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ANNUAL IMPLEMENTATION REPORT

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1 IDENTIFICATION

CCI	2014TC16RFCB010
Title	Interreg V-A Austria-Hungary
Version	1.1
Reporting year	2016
Date of approval of the report by the monitoring committee	22.6.2017

2 OVERVIEW

Key information on the implementation of the cooperation programme for the year concerned, including on financial instruments, with relation to the financial and indicator data.

The Cooperation Programme Interreg V-A Austria-Hungary was approved on 30th June 2015 and the constituting meeting of the Monitoring Committee took place on 23rd September 2015. The call for applications was opened in eMS for the four thematic priorities on 16th December 2015.

Programme documents:

The basic documents for the applicants were approved by the MC in the end of 2015, while on the basis of experiences from the first and second rounds of project submission, several minor clarifications of the Application Handbook and its annexes, as well as of the Eligibility Handbook have taken place. A more comprehensive update of the Eligibility Handbook, including a number of small clarifications, was approved in a written procedure during December 2016. The ERDF contract template was also approved in the written procedure during December 2016, allowing the start of contracting for the projects from the first two decision rounds.

As far as programme documents are concerned, the communication strategy of the programme was approved in a written procedure on the 30th March 2016, the corresponding annual communication plan was brought to the 3rd meeting of the MC on 15th December 2016. The evaluation plan was prepared in autumn 2016 and also approved in the 3rd meeting of the MC (14th-15th December 2016).

Designation procedure:

At the end of 2016 the designation procedure was still in preparation. The delay has its roots mainly in capacity issues at MA and JS. Closure of the 2007-2013 programme and the preparation of programme documents for the new programme bound considerable resources during the whole year.

Due to the high complexity of the documentation and the increased requirements for designation, based on experiences of other programmes and also because in our past audit-related experiences the Audit Authority may also struggle with capacity problems,



we expect that the designation process is not going to be finished before the 1st-2nd quarter in 2018. For further details on designation pls. see Chapter 5.

Communication:

Communication activities in 2016 were focused on information to potential applicants and beneficiaries, involving among others also eMS related questions. The programme and project logos were already available since 2015 and applied by several project holders. Promotion materials were produced in 2015, but mainly distributed in 2016.

Until the beginning of December 2016, when the new programme homepage went online, all necessary information and documents like the opening of the call, programme documents and other communications were published on the homepage of the 2007-2013 ETC programme. Due to some issues with the new programme homepage (e.g. content management) a revision of the website is expected in spring 2017.

The kick-off conference for the programme had to be postponed for organisational reasons. For more details about communication activities see section 10.2.

E-cohesion, application of eMS:

Since the initial opening of the call in December 2015, the Austria-Hungary programme fulfils the obligations for e-cohesion by applying the electronic monitoring system eMS (which was commissioned by Interact and successfully audited by an external company against the requirements of e-cohesion), as it was already reported in the AIR2015. The application of eMS in the programme efficiently contributes to the harmonisation of procedures between programmes, and as such it is a tool to reduce administrative burden on beneficiaries.

Project submission and selection:

The call is continuous, meaning applications can be submitted at any time, but in order to allow time for assessment only those are considered for decision that are submitted on time before the meeting of a certain MC meeting. This is in general a period of 70 days, as it was applied in the two application rounds concluded in 2016. In justified cases the MC may apply different schedules, in any case the latest date when submitted applications are considered at the following meeting, is published on the programme webpage.

The first decision about submitted projects was taken on 22nd-23rd June 2016. Of 25 submitted projects 12 were approved, 9 postponed and 4 rejected.

The second round of decisions took place on the 14th-15th December 2016. Of 27 submitted projects (all 9 previously postponed have resubmitted) 19 were formally compliant. 11 projects have received an approval, 1 was postponed and 7 were rejected. Overall, 57% of the available ERDF funding is committed to approved projects.

In the selected projects altogether 107 partners participate, 55 Austrians and 52 Hungarians. The average partnership includes 4.65 partners.

The average length of the implementation period of selected projects is 38 months.

Projects in the four thematic priorities have a total budget of 2.3M€ (1.8M€ ERDF) on average. Without the distortion of the two biggest projects SEDDON II and





CrossBorder Rail the average project size would be 1.4M€ (1.2M€ ERDF).

As the ERDF contract template was finalised only by early 2017, at the end of 2016 there were no contracted projects yet. Consequently, projects have not started reporting, and no expenditure has been reported to the EC yet.

In summary:

The basic requirements for project submission and selection are all available, and on that basis a large number of projects have already been submitted and approved, resulting in a high binding of ERDF funds. Applicants and beneficiaries of selected applications have at this status all necessary information in written documents, and receive additional direct support from programme institutions.

However, the designation procedure is lagging behind. ERDF contracts have not been signed until the end of 2016 yet, and some detailed support documents for the project implantation are still outstanding. The delays are mainly due to capacity issues. Communication-wise the selected web-design agency and the difficulties to find suitable location for the programme kick-off event were the main hampering factors. More details about these issues and the ways the programme solves them can be found in the Sections 5 and 10.2 respectively.

3 IMPLEMENTATION OF THE PRIORITY AXES

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
1	Enhancing the competitiveness of SMEs (TO03)	Altogether 4 projects have been approved in the priority. The ERDF funding of selected projects amounts to 57% of the available resources in the priority. According to the data of selected applications their main outputs are expected to fulfil all relevant output indicators in the priority. At the end of 2016 no ERDF contracts, therefore no project reports are available about the implementation yet.





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
2	Protecting the environment and promoting resource efficiency (TO06)	<p>Altogether 7 projects have been approved in the priority.</p> <p>The ERDF funding of selected projects amounts to 67% of the available resources in the priority (53% in SO21, 33% in SO22, 93% in SO23). According to the data of selected applications their main outputs are expected to fulfil 8 out of the priority's 11 relevant output indicators. For OI24, OI25 and CO42 either there are not selected projects yet, or the planned contribution of selected operations is below the programme target. The available funding provides room for selecting further projects to fulfil these indicators.</p> <p>At the end of 2016 no ERDF contracts, therefore no project reports are available about the implementation yet.</p>
3	Promoting sustainable transport and removing bottlenecks in key network infrastructures (TO07)	<p>Altogether 2 projects have been approved in the priority.</p> <p>The possibility to submit rail and road projects (IP7b) was opened for the second submission round, following the approval of criteria to select experts who would confirm the TEN-T relevance of such projects.</p> <p>The ERDF funding of selected projects amounts to 51% of the available resources in the priority (47% in SO31, 78% in SO32). According to the data of selected applications their main outputs are expected to fulfil 3 out of 6 output indicators in the priority. For CO13, CO14 and COI31 either there are not selected projects yet, or the planned contribution of selected operations is below the programme target. The available funding provides room for selecting further projects to fulfil these indicators.</p> <p>At the end of 2016 no ERDF contracts, therefore no project reports are available about the implementation yet.</p>
4	Enhancing institutional capacity and an efficient public administration (TO11)	<p>Altogether 10 projects have been approved in the priority.</p> <p>The ERDF funding of selected projects amounts to 52% of the available resources in the priority. According to the data of selected applications their main outputs are expected to fulfil all relevant indicators in the priority.</p> <p>At the end of 2016 no ERDF contracts, therefore no project are available reports about the implementation yet.</p>
5	Technical support to the programme implementation	<p>Following the 1st MC the TA projects (3 regional TA projects and the Core TA project including costs for the MA, JS, CA and AA) were approved in a written procedure.</p>





3.2 Common and programme specific indicators

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 technical assistance priority axis

Automatic from SFC						ANNUAL VALUE										Observations (if necessary)	
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014	15	16	17	18	19	20	21	22	23		
RI11	Survival rate of enterprises after 3 years	Percent	66.27%	2012	62%	66.27 %	60,49 %	58.88 %									(1) Status: n-2 years. (2) Due to a clerical error the baseline was changed from 61.01 to 61.78% in a CP modification. (3) Due to changes in applied methodology at Statistik Austria further change of the baseline is needed in the CP. The set of data used for the baseline is not available anymore and statistics according to new methodology are not comparable to the baseline. Taking Eurostat as a single data source for both AT and HU provides comparable and more stable set of data. The respective baseline from Eurostat will be 66.27%. (4) In view of the sharply decreasing tendency the programme alone cannot contribute to an increased





Automatic from SFC						ANNUAL VALUE										Observations (if necessary)
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014	15	16	17	18	19	20	21	22	23	
																survival rate of enterprises, but can help to counterbalance the negative tendency, thus the target 62% should be kept. (5) A related CP modification is in preparation. (6) Annual values already reflect new set of data (Eurostat).
RI21	Overnight stays	Number	22 809 823	2013	25 000 000	22 809 823	23 175 628	23 762 619								(1) Status: n-1 year. (2) Due to a clerical error the baseline was changed from 22 616 032 to 22 809 823 in a CP modification.
RI22	Conservation degree A (of all habitat types in the Natura 2000 sites of the programme region)	Percent	10.5	2013 (release date)	12											First report will refer to data of 2017 (submitted in 2018)
RI23	Chemical and ecological condition of border water bodies classified as "good" and "very good"	Number	2 (of 9)	2013 (2009/2010 for the Danube)	4											First report will refer to data of 2017 (submitted in 2018)
RI31	Average travel time (individual transport) to a node with TEN-T network connection	Minutes	14.08	2013	13											First report will refer to data of 2017 (submitted in 2018)





Automatic from SFC						ANNUAL VALUE										Observations (if necessary)
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014	15	16	17	18	19	20	21	22	23	
RI32	Intermodal public transport nodes	Number	1 274.5	2014	1 400											First report will refer to data of 2017 (submitted in 2018)
RI41	Level of cooperation quality in the border region	Percent of highest rating	54.03%	2014	65%											First report will refer to data of 2017 (submitted in 2018)
RI42	Institutions involved in cross-border education schemes	Number	35	2014	45	35	35	35								There are no contracted projects in SO42 therefore the number of newly involved project partners and strategic partners involved cannot be counted.

Table 2: Common and programme specific output indicators (by priority axis, investment priority); applies also to technical assistance priority axes

	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE										Observations (if necessary)	
					2014	15	16	17	18	19	20	21	22	23		
Selected operations [forecast provided by beneficiaries]	OI11	SMEs involved in cooperation projects (action 1, 2)	Number	100	0	0	0									By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.	
Selected operations [forecast provided by beneficiaries]	OI12	Intermediate organisations involved in cooperation projects (action 3)	Number	8	0	0	0									By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.	
Selected operations [forecast provided by beneficiaries]	OI21	Jointly developed strategies and action	Number	5	0	0	0									By 2016 no projects contracted yet.





	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE									Observations (if necessary)	
					2014	15	16	17	18	19	20	21	22		23
Fully implemented operations [actual achievement]		plans and capacity building measures (action 1)			0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI22	Jointly developed investments at cultural and natural heritage sites (action 1,2)	Number	5	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI23	Common offers (action 2,3)	Number	3	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	CO23	Nature and biodiversity: Surface area of habitats supported to attain a better conservation status (action 2)	Hectares	100 000	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI24	Jointly developed protection and management plans (action 1)	Number	2	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI25	Protection measures (including investments) (action 2)	Number	15	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI26	Joint re-search projects (action 3)	Number	3	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.





	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE										Observations (if necessary)
					2014	15	16	17	18	19	20	21	22	23	
Selected operations [forecast provided by beneficiaries]	OI27	Participants in joint training schemes and awareness raising programmes (action 4)	Number	200	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	CO42	Productive investment: Number of research institutions participating in cross-border, transnational or interregional research projects	Organisations	5	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI28	Jointly developed pilots and infrastructures	Number	2	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI29	Measures securing or improving the status of water bodies in qualitative and	Number	5	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	CO12	Railway: Total length of reconstructed or upgraded railway line (action 2,3)	km	10	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	CO13	Roads: Total length of newly built roads (action 1)	km	8	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.





	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE										Observations (if necessary)
					2014	15	16	17	18	19	20	21	22	23	
Selected operations [forecast provided by beneficiaries]	CO14	Roads: Total length of reconstructed or upgraded roads (action 2)	km	10	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI31	Pre-investment studies	number	2	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI32	Jointly developed strategies, transport concepts and actions (action 1,2,3,4,5)	Number	12	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI33	Joint schemes for promoting environmentally friendly transport (action 6,7)	Number	4	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	CO46	Labour market and training: Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders (action 5 and 6)	Persons	200	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI41	Actors involved in cross-border	Number	250	0	0	0								By 2016 no projects contracted yet.



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	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE									Observations (if necessary)	
					2014	15	16	17	18	19	20	21	22		23
Fully implemented operations [actual achievement]		cooperation (action 1,2,3,4,5)			0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI42	Joint cross-border cultural, educational, recreational and other type of community events and actions ("people to people") (action 4)	Number	25	0	0	0								By 2016 no projects contracted yet.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no operations finalised yet.
Selected operations [forecast provided by beneficiaries]	OI51	Number of employees (FTEs) whose salaries are co-financed by TA	Number	16.5	0	16.5	16.5								Forecast value.
Fully implemented operations [actual achievement]					0	0.2	10.3								Based on regional inputs to the AIR (TA reports about 2016 not available yet)
Selected operations [forecast provided by beneficiaries]	OI52	Network of regional coordinators established	Number	1	0	1	1								Forecast value.
Fully implemented operations [actual achievement]					0	0	1								RC Network effectively established at its first meeting on 5.4.2016
Selected operations [forecast provided by beneficiaries]	OI53	Projects	Number	80	0	80	80								Forecast value.
Fully implemented operations [actual achievement]					0	0	0								By 2016 no projects contracted yet.
Selected operations [forecast provided by beneficiaries]	OI54	e-Monitoring System established	Number	1	0	1	1								Forecast value.
Fully implemented operations [actual achievement]					0	1	1								eMS effectively functioning since call opening in December 2015.
Selected operations [forecast provided by beneficiaries]	OI55	Network of financial controllers	Number	1	0	1	1								Forecast value.





	ID	Indicator (name of indicator)	Measurement Unit	Target Value (2023)	CUMULATIVE VALUE									Observations (if necessary)	
					2014	15	16	17	18	19	20	21	22		23
Fully implemented operations [actual achievement]		established			0	0	0								By 2016 no AT-HU FLC network meeting has taken place yet.
Selected operations [forecast provided by beneficiaries]	OI56	Programme evaluation plan prepared and approved by MC	Number	1	0	1	1								Forecast value.
Fully implemented operations [actual achievement]					0	0	1								Evaluation plan approved in MC03.
Selected operations [forecast provided by beneficiaries]	OI57	Programme communication plan prepared and approved by MC	Number	1	0	1	1								Forecast value.
Fully implemented operations [actual achievement]					0	0	1								Programme communication strategy approved in written procedure 2. The annual comm. plan 2017 was brought to the MC03.
Selected operations [forecast provided by beneficiaries]	OI58	Guiding documents addressed to applicants and beneficiaries	Number	3	0	3	3								Forecast value.
Fully implemented operations [actual achievement]					0	2	2								Application handbook and Eligibility Handbook available. By 2016 Implementation Handbook still in development.
Selected operations [forecast provided by beneficiaries]	OI59	Information, consultation and training measures for applicants and beneficiaries	Number	16	0	16	16								Forecast value.
Fully implemented operations [actual achievement]					0	0	1								Instead of LP seminars one round of contract preparation meetings was held for projects approved in the first selection round.





3.3 Milestones and targets defined in the performance framework

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	15	16	17	18	19	20	21	22	23	Observations (if necessary)	
1	financial	FI01	Total amount of eligible expenditure for priority axis 1	Euro	2 429 177	8 211 000	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted yet, therefore no expenditure reported.
1	output	OI11	SMEs involved in cooperation projects	Number	25	100	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.
2	financial	FI02	Total amount of eligible expenditure for priority axis 2	Euro	4 347 567	29 049 000	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted yet, therefore no expenditure reported.
2	output	OI22	Jointly developed investments at cultural and natural heritage sites	Number	1	5	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.
2	output	CO23	Nature and biodiversity: Surface area of habitats supported to attain a better conservation status	Hectares	20 000	100 000	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.





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	15	16	17	18	19	20	21	22	23	Observations (if necessary)	
2	output	OI29	Measures securing or improving the status of water bodies in qualitative and quantitative terms	Number	1	5	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.
3	financial	FI03	Total amount of eligible expenditure for priority axis 3	Euro	2 030 877	27 585 000	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted yet, therefore no expenditure reported.
3	output	CO12	Railway: Total length of reconstructed or up-graded railway line	Km	2	10	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.
3	output	OI32	Jointly developed strategies, transport concepts and actions	Number	4	12	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.
4	financial	FI04	Total amount of eligible expenditure for priority axis 4	Euro	3 255 548	22 351 480	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted yet, therefore no expenditure reported.
4	output	OI41	Actors involved in cross-border cooperation	Number	50	250	0	0	0	0	0	0	0	0	0	0	0	By 2016 no projects contracted or finalised yet.

* 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

Table 4: Financial information at priority axis and programme level

1	2	3	4	5	6	7	8	9	10	11
The financial allocation of the priority axis based on the operational programme [extracted from Table 18a of the operational programme]					Cumulative data on the financial progress of the operational programme					
Priority axis	Fund ¹	Basis for the calculation of Union support* (Total eligible cost or public eligible cost)	Total funding (EUR)	Co-financing rate (%)	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) [column 6 / column 4 × 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 9 / column 4 × 100]	Number of operations selected
						<i>Calculation</i>			<i>Calculation</i>	
Priority axis 1	ERDF	total eligible	8 211 000	85.00%	0	0	0	0	0	0
Priority axis 2	ERDF	total eligible	29 049 000	85.00%	0	0	0	0	0	0
Priority axis 3	ERDF	total eligible	27 585 000	85.00%	0	0	0	0	0	0
Priority axis 4	ERDF	total eligible	22 351 480	85.00%	0	0	0	0	0	0
Priority axis 5	ERDF	total eligible	8 673 847	54.54%	8 673 847	100%	8 673 847	0	0	4
Total	ERDF		95 870 327	82.24%	8 673 847	9,05%	8 673 847	0	0	4
Grand Total	All Funds		95 870 327	82.24%	8 673 847	9,05%	8 673 847	0	0	4

¹ In case the YEI is programmed as part of a priority axis (in accordance with point (c) of the second subparagraph of Article 18 of Regulation (EU) No 1304/2013), the information has to be provided separately from the other part of the priority axis.



Table 5: Breakdown of the cumulative financial data by category of intervention

Priority axis	Fund(*)	Categorisation dimensions								Financial data			
		1 Intervention field	2 Form of finance	3 Territorial dimension	4 Territorial delivery mechanism	5 Thematic objective dimension ERDF/Cohesion Fund	6 ESF secondary theme	7 Economic dimension	8 Location dimension	Total eligible cost of operations selected for support (EUR)	Public eligible cost of operations selected for support (EUR)	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected
1	ERDF	0	0	0	0	0	0	0	0	0	0	0	0
2	ERDF	0	0	0	0	0	0	0	0	0	0	0	0
3	ERDF	0	0	0	0	0	0	0	0	0	0	0	0
4	ERDF	0	0	0	0	0	0	0	0	0	0	0	0
5	ERDF	121	01	07	07	0	0	0	0	7 938 932	7 938 932	0	2
5	ERDF	122	01	07	07	0	0	0	0	148 480	148 480	0	1
5	ERDF	123	01	07	07	0	0	0	0	586 435	586 435	0	1

* Data for the YEI shall be presented separately without splitting the YEI specific allocation and the matching ESF support.

Table 6: Cumulative cost of all or part of an operation implemented outside the Union part of the programme area

1 Operations	2 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)	3 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)	4 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)	5 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⁾	0	0	0	0

(*) ERDF support is fixed in the Commission decision on the respective cooperation programme.

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





4 SYNTHESIS OF THE EVALUATIONS

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.

In accordance with the Evaluation Plan the first evaluations are foreseen in 2018, therefore no evaluation has been done yet. See more in section 10.1.

5 ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN

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

In the past decades the EU funded cooperation programmes between Austria and Hungary have always contributed to a learning process for mutual understanding, common identification of challenges and finding common solutions. Although developments in the general political environment do not have a direct influence on the implementation of the programme, the need for cooperation over the border must be stressed. Operations funded by the programme are going to open new ways to each other in every sense of the word. While recently reintroduced border controls may slow down traffic at some border stations, the participating regions in the programme are devoted to open new transport connections.

For the reduction of the administrative burden on beneficiaries the programme applies harmonised document structures within eMS, reducing also the need for paper documents to the possible minimum. Programme bodies are devoted to continuously develop eMS together with Interact and provide technical support to users whenever needed.

The eligibility rules of the programme have opened the possibility to use simplified cost options (lump sum financing of preparation costs, flat rate for office and administration and for staff, as well as other standardised staff cost methodologies).

The programme webpage is also open for project-subpages that increase the visibility of the supported operations.

Contrary to the efforts towards simplification, the new intervention logic, and the role and interpretation of the output indicators are often difficult for the applicants to understand. Also the project holders' and the programme's interpretation of the indicators sometimes deviate from each other, and in certain cases contributions to programme indicators are overestimated. In order to support applicants, in 2016 the programme started to develop a detailed Guide on Indicators, which was finally published in early 2017. During contract preparation meetings with lead beneficiaries of selected applications, the projects' output indicators have been revised in line with the draft Guide. Based on the planned main outputs of the selected projects, including also revisions in the contracting phase, the high fulfil-





ment of programme output indicators will be ensured.

The contracting of selected projects was delayed in 2016 due to the missing ERDF contract template. Besides known capacity issues, the development of the template was hindered by the difficulties related to the elaboration of a complicated legal text in German and Hungarian language, while the strongly related partnership agreement also had to be developed. Their approval in mid-December 2016 opened the possibility to sign partnership agreements that was a prerequisite for ERDF contracting, and enabled to start the technical implementation of the ERDF template in the eMS.

Capacity issues at the JS included new staff (in 2016 yet unexperienced) and also one new colleague's unexpected leaving. Replacement staff was selected in December 2016. For closure related tasks additional part time staff was employed to support the JS's work.

At the end of 2016 the designation procedure was still in preparation. Until the end of first quarter 2017 partly due to the concentration on the closure of the 2007-2013 programme, only very limited capacities were available for the designation. The closure, being a complicated and highly work-intensive process, primarily as far as it concerns the closure of the second level controls, bound a large proportion of MA's and JS's resources. Parallel, in the startup phase of the new programme the preparation and/or update of important programme documents like contract template, eligibility rules, etc. also required considerable forces in the programme management. The circle of documents that have been elaborated as well as the efforts to refine them according to the needs of the project holders, incorporating available experiences, however, will contribute to the efficient implementation of the designation procedure in 2017. Beside the scarce capacities of the MA and JS it is also expected that the Audit Authority (AA) would need several months for the designation audit. Based on all the factors described above substantial delays are expected in the designation, especially in view of the increased requirements.

In order to be able to devote more time and capacity to designation, MC03 (December 2016) has decided that in 2017 applications that are submitted until 22nd May 2017 will be proposed for decision to the MC only in its October meeting –no decisions in the first half of the year. With this less pressure is expected due to project evaluations, contracting, and the startup of new projects, including less pressure in terms of ERDF payments from the programme to the beneficiaries. As designation is a precondition for the Programme to submit applications for payment to the European Commission, the programme management takes it in 2017 as top priority, devoting all available capacities to the description of the management and control system.

Considering all these factors it is assumed that the Audit Authority may not finish the designation process before Q1 or Q2 in 2018.

Based on the official Commission's observations the Managing Authority completes the above information about designation with the following information as of end of October 2017:

- The actions undertaken by the MA in the first-half of 2017 in the preparation of the designation process (as described above in this chapter) en-





abled the MA to devote all available resources to the elaboration of the description of management and control systems. In line with the initial plan communicated to the EC in summer, the MA was able to submit the DMCS in a full version on 14 September 2017.

- At the moment, the Audit Authority is carrying out the check of completeness. After the check of completeness, the designation audit will most probably be externalised by the Audit Authority.
- Regarding the timeplan it can be stated that the DMCS, as already mentioned, has been submitted to the independent audit body in mid September. Due to the externalisation of the designation audit and the current situation in the Audit Authority (new head to be appointed) an estimation regarding the finalisation of the designation procedure is challenging. After consultation with the Audit Authority, it is assumed that a notification of the designation to the EC can only take place in the first or second quarter 2018.

(b) OPTIONAL FOR LIGHT REPORTS

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

See Chapter 9.

6 CITIZEN'S SUMMARY

To be published as a separate file:

The EU-funded Interreg V-A programme supports cross-border cooperation projects in the border region Austria - Hungary. The main objective of the programme is to intensify cross-border contacts in the areas of economy, social affairs, culture and ecology, in order to strengthen the regional competitiveness and diminish regional disparities.

In the framework of the annual reporting to the European Commission (EC), the current report gives an overview to the broader public about the implementation of the programme in the year 2016.

EU funded cross-border cooperation programmes –with a long history including Phare CBC, Interreg IIA, Interreg IIIA and ETC programmes, and now Interreg V-A- have been present in the border region for already about two decades.

The call in the current programme was opened on 16 December 2015 for the four thematic priorities. These are:

1. Enhancing the competitiveness of SMEs
2. Protecting the environment and promoting resource efficiency
3. Promoting sustainable transport and removing bottlenecks in key network infrastructures
4. Enhancing institutional capacity and an efficient public administration

At call opening applicants were provided with an on-line available application handbook including its annexes (guide to fill in the AF, annexes to the application, AF template, checklist of annexes, selection criteria) and the eligibility handbook. In order to reflect





the experiences gained in the two submission rounds during 2016 and to fulfil the needs of project holders, clarifications and updates of these documents are continuously made available. While the main rules are already fixed in the basic documents, the programme bodies are also devoted to elaborate new supporting materials, such as guides on indicators, communication and reporting.

In order to meet the requirements of the EC for e-cohesion, as well as to provide more harmonised and transparent solutions in the application and project implementation procedures, the programme applies eMS (electronic Monitoring System), an Interact initiative widely used by many Interreg programmes throughout Europe. eMS provides convenient on-line editing platform for all applicants, with parallel access to project partners, a user interface and a structure that is known for many project holders who have projects in other Interreg programmes. Programme bodies are devoted to continuously develop eMS together with Interact and provide technical support to users whenever needed.

The continuous call in the programme means that applications can be submitted at any time, but in order to be considered for decision in a certain MC meeting project proposals have to be submitted on time in order to be assessed – as a general rule 70 days before the meeting at noon, at the latest.

In the two submission rounds altogether 43 applications were submitted, and 23 of them were selected for funding. As a result of these decisions, up to 42M Euros of European funding will be invested in new Austrian-Hungarian initiatives, and the percentage of the EFRD budget already affected for the current programming period to cross-border projects has reached 57%.

Lead beneficiaries of selected projects have received in-depth consultation in the course of contract preparation in order to get prepared for the administrative requirements and to be able to comply with the requirements of the result orientation approach. Based on a common understanding in the interpretation of indicators on expected outputs and results it is ensured that the benefits produced by the selected projects for the whole programme region will be in line with the programme targets. As the eligibility period for the expenditure related to the selected projects can start before contract signature, several projects have already started practical implementation, although ERDF contracting has not started until the end of 2016.

7 REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS

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 applicable for the programme.





8 WHERE APPROPRIATE, PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS

8.1 Major projects

Not applicable for the programme.

Table 7: Major projects

Project	CCI	Status of MP 1.completed 2.approved 3.submitted 4.planned for notification/ submission to Commission	Total investments	Total eligible costs	Planned notification/submission date (if applicable) (year, quarter)	Date of tacit agreement/ approval by Commission (if applicable)	Planned start of implementation (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 applicable for the programme.

Any change planned in the list of major projects in the cooperation programme

Not applicable for the programme.





8.2 Joint action plans

Progress in the implementation of different stages of joint action plans

Not applicable for the programme.

Table 8: Joint action plans

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

Significant problems encountered and measures taken to overcome them

Not applicable for the programme.



9 ASSESSMENT OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME

9.1 Information in Part A and achieving the objectives of the programme

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

Priority Axis 1: Enhancing the competitiveness of SMEs

More than half of the available ERDF resources are bound to approved projects. The selected operations will contribute to the competitiveness of the regional enterprises: specific focus is laid by one of them on one of the leading branches in the region, wood industry, and equality also receives specific attention in encouraging female entrepreneurship and women in traditionally male jobs.

Outputs foreseen by these projects (although some of them being revised as part of the contract preparation) will definitely ensure the fulfilment of the output targets of the priority.

Due to methodological changes at Statistik Austria the set of data that was taken for the establishment of the baseline for RI11 (survival rate of enterprises), is discontinued. In fact as it has turned out, the basis year 2012 was the last when data were produced according to the old methodology. Although data according to the new methodology is available in Austria retrospective about enterprise births in 2009 and their survival in 2012, these pieces of data are published by Statistik Austria only on NUTS2 level. Apart from the renewed methodology, NUTS2 data are not comparable with the baseline that was calculated in a more precise manner on NUTS3 basis. Further corrections to the set of data are expected according to the information received from Statistik Austria that makes the data source unreliable from the ATHU Programme's perspective.

Due to all these factors it is not possible to keep the baseline set in the Cooperation Programme, independent of the correction to the clerical error that was discovered in previous year's annual implementation report.

In order to get more stable statistics from one single source, NUTS3 data about enterprise birth and their 3 year survival will be taken from Eurostat. According to this the baseline will be 66.27% (total number of enterprises in all NUTS3 regions of the programme area that survived in 2012 after 3 years, divided by the total number of enterprise births in 2009 in all NUTS3 regions of the programme area).

Although generally a sharp decline is experienced in the survival rate of regional enterprises in all NUTS3 regions (3 year survival rate decreases the least sharp in the Western Transdanubian Region!), the selected projects will play an essential role to counter-balance those negative impacts. Due to the decreasing tendency in 3 year survival rates the original target of 62% should be kept.





A CP modification related to the described situation with the set of data for RI11 is in preparation.

Priority Axis 2: Protecting the environment and promoting resource efficiency

More than two third of the available ERDF resources are bound to approved projects. The selected operations will contribute to topics like sustainable tourism, including the development of the national- and nature parks' offer, the protection of local species, and in various ways to the protection and management of the water bodies.

Outputs foreseen by these projects (although some of them being revised as part of the contract preparation) will definitely ensure the fulfilment of most output targets of the priority. Although CO42 have not been selected by the approved projects, two of them will make contributions in this field, and the indicator will be already included in the AF until contracting. In order to fulfil all output targets, the MC must still select projects that would contribute to OI28.

In terms of result indicators a slowly increasing tendency is visible in overnight stays (RI21). In SO21 the MC has selected projects, the intervention logic of which ensures effective contribution to this trend. Indicators RI22 and RI23 will be reported first in the next annual implementation report, but selected projects already ensure a positive contribution to these. Among others, projects that have OI24 (jointly develop protection and management plans) and CO23 (Surface area of habitats supported to attain a better conservation status) among their targets are expected to contribute to RI22 (conservation degree of habitats in Nature 2000 sites). Projects in SO23 deliver contribution to RI23 (Chemical and ecological condition of border water bodies classified as "good" and "very good").

Priority Axis 3: Promoting sustainable transport and removing bottlenecks in key network infrastructures

More than half of the available ERDF resources are bound to approved projects. The selected operations will contribute to development of the rail infrastructure across the border, and the enhancement of sustainable mobility in general.

Outputs foreseen by these projects (although some of them being revised as part of the contract preparation) will definitely ensure the fulfilment of the output targets in their respective topics. As road infrastructure projects are expected in 2017, the respective indicators CO13 and CO14 will receive contribution from supported operations later.

In terms of result indicators (RI32: Intermodal public transport nodes) reporting is foreseen first time in 2018.

Priority Axis 4: Enhancing institutional capacity and an efficient public administration

The highest number of selected projects (10) is linked to this priority. More than half of the available ERDF resources are bound to approved projects. The selected operations will contribute to improved cooperation between labour market organisations, public bodies in the topics like renewable resources, health and elderly care. Several education projects contribute to provide up-to-date knowledge in various age groups and a variety of topics.





Outputs foreseen by these projects (although some of them being revised as part of the contract preparation) will definitely ensure the fulfilment of the output targets in the priority.

In terms of result indicators, report about RI41 (Level of cooperation quality in the border region) is foreseen first in 2018. No contracted projects are available yet to count RI42 (Institutions involved in cross-border education schemes), therefore reporting will be possible also in 2018.

Priority Axis 5: Technical support to the programme implementation

The available ERDF resources are fully bound to TA projects approved by the MC in a written procedure following the 1st MC (3 regional TA projects and the Core TA project including costs for the MA, JS, CA and AA). The selected operations ensure the financing of the core programme institutions as well as some regional coordination and control bodies in Burgenland, Styria and West-Transdanubia. Regional coordination and control bodies in Vienna and Lower Austria are financed of purely national resources.

Output indicators for the technical assistance priority were planned in line with the expected outputs of these TA projects (and of the other regional institutions with national financing). Therefore, output indicators for the selected operations are reported as fulfilled. Several other outputs of the TA priority are already available, as the basic structures for the implementation of the programme were set up.

For the priority axis 5 there are no result indicators specified in the Cooperation Programme.

For more details of the work done in the frame of the TA projects, problems and solutions found, see also other parts of the annual implementation report, especially section 5.

9.2 Specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations

An assessment of the implementation of specific actions to take into account the principles set out in Article 7 of Regulation (EU) No 1303/2013 on promotion of equality between men and women and non-discrimination, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of specific actions taken to promote equality between men and women and to promote non-discrimination, including accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations

Applicants mark in the eMS application form the contribution of their projects to the horizontal principles equal opportunity and non-discrimination as well as to equality between men and women on a scale of negative-neutral-positive. This section of the AF includes also a description where they write how the contribution is delivered (where





applicable) or give a justification if there is no contribution. The relevant section of the application is subject to evaluation in the quality assessment. Projects that declare a justified positive contribution to one or more of the horizontal principles (incl. also sustainable development) get a higher score. If a positive contribution is not available or the given justification is not founded, a lower score is given. A negative contribution to any of the horizontal principles would result in giving 0 points to this assessment criterion. According to the general rule for evaluation criteria with 0 points this is a strong signal to the MC, meaning that there are serious problems with the project. The MC is expected to discuss criteria where 0 points are given, and approval may be only possible, if a sufficient answer can be given to the problem (either in the MC, in the form of a condition or in a resubmitted application).

Although there is no specific priority or specific objective in the programme that would directly target equality between men and women or non-discrimination, several priorities include projects that have such targets. Two selected labour market related projects in the first priority axis are targeted at women on the labour market (femcoop PLUS, WomEntEmpo) Although the partnership broke in the latter one in 2017, the regions are devoted to the topic and support the reintroduction of a new project with similar targets, as far as a new stable and competent partnership can be set up. A natural heritage related project has an element that improves accessibility to nature park infrastructure for persons with disabilities (PaNaNet+), and another project in the priority axis four is targeted at elderly care (Age-friendly Region).

9.3 Sustainable development

An assessment of the implementation of actions to take into account the principles set out in Article 8 of Regulation (EU) No 1303/2013 on sustainable development, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of the actions taken to promote sustainable development in accordance with that Article

Applicants mark in the eMS application form the contribution of their projects to the horizontal principle sustainable development. This section of the AF includes also a description where they write how the contribution is delivered (where applicable) or give a justification if there is no contribution. The relevant section of the application is subject to evaluation in the quality assessment. Projects that declare a justified positive contribution to one or more of the horizontal principles (incl. also equality between men and women and non-discrimination) get a higher score. If a positive contribution is not available or the given justification is not founded, a lower score is given. A negative contribution to any of the horizontal principles would result in giving 0 points to this assessment criterion. According to the general rule for evaluation criteria with 0 points this is a strong signal to the MC, meaning that there are serious problems with the project. The MC is expected to discuss criteria where 0 points are given, and approval may be only possible, if a sufficient answer can be given to the problem (either in the MC, in the form of a condition or in a resubmitted application).

The relevant line ministries for environmental issues from both Austria and Hungary are represented in the MC as voting members, and ensure that the sustainable development goals are pursued in the implementation of each priority.





The priority axis 2 is specifically devoted to sustainable development related issues, like (1) the protection, promotion and development of natural (and cultural) heritage, (2) improving the ecological stability and resilience of landscape and ecosystems, (3) and improving the management and protection of water bodies. A large number of projects have been already selected in this priority, which are going to contribute to the fulfilment of the output and result indicators of the programme (alpannonia plus, PaNaNet+, Vogelwarte Madárvárta 2, REBEN, SEDDON II, Raab Flood 4cast, PLATFORM). Besides, selected transport related projects in the third priority axis also contribute to the sustainability objectives by promoting green transport alternatives (rail, bicycle, multimodal transport) (CrossBorder Rail, SMART-Pannonia). Also some projects in the fourth priority axis support institutional capacities and education in topics related to sustainable development (Ökoachse, Joint Ambrosia Action, REBE II, CEPI).

9.4 Reporting on support used for climate change objectives

Figures calculated automatically by the SFC2014 based on categorisation data.

Optional: clarification on the given values

A contribution to the climate change objectives is foreseen according to the CP by operations financed in the priority axes 2 and 3. As by 2016 projects are approved, but not contracted yet, consequently no projects reports are available, the programme cannot report about support used for the climate change objectives yet.

9.5 Role of partners in the implementation of the cooperation programme

Assessment of the implementation of actions to take into account the role of partners referred to in Article 5 of Regulation (EU) No 1303/2013, including involvement of the partners in the implementation, monitoring and evaluation of the cooperation programme

The partnership principle is respected in the composition of the MC, as laid down in the Cooperation Programme, in accordance with the provision of Article 5 and 48 of the Common Provisions Regulation. Line ministries representing the thematic fields in the programme and regional and local bodies act in the MC as voting members. Competent urban and other public authorities, economic and social partners and relevant bodies representing civil society are invited and take part in the MC as advisory members. As decisions in the MC are always made on a consensus-basis, advisory members have the possibility to express their views and contribute to the development of the programme rules and documents even though they do not have explicit voting rights. Similarly their interests and views can be expressed in the MC regarding project selection. Some line ministries and the Danube Region Strategy Coordination from both member states are invited to the MC as experts, if their respective topic is on the agenda.

As the potential circle of applicants and the circle of institutions that are able contribute with their expertise to the implementation of the partnership principle in the MC are limited in the programme region, overlaps in these circles and therefore conflict of interests may occur. In such cases the MC member(s) concerned leave(s) the room. Further contribution of partners, identified by Article 5 to the operation of the MC or in other forms





to the implementation of the programme have not been recorded.

A further involvement of the wider public could have been ensured by the foreseen annual event, but this had to be postponed, as it is written in the section 10.2.

The thematic focus of the programme includes new elements in the first priority axis that concentrate more specifically on topics of economic development and innovation, therefore a new circle of potential applicants is targeted. According to the special criteria and principles for the selection of applications in PA4 (TO11) involvement of partners new to the programme is considered as an advantage. This aspect is part of the project assessment – although no specific score is allocated to it, because specific criteria are not comparable across the priorities. New applicants are welcome also in other priorities. Information about the programme has been available on the programme website (until the new website went online, on the website of the old programme) for all potential stakeholders and possible new applicants. In 2016 over 100 consultations with applicants (see communication indicators in section 10.2) took place with the involvement of Regional Coordinators and the Joint Secretariat in order to support the involvement of (new) applicants in the programme.

10 OBLIGATORY INFORMATION AND ASSESSMENT ACCORDING TO ARTICLE 14(4)

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

The evaluation plan has been approved by the MC at its meeting on 14-15th December 2016. According to the time plan the first evaluations are foreseen in early 2018. These evaluations are going to focus on the communication strategy and the efficiency of the programme's structures and processes. The evaluation related to the communication strategy focuses on the general question whether and in how far the communication objectives have been achieved and to what extent the different communication activities and tools have been contributing to those objectives. The evaluation of the operational efficiency of the Cooperation Programme is focusing on the assessment whether the programme structure and its processes are functioning appropriately and if the inputs made are in proportion to the actual outputs.

Subsequent evaluations (late 2018, early 2019) will focus on the efficiency, effectiveness and impact of the programme.

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

The communication strategy of the programme defines two main communication objectives. The measures implemented accordingly are described in the sections below.





Communication Objective 1: to ensure the quality of cross-border cooperation projects and its strong impact on the programme area

1.1 Consultation with potential applicants

The first submission deadline was 9th March, 2016. Following this, 25 applications were submitted and presented to the Monitoring Committee for decision, of which 12 have been approved. The second submission was on 20th September, 2016, when 27 applications were submitted, of which 19 are ready to be presented to the Monitoring Committee.

Due to this intensive project development and evaluation work, Regional Coordinators as well as JS and MA had continuous tasks with consulting and communicating with applicant and beneficiaries.

1.2 Assisting applicants in eMS-related questions

The monitoring system 'eMS' tailored for the programme has been launched already in 2015. In 2016 it needed further adaptations and Joint Secretariat, Managing Authority as well as Regional Coordinators made efforts to continuously consult with applicants and to assist them in filling in and submitting Application Form and well as to overcome technical difficulties.

1.3 Consultation with beneficiaries and project training for approved projects

After the first decision round of the Monitoring Committee, an intensive communication work has been started with the 12 approved projects. This included phone conversations and e-mail discussions as well as personal meeting and project training that provided room for a detailed and in-depth discussion about projects, including communicating importance of the result-orientation approach as well as consulting about project logo and website, discussing communication and dissemination related tasks and responsibilities.

1.4 Programme and project logos

The programme logo was designed already in 2015. The programme offered beneficiaries to decide if they wish to use a project logo that is based on the programme logo and meets all formal requirements. Applying the project logo provided by the programme helps achieve better visibility and easier identification of projects supported by the programme and co-financed by the European Union.

Noted as a big success, most projects have already chosen the logo provided by the programme.

1.5 Website

In relation to specific communication tasks, special efforts were made to develop the programme website, including sub-sites for the projects approved by the programme. Here the projects can provide specific information, publish materials and disseminate results.

Such programme website requires lots of attention, consultations with external IT experts as well as finding good practices that best meet projects requirements and respon-





sibilities for their communication and dissemination work.

Due to the extensive efforts throughout the year, the website, including projects' sub-sites, has been launched in December, 2016.

Despite the first positive impression, the work with the creative agency was very challenging. It was possible to put the website online only thanks to major efforts done by Managing Authority. The content management system lacks user-friendliness and some crucial features do not function properly yet, design was to a great extent made by MA. Therefore, still lots of efforts need to be put on the website in 2017 to make it usable and appropriate for daily work and need of projects and programme.

1.6 Further communication-dissemination activities

Promotion materials have been produced already in 2015; however, the dissemination has been mainly done in 2016. Both internal and external target groups, including members of Monitoring Committee and beneficiaries of approved projects have received pro-motion materials.

A Final Brochure of ETC Cross-border Cooperation Programme Austria-Hungary 2007-13 has been further disseminated to communicate final results and good practices of the funding period 2007-13. The Brochure provides good overview for beneficiaries on what kinds of projects are expected and preferred by the programme. Besides the print version, the brochure is also available on the programme website in pdf format.

Communication Objective 2: to attract wide interest towards the benefits of cross-border cooperation

2.1 Programme kick-off conference

A programme kick-off conference had been planned for 2016 and a special idea has been prepared in order to bring potential applicants, beneficiaries, wider public and programme bodies together on the one hand and to rehabilitate an area on the other hand. The plan was to do a valuable and permanent activity and to use street art as an intermediary to improve a busy urban area and communicate with public.

With using street art the programme not only intends to do publicity, but wants to create value, improve public spaces and thus improve quality of life of the region's inhabitants.

Due to difficulties in finding the most suitable public space, in spite of the enormous preparatory work to gather necessary permissions, the organisation of the kick-off conference was not possible in 2016, but idea has been put off to 2017.

2.2 Project kick-off conferences

11 of 12 projects that have been approved by the Monitoring Committee on 22nd-23rd June 2016, have formally started their activities in 2016 and many organised their kick-off events with success in the period of October-December, 2016.

Joint Secretariat and Managing Authority try to be present at as many project events as possible as this also increases visibility of the programme and enhances cooperation of projects with the programme beyond just formal issues.





Communication indicators 2016

Indicator [Source of data]: Value achieved in 2016

- No. of programme meetings (MC, RC network, FLC network) (Data collected by JS): **11**
- No. of consultations with applicants (RCs and JS) (Data collected by JS): **over 100**
- No. of received applications (eMS): **52**
- % of the approved applications out of all applications submitted (eMS): **50% (to be updated after MC approvals)**
- No. of downloads of programme manuals from the website (Counter on website): **not available**
- No. of participants of MA/JS staff to events/meetings of Interact or other Interreg programmes or other activities focused on exchange of experiences between programmes (Data collected by JS): **5**
- No. of press releases or other media exposures of the projects (Project reporting): **not available - estimation is approximately 10**
- No. of projects active in one or more social media platforms (Data collected by JS, Project reporting): **not available - estimation is approximately 4 (mainly on Facebook pages)**
- No. of visitors to programme website (Counter on website): **not available.**

11 ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME

11.1 Progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the cooperation programme

Not applicable for the programme.

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

Not applicable for the programme.

11.3 Contribution to macro-regional and sea basin strategies (where appropriate)

The programme pays due attention to the European Strategy for the Danube Region (EUSDR) during implementation. Various priority areas of EUSDR are reflected in the thematic objectives of the programme, as laid down in the CP.

Applicants indicate in the eMS application if the project contributes to the EUSDR and describe in what way. The relevant section of the application is subject to evaluation in the quality assessment criteria "The project clearly contributes to a wider strategy on one or more policy levels (EU / national / regional)". Although a contribution by the pro-





ject to the macro-regional strategies is not a requirement (clear correspondence to regional and/or national strategies is sufficient to reach maximum score at this criteria), many projects indicate their contribution to EUSDR.

Besides several projects that are in line with one or the other of the EUSDR priority areas, a specific contribution is expected by the project SEDDON II, an EUSDR Priority Area 7 flagship project DREAM (Danube River Research and Management), which was selected for funding in the first decision round. The contracting of SEDDON II is delayed currently as the overall financing of the project shall be ensured by several programmes, and by 2016 not all decisions were available yet. SEDDON II and 2 further water management related projects in the first decision round (Raab Flood 4cast and Platform) received a letter of recommendation by the Steering Group of the EUSDR Priority Area 5, stating that they contribute to the achievement of the targets and goals of the relevant actions in PA5. All three recommended projects were approved by the MC.

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

The CP states that at priority axis 1 (mainly targeting the research and innovation capacities of SMEs) special attention will be given among others to social innovation. In line with this the MC has selected the projects WomEntEmpo and femcoopPLUS, encouraging female entrepreneurship and women in traditionally male jobs. By 2016 the projects were not contracted yet, therefore a report about specific progress in this field is not available yet.





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