/P5 Result indicators

**Table 10/P5: Programme-specific result indicators (by specific objective)**

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

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
	Not applicable since the Union support to the technical assistance in the cooperation programme does not exceed EUR 15 million.						

## 2.B.5/P5 Actions to be supported and their expected contribution to the specific objectives (by priority axis)

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

### 2.B.5.1/P5 Description of actions to be supported and their expected contribution to the specific objectives

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

Priority axis	5
<p><b>Actions to effectively implement the cooperation programme (specific objective 5.1)</b></p> <p>In line with Article 59 of the CPR, actions within specific objective 5.1 target the preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, and control and audit tasks of the programme. Moreover, actions referring to this specific objective have to address the reduction of administrative burden for beneficiaries.</p> <p>Indicative actions supported under specific objective 5.1 are listed below. They refer to principles and tasks described in sections 5.3 and 7:</p> <ul style="list-style-type: none"> <li>- Setting up and managing of a joint secretariat supporting the managing authority and assisting the monitoring committee in the implementation and day-to-day management of the programme</li> <li>- Preparing and implementing calls for proposals, including the development of guidance documents setting out the conditions for the support of operations</li> <li>- Setting-up and implementing procedures for the quality assessment, monitoring and control of operations implemented under the cooperation programme, (making use of experts where relevant) and contributing to the reduction of administrative burden for beneficiaries</li> <li>- Collecting 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</li> </ul>	

- Drafting and implementing the programme communication strategy, including the setting up and implementation of information and communication measures and tools in line with Article 115 of the CPR
- Drafting and implementing the programme evaluation plan and follow-up of findings of independent programme evaluations
- Setting up, running and maintaining a computerised system to record and store data on each operation necessary for the monitoring, evaluation, financial management, verification and audit (including data on individual participants in operations where applicable, in compliance with electronic data exchange requirements provided for in Article 122(3) of the CPR and in related implementing acts) and contributing to the reduction of administrative burden for beneficiaries
- Setting up a network of national financial controllers, coordinated by the joint secretariat, with the purpose of exchanging information and best practices at transnational level
- Setting up and executing audits on the programme management and control system as well as on operations

**Actions to support applicants and beneficiaries and to strengthen the involvement of relevant partners in programme implementation (specific objective 5.2)**

In line with Article 59 of the CPR, actions within specific objective 5.2 target the reinforcement of capacity of applicants and beneficiaries to apply for and to use the funds as well as the involvement of relevant partners (including the exchange of good practices among partners).

Indicative actions supported within specific objective 5.2 are listed below. They refer to principles and tasks described in section 5:

- Drafting of informational documents for applicants and beneficiaries to guide them in the preparation of applications and the implementation, evaluation, control and communication of approved operations
- Organising consultation, information, training and exchange events to strengthen the capacity of applicants to develop applications directly contributing to the programme-specific objectives and expected results
- Organising trainings on specific implementation issues such as project and financial management, reporting, control, audit, communication and networking to strengthen the capacity of beneficiaries to implement approved operations
- Developing information and exchange tools (e.g. analytical documents, bilateral meetings, targeted events, etc.) and organising transnational and national events to strengthen the involvement of relevant partners in the implementation of the programme (also including authorities involved in the development or implementation of macro-regional strategies, joint legal bodies operating in the area (such as EGTCs) and umbrella organisations at EU/transnational level)
- Setting-up and coordinating a network of national contact points, supporting the joint secretariat in implementing tasks related to the implementation of the programme at national level.
- Executing studies, reports and surveys on strategic matters (or on issues of public interest) that can contribute to the sustainability and take-up of programme results and achievements into policies, strategies, investments (making use of experts where relevant).

Technical assistance actions shall be implemented by all authorities involved in the management of the programme, which are listed in section 5.3.

**2.B.5.2/P5 Output indicators expected to contribute to results (by priority axis)**

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



**Table 11/P5: Output indicators**

ID	Indicator	Measurement unit	Target value (2023) (optional)	Source of data
P5.1	Joint secretariat established	Joint secretariat	1	Observation
P5.2	Calls for proposals successfully launched and closed	Calls	--	Observation
P5.3	Operations approved following calls for proposals	Operations	100	Programme e-monitoring system
P5.4	Periodic progress reports of operations monitored and paid	Reports	600	Programme e-monitoring system
P5.5	Programme communication strategy developed and implemented	Strategy	1	Observation
P5.6	Independent programme evaluations implemented (ex-ante and during programme implementation)	Evaluations	2	Observation
P5.7	Programme e-Monitoring System developed and implemented	e-Monitoring System	1	Observation
P5.8	Network of national controllers established	Network	1	Observation
P5.9	Audits on programme management and control system and on operations	Audits	--	Programme e-monitoring system
P5.10	Information documents addressed to applicants and beneficiaries	Documents	--	Observation
P5.11	Consultation, information, training and exchange workshops for applicants and beneficiaries organised	Workshops	--	Observation
P5.12	Established national contact points	National contact points	9	Observation
P5.13	Studies, reports and surveys on strategic matters concerning the programme	Studies, reports, surveys	--	Observation
P5.14	Number of employees whose salaries are co-financed by TA	Full time equivalent	23,5	Observation

## **2.B.6/P5 Categories of intervention**

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

Corresponding categories of intervention based on a nomenclature adopted by the Commission, and an indicative breakdown of Union support

**Tables 12-14/P5: Categories of intervention**

Table 12: Dimension 1 Intervention field		
Priority axis	Code	Amount (EUR)
5	120	11.244.100
5	121	1.479.487
5	122	2.071.281

Table 13: Dimension 2 Form of finance		
Priority axis	Code	Amount (EUR)
5	01	14.794.868

Table 14: Dimension 3 Territory type		
Priority axis	Code	Amount (EUR)
5	07	14.794.868

## SECTION 3: FINANCING PLAN

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

### 3.1 Financial appropriation from the ERDF (in EUR)

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

Table 15

Fund	2014	2015	2016	2017	2018	2019	2020	Total
<b>ERDF</b>	12.230.612	17.858.352	25.502.854	46.338.538	47.265.309	48.210.617	49.174.830	246.581.112
<i>IPA amounts (where applicable)</i>								
<i>ENI amounts (where applicable)</i>								
<b>Total</b>	<b>12.230.612</b>	<b>17.858.352</b>	<b>25.502.854</b>	<b>46.338.538</b>	<b>47.265.309</b>	<b>48.210.617</b>	<b>49.174.830</b>	<b>246.581.112</b>

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

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

1. The financial table sets out the financial plan of the cooperation programme by priority axis. Where outermost regions' programmes combine cross-border and transnational allocations, separate priority axes will be set out for each of these.
2. The financial table shall show for information purposes, any contribution from third countries participating in the cooperation programme (other than contributions from IPA and ENI )
3. The EIB contribution is presented at the level of the priority axis.

**Table 16: Financing plan**

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e) (**)	For information	
					National Public funding (c)	National private funding (d) (*)			Contributions from third countries	EIB contributions
<b>Priority axis 1</b>	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	75.942.711	15.554.531	11.976.989	3.577.542	91.497.242	83%	0	0
	IPA									
	ENI									
<b>Priority axis 2</b>	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	42.684.600	8.742.629	7.518.661	1.223.968	51.427.229	83%	0	0
	IPA									
	ENI									
<b>Priority axis 3</b>	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	85.469.200	17.505.740	15.229.994	2.275.746	102.974.940	83%	0	0,
	IPA									
	ENI									
<b>Priority axis 4</b>	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	27.689.733	5.671.391	4.820.682	850.709	33.361.124	83%	0	0
	IPA									
	ENI									

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e) (**)	For information	
					National Public funding (c)	National private funding (d) (*)			Contributions from third countries	EIB contributions
<b>Priority axis 5</b>	ERDF (possibly incl. amounts transferred from IPA and ENI)	Total eligible cost	14.794.868	4.931.623	4.931.623	0	19.726.491	75%	0	0
	IPA									
	ENI									
<b>Total</b>	ERDF	<b>Total eligible cost</b>	<b>246.581.112</b>	<b>52.405.914</b>	<b>44.477.949</b>	<b>7.927.965</b>	<b>298.987.026</b>	<b>82,47%</b>	0	0
	IPA									
	ENI									
<b>Total</b>	Total all Funds	<b>Total eligible cost</b>	<b>246.581.112</b>	<b>52.405.914</b>	<b>44.477.949</b>	<b>7.927.965</b>	<b>298.987.026</b>	<b>82,47%</b>	0	0

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

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

### 3.2.B Breakdown by priority axis and thematic objective

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

Table 17

Priority axis	Thematic objective	Union support	National counterpart	Total funding
Priority axis 1	Thematic objective 1	75.942.711	15.554.531	91.497.242
Priority axis 2	Thematic objective 4	42.684.600	8.742.629	51.427.229
Priority axis 3	Thematic objective 6	85.469.200	17.505.740	102.974.940
Priority axis 4	Thematic objective 7	27.689.733	5.671.391	33.361.124
Priority axis 5	N/A	14.794.868	4.931.623	19.726.491
<b>TOTAL</b>		<b>246.581.112</b>	<b>52.405.914</b>	<b>298.987.026</b>

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

(Reference: Article 27(6) of Regulation (EU) No 1303/2013)

Priority axis	Indicative amount of support to be used for climate change objectives (€)	Proportion of the total allocation to the programme (%)
Priority axis 1	6.834.844	2,8%
Priority axis 2	38.330.771	15,5%
Priority axis 3	14.529.764	5,9%
Priority axis 4	11.075.893	4,5%
Priority axis 5	0	0,0%
<b>Total</b>	<b>70.771.272</b>	<b>28,7%</b>

## SECTION 4: INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

*(Reference: Article 8(3) of Regulation (EU) No 1299/2013)*

Description of the integrated approach to territorial development, taking into account the content and objectives of the cooperation programme, including in relation to regions and areas referred to in Article 174 (3) TFEU, having regard to the Partnership Agreements of the participating Member States, and showing how it contributes to the accomplishment of the programme objectives and expected results

The programme strategy addresses territorial challenges shared across the cooperation area and leverages its development potentials. Building on an in-depth knowledge of territorial features of all participating regions (cf. ÖIR et al, 2012) the programme strategy reflects the transnationally shared challenges, needs and potentials that can be effectively tackled through cooperation. The consistency and complementarity of the strategy with national Partnership Agreements (PAs) of participating Member States has been verified, aiming for coordination with programmes of the “Investment for Growth and Jobs” goal. The national PAs recognise the four thematic objectives selected for the Interreg CENTRAL EUROPE Programme as highly relevant, with some PAs putting specific emphasis on the role of ETC in these thematic fields. The programme strategy promotes smart, sustainable and inclusive growth through an integrated approach combining thematic and territorial dimensions in the design of the priority axes, as summarised below. Consequently, supported operations will have to reflect this integrated territorial approach.

- Priority 1 (TO 1) Economic strength is unevenly distributed in the area, with R&D investments concentrated on few growth poles (mostly capital regions and agglomerations) and peripheral areas/regions with low competitiveness and brain drain. In particular, latter regions face weak linkages between actors of the innovation systems. The priority tackles the regional disparities by strengthening these linkages within and between regions by supporting the internationalisation of innovation networks and clusters and by counteracting brain drain and social exclusion.
- Priority 2 (TO 4) The area strongly depends on fossil fuels and energy imports, characterised by low exploitation of renewable energy potentials and inefficient energy use especially in housing and public infrastructure as well as transport. The priority tackles these issues through an integrated approach combining the energy and transport sectors, notably by improving capacities for energy efficiency and renewable energy usage, territorially based low-carbon energy planning and for low-carbon mobility in functional urban areas. Already available competences in some regions will be further strengthened and transferred to those lagging behind.
- Priority 3 (TO 6) Natural and cultural heritage are regional development factors that are at risk of deterioration (e.g. through fragmentation of habitats, biodiversity loss, pollution) and unsustainable use. Land use conflicts, the decline of urban environment and urban sprawl are also observed. The priority tackles these issues by improving capacities for integrated management approaches, thereby fostering the sustainable use of natural and cultural heritage and resources as well as an improved quality of the urban environment.
- Priority 4 (TO 7) The area is characterised by highly accessible core regions and peripheral regions with limited connections. Disparities in the quality of public transport services can be observed and have also negative environmental and social impacts. The priority tackles these issues by improving coordination of passenger transport systems within regions and across borders by better connecting peripheral regions to national and European transport networks and by improving coordination among freight transport stakeholders for multimodal environmentally-friendly freight solutions.



#### 4.1 Community-led local development (where appropriate)

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

(Reference: point (a) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

#### 4.2 Integrated actions for sustainable urban development (where appropriate)

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

(Reference: point (b) of Article 8(3) of Regulation (EU) No 1299/2013)

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) (where appropriate)

Approach to the use of Integrated Territorial Investment (ITI) (as defined in Article 36 of Regulation (EU) No 1303/2013) other than in cases covered by 4.2, and their indicative financial allocation from each priority axis

(Reference: point (c) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

**Table 20: Indicative financial allocation to ITI other than those mentioned under point 4.2 (aggregate amount)**

Priority axis	Indicative financial allocation (Union support) (EUR)
Priority axis 1	Not applicable
Priority axis 2	Not applicable
Priority axis 3	Not applicable
Priority axis 4	Not applicable
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)*

*(Reference: point (d) of Article 8(3) of Regulation (EU) No 1299/2013)*

The Interreg CENTRAL EUROPE Programme shares large parts of its area with two adopted EU macro-regional strategies (MRS), i.e. for the Danube Region and the Baltic Sea Region. The programme area also overlaps with other MRS under discussion, i.e. for the Adriatic-Ionian Region and the Alpine Region. Due to its geographical coverage, the Interreg CENTRAL EUROPE Programme can play a role in establishing and strengthening links and in activating synergies between MRS, therefore actively contributing to territorial cohesion, increasing competitiveness and trade facilitation beyond the macro-regional level. This was well demonstrated in the 2007-2013 period, where CENTRAL EUROPE operations could contribute to the implementation of various MRS and also trigger synergies between them.

The programme strategy has taken into account the objectives of the two existing (Baltic Sea and Danube) and two planned MRS (Adriatic-Ionian and Alpine), identifying common macro-regional challenges and needs that could be addressed through transnational cooperation in central Europe. This will allow for developing operations that contribute to the implementation of a MRS while going beyond the borders of a single strategy.

A summary of key challenges and needs of a specific MRS that could be addressed through transnational cooperation is presented below. A detailed overview on common fields of action and possible synergies between the Interreg CENTRAL EUROPE Programme and the two MRS for which action plans are available at the time of writing the CP (Baltic Sea and Danube) is presented in annex 09. The analysis was performed also considering available inputs collected from priority area coordinators in the framework of the partner consultations (as described in section 5.6).

##### **EU Strategy for the Baltic Sea Region (EUSBSR)**

The EUSBSR builds upon 17 priority areas (PA) and 5 horizontal actions within the three strategy objectives “Save the Sea”, “Connect the Region” and “Increase Prosperity”.

Challenges affecting the Baltic Sea Region and that could be addressed within the Interreg CENTRAL EUROPE Programme refer to mobility, multimodality and sustainable transport, especially the need to mitigate disparities between core and peripheral, less connected regions through sustainable solutions. The Interreg CENTRAL EUROPE Programme could help activating synergies with the central and southern part of Europe along the Baltic-Adriatic corridor. In addition, environmental, economic and social challenges and needs addressed by the EUSBR could be tackled within the Interreg CENTRAL EUROPE Programme.

The strategy of the transnational Baltic Sea Region Programme 2014-2020 includes three out of the four thematic objectives of the Interreg CENTRAL EUROPE Programme, namely TO 1 “Innovation”, TO 6 “Environment” and TO 7 “Transport”. This will allow for coordination of operations working within the same thematic field, further supporting the cooperation between Baltic, central and southern European stakeholders.

##### **EU Strategy for the Danube Region (EUSDR)**

The EUSDR builds upon 11 priority areas linked to the four pillars “Connecting the Danube Region”, “Protecting the Environment in the Danube Region”, “Building Prosperity in the Danube Region” and “Strengthening the Danube Region”.

Challenges affecting the Danube Region that could be addressed by the Interreg CENTRAL EUROPE Programme refer to environment protection and sustainable use, especially to mitigate pressures and usage conflicts affecting natural heritage (e.g. from industry, agriculture, climate change, transport, tourism). Challenges and needs referring to economic and social development, energy efficiency and renewable energy as well as transport along the east-west axis could possibly also be tackled within the Interreg CENTRAL EUROPE Programme.

Synergies and coordination could be realised with the transnational Danube Programme 2014-2020 in the framework of thematic objectives TO 1 “Innovation”, TO 6 “Environment” and TO 7 “Transport”.

#### *EU Strategy for the Adriatic and Ionian Region (EUSAIR)*

The European Council of 13-14 December 2012 requested the EC to present a EU Strategy for the Adriatic and Ionian Region before the end of 2014. It will incorporate the Maritime Strategy for the Adriatic and Ionian Seas which was adopted by the EC on 30 November 2012. The EUSAIR will build on 4 pillars: “Driving innovative maritime and marine growth”, “Connecting the Region”, “Preserving, protecting and improving the quality of the environment” and “Increasing regional attractiveness”. “Research, innovation and SMEs development”, as well as “Capacity Building” are two cross-cutting aspects across those pillars.

Considering the stakeholder consultation outcomes, the EUSAIR is expected to address challenges that will also be tackled by the Interreg CENTRAL EUROPE Programme, mainly in the field of transport and connectivity in order to mitigate disparities between core and peripheral regions through sustainable solutions that strengthen links with central, northern and eastern Europe. Moreover, challenges in the field of innovation and competitiveness of enterprises, natural and cultural heritage could be properly addressed within the Interreg CENTRAL EUROPE Programme, making exchanges and synergies between Adriatic-Ionian, central and northern European stakeholders possible.

Synergies and coordination with the transnational Adriatic-Ionian Programme are envisaged within the thematic objectives TO1 “Innovation”, TO 3 “Environment” and TO 7 “Transport”.

#### *EU Strategy for the Alpine Region (EUSALP)*

Alpine States and regions signed a resolution on 18 October 2013 in Grenoble (F) recommending the European Council to request the EC to launch the strategy and action plan preparation process. The European Council of 19-20 December 2013 requested the EC to develop a MRS for the Alpine Region by June 2015.

Considering the “Intervention Document for the Implementation of a European Union Strategy for the Alpine Region” (c.f. States and Regions of the Alpine region, 2013) and the relevant political resolution, it is possible to link the objectives of the Interreg CENTRAL EUROPE Programme with the 3 pillars on which the EUSALP is expected to build: “Ensuring growth, full employment, competitiveness and innovation by consolidating and diversifying specific economic activities”, “Promoting a territorial organisation that is focused on an environmentally friendly mobility, development of services and infrastructures”, and “Promoting sustainable management of energy, natural and cultural resources, as well as protecting the environment and preserving biodiversity and natural areas”.

The transnational Alpine Space Programme 2014-2020 and the Interreg CENTRAL EUROPE Programme will share three thematic objectives, namely TO 1 “Innovation”, TO 4 “Energy” and TO 6 “Environment”. This allows for coordination of operations working within the same thematic field, further supporting the cooperation between Alpine and central European stakeholders.

## SECTION 5: IMPLEMENTING PROVISIONS FOR THE COOPERATION PROGRAMME

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

### 5.1 Relevant authorities and bodies

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

**Table 21: Programme authorities**

(Reference: point (a)(i) of Article 8(4) of Regulation (EU) No 1299/2013)

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
<b>Managing authority</b>	City of Vienna, Municipal Department for European Affairs - Unit for International Co-operation (MD27)	Ms. Christiane Breznik
<b>Certifying authority, where applicable</b>		
<b>Audit authority</b>	Federal Ministry for Sustainability and Tourism - ERDF Audit Authority	Ms. Sonja Schneeweiss

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

(Reference: point (b) of Article 8(4) of Regulation (EU) No 1299/2013)

<input checked="" type="checkbox"/> the managing authority	
<input type="checkbox"/> the certifying authority	

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

(Reference: points (a)(ii) and (iii) of Article 8(4) of Regulation (EU) No 1299/2013)

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
<b>Body or bodies designated to carry out control tasks</b>	See annex 10	See annex 10
<b>Body or bodies designated to be responsible for carrying out audit tasks</b>	See annex 10	See annex 10

## 5.2 Procedure for setting up the joint secretariat

(Reference: point (a)(iv) of Article 8(4) of Regulation (EU) No 1299/2013)

In accordance with Article 23(2) of the ETC Regulation, the managing authority (MA), after consultation with participating Member States, shall set up the joint secretariat (JS) to support and assist the managing authority and the monitoring committee (MC) in carrying out their functions.

In continuation of the successful implementation of the CENTRAL EUROPE 2007-2013 Programme, the JS will remain in Vienna maintaining the basic structural and implementation arrangements within the EU-Förderagentur GmbH, a subsidiary body of the City of Vienna.

## 5.3 Summary description of the management and control arrangements

(Reference: point (a)(v) of Article 8(4) of Regulation (EU) No 1299/2013)

The section describes the implementation structure of the Interreg CENTRAL EUROPE Programme. More detailed provisions will be included in the Description of the Management and Control System (DMCS), approved according to Article 124 of the CPR, and in the programme guidance documents (application and implementation manuals) which will form an integral part of the DMCS. Guidance documents shall be adopted by the MC.

The programme language is English.

Austria, Croatia, Czech Republic, Germany, Hungary, Italy, Poland, Slovak Republic and Slovenia, which are the participating Member States in the Programme, established a shared management system to manage, coordinate and supervise the implementation of the programme.

The programme management structure is illustrated in annex 11.

### 5.3.a Monitoring committee (MC)

In accordance with Article 47 of the CPR, the Member States (MSs) participating in the programme, in agreement with the MA, will set up a joint MC within three months from the date of the notification of the Commission's decision approving the cooperation programme.

The MC will draw up its own rules of procedure within the institutional, legal and financial framework of the MSs concerned and adopt them in agreement with the MA in order to exercise its duties in accordance with the CPR and ETC Regulation. The rules of procedures will contain a detailed description of the composition, the functioning and tasks as well as the decision-making processes of the MC.

Members of the MC will represent the participating MSs on policy and administrative level and thus ensure a transparent approach.

#### Composition of the MC

In line with Article 48 of the CPR, the MC will be chaired by a representative of a MS. The chair of the MC will rotate every year and will be supported by the MA as co-chair to ensure continuity.

The composition of the MC will be as follows:

- Up to three representatives from each of the MSs are members of the MC whereby the partnership principle laid down in Article 5 of the CPR will be ensured by the MS representatives through the prior involvement of relevant partners in national coordination committees (or other mechanisms/entities as provided by the respective national rules) in preparation of the MC meetings. Due to the aims of the programme, each MS should be represented by at least one representative of the national level and by at least one representative of the regions (if applicable)

- A representative of the EC shall participate in an advisory capacity
- Representatives of the MA and audit authority (AA) shall participate in an advisory capacity
- The JS shall assist in meetings
- The network of national contact points (described in section 5.3.f) may participate in the MC meetings with an observer status
- Transnational economic and social partners and transnationally organised non-governmental organisations may participate in an advisory capacity to be specified in the rules of procedure of the MC.

In principle, decisions by the MC shall be taken by consensus whereby each MS shall have one vote. Voting principles will be laid out in the rules of procedure.

The MC shall meet at least once a year. Decisions may also be taken through written procedure.

#### *Functions of the MC*

It will be the task of the MC to steer the programme and to ensure the quality and effectiveness of its implementation. The MC will carry out its functions in line with Article 49 and Article 110 of the CPR. The main functions are listed in annex 12.

#### *5.3.b Responsibilities of MSs*

National authorities of the participating countries will retain responsibility for the Programme. All MSs agree to apply the partnership principle as laid down in Article 5 of the CPR and to cooperate to find optimal solutions for the benefit of the whole cooperation area.

The list of responsible authorities in the participating countries is provided in annex 13.

According to Articles 74, 122 and 123 of the CPR, MSs are responsible for the management and control of the programme. The main responsibilities of the MSs in line with the mentioned articles are listed in annex 14.

According to Article 123(9) of the CPR, MSs shall lay down in writing rules governing their relations with the MA and AA, the relations between such authorities, and the relations of such authorities with the EC.

The MSs will ensure that the implementing authorities will be provided with all necessary and legally allowed information to carry out their responsibilities.

#### *5.3.c MA with additional functions of certifying authority (CA)*

The MA of the programme, in addition to its MA functions, will also carry out the functions of the CA in accordance with Article 126 of the CPR. This will be favourable for the beneficiaries as the process for the reimbursement will become shorter than in the 2007-2013 programming period. The main responsibilities of the MA in its function of CA are listed in annex 15. The operative tasks listed in this annex or part of them can be contracted out, while the MA assumes full responsibility towards the EC.

In line with Article 125 of the CPR and Article 23 of ETC Regulation, the MA, assisted by the JS, is responsible for the management and implementation of the Programme. The main functions of the MA are listed in annex 16.

The MA, after consultation with the MSs responsible for the programme, will set up the JS as provided for in section 5.2.

The MA shall in the implementation of its tasks, act in full accordance with Austrian institutional, legal and financial provisions.

#### *5.3.d Audit authority (AA)*

The AA will carry out its functions in accordance with Articles 123, 124, 127 and 128 of the CPR and Articles 21 and 25 of ETC Regulation. The main functions of the AA are listed in annex 17.

In line with Article 25(2) of ETC regulation, the AA will be assisted by a group of auditors (GoA) comprising of representatives from responsible bodies of each MS participating in the cooperation programme carrying out the above listed duties detailed in Article 127 of the CPR. The representatives have to be independent from the MC members, the controllers designated according to Article 23(4) of ETC Regulation and any operation's activities and finances. The GoA will be set up within three months of the decision approving the programme at the latest. It will draw up its own rules of procedure and will be chaired by the AA.

Where audits and controls are carried out by a body other than the AA, the AA shall ensure that such bodies have the necessary functional independence. The decision on the body carrying out the system audits and the checks on expenditure will be taken by the AA and the GoA during the process of designing the audit strategy of the programme.

The AA shall in the implementation of its tasks, act in full accordance with Austrian institutional, legal and financial provisions.

#### *5.3.e Joint secretariat (JS)*

Pursuant to Article 23(2) of ETC regulation, and as provided for in chapter 5.2, a JS based in Vienna will be set up by the MA.

The JS will assist the MA and the MC in carrying out their respective functions.

The JS undertakes the day-to-day implementation of the programme. The functions of the JS are listed in annex 18.

The annual work plans and reports of the JS have to be approved by the MC. The set-up and functioning of JS, including its activities, shall be funded from the TA budget in line with MA/JS work plans and reports to be approved by the MC annually.

#### *5.3.f Network of national contact points (NCPs)*

MSs will set up and manage the NCPs representing the programme on national, regional and local level. The network of NCPs is coordinated by the MA and the JS on the basis of annual work plans and plays a crucial role as the interface between national and transnational bodies.

The network of NCPs provides (call-specific) information to potential applicants, advises and assists beneficiaries participating in approved operations, informs stakeholders on achievements of the programme and supports the national and transnational programme management. Main tasks of the NCP are listed in annex 19.

The set-up and activities of the network of NCPs may be funded from the TA budget in line with annual NCP work plans and reports to be approved by the MC.

#### *5.3.g Types of operations*

The requirement of the ETC objective to clearly and visibly contribute to smart, sustainable and inclusive growth of European regions calls for a strengthened orientation of cooperation programmes towards the delivery of concrete and measurable results in response to challenges and needs shared by regions belonging to the concerned cooperation area.

Ad-hoc support and guidance to applicants on types of operations will be given through call-specific information documents as well as events and trainings carried out by the MA and JS in cooperation with the NCPs.



### 5.3.h *Project cycle*

#### *Application*

The Interreg CENTRAL EUROPE Programme aims for project generation and selection procedures that are both pro-active and transparent. This section contains basic information regarding the procedures and arrangements for the generation and selection of operations.

Further information about the application and selection process will be available to potential applicants in a separate document (application manual).

The MA, with the support of the JS, launches official calls for proposals via relevant information channels such as the programme transnational website as well as national channels (with the support of the NCPs). Calls for proposals might have different characteristics, i.e. they might be open to all programme priorities or thematically targeted in response to changed framework conditions in the area and/or taking into consideration the progress of the programme implementation (also as follow-up of the independent programme evaluation).

According to the specific characteristics of each call for proposals, ad-hoc application procedures and templates will be developed and be part of the call-specific information and application package. It will be widely circulated and available from the programme and national websites. The information and application package will include the necessary guidance to assist partnerships in the preparation of their application.

Applications will be submitted to the MA/JS by the lead applicant.

#### *Assessment and selection*

##### ***Geographical eligibility of partners***

As a basic principle, the Interreg CENTRAL EUROPE Programme will mainly support cooperation activities between lead partners (LPs) and project partners (PPs) located in the eligible areas of the MSs (territory or parts of the territory of the nine CENTRAL EUROPE MSs Austria, Croatia, Czech Republic, Germany, Hungary, Italy, Poland, Slovakia and Slovenia).

An exception to the rule with regard to the location of partners is the case of those national public authorities/bodies which are competent in their scope of action for certain parts of the eligible area but which are located outside of it (e.g. ministries). German and Italian institutions falling under this definition are to all effects assimilated, both in terms of rights and obligations, to partners located in the programme area.

In addition to the above, and in duly justified cases, programme ERDF may finance the implementation of part of an operation that is implemented outside the Union part of the programme area provided that the conditions set under Article 20(2) of ETC Regulation are satisfied.

##### ***Definition of partners***

In the Interreg CENTRAL EUROPE programme partners participating in operations shall be the following:

- a) National, regional and local public bodies (including EGTCs in the meaning of Article 2(16) of the CPR)
- b) Private institutions, including private companies, having legal personality
- c) International organisations acting under the national law of any Interreg CENTRAL EUROPE MS or, with restrictions, under international law

Further details concerning participation in operations will be defined by the MC in agreement with the MA and will be laid down in the application manual.

Parts of activities in an operation may also be subcontracted to third entities by LPs or PPs; in this case, the applicable public procurement rules have to be observed by public authorities and other institutions falling under the scope of application of the procurement laws as well as by international organisations. LPs and PPs not falling under the scope of application of the public



procurement laws have nevertheless to observe national and programme rules on the matter. In case of subcontracting, the responsibility for implementation of the respective project will remain with the respective LP or PP.

Any public support under this programme must comply with the state aid rules applicable at the point of time when the public support is granted.

### ***Eligibility criteria***

A set of eligibility criteria will be defined to ensure the accomplishment of formal requirements of submitted applications. The set of eligibility criteria will especially include the following:

- Submission of the application in due time
- Completeness of the submitted application documents
- Transnationality of partnership (at least three financing partners from three countries at least two of them located in Interreg CENTRAL EUROPE regions)
- No funding by other EU financial sources

### ***Selection criteria***

Selection criteria are meant to relate to the quality of an application and will be applied to those applications that have passed the eligibility check. Selection criteria are designed to assess the compliance of applications with regard to strategic and operational aspects as laid down in section 2 under the heading “Guiding principles for the selection of operations”.

The JS, assisted by external independent experts, undertakes the quality assessment of applications and submits the assessment to the MC for its decision. Modalities for the procedures and detailed eligibility and selection criteria for operations funded by the Programme will be outlined in the application manual).

### ***Quality of applications***

General horizontal quality requirements have to be followed, which are reflected in the selection criteria. The strong result-oriented approach to be applied by all programmes supported by the European Structural and Investment Funds demands operations that deliver concrete and visible outputs and results in response to well-identified challenges of the programme area and addressing development needs in an integrated manner. Operations focussing on purely academic cooperation or basic research or aiming at mere networking and exchanging of experience and/or not demonstrating the translation of outputs arising from “soft” actions (surveys, studies, etc.) into concrete and sustainable results will not be supported by the Interreg CENTRAL EUROPE Programme.

All operations receiving funds have to meet the following horizontal quality requirements:

- Transnational and territorial relevance: the operation contributes to the chosen programme specific objective and addresses development needs and territorial challenges of Interreg CENTRAL EUROPE that are shared across the regions participating in the operation and cannot be sufficiently addressed by individual regions or countries alone. Moreover, joint solutions developed within an operation show a clear transnational added value going beyond the mere addition of results independently achievable in the involved regions. Relevant policies shall be considered and integrated territorial approaches applied.
- Partnership relevance: the partnership involves at least three financing partners from at least three countries, at least two of them located in the Interreg CENTRAL EUROPE regions. Partners are relevant bodies competent for the development, implementation and follow-up of outputs and results. The partnership should reflect the integrated territorial approach applied for the thematic focus of the operation. All partners are involved in a way that demonstrates the joint implementation of the operation.
- Concrete and measurable results: operations are able to deliver results that directly contribute to the results expected by the programme for the concerned priority axis. Results are achieved through the development of suitable outputs within a transnational context. Results must be relevant, visible and measurable, with a clear implementation orientation. Operations are required to provide precise descriptions of their main outputs and results in the application

form. In defining their outputs and results, operations must build on previous and current experiences and knowledge, however developing novel solutions and avoiding overlaps.

- Durable outputs and results: operations have to ensure that produced outputs and achieved results are durable and suitable to be continued within other initiatives (e.g. policies, strategies, plans) and/or preparing investments to be financed with other sources (e.g. EIB or other financing institutions, EU mainstream programmes, national and regional funds) also beyond the regions involved in the operation. Operations should establish adequate links to the appropriate policy-making and/or territorial governance levels to ensure sustainability and continuity of results. The programme welcomes the participation of actors involved in the implementation of macro-regional strategies as well as in programmes within the “Investments for Growth and Jobs” objective.
- Coherent approach: the approach for defining the work plan is overall coherent and transparent, showing a clear relation between inputs, outputs and results within a convincing timeframe.
- Sound project communication strategy: communication activities are to be in line with project objectives and appropriate to reach the relevant target groups and stakeholders with regard to communication of project results and their capitalisation.
- Effective management: the operation has clear, effective, efficient and transparent management and coordination structures and procedures.
- Sound budget: operations have to develop budgets reflecting the project design and demonstrating value for money coherent with the planned outputs and the expected results, in line with the principles of sound financial management. The budget is consolidated at project level and partner contributions to the budget shall reflect the joint implementation of the operation.

As a general principle, applied across all priorities, the Interreg CENTRAL EUROPE Programme is committed to sustainable development and promotion of equality between men and women and non-discrimination (cf. section 8).

### **Contracting**

Following the decision of the MC to approve applications recommended for funding following the technical quality assessment performed by the MA/JS, the MA drafts subsidy contracts using a standard template approved by the MC. The template is developed in compliance with the applicable laws of the Republic of Austria and the principles of the institution hosting the MA. The subsidy contract is addressed to the LP, appointed by the partnership in accordance to Article 13 of the ETC regulation, and is signed by the legal representative of the LP institution and by the MA representing the City of Vienna.

The subsidy contract lays down all the necessary implementing arrangements for an operation, in particular:

- Legal framework
- The object of use (approved work plan, eligible budget, maximum ERDF funding, including the maximum ERDF allocated to partners of EU regions outside the eligible area - if applicable, start and end date of implementation, closure of the operation)
- General conditions for eligibility of costs as provided for in Articles 65 to 71 of the CPR, Articles 18 to 20 of ETC Regulation, the Regulation (EU) No 481/2014 and the programme implementation manual
- Changes and budget flexibility thresholds
- Procedure related to requests for payments, reporting requirements and deadlines for submission of progress reports
- Rights and obligations of the LP including, if applicable, special provisions in case of private LP
- Verification of expenditure and audit of operations

- Necessary accounting documentation and indication of the archiving period of all project-related supporting documents, with specification of the periods to be respected in case aid has been granted under the *de minimis* regime
- Procedure for recovery of unjustified expenditure
- Publicity, ownership (including dissemination rights) and generation of revenues
- Assignment, legal succession and litigation
- Liability clauses
- Respect of environmental legislation

The approved application documents, including the final approved application form and the communication of the approval decision by the MC will form an integral part of the subsidy contract.

### Monitoring

The monitoring of the Interreg CENTRAL EUROPE Programme will provide project-specific technical and financial information on the progress of the programme towards its goals. Monitoring will ensure the quality and effectiveness of implementation by assessing the progress of operations making use of periodic and final reports submitted by the project LPs on behalf of their partnerships.

The LP will periodically present activity and financial progress reports to the JS and MA. The LP will report on progress achieved by the project partnership and related eligible expenditure. The submission of the activity and financial progress reports will be in line with the requirements set out in Article 122(3) of the CPR. The JS will check the compliance of the submitted reports with the approved application. Data stemming from these reports are recorded and stored in the programme e-Monitoring System (eMS) in compliance with Article 125(2) of the CPR and as detailed in section 5.3.k.

The eMS provides the data on operations to be communicated to the EC as required by Article 112 and Article 50 of the CPR.

During the monitoring of the activity section of the progress reports, the JS verifies the existence of the operation by analysing outputs delivered.

### Financial control system

Reliable accounting, monitoring and financial reporting systems will be established, ensuring that accounting records of each operation are recorded and stored and that data necessary for financial management, monitoring, verifications, audits and evaluation are suitably managed.

In line with Article 125(4) and 125(5) of the CPR as well as Article 23(4) of ETC Regulation, each MS shall set up a control system making it possible to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations or parts of operations implemented on its territory and the compliance of such expenditure and of related operations or parts of those operations with Community rules, programme rules and its national rules.

The independent audit body providing a report and an opinion on the designation procedure according to Article 124 of the CPR may give an unqualified opinion only for some MS and only these would be able to include expenditure in the payment claims.

For this purpose, each MS shall designate the controllers responsible for verifying the legality and regularity of expenditure declared by each LP and PP participating in the operation located on its territory. The designated controllers shall aim at submitting a signed certificate to the LP/PP within two months after the end of the reporting period. Where the delivery of products and services co-financed can be verified only in respect to the entire operation, verification shall be performed by the controller of the MS where the LP is located.

The identification of the controllers in each MS shall be made on the basis of the chosen control system (centralised or decentralised). Furthermore, the MA with the assistance of the JS will collect information from all MSs on the set-up and functioning of the control systems by means of

standardised questionnaires. The information of the questionnaires shall be included in the DMCS on programme level in accordance with Articles 72 and 74 of the CPR.

Each MS shall ensure that the MA/JS is regularly informed on the control system set-up by each MS and of any changes thereto.

All details on responsibilities and procedures related to financial control will be laid out in the DMCS. To ensure smooth functioning of the financial control system in the MSs, the designated controllers will be organised in a network of financial controllers which will be coordinated by the JS. The network will meet regularly.

In order to verify the effective functioning of the control systems set in place by each MS, a number of controls are carried out by the MA with the assistance of the JS. This is done in particular through:

- Verification of the existence of the operation
- Plausibility checks of expenditure
- On-the-spot checks

In addition to the above mentioned controls, the MA, with the assistance of the JS, performs additional checks specifically addressed at the verification of the quality standards of the control systems set up by each MS through:

- Verification of controller documents
- Quality review of centralised systems

In case of centralised control systems, the MA shall undertake the quality checks in association with the national representatives of the MC.

These checks will commence in the early stages of programme implementation. The national control coordination bodies of those countries following a decentralized system will carry out checks addressed to the quality of the controllers' work. The MA reserves the right to participate to the quality checks.

#### *Reimbursement from the MA to the LPs*

In accordance with Article 13 of ETC Regulation, for each operation, PPs shall appoint a lead partner. The LP shall assume overall responsibility for the application and implementation of the entire operation, including the handling of ERDF funds.

National co-financing for operations must be provided by the PPs according to their respective national mechanisms. All operations have to be pre-financed by the PPs. Expenditure of all partners have to be verified by authorised national controllers.

The LP collects the certificates of all PPs issued by their controllers and includes these in the above mentioned periodic progress reports to the MA/JS. In these documents, the LP reports on progress achieved by the project partnership and on related eligible and verified expenditure.

Based on checks of the reports undertaken by the JS and in accordance with Article 21(2) of ETC Regulation and Article 132 of the CPR, the MA shall make payments to the LP who is responsible for transferring the ERDF contribution to the PPs participating in the operation.

In accordance with Article 80 of the CPR, amounts set out in the programme submitted by MSs and statements of expenditure shall be denominated in Euro. All payments to LPs will be made in Euro.

Financial flows are illustrated in annex 20.

#### *Resolution of complaints*

The procedures set in place for the resolution of complaints are differentiated according to the object of the complaint.

**Complaints related to assessment and selection:** Project lead applicants will be informed in writing about the reasons why an application was not eligible or approved, providing details on the

reason for non-eligibility/approval. Any complaint related to the assessment shall be submitted by the lead applicant to the MA/JS that, in collaboration with the MC, will examine and provide its position regarding the merit of the complaint. The MC may also set up a task force or a sub-committee to analyse complaints.

**Complaints related to decisions made by the MA/JS:** Any complaints in relation to decisions made by the MA/JS on the basis of the subsidy contract or MC decisions shall be submitted by the project applicant/beneficiary to the MA/JS that will examine and provide in due time an answer (in collaboration with the MC if necessary). Where courts, public prosecution offices or other national institutions are competent in relation to the object of the complaint, the applicant/beneficiary has the right to turn also to these authorities in Austria, where the MA/JS are located.

**Complaints related to the national control system:** Project LPs or PPs that have complaints related to the national control system set up in accordance with Article 23(4) of the ETC Regulation, can file a complaint to the national control coordination body of the relevant MS following national procedures set in place in accordance with Article 74(3) of the CPR.

Further information on the procedure for the submission of complaints will be laid down in the relevant programme documents (programme application and implementation manuals) communicated to applicants and beneficiaries. Such procedures will be in line with addresses and guidance from EC as well as with national provisions on the matter.

#### *5.3.i Annual and final implementation reports*

In accordance with Article 50 of the CPR and Article 14 of ETC Regulation, the MA will submit an annual report to the Commission for the first time in 2016 and by 31 May in each subsequent year until and including 2023. For reports submitted in 2017 and 2019, the deadline shall be 30 June. The annual reports are to be drafted by the MA/JS on the basis of data provided by the operations through the progress and final reports. Programme annual reports are to be approved by the MC before they are sent to the EC.

A final implementation report will be submitted to the Commission in due time following the same procedures as the annual reports.

#### *5.3.j Programme evaluation*

The programme has been subject to an ex-ante evaluation of independent evaluators with the aim to improve programme quality and to optimise the allocation of budget resources. The recommendations of this evaluation have been taken into account during the drafting of this programme as described in annex A.

In accordance with Article 56 of the CPR, the MA will draw up an evaluation plan which will be approved by the MC in line with provisions as laid down in Article 110(2)(c) of the CPR.

In accordance with Article 56 of the CPR, evaluations will be carried out to assess the effectiveness, efficiency and impact of the programme. During the programming period, evaluation will assess how support from the funds has contributed to the objectives for each priority and also the territorial coverage of the programme area. All evaluations, recommendations and follow-up actions will be examined and approved by the MC.

In compliance with Article 57 of the CPR, the ex-post evaluation lies in the responsibility of the European Commission together with the MSs.

#### *5.3.k Computerised exchange of data*

As stipulated in Articles 74 and 112 of the CPR, data exchange with the EC will be carried out electronically.

The e-MS shall provide data and information needed to fulfil management, monitoring and evaluation requirements.

In accordance with Article 122 of the CPR, the Interreg CENTRAL EUROPE Programme will ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and the MA/CA and AA can be carried out by means of an electronic data exchange system.

The eMS will comply with the following aspects:

- Data integrity and confidentiality
- Authentication of the sender within the meaning of Directive 1999/93/EC4
- Storage in compliance with retention rules defined in Article 140 of the CPR
- Secure transfer of data
- Availability during and outside standard office hours (except for technical maintenance activities)
- Accessibility by the MSs and the beneficiaries either directly or via an interface for automatic synchronisation and recording of data with national, regional and local computer management systems
- Protection of privacy of personal data for individuals and commercial confidentiality for legal entities with respect to the information processed (according to Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data - General Data Protection Regulation).

In order to transfer data to the EC, the administration system of the e-MS shall facilitate interoperability with the Union frameworks as required by Article 122(3) of the CPR.

The computer system used shall meet accepted security and reliability standards. Accepted procedures that ensure reliability of the accounting, monitoring and financial reporting information in computerised form will be implemented.

#### *5.3.l Contribution of the MSs to the financing of technical assistance (TA)*

On programme level, the TA is jointly financed by the MSs participating in the programme. In accordance with Article 17 of ETC Regulation, TA is financed by a maximum of 6% of the total ERDF amount allocated to the programme and co-financed by the MSs participating in the programme. Details on the TA budget are laid out in section 3.

Each MS shall transfer its national co-financing share for TA to the account of the MA.

National co-financing of TA budget is provided as advance payment starting at the latest with 2015 on a yearly basis in proportion to the individual share of total ERDF funding of the MS. Any expenditure from an approved activity implemented by MSs, qualified to be financed by TA, needs to be verified by the MS concerned prior to reimbursement from the TA account.

A report on the payment situation shall be given by the MA to the MC on a regular basis. Use of interest raised by ERDF (after deduction of charges for transnational transactions) and ex-ante national contributions bank accounts, will be subject to an MC decision.

Further technical and financial details will be laid out in the TA Manual.

#### *5.3.m Information and communication*

In line with Articles 115 and 116 of the CPR, a communication strategy will be submitted to the MC no later than 6 months after the adoption of the programme to ensure transparency towards and information of relevant partners and stakeholders.

The strategy will define specific communication objectives, target audiences, messages as well as tactics and tools to support the achievement of wider programme goals. It will take into account detailed rules on information and communication measures as laid down in Article 115 and Annex XII of the CPR. The strategy will be valid for the whole programming period, complemented by annual work plans. All programme and project communication activities might be branded



consistently to a harmonised branding introduced on a voluntary basis by 2014-2020 ETC programmes.

The overall responsibility for communications rests with the MA together with the JS. However, at national and regional levels, the NCPs play a crucial role in complementing transnational and European activities. Approved operations play in addition a key role in communicating project achievements on all levels.

The MS shall support the MA to ensure effective application of the information and publicity requirements by taking appropriate steps to disseminate information and provide publicity within their territory.

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

*(Reference: point (a)(vi) of Article 8(4) of Regulation (EU) No 1299/2013)*

Without prejudice to the Member States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid according to Article 122(2) of the CPR, the managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the LP. In accordance with Article 27 of the ETC Regulation, the PPs shall repay the LP any amounts unduly paid.

If the LP does not succeed in securing repayment from a PP or if the managing authority does not succeed in securing repayment from the LP, the Member State on whose territory the PP concerned is located shall reimburse the managing authority the amount unduly paid to that PP according to Article 27(3) of the ETC Regulation. The managing authority is responsible for reimbursing the amounts recovered to the general budget of the Union, in accordance with the apportionment of liabilities among the participating Member States as laid down below. The MA will reimburse the funds to the Union once the amounts are recovered from the LP/PP/MS.

Should the MA bear any legal expenses for recovery recourse proceedings - initiated after consultation and in mutual agreement with the respective MS - even if the proceedings are unsuccessful it will be reimbursed by the MS hosting the LP or PP responsible for the said procedure.

Since Member States have the overall liability for the ERDF support granted to LPs or PPs located on their territories, they shall ensure that - prior to certifying expenditure - any financial corrections required will be secured and they shall seek to recover any amounts lost as a result of an irregularity or negligence caused by a beneficiary located in their territory. Where appropriate a MS may also charge interest on late payments.

In accordance with Article 122(2) of the CPR, irregularities shall be reported by the Member State in which the expenditure is paid by the LP or PP implementing the project. The Member State shall, at the same time, inform the managing authority and the audit authority. Specific procedures in this respect will also be part of the description of the management and control system.

The Member States will bear liability in connection with the use of the programme ERDF funding as follows:

- Each Member State bears liability for possible financial consequences of irregularities caused by the LPs and PPs located on its territory.
- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the ERDF claimed to the European Commission for the period which forms the basis for the financial correction.
- For technical assistance expenditure incurred by the managing authority, the liability related to administrative irregularities shall be borne by the managing authority.

For the technical assistance expenditure incurred by the Member States the liability shall be borne by the Member State concerned.

## 5.5 Use of the Euro (where applicable)

(Reference: Article 28 of Regulation (EU) No 1299/2013)

*Method chosen for the conversion of expenditure incurred in another currency than the Euro*

In accordance with Article 28 of the ETC Regulation, expenditure incurred by LPs and PPs in countries which are outside the Euro zone, shall be converted into euro. The conversion is to be made by the beneficiaries by using the monthly accounting exchange rate of the European Commission in the month during which that expenditure was submitted for verification by the concerned beneficiaries to their national controllers.

## 5.6 Involvement of partners

(Reference: point (c) of Article 8(4) of Regulation (EU) No 1299/2013)

*Actions taken to involve the partners referred to in Article 5 of Regulation (EU) No 1303/2013 in the preparation of the cooperation programme, and the role of those partners in the preparation and implementation of the cooperation programme, including their involvement in the monitoring committee*

### 1) Process of the preparation of the cooperation programme

The process of partner involvement and preparation of the cooperation programme was coordinated by the MA/JTS of the CENTRAL EUROPE 2007-2013 Programme.

The consultation of relevant partners within the process of preparation of the Interreg CENTRAL EUROPE Programme followed a multi-level approach described below (cf. ÖIR, 2013: CENTRAL EUROPE PROGRAMME 2020, Main inputs collected through partner dialogues).

The aim of the process was to validate strategic choices (thematic concentration) for the Interreg CENTRAL EUROPE Programme and to collect additional inputs and suggestions as well as ideas on potential transnational actions to be supported. Therefore, the thematic focus of the Interreg CENTRAL EUROPE Programme was discussed and consulted upon in a number of events as well as through online surveys. The process of partner involvement was preceded by an online survey on territorial needs of the Interreg CENTRAL EUROPE area in April 2012 and a synergy workshop for the prioritisation of needs and definition of cooperation scenarios for the Interreg CENTRAL EUROPE Programme in September 2012. It included:

- One transnational online survey between 9 and 30 April 2013, with more than 600 partners responding
- National consultations including nine national events held in participating countries between March and September 2013, reaching 577 partners;
- One transnational stakeholder event in the frame of the CENTRAL EUROPE 2007-2013 annual conference “Defining CENTRAL EUROPE” in Padua on 16 May 2013, with 354 participating stakeholders;
- Two transnational online surveys, carried out in October 2013, addressing the respective relevant institutions involved in the governance of the Danube, Baltic Sea and Adriatic-Ionian macro-regional strategies (mainly priority area coordinators) as well as EGTCs (cf. annex 09).
- With regard to the latter point, it is to be mentioned that the Alpine MRS was not consulted due to the early stage of the debates on its governance at the time of launching the survey.



- Public consultation in the frame of the strategic environmental assessment (SEA) (cf. annex A)

Figure 2: Stakeholder consultation Interreg CENTRAL EUROPE Programme (online survey, transnational and national events) - participants per country (cf. annex 21)

In terms of national participation, Italian stakeholders most strongly participated in the consultation process. At the transnational conference alone, which took place in Italy, about 180 Italian stakeholders were present. Austria also reached a high share with about 240 participants in the entire process (partly due to a very high participation in the Austrian national event). Around 200 stakeholders participated from Germany and Poland with other Member States less represented.

The stakeholders involved in the partner consultation process covered a wide range of different backgrounds. Within the transnational online survey about 30 percent of the respondents represented research institutions and universities as well as regional or local public authorities. In the national events administrative bodies, specific experts as well as private companies and research institutions mostly participated. In the transnational conference the majority of participants represented public authorities as well as private companies.

Responses from stakeholders involved in the governance of macro-regional strategies were provided by five priority area coordinators of the Danube MRS as well as three priority area coordinators and one horizontal action leader of the Baltic Sea MRS. No response was received from coordinators of the four pillars of the Adriatic-Ionian MRS. With regard to the consultation of EGTCs in the programme area, inputs were provided by three EGTCs out of the 19 addressed.

The process of stakeholder involvement built upon the consultation of a preselected set of thematic objectives (TO), investment priorities (IP), and on a draft definition of corresponding specific objectives and topics elaborated for each specific objective proposed. Ad-hoc guidance documents were provided to stakeholders summarising the set of thematic objectives, investment priorities, specific objectives (within each investment priority) for building the strategy and intervention logic of the Interreg CENTRAL EUROPE Programme.

For a broad involvement of relevant partners, announcements of the online survey, the national events and the transnational stakeholder dialogue were published on the CENTRAL EUROPE 2007-2013 programme website and on the websites of national contact point institutions. For example, the notification about the online survey was sent by e-mail to nearly 10.000 stakeholders in order to achieve wide involvement. Surveys targeting specific categories of partners (MRS institutions and EGTCs) were also sent via e-mail.

In the transnational online survey, stakeholders were asked to prioritise the indicated topics per specific objective or to propose additional topics. At the national events, participants provided qualitative feedback on the topics and commented on proposed thematic objectives, investment priorities as well as on the draft specific objectives. As part of this process, a number of potential transnational actions were proposed by the stakeholders and new topics were added. At the transnational conference, consolidating the consultations, the participants further discussed the pre-defined topics plus the additional ones derived from the survey and the national events.

Stakeholders of MRS and EGTCs were asked in dedicated surveys in October 2013 to rate the relevance of the Interreg CENTRAL EUROPE specific objectives to the respective priority areas/horizontal actions/pillars or EGTC objectives of reference.

The stakeholder consultation process provided additional ideas and input for the topics per specific objective for the chosen investment priorities as well as for the definition of beneficiaries and target groups (where applicable). Generally, a broad range of comments and remarks was received from the stakeholder consultation process. Inputs were consolidated and relevant remarks and comments integrated into the Interreg CENTRAL EUROPE programming process in a structured way ensuring that no information was lost.

The result of the multi-level consultation process provided significant added value to the preparation of the cooperation programme. Within a deductive process, all results were clustered, similar topics raised or discussed were merged to avoid overlaps and relevant issues were integrated into the CP. It has to be mentioned, that individual comments and recommendations that were proposed without being supported in other parts of the consultation process were not integrated

(e.g. if an additional topic was suggested by one Member State in the national events this topic was either included and merged with an existing topic or included as an additional topic in case it was adequately discussed and supported at the transnational conference; otherwise the suggestions was not included). The results provided valuable inputs for the specification and clarification of specific objectives and potential transnational actions of the Interreg CENTRAL EUROPE Programme.

## **2) Description of how the relevant partners will be involved in the implementation of the cooperation programme**

The involvement of relevant partners in the implementation of the Interreg CENTRAL EUROPE Programme will be organised for two reasons:

- To enhance ownership of the programme among the partners, in order to make use of the knowledge and expertise of these partners and to increase transparency in decision-making processes
- To improve the coordination with other ESI Funds as well as with relevant funding instruments under the umbrella of the Common Strategic Framework (CSF) and macro-regional strategies

Due to the large area covered by the programme the participation of relevant partners in the programme MC - according to Articles 5(2) and 47 of the CPR - will be organised through national coordination committees preparing and supporting the MC members in the execution of MC tasks, including the preparation of calls for proposals and programme progress reports as well as the monitoring and evaluation of the programme. National coordination committees will be organised in compliance with applicable national requirements concerning their composition, functioning and management of obligations on data protection, confidentiality and conflict of interest.

National coordination committees represent the platforms in which relevant national partners can voice their positions on strategic matters concerning the implementation of the programme. Moreover, and as mentioned in section 6, national committees (or other mechanisms/bodies as provided for by the respective national rules) will allow improving the coordination with ESI programmes and other national funding instruments through involving representatives of institutions participating in the implementation of relevant national and/or regional programmes.

The Interreg CENTRAL EUROPE Programme will also seek to involve relevant EU umbrella institutions and organisations, such as the Committee of the Regions, with an observer role in the MC.

## SECTION 6: COORDINATION

(Reference: point (a) of Article 8(5) of Regulation (EU) No 1299/2013)

*The mechanisms that ensure effective coordination between the ERDF, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and other Union and national funding instruments, including the coordination and possible combination with the Connecting Europe Facility, the ENI, the European Development Fund (EDF) and the IPA and with the EIB taking into account the provisions laid down in the Common Strategic Framework as set out in Annex I to Regulation (EU) No 1303/2013. Where Member States and third countries participate in cooperation programmes that include the use of ERDF appropriations for outermost regions and resources from the EDF, coordination mechanisms at the appropriate level to facilitate effective coordination in the use of these resources*

In compliance with Article 10 and Annex I of the CPR, coordination and use of synergies with other European Structural and Investment (ESI) Funds as well as with other relevant Union policies, strategies and instruments, including those in the framework of the Union's External Action Member States, have to be pursued. This section gives an overview on the principles followed for implementing the Interreg CENTRAL EUROPE Programme in a complementary and coordinated manner with the relevant instruments and funds in accordance with the principles of subsidiarity and proportionality.

### 6.1 Coordination with other ESI Funds

ETC programmes have great potential for facilitating the implementation of national and regional programmes supported by the ERDF, ESF, Cohesion Fund, EAFRD and EMFF by allowing stakeholders to tackle common challenges and needs beyond administrative borders. Coordination and complementarity with other ESI funds is key, especially in terms of investment planning and preparation which can be accomplished at regional and local levels based on operations supported by the Interreg CENTRAL EUROPE Programme. Already in the 2007-2013 period transnational cooperation operations demonstrated their ability to prepare ground for medium to large-scale investments, not only in terms of development of technical specifications for investments but also in terms of building knowledge and capacity, mobilising critical mass as well as creating and strengthening ownership.

The Interreg CENTRAL EUROPE Programme will seek coordination with other ESI funds through following measures:

- When submitting proposals, applicants will have to describe the coherence and complementarity with national and regional programmes supported by ESI funds within an ad-hoc section in the application form, thus giving evidence of the added value to be expected by transnational cooperation. In particular, applicants proposing actions with a focus on investment preparation will have to explain how to link to other national and regional programmes of the “Investments for Growth and Jobs” goal supported by the ERDF and ESF as well as with the Cohesion Fund, EAFRD (in particular with reference to the Leader initiative) and EMFF programmes.
- National coordination committees (or other mechanisms/bodies as provided by national rules) supporting the monitoring committee members (as described in section 5.6) will involve representatives of institutions participating in the implementation of national and regional programmes supported by the ESI funds, seeking (to the possible extent) to achieve coordination at all stages of the programme lifetime.
- The MA and the JS in cooperation with the Interreg CENTRAL EUROPE network of national contact points will communicate outputs and results of Interreg CENTRAL EUROPE operations through relevant tools and measures implemented both at the transnational and national levels as defined in the programme communication strategy.
- The above measures will also allow streamlining the implementation of transnational interventions supported by national and regional programmes of the “Investments for Growth

and Jobs” goal. In this regard national committees (or other mechanisms/bodies as provided by national rules) will have the possibility to provide information to national and regional programmes, including guiding principles and transnational experiences made within the Interreg CENTRAL EUROPE Programme.

Regarding coordination with other ESI funds, special attention will be given to the possibility of coordination with other programmes of the European Territorial Cooperation (ETC) objective. In this regard the Interreg CENTRAL EUROPE Programme will seek exchanges with the managing authorities of other, geographically overlapping ETC programmes. Particular potential for efficient coordination is expected with these neighbouring transnational programmes through realising the:

- Exchange of information during the assessment of applications in order to detect and to avoid to the possible extent potential overlapping and duplications as well as to activate synergies between complementary operations being implemented in different cooperation areas.
- Exchange of information during the monitoring of the implementation of approved operations, in order to set up cross-fertilisation actions (including events and trainings for beneficiaries) that allow unfolding synergies between operations that tackle the same challenge and address shared needs of stakeholders located in different cooperation areas.
- Use of the geographical flexibility, as provided for in Article 20(2) of the ETC Regulation, that allows to develop transnational operations with a geographical scope going beyond the programme area, thus establishing links, creating opportunities and promoting sustainable development within and across areas sharing common features (e.g. corridors and macro regions).

## **6.2 Coordination with other Union instruments**

Coordination between ETC programmes and other Union instruments has the potential to raise the impact of Union policies at national and regional level supporting local, regional and national investments that effectively contribute to the Europe 2020 strategy. This potential is particularly visible in the following thematic areas addressed by the Interreg CENTRAL EUROPE Programme:

- Research, innovation and entrepreneurship, where transnational cooperation operations can prepare and increase capacity of regional innovation systems, paving the way to excellence in research and innovation and thereby preparing a fertile seedbed for Horizon 2020 and COSME. At the same time this will also contribute to the effective implementation of the national and/or regional strategic policy frameworks for research and innovation in the context of smart specialisation
- Environment protection and climate change, where transnational cooperation operations can build capacity and improve the readiness of regions to develop and apply innovative solutions for environment protection and management, resource efficiency and climate change mitigation and adaptation, thus complementing actions of LIFE and HORIZON 2020
- Transport, where transnational cooperation operations can stimulate investment in regional connectivity, closing gaps that are affecting remote regions when accessing the TEN-T corridors and therefore complementing the actions of the Connecting Europe Facility

The Interreg CENTRAL EUROPE Programme will seek coordination through the following measures:

- When submitting proposals, applicants will have to describe the coherence and complementarity with other Union instruments of relevance for the topics addressed by the proposals, within the application form. Evidence of the added value brought by transnational cooperation has to be demonstrated in particular with regard to Horizon 2020, COSME, LIFE, the Connecting Europe Facility, Creative Europe and Erasmus for all. Multi-annual and annual work programmes as well as guidelines developed within these instruments shall be considered by applicants when submitting proposals.
- Exchanges with and advice from the Commission services and other European and national institutions involved in the management of Union instruments will be sought by the MA and JS, in order to exchange good practice and to jointly spread information targeting common relevant stakeholders. A particular potential to activate synergies is seen with the Commission’s thematic DGs (especially in the fields of R&D, SME development and entrepreneurship, Tourism, Environment, Energy) and with European agencies (such as the

“Executive Agency for Competitiveness and Innovation”, “Research Executive Agency” and the “TEN-T Executive Agency”).

- Communication tools and measures will be set in place by the MA and the JS in cooperation with the Interreg CENTRAL EUROPE network of national contact points to allow for communicating outputs and results achieved by Interreg CENTRAL EUROPE operations in order to make them available to thematic stakeholders addressed by Union instruments. Where applicable, national points of contact of EU programmes (e.g. LIFE, HORIZON 2020, etc.) will be directly involved in national and transnational information events organised by the Interreg CENTRAL EUROPE Programme.

### **6.3 Coordination with ENI and IPA**

The Interreg CENTRAL EUROPE Programme will seek coordination with the external policy instruments of the European Union: the Pre-Accession Instrument (IPA) and the European Neighbourhood Instrument (ENI). Even if the programme does not benefit of IPA and ENI funding, spreading and following up on outputs and results of Interreg CENTRAL EUROPE operations in bordering candidate countries and non-European countries could contribute both to their accession process (applicable to Serbia, Montenegro and Bosnia Herzegovina) and to a harmonious neighbourhood (applicable to Ukraine and Belarus).

The Interreg CENTRAL EUROPE Programme will seek coordination through the following measures:

- The Interreg CENTRAL EUROPE contact points of those Member States sharing borders with non-EU countries will make available outputs and results achieved by Interreg CENTRAL EUROPE operations to national and local stakeholders involved in IPA and ENI initiatives
- Managing authorities and joint secretariats of IPA and ENI CBC programmes will be addressed by the Interreg CENTRAL EUROPE Programme improving exchanges of information on applications and approved operations, in order to activate synergies between complementary operations being implemented at the EU external borders

### **6.4 Coordination with relevant national funding instruments**

Transnational operations supported by the Interreg CENTRAL EUROPE Programme have the potential to improve the implementation of national, regional and local policies and of the related funding instruments. In this respect, potentials for coordination and complementarity can be seen in preparing investment to be realised with national funding, as well as in applying national incentives in the thematic sectors addressed by the programme (e.g. de-taxation of expenditure and other incentive mechanisms applied at national level for R&D initiatives by enterprises and/or for energy efficiency and renewable energy usage interventions of enterprises and households).

The Interreg CENTRAL EUROPE Programme will seek coordination with relevant national funding instruments by setting up the following measures:

- When submitting proposals, applicants will have to describe the coherence and complementarity with national policies and funding instruments, within the application form, giving evidence of the added value brought by transnational cooperation.
- National coordination committees (or other mechanisms/bodies as provided by national rules) supporting the monitoring committee members (as described in section 5.3) will, to the possible extent, involve representatives of institutions involved in setting-up and/or implementing national, regional and local funding instruments to guarantee mutual information especially about outputs and results of transnational operations that could support the effective implementation of national, regional and local policies and funding instruments.

### **6.5 Coordination with the EIB**

Preparation of large-scale investment represents a relevant share of outputs delivered by operations within the Interreg CENTRAL EUROPE Programme. Transnational cooperation can therefore contribute to making results of operations ready for benefitting of instruments of the European Investment Bank (EIB), both in terms of technical preparation and execution of large-

scale investment (i.e. make them “bankable”). Synergies can be activated especially in the following thematic areas addressed by the Interreg CENTRAL EUROPE Programme:

- Infrastructure, where the EIB instrument “Joint Assistance to Support Projects in European Regions” (JASPERS) can support the realisation of large scale investments prepared by cooperation projects especially in the transport and environment sectors
- Urban development, where the EIB instrument “Joint European Support for Sustainable Investment in City Areas” (JESSICA) can support the realisation of large scale investments prepared by cooperation projects in functional urban areas
- Energy, where the EIB instrument “European Local ENergy Assistance” (ELENA) can bring forward the achievements of cooperation projects preparing large energy efficiency and renewable energy projects at local and regional level

In addition to investment preparation, synergies can be activated in the field of entrepreneurship, where transnational cooperation operations can ease the access to the EIB instrument “Joint European Resources for Micro to Medium Enterprises” (JEREMIE) through knowledge and capacity building of entrepreneurs and public institutions.

Coordination with EIB will be sought by the Interreg CENTRAL EUROPE Programme through the following measures:

- Ad-hoc information for beneficiaries on opportunities offered by the EIB for the follow-up of outputs and results of operations into large-scale investments
- One-to-one support to operations identifying the most promising outputs and results, suitable to be continued with the support of EIB, helping them in the early stages of contacting and exchanging information with EIB offices



## SECTION 7: REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

*(Reference: point (b) of Article 8(5) of Regulation (EU) No 1299/2013)*

*A summary of the assessment of the administrative burden for beneficiaries and, where necessary, the actions planned accompanied by an indicative timeframe to reduce the administrative burden.*

A light set of rules and simple administration procedures are pre-conditions for an effective programme driving the expected changes in the central Europe area. This makes the reduction of administrative burden a key target.

Management and control requirements applicable to structural funds call for a careful handling of the public spending processes, therefore a good balance between simplification and control has to be achieved by:

- Learning from experiences made in previous programming periods
- Making use to the possible extent of simplified cost options available for the 2014-2020 period (if accepted and applied by national controllers)
- Making use of the harmonised implementation tools (HIT) developed by INTERACT in cooperation with ETC programmes in order to simplify and streamline programme implementation

Actions planned to reduce administrative burden will primarily build on the implementation of a system for data exchange fully in line with e-cohesion requirements described in section 5.3.k.

Planned actions cover all phases of the project cycle as described below.

### *Formal eligibility of applications*

The formal/administrative eligibility requirements for applications to be fulfilled before entering the quality assessment phase rendered 20 percent of applications submitted to the CENTRAL EUROPE 2007-2013 Programme as ineligible.

Formal mistakes leading to ineligible applications made void the efforts spent by partnerships in preparing them, and absorbed huge amounts of programme resources for administrative compliance checks.

Simplification of the submission procedure could considerably reduce the percentage of ineligible applications out of formal/administrative reasons, therefore increasing the efficiency of the process. This could be reached through integrating in the application form (AF) guiding information that was previously provided in separate documents. The submission of applications and accompanying documents could only be requested in electronic version with signed hardcopies to be provided only when an application is proposed for funding. The AF template will build on the HIT template, thus making its use easier for applicants that find similar AFs in different ETC programmes.

Simplifications regarding the formal eligibility of applications will be introduced from the very beginning of programme implementation, possibly already when launching the first call for proposals.

### *Harmonised eligibility rules, budget lines and simplified cost options*

In the 2007-2013 programming period one of the main causes of high administrative burden on the beneficiaries was the lack of harmonised eligibility rules, which were defined at national level causing disparities among partners of an operation. Moreover, non-harmonised budget line definitions caused several constraints to beneficiaries involved in more than one ETC programme, due to very different approaches followed by the programmes.

In the 2014-2020 programming period a pre-defined set of budget lines will be introduced for all ETC programmes in line with the regulatory package (cf. Article 18(1) of the ETC Regulation as well

as Commission Delegated Regulation (EU) No 481/2014 providing specific rules on eligibility of expenditure for cooperation programmes):

1. Staff costs
2. Office and administrative expenditure (indirect costs)
3. Travel and accommodation costs
4. External expertise and services costs
5. Equipment expenditure

In addition to the above budget lines, and in compliance with Article 18(2) of the ETC regulation, the Interreg CENTRAL EUROPE Programme will also introduce the additional budget line “Infrastructure and works”, by following a harmonised approach with other ETC programmes.

Moreover, Article 18(3) of the ETC Regulation determines a new hierarchy of eligibility rules, with programme rules specifying what is not defined at EU level and national rules specifying only what is not covered by EU or programme rules.

In defining programme rules, the Interreg CENTRAL EUROPE Programme, to the maximum possible extent, will make use of simplified cost options offered by the regulatory framework (if accepted and applied by national controllers)- in particular flat-rate options - in order to minimise administrative burden.

The above simplifications would be introduced from the very beginning of the programme implementation, possibly already when launching the first call for proposals. More detailed provisions will be included in the DMCS and in the programme guidance documents (application and implementation manuals).

#### *Streamlined monitoring of progress of operations*

The content and financial monitoring of progress of operations in the CENTRAL EUROPE 2007-2013 Programme allowed analysing in-depth (content-wise) the progress of operations towards expected results, at the same time verifying the soundness of the programme management and control environment also at national level.

However, there were also some shortcomings:

- The analysis of all outputs (including minor ones) of operations performed by the MA/JS resulted in a high burden for beneficiaries, prolonging the time needed for analysing reports and the subsequent reimbursement
- The complexity of the progress report template, which was difficult to fill in for beneficiaries
- The technology used for the progress report (offline excel files), which did not allow multiple user entries
- The lack of a pre-defined reporting system from PPs to their LPs, which sometimes (especially for less experienced LPs) resulted in extended timeframes needed for drafting reports
- The indicators used for monitoring progresses of operations, which were difficult to understand and to be interpreted.

Based on experiences made and in light of the fact that the “result-oriented” approach characterising the 2014-2020 programmes calls for an even closer attention to monitoring thematic achievements of operations, the programme intends to build a system for monitoring progress of operations based on the principles applied in the CENTRAL EUROPE 2007-2013 Programme - however, with possible improvements through following actions:

- To make use to the possible extent of the harmonised progress report (HIT) template on a web-based system, in order to allow multiple users
- To focus the analysis of outputs on main project outputs, with the analysis of minor outputs (e.g. meeting agendas) to be shifted mainly to national controllers
- To prepare a model tool-box for the reporting from PPs to the LPs, which can be used optionally



- To limit to the possible extent the number and complexity of indicators used for reporting on the progress of operations
- To organise ad-hoc training for beneficiaries on reporting of operations, control and audit

Actions for streamlining the progress monitoring of operations will be introduced from the very beginning of the programme implementation, possibly at the time of approving operations submitted within the first call for proposals.

## SECTION 8: HORIZONTAL PRINCIPLES

(Reference: Article 8(7) of Regulation (EU) No 1299/2013)

### 8.1 Sustainable development

*Description of specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations.*

Sustainable development is integrated as horizontal principle in the cooperation programme and will be respected during its implementation, monitoring and evaluation. This will be supported through appropriate management arrangements for a sustainable development of the cooperation area.

Besides the verification of the respect of in-force rules and regulations on environment and sustainable development, the programme seeks to avoid or reduce environmentally harmful effects of interventions and to deliver results in terms of social, environmental and climate benefits.

The following general principles will be adopted in the selection of applications and the monitoring of operations:

- To direct investments towards the most resource-efficient and sustainable options
- To avoid investments that may have a significant negative environmental or climate impact and to support actions to mitigate any remaining negative effects
- To take a long-term perspective when ‘life-cycle’ costs of alternative options for investment are compared
- To encourage the use of green public procurement

Operations funded under any chosen priority axis will be encouraged to incorporate activities for tackling environmental concerns and reducing their environmental footprint, for example by:

- Including environmental criteria in procurement procedures (e.g. green procurement procedures)
- Giving preference to environmentally-friendly mobility options for short travel distances
- Adopting to the possible extent measures for the organisation and implementation of conferences and events in a sustainable way (e.g. reducing printing and using recyclable materials, using video conference facilities)
- Considering resource efficiency and the use of renewable energy to the possible extent
- Making use of regional supply chains (reducing supply chain length and CO2 emissions)

All operations supported by the programme will have to respect the relevant policies and rules on environment protection and sustainable development, including the reviewed European Union Strategy for Sustainable Development (2009), the Flora-Fauna-Habitat Directive and the Birds Directive being the “cornerstone of Europe’s nature conservation policy” (cf. European Commission, 2013p), and any other applicable rule. This obligation will be laid down in the subsidy contracts with operations.

When submitting proposals, applicants have to describe the contribution to sustainable development in the application form, explaining how the sustainability principle is anchored within the design and activities of operations, in particular related to potential environmental effects of foreseen investments. This is considered as a horizontal issue during the quality assessment of applications (see section 5.3.h). Particular attention will be placed on avoiding possible negative environmental effects such as identified by the strategic environmental assessment (SEA) for specific thematic fields. The contribution of operations to sustainable development will be monitored within the final report.

The principles of sustainable development will also be considered in terms of programme management arrangements (priority 5).

In addition to those general principles, applications will have to demonstrate their contribution to sustainable development (along its economic, social and environmental pillars) in line with the scope of each priority axis:

**Priority axis 1** aims at strengthening regional innovation capacities as well as building knowledge and skills for improving economic and social innovation. Specific attention will be given to the fields of eco-innovation and innovation for low-carbon and climate change related solutions. The stimulation of social innovation and entrepreneurship will contribute to meeting social needs such as those deriving from demographic change, migration and brain drain.

**Priority axis 2** targets low-carbon strategies with a focus on energy sustainability considering the economic growth potential of this sector. It will support operations increasing the usage of renewable energy, improving energy efficiency of public infrastructure. Territorially based low carbon-strategies and low-carbon mobility of functional urban areas will help to tackle challenges of energy production and consumption, to reduce CO2 emissions and to mitigate climate change.

**Priority axis 3** focuses on the preservation and sustainable use of natural and cultural heritage and resources, which are considered important location factors for regional development and economic growth. Further emphasis is put on resource efficiency, climate change mitigation and adaptation as well as on improving the quality of the environment in functional urban areas which will directly affect the quality of life for urban residents. Operations supported under this priority will clearly contribute to all dimensions of sustainability.

**Priority axis 4** deals with sustainable transport, namely by supporting the connectivity of regions and cities to the European transport networks and the improvement of multi-modal environmentally-friendly freight and passenger transport. Considering the principle of sustainable development, emphasis is put on public transport, considering also improved mobility services in the public interest (e.g. for disadvantaged groups, shrinking regions). It thereby contributes to sustainable growth and climate change mitigation by supporting the energy reduction objectives considering also social aspects.

## 8.2 Equal opportunities and non-discrimination

*Description of the specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the cooperation programme and, in particular, in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination, and in particular, the requirements of ensuring accessibility for persons with disabilities.*

The Interreg CENTRAL EUROPE Programme will consider the principles of equal opportunities and non-discrimination throughout all stages of its implementation, including the preparation, implementation, monitoring and evaluation of operations. The programme strives for promoting equal opportunities and preventing any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during its life cycle and in particular in relation to access to funding. It will take into account the needs of the various target groups at risk of such

discrimination and in particular the requirements of ensuring accessibility for persons with disability.

As shown in the regional analysis and baseline situation (cf. section 1), central Europe is characterised by disparities in terms of social cohesion, economic development, innovation, accessibility etc. and between urban, rural and peripheral regions. Especially peripheral areas are confronted in many regions with negative demographic trends and brain drain occurrences, due to out-migration of well-educated persons.

In response to this situation and applying the principle of equal opportunities and non-discrimination in a horizontal manner, the programme will contribute to a more inclusive and cohesive development by means of stimulating activities (in the fields of accessibility, knowledge and skills, social innovation etc.) that address the needs of disadvantaged groups in order to allow them to better integrate into the labour market. This will facilitate their full participation in society as well as social inclusion and foster the integration of people facing particular difficulties on the labour market, such as older workers, people with disabilities, minorities etc. as laid down in the EU green paper on equality and non-discrimination (cf. European Union, 2013c).

Besides actions of operations which explicitly address the reduction of disparities, all operations submitted under any chosen priority axis will be encouraged to incorporate activities for integrating measures to consider the principle of equal opportunities and non-discrimination, for example by actively tackling concerns of demographic change, peripherality and inequality. Operations are also encouraged to integrate the principle of barrier-free accessibility to physical investments or pilot infrastructure implemented in the frame of the operations in order to prevent discrimination.

Additionally, all operations funded by the programme will have to ensure that the activities implemented are in line with the principle of equal opportunities and do not generate discrimination of any kind. The obligation to comply with the Community rules of horizontal policies such as equal opportunities will be included in the subsidy contract of each operation.

When submitting proposals, applicants will have to describe the contribution to equal opportunities and non-discrimination within the application form, explaining how the equal opportunity principle is anchored within the design and planned activities of operations. This matter is considered as a horizontal issue during the quality assessment of applications (see section 5.3h).

The principle of equal opportunities described above will also be considered in terms of programme management arrangements (priority 5).

In addition to these general principles, applications will have to demonstrate their contribution to equal opportunities in line with the following principles defined at the level of each priority axis:

**Priority axis 1** aims at strengthening competences and stimulating entrepreneurship for social innovation (e.g. health care, social inclusion of minorities, disabled persons, ageing society, etc.). This will contribute to meeting social needs such as those deriving from demographic change, migration and brain drain (e.g. youth unemployment, shrinking regions facing skills shortages, etc.). It will also allow for better integrating disadvantaged persons into the labour market and thereby facilitate their full participation in society.

**Priority axis 2** targets low-carbon strategies and will include actions to tackle challenges of low-carbon public transport in functional urban areas, thereby contributing to ensuring equal access to sustainable urban transport services.

**Priority axis 3** will cover actions on participatory planning and decision-making processes for improved urban environmental management. It will also tackle the reduction of land use conflicts due to urban sprawl, shrinkage and fragmentation under the consideration of social implications. This will consequently lead to an improved quality of the environment in functional urban areas which will directly affect the quality of life for all population groups.

**Priority axis 4** targets sustainable transport and will consider also social aspects in terms of provision of improved mobility services in the public interest (e.g. for disadvantaged groups or for shrinking regions).

### 8.3 Equality between men and women

*Description of the contribution of the cooperation programme to the promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at cooperation programme and operation level.*

The Interreg CENTRAL EUROPE Programme will follow the principle of equality between men and women throughout all stages of programme implementation, including the preparation, implementation, monitoring and evaluation of operations.

Operations submitted under any chosen priority axis will be encouraged to incorporate activities for integrating the gender mainstreaming principle, for example by:

- Integrating equal participation of women and men
- Actively promoting gender mainstreaming

Additionally, all operations funded by the programme shall ensure that the activities implemented are in line with the principle of equality between men and women and do not generate discrimination of any kind. The obligation to comply with the Community rules of horizontal policies such as equality between men and women will be included in the subsidy contract of the operations.

When submitting proposals, applicants will have to describe the contribution to this principle in the application form, explaining how the gender mainstreaming principle is anchored in the design and planned activities of operations. This matter is considered as a horizontal issue during the quality assessment of applications.

The principle of equality between men and women as described above will also be considered in terms of programme management arrangements (priority 5 technical assistance). The programme will also carry out a self-assessment exercise focusing on the application of the gender mainstreaming principle (in accordance with Annex I 5.3 of the CPR).

## SECTION 9: SEPARATE ELEMENTS

### 9.1 Major projects to be implemented during the programming period

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

Table 23: List of major projects

Project	Planned notification/ submission date (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date (year quarter)	Priority axes/ investment priorities
not applicable				

## 9.2 Performance framework of the cooperation programme

**Table 24: Performance framework (summary table)**

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
1	Number of strategies, action plans, tools and pilot actions developed and/or implemented for strengthening linkages within the innovation systems	Number	0	199
1	Number of strategies, action plans, tools and pilot actions developed and/or implemented for improving skills and competences of employees and entrepreneurs	Number	0	165
1	Total amount of eligible expenditure certified to EC for priority axis 1	EUR	10.100.000,00	91.497.242,00
1	Key implementation step: Number of approved operations in priority axis 1	Number	21	47
2	Number of strategies, action plans, tools and pilot actions developed and/or implemented in the field of improved energy efficiency and renewable energy use of public infrastructures	Number	0	67
2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for improving local/regional energy performance	Number	0	64
2	Number of strategies, action plans, tools and pilot actions developed and/or implemented for low-carbon mobility in functional urban areas	Number	0	48
2	Total amount of eligible expenditure certified to EC for priority axis 2	EUR	6.500.000,00	51.427.229,00
2	Key implementation step: Number of approved operations in priority axis 2	Number	13	25
3	Number of strategies, action plans, tools and pilot actions developed and/or implemented for protection and sustainable use of natural heritage and resources	Number	0	134
3	Number of strategies, action plans, tools and pilot actions developed and/or implemented for sustainable use of cultural heritage and resources	Number	0	206
3	Number of strategies, action plans, tools and pilot actions developed and/or implemented for the improvement of environmental quality in functional urban areas	Number	0	90
3	Total amount of eligible expenditure certified to EC for priority axis 3	EUR	13.000.000,00	102.974.940,00
3	Key implementation step: Number of approved operations in priority axis 3	Number	27	48
4	Number of strategies, action plans, tools developed and/or implemented and pilot actions for the improvement of regional passenger transport	Number	0	58
4	Number of strategies, action plans, tools and pilot actions developed and/or implemented for multimodal environmentally friendly freight transport	Number	0	41
4	Total amount of eligible expenditure certified to EC for priority axis 4	EUR	4.300.000,00	33.361.124,00
4	<b>Key implementation step:</b> Number of approved operations in priority axis 4	Number	9	16

### 9.3 Relevant partners involved in the preparation of the cooperation programme

In total 2596 stakeholders and partners from all relevant types of organisation participated in the Interreg CENTRAL EUROPE consultation process on the preparation of the cooperation programme. Consultations were run through one transnational stakeholder conference, two transnational online surveys, nine national stakeholder dialogues and more than 120 phone interviews.

Stakeholders involved in the consultations covered a wide range of relevant backgrounds. According to type of organisation, research institutions and universities as well as regional and local public authorities accounted for about 30 percent of respondents to the transnational online surveys. In the national stakeholder dialogues, it was mainly administrative bodies, specific experts as well as private companies and research institutions participating. In the transnational stakeholder conference, the majority of participants came from research organisations, public authorities as well as private companies. Across all stages of the involvement process, most stakeholders were thematically related to the innovation priority (35 percent) followed by the priority on natural resources incl. climate change issues and culture (28 percent). Stakeholders from the low-carbon priority accounted for 21 percent and from the transport and mobility priority for 16 percent.

In addition, a consultation was conducted in application of the SEA Directive 2001/42/EC and the respective national requirements (cf. annex A).

Details on the partner consultation can be found under section 5.6.

Table 1: Participation of partners according to country (online survey, transnational and national events) (cf. annex 21)

Table 2: Participation of partners according to type of organisation (online survey, transnational and national events) (cf. annex 21)

Table 3: Participation of partners according to thematic focus of organisation (survey, transnational and national events) (cf. annex 21)

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

(Reference: Article 26 of Regulation (EU) No 1299/2013)

Not applicable

**ANNEXES** (uploaded to the electronic data exchange systems as separate files):

A	Final report of the ex-ante evaluation, with an executive summary (mandatory) <i>(Reference: Article 55(2) of Regulation (EU) No 1303/2013)</i>
B	Confirmation of agreement in writing to the contents of the cooperation programme (mandatory) <i>(Reference: Article 8(9) of Regulation (EU) No 1299/2013)</i>
C	A map of the area covered by the cooperation programme
D	A citizens' summary of the cooperation programme
01	Bibliography
02	Glossary
03	List of participating regions - NUTS 2 level
04	Table on the justification for selection or non-selection of thematic objectives
05	SWOT analysis per thematic objective
06	Maps and figures (section 1)
07	Visualisation of intervention logic
08	Methodological note on establishment of baselines and on measurement of progress for result indicators
09	Coherence between Interreg CENTRAL EUROPE Programme and the action plans of the EU Strategies for the Baltic Sea region and the Danube region
10	Bodies designated to carry out controls and audit tasks
11	Programme management structure
12	Functions of the monitoring committee
13	List of Member States' responsible authorities
14	Responsibilities of Member States
15	Functions of the managing authority acting as certifying authority
16	Functions of managing authority
17	Functions of audit authority
18	Functions of the joint secretariat
19	Functions of the contact points
20	Financial flows
21	Partner involvement (figures and tables)