

ANNEX X

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

PART A

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

1. IDENTIFICATION OF THE ANNUAL / FINAL IMPLEMENTATION REPORT

CCI	2014TC16RFCB008
Title	<i>(Interreg V-A) HU-HR - Hungary-Croatia</i>
Version	1.4
Reporting year	2014-2015
Date of approval of the report by the Monitoring Committee	9 June 2016

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

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

The present Report, prepared pursuant to Annex X of Commission Implementation Regulation (EU) 2015/207, aims at providing a brief overview of the **activities that were undertaken in relation to the Programme in the years 2014 and 2015.**

The first version of the CP was submitted to the European Commission (EC) for approval on 24 March 2015. Upon request from the EC for the completion of certain parts of the document, and following a Technical meeting organised to deal with the observations of the EC, a re-submission of the CP document was managed in June 2015 and **the approval of the EC for the Programme was provided on 7 September 2015** via Decision No. C(2015)6228.

Just two days after the official approval, **9 September 2015 saw the Preliminary Meeting of the Monitoring Committee (MC)** of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020. A draft Rules of Procedure was circulated and discussed, and the representative of the EC provided insight into the tasks, responsibilities, composition and operation of an Interreg MC in the new programming period. The day after the Preliminary Meeting, on 10 September the MC members joined nearly 300 hundred other invitees (among them many high level representatives of the EC, ministries, embassies, counties and cities) in celebrating European Co-operation Day 2015 in Čakovec, Croatia, through the Closing Conference of the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013 and the **Opening Conference of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.**

The Programme contains as of now two operations that can be regarded as **strategic projects**. The preparation of these started right after the re-submission / adoption of the CP document, with the involvement of the future Lead Beneficiaries and Beneficiaries and the programme management organisations. **The 'De-mine HU-HR II' project**, a continuation of the earlier de-mining co-operation of the two Member States, was approved by the MC on its 1st meeting and is since in the contracting phase. Project implementation is scheduled to start in May 2016. The other co-operation planned outside the spectre of open Calls for Proposals (CfP-s) is **the 'PP Light Scheme' of Priority Axis 1** (Economic Development). Building on an example from the German-Dutch border region the planning experts and the MC have embraced a new approach towards supporting co-operation between actors of the economy on the Hungarian and Croatian side: for the first time in this border region the cross-border programme will provide ERDF funding to SME-s. The project partnership to manage the support scheme is being set up and the project is expected to be ready for MC approval earliest in autumn 2016.

Already during the summer of 2015 the programme implementing bodies have started preparing for the first open CfP of the Programme. The official 1st MC meeting (held on 8 December 2015) discussed, among other material, the application package of the first CfP and decided to postpone the launch to January or February 2016. **The CfP was published on 29 February 2016 with a submission deadline of 31 May**, opening 26.528.785 Euros of ERDF funding for non-profit organisations of the eligible Programme area under Priority 2, 3 and 4 of the Programme.

To support the efficient day-to-day communication of the Programme towards the general public and the interested potential applicants, **an all-new website was set up from January 2015**, going live in April that year. A total of 3.930 visits were registered on the site (www.huhr-cbc.com) in 2015. As there was no CfP launched until 2016 and since the Programme was approved in September 2015, these are just results showing the beginning period of the long-term operation. **The official programme website is complemented by an official Facebook and Twitter profile as well**, started by the Joint Secretariat (JS) in 2016.

Regarding the human resources available to programme implementation **the selection procedure for the members of JS was conducted** by the Managing Authority (MA), the Croatian National Authority (NA) and the hosting institution, Széchenyi Programme Office in Budapest, Hungary on 25 October 2015. At the end of the reporting year the JS consisted of the following employees: 3 programme managers, 1 programme- and communication manager, 2 financial managers and 1 head of JS. The joint management body is strongly built on the JTS of the Hungary-Croatia (IPA) CBC Programme and is expected to reach the full number of employees in 2016. **Both the MA and the NA keep committing the same human resources** as to the managing of the now winding-down 2007-2013 programme.

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

3.1 Overview of the implementation

ID	Priority Axis	Key information on the implementation of the Priority Axis with reference to key developments, significant problems and steps taken to address these problems
PA 1	Economic	The Priority represents 16,38 per cent of the ERDF funding

	development	<p>allocated to the Programme (meaning 9.960.300 Euros). The entire amount is dedicated to financing a so-called PP Light Scheme, a special operation partly acting like a regular project and partly like a support scheme. This example to provide <i>de minimis</i> support to SME-s in a cross-border context was taken by the planning experts (and endorsed by the Task Force) from the Euroregion Rhine-Wall at the border of Germany and the Netherlands.</p> <p>The main Beneficiaries: one non-profit organisation dealing with enterprise support from each of the seven border counties, were identified during 2015, while the Lead Beneficiary, HAMAG BICRO was selected by the future project partnership (the future main Beneficiaries) following the 2nd MC meeting, held in February 2016.</p> <p>The elaboration of the operational documents (implementing manual, description of selection and reporting procedures etc.) of the scheme is in progress, managed by the Lead Beneficiary, its fellow Beneficiaries and experts contracted for this purpose from Technical Assistance. The opening of the mechanism to SME-s from both sides can be expected in winter 2016 the earliest.</p> <p>Currently there are no significant problems envisaged with the implementation of the Priority.</p>
PA 2	Sustainable use of natural and cultural assets	<p>The Priority represents the biggest part, 58,82 per cent of the ERDF funding allocated to the Programme. It is split into two Investment Priorities: 6c (<i>Conserving, protecting, promoting and developing natural and cultural heritage</i>) with 27.203.413 Euros, and 6d (<i>Protecting and restoring biodiversity and soil and promoting ecosystem services, including through NATURA 2000, and green infrastructure</i>) with 8.576.241 Euros.</p> <p>Investment Priority 6d is providing support to the strategic project of the Programme called 'De-mine HU-HR II' in the amount of 3.008.090,28 Euros of ERDF funding. As of May 2016 the project is in the phase of concluding the Subsidy Contract for the EU contribution. The planned starting date of project implementation is 1 June 2016 and the project duration is 24 months.</p> <p>Regarding the rest of the Priority, in case of both Investment Priority 6c and 6d, the funding contained therein is subject to open CfP-s. Calls regarding Investment Priority 6c shall contain in their rules regulating eligible project activities references to the 'Regional Tourism Product Plan', developed in 2011 in the framework of the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013 and serving ever since as a tool for the more streamlined joint development of (natural- and cultural heritage based) tourism in the eligible Programme area.</p> <p>The first CfP has opened 12.752.544 Euros and 8.576.241 Euros</p>

		of EU contribution to Investment Priority 6c and 6d, respectively. Currently there are no significant problems envisaged with the implementation of the Priority.
PA 3	Co-operation	<p>The Priority represents 9,4 per cent of the ERDF funding allocated to the Programme (meaning 5.717.494 Euros). Its Specific Objective is to involve more social and institutional actors into cross-border co-operation. This type of priority has always been well received by the potential applicants of the Hungarian-Croatian border region, therefore both the TF and the planning experts supported its inclusion into the Programme, supported also by the opinion of local stakeholders on the ground.</p> <p>The Priority is planned to be managed exclusively through open CfP-s and was launched already as part of the first CfP, with 2.500.000 Euros of EU contribution. Currently there are no significant problems envisaged with the implementation of the Priority.</p>
PA 4	Education	<p>The Priority represents 9,4 per cent of the ERDF funding allocated to the Programme (meaning 5.717.494 Euros). Its Specific Objective is to improve the role of educational institutions as intellectual centres for increasing the specific local knowledge-base in the region. The Priority was requested by the local stakeholders to be featured in the Programme, and it is to support co-operations at all levels of education (preschool, primary and secondary education, adult education, and higher education).</p> <p>This Priority is also planned to be managed exclusively through open CfP-s and was launched already as part of the first CfP, with 2.700.000 Euros of EU contribution. Currently there are no significant problems envisaged with the implementation of the Priority.</p>
PA 5	Technical Assistance (TA)	<p>The Priority represents 6 per cent of the ERDF funding allocated to the Programme (meaning 3.649.464 Euros), the maximum share possible in the 2014-2020 financial perspective. This will be matched by 2.985.925,00 Euros of national co-financing from Hungary and from Croatia in order to enable the successful management of the Programme.</p> <p>The main result will be the sound and timely execution of all necessary measures that are the prerequisite for the Programme's effectiveness (such as the setting up and operating of programme bodies, including financing of their personnel and external service needs, the preparation and launch of CfP-s, the selection of projects, project monitoring, administrative and technical assistance, programme evaluation, information and communication activities, audit and first level control measures, development and operation of an electronic monitoring system etc).</p>

		<p>The MC has approved at its 1st meeting, on 8 December 2015 the following TA projects and corresponding TA forms:</p> <ul style="list-style-type: none"> - TA/01, title: 'Core activities of the Interreg V-A Hungary-Croatia Co-operation Programme', Beneficiary: Széchenyi Programme Office (Hungary) - TA/02, title: 'External expertise provided for the Managing Authority in Budapest', Beneficiary: Hungarian Prime Minister's Office - TA/03, title: 'Operation of the Certifying Authority in Budapest', Beneficiary: Hungarian State Treasury - TA/04, title: 'Audit activities of the Interreg V-A Hungary-Croatia Co-operation Programme', Beneficiary: Hungarian Directorate General for Audit of European Funds - TA/05, title: 'Establishment and operation of the first level control of TA expenditures of Croatian TA beneficiaries and other national level activities to be carried out by the Croatian National Authority', Beneficiary: Agency for Regional Development of the Republic of Croatia - TA/06, title: 'Establishment and operation of the control system and other national activities in Hungary', Beneficiary: Széchenyi Programme Office (Hungary) - TA/07, title: 'Establishment and operation of the first level control of TA expenditures of Hungarian TA beneficiaries and other national level activities to be carried out by the Hungarian National Authority', Beneficiary: Hungarian Prime Minister's Office - TA/08, title: 'Establishment and operation of the first level control of TA expenditures of Croatian TA beneficiaries and other national level activities to be carried out by the Croatian National Authority', Beneficiary: Ministry of Regional Development and EU Funds of the Republic of Croatia
--	--	---

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

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

Table 1

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

Automatic from SFC						Annual value		
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014	2015	Observations (if necessary)
PA 1, 1.1	Average GVA per capita of industry and services sectors of the programme area	EUR	5.208,00	2011	5.500,00	5.208,00	5.208,00	Frequency of reporting is planned to be 2018, 2020 and 2023.
PA 2, 2.1	Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013	number	1.758.826,00	2013	1.846.747,00	1.758.826,00	1.758.826,00	Frequency of reporting is planned to be 2018, 2020 and 2023.
PA 2, 2.2	Increased number of habitats with 'A: excellent' conservation status of selected Special Bird Protection Areas	number	179,00	2014	192,00	179,00	179,00	Frequency of reporting is planned to be 2018, 2020 and 2023.
PA 3, 3.1	Number of entities participating in cross-border networks and bilateral co-operations	number	36,00	2015	49,00	36,00	36,00	Frequency of reporting is planned to be 2018, 2020 and 2023.
PA 4, 4.1	Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content	number	29,00	2014	90,00	29,00	29,00	Frequency of reporting is planned to be 2018, 2020 and 2023.

Table 2

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

	ID	Indicator (Name of indicator)	Measurement unit	Target value (1) (2023)	CUMULATIVE VALUE		Observations (if necessary) ¹
					2014	2015	
Selected operations (forecast provided by Beneficiaries)	1.1	Number of enterprises receiving support	pcs	80,00	0,00	0,00	n. a.
Fully implemented operations (actual achievement)					0,00	0,00	n. a.
Selected operations	1.2	Number of enterprises receiving grants	pcs	80,00	0,00	0,00	n. a.
Fully implemented operations					0,00	0,00	n. a.
Selected operations	1.3	Number of enterprises receiving non-financial support	pcs	80,00	0,00	0,00	n. a.
Fully implemented operations					0,00	0,00	n. a.
Selected operations	2.1.1	Total surface area of rehabilitated land	ha	450,00	0,00	450,00	The value indicated in the column for 2015 represents the target set by strategic project 'De-mine HU-HR II', approved in December 2015 and under implementation from June 2016.
Fully implemented operations					0,00	0,00	

¹ There were no projects under implementation in either 2014 or 2015.

Selected operations	2.1.2	Increase in expected number of visits to supported sites of cultural or natural heritage and attractions	number	60.000,00	0,00	0,00	n. a.
Fully implemented operations				60.000,00	0,00	0,00	n. a.
Selected operations	2.1.3	Number of tourism facilities / service providers being certified by an environmental sustainability scheme	number	40,00	0,00	0,00	n. a.
Fully implemented operations				40,00	0,00	0,00	n. a.
Selected operations	2.2.1	Surface area of habitats supported in order to attain a better conservation status	ha	5.400,00	0,00	0,00	n. a.
Fully implemented operations				5.400,00	0,00	0,00	n. a.
Selected operations	2.2.2	Number of participants in joint education training schemes and awareness raising programmes	persons	1.000,00	0,00	0,00	n. a.
Fully implemented operations				1.000,00	0,00	0,00	n. a.
Selected operations	2.2.3	Number of joint international studies	pcs	10,00	0,00	0,00	n. a.
Fully implemented operations				10,00	0,00	0,00	n. a.
Selected operations	3.1	Number of institutions participating in joint capacity building actions	number	33,00	0,00	0,00	n. a.
Fully implemented operations				33,00	0,00	0,00	n. a.
Selected operations	3.2	Number of harmonized processes, shared initiatives, coordinated policies and projects developed jointly	number	66,00	0,00	0,00	n. a.
Fully implemented operations				66,00	0,00	0,00	n. a.
Selected operations	3.3	Number of participants in joint capacity building actions and events	number	810,00	0,00	0,00	n. a.
Fully implemented operations				810,00	0,00	0,00	n. a.
Selected operations	4.1	Training courses developed and delivered (formal and informal)	number	40,00	0,00	0,00	n. a.

Fully implemented operations				40,00	0,00	0,00	n. a.
Selected operations	4.2	Number of educational premises refurbished	number	15,00	0,00	0,00	n. a.
Fully implemented operations				15,00	0,00	0,00	n. a.
Selected operations	4.3	Number of educational premises upgraded with technical equipment	number	15,00	0,00	0,00	n. a.
Fully implemented operations				15,00	0,00	0,00	n. a.
Selected operations	4.4	Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders	number	860,00	0,00	0,00	n. a.
Fully implemented operations				860,00	0,00	0,00	n. a.
Selected operations	4.5	Number of involved marginalised persons in training programmes	number	200,00	0,00	0,00	n. a.
Fully implemented operations				200,00	0,00	0,00	n. a.
Selected operations	5.1	Projects selected for financing	number	100,00	0,00	9	One selected strategic project and eight selected TA projects.
Fully implemented operations				100,00	0,00	0,00	There were no fully implemented projects in either 2014 or 2015.
Selected operations	5.2	Electronic monitoring system established	number	1,00	0,00	0,00	As of May 2016, the setting up of the Programme's monitoring system is ongoing.
Fully implemented operations				1,00	0,00	0,00	There were no fully implemented TA

							projects in either 2014 or 2015.
Selected operations	5.3	Programme evaluation plan prepared (and approved by the MC)	number	1,00	0,00	0,00	The Evaluation Plan shall be prepared within 12 months from the approval of the Programme, until September 2016.
Fully implemented operations				1,00	0,00	0,00	There were no fully implemented TA projects in either 2014 or 2015.
Selected operations	5.4	Programme communication plan prepared (and approved by the MC)	number	1,00	0,00	1,00	The 'Communication Strategy' of the Programme was approved by the MC on its 1 st meeting, on 8 December 2015.
Fully implemented operations				1,00	0,00	0,00	There were no fully implemented TA projects in either 2014 or 2015.
Selected operations	5.5	Guiding documents addressed to applicants and Beneficiaries	number	3,00	0,00	1,00	The Guidelines for Applicants of the first CFP was approved by the MC on its 2 nd meeting, on 5 February 2016.
Fully implemented operations				3,00	0,00	0,00	There were no fully implemented TA projects in either 2014 or 2015.

Selected operations	5.6	Publicity events	number of events	10,00	0,00	1,00	An Opening Conference was held for the Programme on 10 September 2015.
Fully implemented operations				10,00	0,00	0,00	There were no fully implemented TA projects in either 2014 or 2015.
Selected operations	5.7	Number of employees (FTE-s) whose salaries are co-financed by technical assistance	number of FTE-s	9,00	0,00	9,00	Employees of the Joint Secretariat and the FLC Bodies were in 2014 and 2015 still financed from the TA funds of the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013, providing the majority of their work tasks. The value indicated in the column for 2015 represents the target set for the peak years in TA project 'Core activities', approved in December 2015.
Fully implemented operations				9,00	0,00	0,00	There were no fully implemented TA projects in either 2014 or 2015.

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

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

Table 3

Information on the milestones and targets defined in the performance framework

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)	2014	2015	Observations (if necessary) ²
PA 1	Financial	1.1	Financial indicator	EUR	2.200.000,00	11.718.000,00	0,00	0,00	n.a.
	Output	1.2	Number of enterprises receiving grants	pcs	15,00	80,00	0,00	0,00	n.a.
PA 2	Financial	2.1	Financial indicator	EUR	7.580.000,00	42.093.711,00	0,00	0,00	n.a.
	Output	CO09	Increase in expected number of visits to supported sites of cultural or natural heritage and attractions	number	9.000,00	60.000,00	0,00	0,00	n.a.

² To be reported on for the first time in the AIR in 2017.

	Output	CO23	Surface area of habitats supported in order to attain a better conservation status	ha	810,00	5.400,00	0,00	0,00	n.a.
PA 3	Financial	3.1	Financial indicator	EUR	1.210.000,00	6.726.464,00	0,00	0,00	n.a.
	Output	3.3	People participating in joint actions and events	number	125,00	810,00	0,00	0,00	n.a.
PA 4	Financial	4.1	Financial indicator	EUR	1.210.000,00	6.726.464,00	0,00	0,00	n.a.
	Output	4.2	Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders	number	150,00	860,00	0,00	0,00	n.a.

*Member States submit cumulative values for output indicators. Values for financial indicators are cumulative. Values for the key implementation steps are cumulative if the key implementation steps are expressed by a number or percentage. If the achievement is defined in a qualitative way, the table should indicate whether they are completed or not.

3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)

Table 4

Financial information at Priority Axis and Programme level

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

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
The financial allocation of the Priority Axis based on the Co-operation Programme						Cumulative data on the financial progress of the Co-operation Programme					
PA	Fund	Category of region	Basis for the calculation of Union support	Total funding	Co-financing rate	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) (column 7/ column 5 *100)	Public eligible cost of operations selected for support (EUR)	Total eligible expenditure declared by beneficiaries to the Managing Authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries (%) (column 10/ column 5 *100)	Number of operations selected
PA 1	ERDF		Total eligible cost	11.718.000,00	85%	0,00	0,00%	n.r. ³	0,00	0,00%	0,00
PA 2	ERDF		Total eligible cost	42.093.711,00	85%	3.538.929,75	8,38%	n.r.	0,00	0,00%	1,00
PA 3	ERDF		Total eligible cost	6.726.464,00	85%	0,00	0,00%	n.r.	0,00	0,00%	0,00
PA 4	ERDF		Total eligible cost	6.726.464,00	85%	0,00	0,00%	n.r.	0,00	0,00%	0,00
PA 5	ERDF		Total eligible cost	6.635.389,00	55%	6.635.388,87	99,99%	n.r.	0,00	0,00%	8,00
Total	ERDF		Total eligible cost	73.900.028,00	82,3%	10.174.318,62	13,77%	n.r.	0,00	0,00%	9,00

³ The Programme uses total eligible costs as basis for the calculation of the EU contribution.

Where applicable, the use of any contribution from third countries participating in the Co-operation Programme should be provided (for example IPA and ENI, Norway, Switzerland):

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

Table 5

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

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

Priority Axis	Characteristics of expenditure		Categorisation dimensions								Financial data			
	Fund	Category of region	1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial Delivery mechanism	5 Thematic Objective dimension	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected (EUR)	Public eligible cost of operations selected (EUR)	Total eligible expenditure declared to MA	Number of operations selected
PA 1	ERDF		001. Generic productive investment in SME-s	01. Non-repayable grant	01. Large Urban areas 02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			066. Advanced support services for SME-s and groups of SME-s								0,00	0,00	0,00	0,00
			075. Development and promotion of tourism services in or for SME-s								0,00	0,00	0,00	0,00

PA 2	ERDF	032. Local access roads	01. Non-repayable grant	02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
		034. Other reconstructed or improved road								0,00	0,00	0,00	0,00
		085. Protection and enhancement of biodiversity, nature protection and green infrastructure								0,00	0,00	0,00	0,00
		086. Protection, restoration and sustainable use of Natura 2000 sites								0,00	0,00	0,00	0,00
		087. Adaptation to climate change measures and prevention and management of climate related risks								0,00	0,00	0,00	0,00
		089. Rehabilitation of industrial sites and contaminated land								3.538.929,75	3.538.929,75	0,00	1,00
		090. Cycle tracks and footpaths								0,00	0,00	0,00	0,00
		091. Development and promotion of the tourism potential of natural areas								0,00	0,00	0,00	0,00
		092. Protection, development and promotion of public tourism assets								0,00	0,00	0,00	0,00

			094. Protection, development and promotion of public cultural and heritage assets								0,00	0,00	0,00	0,00
PA 3	ERDF		119. Investment in institutional capacity and in the efficiency of public administrations and public services	01. Non-repayable grant	01. Large Urban areas 02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies								0,00	0,00	0,00	0,00
PA 4	ERDF		117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01. Non-repayable grant	01. Large Urban areas 02. Small Urban areas 03. Rural areas	07. Not applicable					0,00	0,00	0,00	0,00
			118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality								0,00	0,00	0,00	0,00

PA 5	ERDF	121. Preparation, implementation, monitoring and inspection	01. Non-repayable grant	07. Not applicable	07. Not applicable					6.306.388,87	6.306.388,87	0,00	0,00
		122. Evaluation and studies								80.000,00	80.000,00	0,00	0,00
		123. Information and communication								249.000,00	249.000,00	0,00	0,00

Table 6

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

1	2	3	4	5
	The amount of ERDF support(*) envisaged to be used for all or part of an operation implemented outside the Union part of the Programme area based on selected operations (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 2/total amount allocated to the support from the ERDF at programme level *100)	Eligible expenditure of ERDF support incurred in all or part of an operation implemented outside the Union part of the Programme area declared by the Beneficiary to the Managing Authority (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 4/total amount allocated to the support from the ERDF at programme level *100)
All or part of an operation outside the Union part of the Programme area (1)	24.732,41	0,04 %	0,00	0,00 %

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

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

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

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

Beside the Ex-Ante Evaluation and the Strategic Environmental Assessment, both part of the programming exercise, there were no programme evaluations conducted or findings of such evaluations published in either 2014 or 2015. **As of May 2016 the Evaluation Plan of the Programme is under elaboration**, it is to contain the schedule of further evaluations of the Programme in the programming period.

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

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

There are no foreseeable issues that affect programme performance.

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

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

The implementation of the Programme is in line with the expectations of the participating Member States. Following the approval by the EC in September 2015 the institutional setup has been created, TA projects have been approved for the main bodies of the programme implementing structure, the MC was formed and had one preliminary and two regular meetings, the material of the first open Cfp was prepared and the Cfp was launched.

The designation process was started in 2015, several internal meetings (in the MA and in the hosting institution of the JS) and joint meetings (with the participation of the MA, the JS, the Certifying Authority and the Audit Authority). Work commenced among others on the Description of the Monitoring and Control System and on the Memorandum of Understanding. The AA is expected to be able to start the checking of the finalised documentation necessary for the designation in autumn 2016.

Work continues on the electronic monitoring system of the Programme, designed to ensure conformity with the requirements of e-Cohesion by the time of contracting and implementing the projects of the first Cfp. Programme progress is, in comparison to other Interreg programmes of the two countries, advanced and all stakeholders are looking forward to the assessment and the implementation of the first round of projects, including the start of the de-mining activities in one strategic project, and the setting up of the SME support scheme in the other.

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

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

The Annual Implementation Report (AIR) of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020 was prepared and submitted to the European Commission in May 2016 and it provides a brief overview of the activities that were undertaken in relation to the Programme in the years 2014 and 2015.

The AIR contains information on the following: the approval of the Programme, **the setting up** of the institutional structure and the preparation and **the launch** of the first open Call for Proposals:

- The planning of the Programme successfully came to a conclusion in spring 2015, with the content (e.g. available funding, activities possible to apply for, circle of potential applicants) finalised by the two sides. The draft Programme **was submitted to the Commission** and received its approval on 7 September 2015.
- The Programme is managed by several institutions, from both Member States. The main responsibility for implementation lies with **the Managing Authority** (the Prime Minister's Office of Hungary), **the National Authority** (the Ministry of Regional Development and EU Funds in Croatia) and **the Monitoring Committee**, a joint body composed of local and central stakeholders (and also representatives of civil society) of both sides.
- **The first Call for Proposals** in the Programme was opened to applicants in February 2016, with a submission deadline of end of May. **The Joint Secretariat**, working with colleagues in Budapest, Pécs, Osijek and Čakovec, is at the disposal of anyone interested in preparing a joint project idea between eligible Hungarian and Croatian organisations in the field of heritage-based tourism development, environmental protection, co-operation between citizens and organisations, and in education.

More information about the Programme and its first open Call can be found **on the official website:** www.huhr-cbc.com. If you are interested in the future possibilities of applying, please connect with the Programme also **on Facebook** (www.facebook.com/huhr.cbc) and **on Twitter** (<https://twitter.com/InterregHUHRcbc>)!

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

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

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

8. WHERE APPROPRIATE, PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS (Article 101(h) and Article 111(3) of Regulation (EU) No 1303/2013 and Article 14(3)(b) of Regulation (EU) No 1299/2013)

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020. (There are no major projects or joint action plans in the meaning of Article 101(h) and 111(3) of the CPR or Article 14(3)(b) of the ETC Regulation in the Programme.)

8.1 Major projects

Table 7

Major projects

Project	CCI	Status of MP 1.completed 2.approved 3.submitted 4.planned for notification/ submission to Commission	Total invest- ments	Total eligible costs	Planned notification/ submission date (if applicable) (year, quarter)	Date of tacit agreement/ approval by Commission (if applicable)	Planned start of implement- ation (year, quarter)	Planned completion date (year, quarter)	Priority Axis/ Investment priorities	Current state of realisation -financial progress (% of expenditure certified to Commission compared to total eligible cost)	Current state of realisation -physical progress Main implementation stage of the project 1.completed/ in operation; 2.advanced construction; 3.construction; 4.procurement; 5.design	Main outputs	Date of signature of first works contract (⁽¹⁾) (if applicable)	Observations (if necessary)

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

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

Not relevant for the Programme.

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

Not relevant for the Programme.

8.2. Joint action plans

Progress in the implementation of different stages of joint action plans

Not relevant for the Programme.

Table 8

Joint action plans

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

Significant problems encountered and measures taken to overcome them

Not relevant for the Programme.