

**Summary of the MINUTES  
of the 10<sup>th</sup> Monitoring Committee (MC) Meeting  
of the  
Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020**

**Date:** 9 December 2021  
held via online meeting platform

**Agenda Point 1: Welcome – Approval of the Agenda, technicalities (MC decision)**

**Ms Nikoletta Horváth**, representing the Managing Authority (MA) in the Hungarian Ministry of Foreign Affairs and Trade (MFA), welcomed all the participants of the 10<sup>th</sup> meeting of the MC. She pointed out that the obligation of having one MC meeting per year is with this meeting fulfilled, and that all current issues have been collected and are to be decided on. Ms Horváth asked all the representatives to confirm their presence by entering their names and institutions into the chat box of the meeting and announced that the meeting is being recorded for the purposes of keeping the minutes.

**Mr Mislav Kovač**, representing the Croatian National Authority (Croatian NA) in the Croatian Ministry of Regional Development and EU Funds, welcomed the participants hoping to have a productive and constructive meeting.

**Ms Katalin Júlia Péntzes**, representing the European Commission (EC), also welcomed the participants and wished for a fruitful discussion on the open topics.

After having established that the present meeting, due to the absence of some Voting Members of the MC, does not yet meet the quorum, **the Chairperson suggested to start with the first presentation** which – since it does not involve an MC decision – can be held while the necessary Members are logging into the meeting. The Agenda would then be approved after the information provision, when the quorum will have been met.

**Agenda Point 2:** Information on the progress of the Programme, including communication in 2021

**Ms Zrinka Šajn**, Financial Manager in the Joint Secretariat and **Mr Márton Szűcs**, Head of the Joint Secretariat of the Programme, held a presentation on the progress of the Programme and the communication activities implemented during the year. Mr Szűcs welcomed the participants pointing out the difficult year behind the Programme, due to the COVID-19 pandemic, which meant that many projects were faced with problems in implementation, rescheduling of activities, many prolongations etc. The programme institutions have been working hard the whole time to support the projects under these difficult circumstances and enable the envisaged project and programme results to be achieved.

Ms Šajn presented the main issues that the Programme implementing bodies have been working on during the year 2021, mainly focusing on project modifications, project report approval, managing user role approval in the I+ monitoring system, migration between the two monitoring systems etc. Rounding off the presentation, Mr Szűcs focused on the implementation of communication activities on project and programme level, pointing out the major milestones, most prominently the project events and this year's celebration of European Cooperation Day.

Having established that the quorum has been met in the meantime, the Chairperson put the Agenda to the vote.

**MC Decision: The agenda for the meeting is approved.**

**Agenda Point 3:** Prolongation of the project implementation period of project HUHR/1901/3.1.1/0102 **(MC decision)**

**Mr András Tálos**, Programme Manager in the JS presented the issue and the reason for the needed prolongation of the project. The LB submitted a prolongation request on 15/11/2021, stating problems in implementation due to the COVID-19 pandemic. Out of 10 activities 8 are affected and could not be completed within the originally planned period, thus additional 8 months are requested by the partnership for the finalisation of activities. The new end date would be 31/08/2022, which is 8 months over the maximum in the Component, therefore an MC decision is needed.

**Conflict of Interest: Osječko-baranjska County and Baranya County are excluded from voting.**

**MC Decision: The MC approved the prolongation of project 'ADOBE' (HUHR/1901/3.1.1/0102), LB: Osječko-baranjska County.**

**Agenda Point 4:** Modification of the Programme by re-adjusting the 85% co-financing rate after the accounting year 2020/2021 **(MC decision)**

Ms Horváth presented the decision-making point, having stated that the issue had already been discussed by the MA, the Croatian NA, the Certifying Authority and the EC. Based on Regulation (EU) 2020/558 and the COVID-19 related support to the Member States, there was an opportunity on programme level to reimburse 100% of the EU funding instead of 85%, to a certain percentage

of the available funding. The decision was relevant for the accounting year 2020/2021, i.e. from 1 July 2020 to 30 June 2021. The 100% reimbursement option is no longer valid for the Programme, and since an MC Decision was needed for the change to 100%, now another decision would be needed for switching back to the original programme-level co-financing rate, 85%.

**MC Decision: The MC approved the switch back to the 85% co-financing rate.**

**Agenda Point 5:** Modification of the TA Manual due to administrative reasons / Change in the format of annexes as adjusted to the new Interreg+ monitoring system **(MC decision)**

Ms Horváth presented the Agenda Point, stating that it is yet another technical issue. Due to the fact that the Programme has started to use a new monitoring system, the TA Manual and its templates had to be adjusted to the new system.

**Ms Margareta Aničić, MRDEUF** had a technical note that also on page 11 the text should be corrected to reflect the use of the new monitoring system, Interreg+.

**MC Decision: The MC approved the modified TA Manual and its Annexes.**

**Agenda Point 6:** Approval of missing funding to project HUHR/1901/2.1.2/0074 **(MC decision)**

**Agenda Point 7:** Approval of missing funding to project HUHR/1901/4.1.2/0038 **(MC decision)**

Mr Szűcs reminded the MC Members that the decision on funding of these two projects was the subject of MC Written Procedure Nr 22, according to which the projects would at that time be offered partial funding – with the possibility of receiving the remaining funding in case it becomes available in the Programme. The projects were contracted accordingly and have started with implementation with diminished budgets.

The additional funding requested by the projects amounts to a total of 267 973,42 EUR, and this amount has become available, due to several reasons stemming from the Programme's current state of implementation. (The sources of newly available ERDF are remainders from closed 1<sup>st</sup> Call projects, amounts recovered in connection to irregularities and surplus funds in the 'B-Light Scheme' strategic project.)

**Conflict of interest: Varaždinska County is excluded from voting on the HUHR/1901/2.1.2/0074 project.**

**MC Decision: The MC approved missing funding to be awarded to project AT@AT.CB, HUHR/1901/2.1.2/0074, LB: Varaždinska županija.**

**MC Decision: The MC approved missing funding to be awarded to project CMS Together II, HUHR/1901/4.1.2/0038, LB: Osnovna škola Ivane Brlić Mažuranić Orahovica.**

Following the MC decisions, **Mr Perica Gabrić** of MRDEUF requested the JS to provide the updated data of the two projects to the Ministry, to be used in their internal database.

**Agenda Point 8:** Decision on the Survey about the need for additional EU contribution for projects of the Second Call for Proposals (**MC decision**)

**Mr János Rakonczi**, Financial Manager in the JS presented the present financial status of the Programme, with an expected additional 879 884,00 EUR to become available. Due to the fact that the Programme is nearing its closure, new projects would not have enough time for implementation, no new B-Light projects are to be supported and several 2<sup>nd</sup> Call project signalled the need for additional funding due to severe changes in market prices of works and equipment (due to the COVID-19 pandemic). Mr Rakonczi pointed out that in case the MC would decide to award additional funding, a technical request for the adjustment of funding between priorities might be needed to be requested from the EC.

As a first step towards utilising the remaining ERDF funding of the Programme, a survey is suggested to be carried out among the 2<sup>nd</sup> Call projects on whether there is need for additional funding; this proposal is based on the experience from the previous programming period when a similar approach was taken by the MC. The additional funding would then be awarded according to set rules and only after the financial closure of the projects.

Mr Szűcs reiterated that this was a best practice approach from the previous, 2007-2013 programming period and that contracting new projects at this point in the programme cycle would not be feasible. The approach is time-efficient, which is crucial for the funding to be spent within the programme life cycle. Today's decisions would only be a preparatory measure for the final decision-making, based on the data to be collected first. The survey would be launched at the beginning of 2022 to get as good a feedback as possible.

**MC Decision: The MC approved the launch of the Survey about the need for additional EU contribution for projects of the Second Call for Proposals.**

**Agenda Point 9:** Any Other Business

Ms Péntes asked for information about the status of the programming exercise for the new, 2021-2027 programming period. Ms Horváth reminded the MC members that 2 years ago the Member States and the Programming Committee agreed on starting the planning process in the frame of the pilot project 'CBJointStrategy', to elaborate chapters 1 and 2 of the new Interreg programme, as well as ideas for strategic projects. The chapters have been elaborated and feedback has been expected to them from the Croatian side. There is a parallel political dialogue going on, and a trilateral meeting (HU, HR, EC) is planned in the near future for further discussions.

Ms Horváth concluded the meeting by thanking all the participants for all the work during the year and by wishing them a happy holiday season, hoping that soon there will be an opportunity for a live meeting as well.

**The Chairperson then adjourned the meeting.**