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SLOVENIA – AUSTRIA



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LIST OF ABBREVIATIONS

AA	Audit Authority
AB	Audit Body
BWG	Bilateral Working Group
CA	Certifying Authority
CB	Cross-border
CF	Cohesion Fund
CP	Cooperation Programme
CBC Programme	Cross-border Cooperation Programme
CSF	Common Strategic Framework
CPR	Common Provision Regulation
EC	European Commission
ECP	European Cohesion Policy
EIB	European Investment Bank
EPO	European Patent Office
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI	European Structural and Investment Funds
ETC	European Territorial Cooperation
EUSAIR	EU Strategy for the Adriatic and Ionian Region
EUSDR	EU Strategy for Danube Region
EGN	European Geoparks Network
EUSALP	European Strategy for the Alpine Region
FLC	First Level Control
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GERD	Gross domestic expenditure on R&D
GGN	Global Geoparks Network
GODC	Government Office for Development and European Cohesion Policy
HIT	Harmonized Implementation Tools
ICT	Information and Communication Technology
IP	Investment Priority
JS	Joint Secretariat
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
MS	Member state
NA	National Authority
NGO	Nongovernmental Organization
NUTS	Nomenclature of Territorial Units for Statistics
PA	Partnership Agreement
p.c.	Per capita
RA	Regional Authority
RTDI	Research, Technology, Development and Innovation
R&D	Research and Development
R&I	Research and Innovation
SEA	Strategic Environmental Assessment
SME	Small and Medium-sized Enterprises
SO	Specific Objective
SWOT	Strengths, weakness, opportunities and threats analysis
TA	Technical Assistance
TO	Thematic Objective

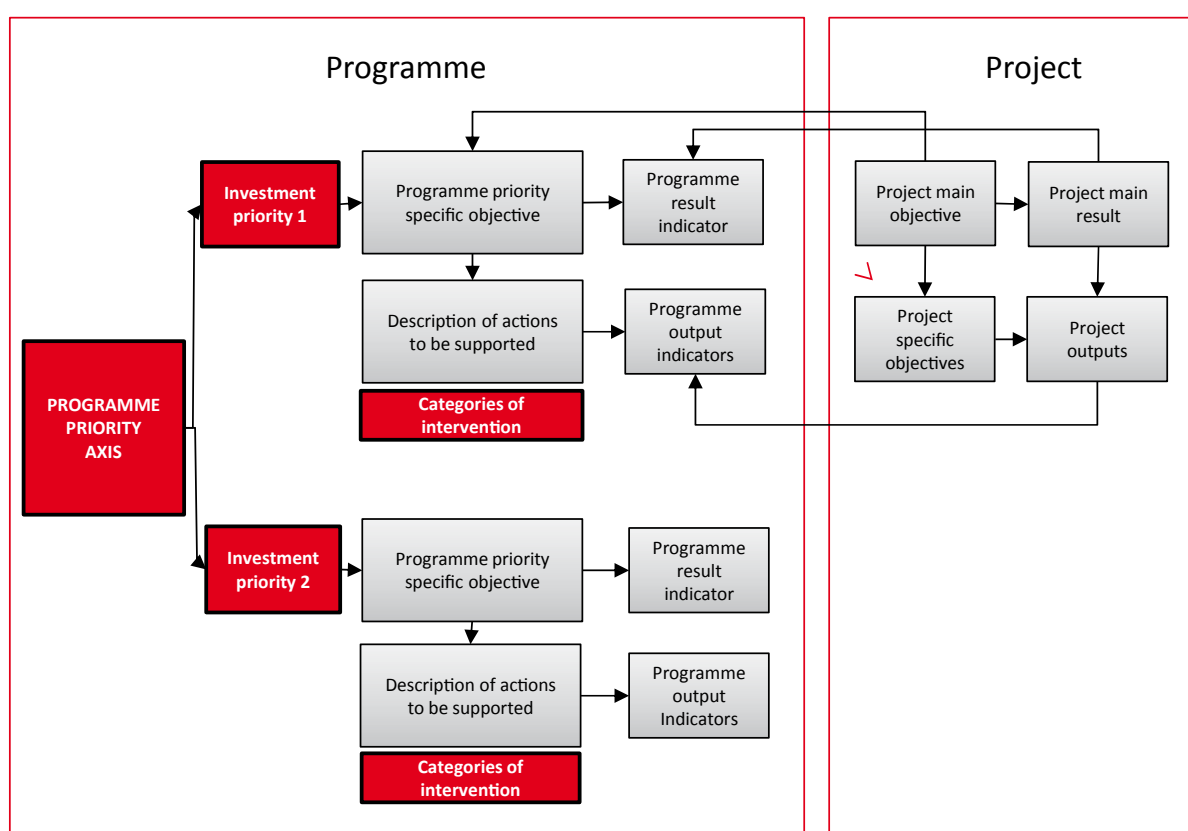
0. INTRODUCTION

0.1 Legal framework

The present Cooperation Programme (CP) Interreg V-A Slovenia-Austria (further in text referred to as “Interreg SI-AT”) is the basis document for the resolutions on regional level as well as for the submission to the European Commission.

It was prepared on the legal basis of common and programme specific regulations (Common Provisions Regulation No 1303/2013, ERDF Regulation No 1301/2013, ETC Regulation No 1299/2013) and in line with the Common Strategic Framework and the Partnership Agreements in Slovenia and Austria. The basic, result oriented intervention logic which has to be followed in the programme is presented in the following illustration.

Figure 1: Programme and project intervention logic



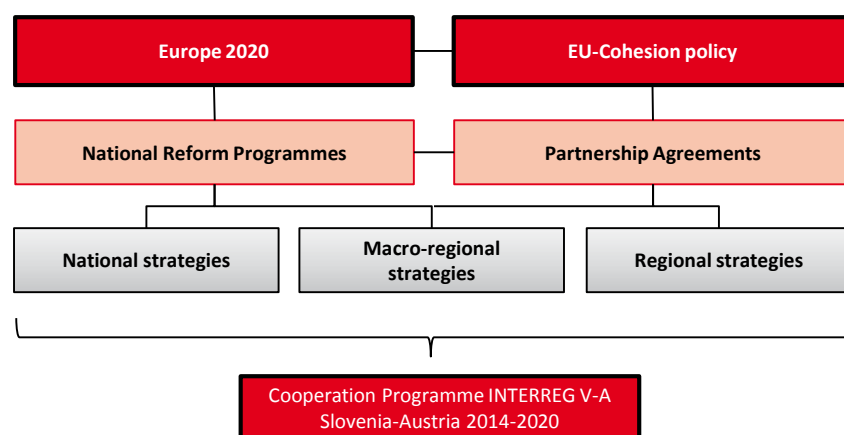
Source: INTERACT 2014.

0.2 Content framework

The conceptual orientation of the CP follows the ambition of European cohesion and the Europe 2020 strategy, with its aims at "smart, sustainable, inclusive growth". The programme further takes into account macro-regional, national and regional strategies.

A detailed overview of the policy framework is given in Figure 2.

Figure 2: Multilevel-Governance: Programme and Policy Framework



As a specific instrument – in the portfolio of European and national instruments available for territorial development – the CP aims at strengthening cooperation structures in selected policy fields linked to Community priorities.

The situation analysis in the CP shows the selected thematic fields which reflect the results of deep analyses in all areas and other inputs gathered through bilateral events (workshops) and different events at national/regional level. These analyses are available in each participating region and have been used to draw a better picture of the situation within the programme area. Furthermore, findings and results were reinforced with current data on NUTS 3 level. However, due to data gaps on NUTS 3 level, NUTS 2 data was used. Additional restrictions appear concerning current data (e.g. with respect to research and development (R&D) data in Austria) while Statistics Austria conducts national statistical surveys covering all Austrian R&D performing institutions only every two years. The last available data is for the year 2011 which were used as the last common data for both/all countries/regions. Data for 2013 will be available only in autumn 2015.

SECTION 1

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

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

1.1.1 Description of the cooperation programme's strategy

The overall objective of the Cooperation Programme (CP) is to ensure the harmonious development of participating cross-border (CB) regions and to enable all citizens to make the best use of given natural conditions and opportunities, taking into account the specifics of each part of the programme area. Deep analysis showed specific needs in the fields of research, small and medium sized enterprises (SMEs), environment, resource efficiency and public administration. The conceptual orientation of the CP therefore follows also the ambition of the Europe 2020 strategy with its aims at "smart, sustainable and inclusive growth". Common challenges and intervention needs shared by regions in the programme area are taken into account in order to contribute better to social, economic and territorial cohesion. Consequently, to overcome defined challenges and intervention needs, the programme strategy builds on the following thematic objectives (TOs):

- Strengthening research, technological development and innovation (TO 1);
- Preserving and protecting the environment and promoting resource efficiency (TO 6);
- Enhancing institutional capacity of public authorities and stakeholders and efficient public administration (TO 11).

The selected TOs have been translated into three priority axes indicating challenges and intervention needs as identified in the situation analysis.

1.1.1.1 Brief synopsis of the programme area

The programme area covers 8 Slovenian NUTS 3 regions Gorenjska, Koroška, Savinjska, Podravska, Pomurska, Osrednjeslovenska, Goriška and Zasavska and 9 Austrian NUTS 3 regions Oststeiermark, West- and Südsteiermark, Graz, Östliche Obersteiermark, Westliche Obersteiermark, Unterkärnten, Klagenfurt-Villach, Oberkärnten and Südburgenland.

The programme area covers 38,353 km² with a population of 3,467,000.

It is characterised by two cities with agglomerations – i. e. Graz (265,778 inhabitants) and Ljubljana (277,554 - capital city), small and medium sized cities such as Maribor (112,088), Kranj (55,623) and Celje (48,868) in Slovenia, Kapfenberg (21,586) and Leoben (24,345) in Obersteiermark and

Klagenfurt (95,450) and Villach (59,646) in Kärnten¹. These core areas account for the majority of population, representing centres of education, research and knowledge.

Figure 3: The programme area



Socio-economic characteristics of the programme area

It is characterised by persistently strong national and regional disparities. Austria belongs to the richest EU Member states (MS) (with a Gross Domestic Product (GDP) per capita (p.c.) of EUR 37,000 in 2013 and GDP p.c.² as 144 % of the EU average). Also the economic development during the last years was constantly above the EU average. In Slovenia (GDP p.c. EUR 17,100 in 2013³; 67 % of the EU average), the economy was growing constantly since its independence, but the current economic crisis hit Slovenia strongly (the GDP p.c. according to EU average was in 2011 even higher with 70 %)⁴.

¹ STATISTIK AUSTRIA (2013): ÖSTERREICH STÄDTE IN ZAHLEN 2013, Herausgegeben von STATISTIK AUSTRIA und vom ÖSTERREICHISCHEN STÄDTEBUND; Statistical Office of the Republic of Slovenia 2014.

² Eurostat (2014) (nama_gdp_c).

³ Eurostat (2014) (nama_gdp_c).

⁴ Eurostat (2014).

Areas with their agglomerations such as Graz (160 %) and Klagenfurt-Villach (142 %) in 2011 show (high) levels of regional income well above the EU- and regional average. Other Austrian regions such as Oberkärnten (100 %), Unterkärnten (103 %), Östliche Obersteiermark (121 %) and Westliche Obersteiermark (103 %) achieve or exceed the EU average. Osrednjeslovenska region (98 %) performs slightly below the EU average, whereas all other regions in Slovenia remain below the 65 % level of EU average⁵.

The programme area is characterised by modest unemployment rates⁶ in EU terms (EU-28: 10.8 % in 2013) for Austrian regions which show an unemployment rate half the average for the EU-28 (Burgenland 4.0 %, Kärnten 5.3 % and Steiermark 4.0 %) whereas at NUTS 3 level in Slovenia the unemployment rate⁷ was as follows: Gorenjska 9.8 %, Koroška 13.9 %, Savinjska 13.9 %, Podravska 14.7 %, Pomurska 17.8 %, Osrednjeslovenska 11.5 %, Goriška 11.7 % and Zasavska region 16.6 %⁸.

Regarding employment in 2013, rates in some regions remained well below the Europe 2020 headline indicator (at least 75 % of the population aged 20-64 should be employed by 2020). In Austria, Steiermark reached this goal (Steiermark: 75.2 %, Kärnten: 72.9 %, Burgenland: 74.2 %), however the national target for Austria is 77-78 %. The employment rates in Vzhodna Slovenija and Zahodna Slovenija were 65 % and 69.7 % in 2013, decreasing in all the NUTS 3 regions from 2007 to 2013. Especially Zasavska with an employment rate of 54.2 % of the population aged 20-64 in 2013 had a decrease by 19 % from 2007 (Pomurska had an employment rate of 64.6 % and Goriška of 68.9 % with a decrease of 10 %, in all other Slovenian regions, the decrease was lower than 10 % between 2007 and 2013).

A common problem for all regions is the employment rate of elderly people (aged 55-64): the highest employment rates were recorded in Kärnten (43.9 %) and Steiermark (43.2 %) in 2013, the lowest in Vzhodna Slovenija and Zahodna Slovenija (32.4 % and 34.9 %), however all regions show rates below the EU-28 average of 50.1 % in 2013⁹.

Demographic change reflects the EU level trends: while regional areas grow – i.e. especially Graz (6.1 %) and Osrednjeslovenska (7.5 %) as well as Klagenfurt-Villach (1.7 %) and Gorenjska - most rural areas are characterised by decreasing population and emigration (2007-2013: Östliche Obersteiermark -4.0 %, Westliche Obersteiermark -3.6 %, Unterkärnten -3.0 %, Oberkärnten -2.9 %, Zasavska -3.8 %, Pomurska -3.3 %, Koroška region -2.06 %). In others, the number of population varied to a small amount or stagnated¹⁰.

Migration of workers significantly influences the competitiveness of the programme area. As the immigration of highly qualified workers in Austria and Slovenia compared to other countries was

⁵ Eurostat (2014).

⁶ 15 years and over.

⁷ % within the active population in statistical region (Labour force by register).

⁸ Statistical Office of the Republic of Slovenia.

⁹ Eurostat (2014).

¹⁰ Eurostat (2014).

marginal in the last years¹¹, the need to network and transfer knowledge among the actors is getting more and more important.

1.1.1.2 Brief synopsis of the regional analysis to Research and Innovation

Characteristics

Research, Development and Innovation (RDI)¹² policy in Austria was originally under the responsibility of the central government. Nowadays, each federal state has either an own future-, science-, research- or innovation-concept or at least a strategic Research, Technology, Development and Innovation (RTDI) orientation embedded in other strategy documents at federal level (as the Research, Technology and Innovation Strategy of the Austrian Government - The Road to become Innovation Leader and the Strategy 2020 - Research, Technology and Innovation for Austria). Regional RDI policy is more or less innovation oriented¹³.

In Slovenia¹⁴ policy framework for RDI is on national level (main policy documents in Slovenia are the Slovenian Development Strategy, Resolution on Research and Innovation Strategy 2011-2020, Research and Development Act, Slovenian Industrial Policy, National Reform Programme, Regional Development Programme, Slovenian Smart Specialisation Strategy 2014-2020), albeit there are currently several regional R&D agencies, but not policy-setting ones¹⁵.

This particular emphasis on R&D policy in the past decade is also reflected by the level of Gross Domestic Expenditure on R&D (GERD) in % of GDP in 2011: Steiermark (4.6 %) and Kärnten (2.8 %) exceed the Austrian average (2.75 %). From 2000 onwards, the investments in R&D in Slovenia have been increasing; the pace was accelerated after 2007 when there was an average increase from EUR 500.5 million in 2007, to EUR 928 million in 2012¹⁶ (in terms of level of GERD in % of GDP; this means for Gorenjska 3.2 %, Koroška 0.7 %, Savinjska 2 %, Podravska 1.3 %, Pomurska 1.3 %, Osrednjeslovenska 3.4 %, Goriška 3.3 % and Zasavska region 1 % in 2012). R&D intensity levels are very heterogeneous across regions in Slovenia. There are significant differences between eastern and western regions present.

¹¹ Statistik Austria: Außenwanderungsraten nach regionalen Gliederungen
EMN Focussed Study 2013: ATTRACTING HIGHLY QUALIFIED AND QUALIFIED THIRD-COUNTRY NATIONALS.
WIFO 2015: Wirtschaftsstandort Steiermark 2015+

¹² Research, Development and Innovation

¹³ Cuntz, A. (2013). ERAWATCH COUNTRY REPORT 2012: Austria and ERAWATCH Country Reports 2013: Austria; Udovič, B.; Bučar, M. (2014). ERAWATCH COUNTRY REPORT 2012: Slovenia.

¹⁴ For the purposes of cohesion policy, it was agreed that two cohesion regions (Eastern and Western Slovenia) were formed; however Slovenia is considered as a single region at the NUTS 2 level.

¹⁵ They have very differentiated legal status (from public agencies at the level of local community, to public-private partnership or full private ownership) and are primarily involved in providing consultancy services to local entities (SMEs) when applying for Structural Funds or other government subsidies.
http://erawatch.jrc.ec.europa.eu/erawatch/opencms/information/country_pages/si/country?section=RegionalResearchPolicies&subsection=Overview

¹⁶ Data for Austria for the year 2012 is not available. With respect to R&D, Statistics Austria conducts national statistical surveys covering all Austrian R&D performing institutions every two years; data for 2013 will be available in autumn 2015.

This growth of investments in R&D has also been reflected in the human resources in Austria and Slovenia for the period 2007-2011. In 2011, 12,129 full-time equivalents (FTEs) were employed in Steiermark (20 % of all Austrian R&D employees), 3,049 in Kärnten (5 %) which is for a quarter higher than in 2007; Burgenland almost doubled its R&D personnel (from 385 in 2007 to 574 in 2011). So did also Slovenia, with 10,369 (FTEs) in 2007 and 15,269 in 2011 (Pomurska: 136, Podravska: 1,315, Koroška: 160, Savinjska: 1,220, Zasavska: 143, Osrednjeslovenska: 8,719, Gorenjska: 1,213, Goriška region: 737).

In 2010, all regions recorded decrease in the number of patent applications per million inhabitants. However, from 2004 to 2009 they were increasing strongly in the most regions. Graz with 392.7 patent applications to the EPO¹⁷ per million inhabitants, is in a leading position (increase of 24 % in 2004-2009), followed by Klagenfurt-Villach (268.9), which even more than doubled their patent applications in the period under consideration (2004: 127.3). Südburgenland which in 2004 was lagging behind increased its patent applications by 131 % from 2004 to 2009. In Slovenia, Osrednjeslovenska region caught up with Südburgenland (with 106.3 patent applications per million inhabitants in 2009) while other regions such as Pomurska, Podravska, Zasavska, Gorenjska and Goriška were not able to increase patent applications from 2004 to 2009¹⁸.

Challenges and intervention needs

Evidence¹⁹ shows that in general benefits from a good endowment with R&D infrastructures (i.e. universities / universities of applied sciences and Research and Technology Organisations). Most of the regions show also a good endowment with technology and science parks, (technology) business incubators, support organizations (Nongovernmental organization (NGO), government agencies, chamber, etc.)²⁰. This feature is weakened by the fact that R&D capacities are fragmented and thus lack total critical mass in order to become visible on European scale. This is clearly indicated by the heterogeneity of R&D intensity, the number of researchers and the number of patents and differences among the regions. From analyses, different events and from the process of public consultation within the programming process, it may be concluded that the services of technology parks, technology centres and incubators are not very smoothly accessed by the companies and that there are many needs to make these services available to potential users in urban areas and especially in remote areas. Similarly, it may be concluded for the R&D infrastructure and new scientific and technological knowledge that this remains secluded and not available for the users. These supporting institutions

¹⁷ European Patent Office (EPO).

¹⁸ Patent applications to the EPO by priority year and NUTS 3 regions.

¹⁹ Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region, Project RegioLab (REGIONal development LABoratory), within cross-border cooperation Slovenia-Austria 2007-2013.

²⁰ e.g. Technologiepark Klagenfurt, Technologiepark Villach, Lakeside Science & Technology – Park, Technologiezentrum Kapfenberg, AiZ Unternehmerzentrum, Zeltweg, Impulse Center Graz-West, Impulse Center Niklasdorf, Centre for Advanced Technology, Leoben, Impulse Centre for Materials Leoben, Wirtschaftspark Bruck an der Mur, Styrian Business Promotion Agency, Graz, Tehnološki park Ljubljana, Stajerski tehnološki park, Pomurski tehnološki park, Ljubljanski univerzitetni inkubator, BSC Kranj, Pomurski inkubator, SAŠA inkubator, d.o.o., Razvojni center za informacijske in komunikacijske tehnologije, d.o.o., Kranj, IRP, Tovarna podjetij – podjetniški inkubator Univerze v Mariboru, Inkubator Savinjske regije d.o.o., MPIK, Mrežni podjetniški inkubator Koroška - RRA Koroška d.o.o. (SPICA Directory Online; <http://www.spica-directory.net/> and <http://www.podjetniski-portal.si/ustanavljam-podjetje/inovativno-okolje/Evidenca-subjektov-inovativnega-okolja>).

need to form a strong network in order to develop services available for users in the whole programme area. They also need to form lighthouses for the SME's to coordinate and form clusters for new products design. In addition, studies have shown that enterprises often still lack knowledge on suitable R&D collaboration partners on the other side of the border. In the past programming period, successful action has been taken to foster CB cooperation among R&D infrastructures²¹, but this process needs further deepening and widening. A major intervention need of the programme is to contribute to the development of dynamic critical mass of research and innovation (R&I) capacities, to promote technological and non-technological innovation (e.g. design-based innovation, service innovation etc.), to set up and improve a complementary research portfolio and to strengthen the already developed structures for fostering industry-science cooperation.

Existing specialisation patterns as identified in regional strategic documents and the Smart Specialisation strategy should be part of institutional cooperation among R&D-infrastructures in order to intensify research activities and the building-up of know-how what should create spill-over effects for the industry. This intends to contribute to structural improvement at research institutions and innovation intermediaries (technology transfer organisations, technology parks, clusters, etc.) and the visibility as R&I location within Europe.

Clusters and networks of companies have become a common feature²² in the past two decades. Cooperation among them could further help to overcome the problem of lacking the critical mass. Therefore, clustered systems and strategic networking of R&I institutions, companies and platforms, should be fostered further in order to achieve synergies across the border, to broaden the basis of innovating enterprises and to increase R&D investments.

Hence, capacities for R&D and innovation are fragmented and regions show high heterogeneity in R&D intensity. Therefore, there is a strong need for a better collaboration of R&I actors by improved networking and exchange, jointly developed solutions and shared research facilities.

1.1.1.3 Brief synopsis of the regional analysis to Competitiveness and SMEs

Characteristics

SMEs play a crucial role as their number, employment capacity and value added constitute a large share of the programme area's economy. In both countries in 2011, more than 99 % of enterprises were SMEs (0 to 249 employees). SMEs were also employing two thirds of all employees and created two thirds of value added²³.

²¹ Project RegioLab (REGIONal development LABoratory).

²² Slovenia and Styria in particular are hosts to a huge variety of clusters (Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps- Adriatic Region).

²³ http://www.stat.si/novica_prikazi.aspx?id=3578.

Table 1: Distribution of enterprises, employment and value added by size

Distribution of enterprises by size													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	Number	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)
AT	304,242	265,584	87.3	21,294	7.0	11,327	3.7	5,012	1.6	303,217	99.7	1,025	0.3
SI	117,481	110,343	93.9	3,707	3.2	2,032	1.7	1,174	1.0	117,256	99.8	225	0.2
Distribution of employment by size													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	Number in 1,000	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)	Number in 1,000	Share (in %)
AT	2,615	656	25.1	284	10.8	337	12.9	501	19.2	1,778	68.0	837	32.0
SI	585	192	32.8	49	8.4	61	10.4	121	20.6	423	72.3	162	27.7
Distribution of value added by size													
	Total	0 to 9		10 to 19		20 to 49		50 to 249		0 to 249		250+	
	in Mio €	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)	in Mio €	Share (in %)
AT	161,350	30,002	18.6	13,535	8.4	18,998	11.8	36,107	22.4	98,642	61.1	62,707	38.9
SI	17,880	3,747	21.0	1,522	8.5	1,995	11.2	4,005	22.4	11,269	63.0	6,612	37.0

Source: Structural Business Statistics, Eurostat 2014.

In terms of value added, Austrian and Slovenian SMEs are lagging behind larger enterprises. Since 2009 SMEs have been affected by the negative economic outlook and the lack of financial resources more severely than large enterprises and have therefore experienced only limited value added growth. Progress made in the recovery of SME's VA and gain in productivity since 2009, did not immediately generate new employment²⁴. The programme area is characterised by low levels of enterprise births. This problem persists mainly in the Austrian part, at least during 2004 - 2011. Burgenland, Kärnten and Steiermark together had a decrease of birth rates of -17 %. On the contrary, Slovenia increased their enterprise births by 68 %. However, from 2008 - 2010 there was a decrease of -4 % as well. On the regional level, during 2008 - 2010, Osrednjeslovenska had a decrease of -7 %, on contrary Pomurska (+4 %), Koroška, Zasavska and Gorenjska region (+2 %) have increased their birth rates in this period. In all regions more than half of them survive for 3 years but with disparities in regions. The highest three-year survival rates were recorded in 2010 in Kärnten (72.9 %) and Burgenland (72.4 %), followed by Zahodna Slovenija (69.8 %) and Vzhodna Slovenija (69.7 %)²⁵. The lowest rate was reported in

²⁴ EC (2013): A RECOVERY ON THE HORIZON? Final Report. ANNUAL REPORT ON EUROPEAN SMEs 2012/2013 (http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2013/annual-report-smes-2013_en.pdf).

²⁵ Data on three-year survival rates for Slovenia is available only on NUTS 2 level. Thus, for Slovenian NUTS 3 regions also survival rates for five years were used.

Steiermark at 58.2 %²⁶. Having a look to the survival rate for five years, data for Slovenia on NUTS 3 level (for 2012) shows that even they logically decrease over 5 years, enterprises born in 2007 in Slovenia were still most likely to survive up to the fifth year after their birth (Gorenjska 52.4 %, Koroška 58.8 %, Savinjska 56.5 %, Podravska 53.4 %, Pomurska 50.7 %, Osrednjeslovenska 47.7 %, Goriška 46.9 % and Zasavska 52.0 %)²⁷.

SMEs in general are confronted with lack of own financial resources for innovation and difficulty in accessing financing/funding for innovation projects as well as the shortages in managerial skills for innovation, intellectual property and knowledge processes. Other key barriers are limited capabilities of SMEs concerning successful participation in public procurement processes²⁸, public markets, skills and endurance qualities. SMEs are also characterised by lack of internal research and technological capabilities as well as the weaknesses in networking and cooperation with the innovation stakeholders²⁹.

Results of qualitative analyses³⁰ show that SMEs are innovating less than large companies. This is true even for Steiermark which has a good score in terms of activity in private sector industry, or for Slovenia which has a good position in public sector R&D³¹. Even with a strong entrepreneurial culture, SMEs would struggle to perform if basic framework conditions were not present. Framework conditions together with the entrepreneurial culture are the key factors in determining the extent of SME performance and consequently their contribution to macroeconomic growth³².

One of the main objectives of European policies is to encourage innovation in Europe, by providing incentives to stimulate and improve this economic driver³³.

International activities reinforce growth, enhance competitiveness and support the long term sustainability of companies. Especially SMEs have deficit in internationalisation. They depend largely on their domestic markets, despite the opportunities brought by the enlarged single market and globalisation. Studies³⁴ show that international SMEs create more jobs (in the EU-27 in 2010 internationally active SMEs reported an employment growth of 7% versus only 1% for SMEs without any international activities) and are more innovative (in the EU-27 in 2010 26% of internationally active SMEs introduced products or services new for their sector in their country; for other SMEs this

²⁶ Statistik Austria (2013). Statistics on business demography, calculations JR-POLICIES, Slovenian regions in figures 2013, SURS 2013.

²⁷ Statistical Office of the Republic of Slovenia (2014).

²⁸ Given its economic significance, public procurement has the potential to influence the market in terms of production and consumption trends in favour of environmentally friendly, socially responsible and innovative products and services on a large scale (Kahlenborn, W. (2010). Strategic Use of Public Procurement in Europe. Final Report to the EC. MARKT/2010/02/C).

²⁹ EuricoNeves (2013). Innovation capacity of SMEs. Why reinvent the wheel? Capitalising on regional policy achievements in boosting the innovation capacity of SMEs.

³⁰ Conducted within the INTERREG IIIC project CORINNA.

³¹ Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region, p. 65-66.

³² EC (2013). A recovery on the Horizon? Final Report. Annual Report on European SMEs 2012/2013.

³³ http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Innovation_statistics.

³⁴ EC (2010). Internationalisation of European SMEs.

is only 8 %). CB cooperation among companies and institutions was dynamic in the last programming period³⁵. This shows the important potential in the CB cooperation and coordination which may be further investigated and supported. As specific needs regarding internationalisation of SMEs were stated also at the bilateral workshop in January 2014, the key will be in developing projects, focusing on developing products for internationalization.

Challenges and intervention needs

SMEs are confronted with challenges in terms of competitiveness as they are, on the one hand, not innovative enough and on the other hand, lack an adequate level of internationalisation in order to secure sustainable growth prospects. R&D and innovation activities are confined to a very strong, but narrow peak of large leading enterprises. SMEs at the same time are lagging behind in this respect.

A strategic approach to entrepreneurship and innovation policy becomes an integral part of a recovery plan and a stimulus to growth to which CP can contribute. Accordingly, intervention needs have to be seen in three areas:

- Firstly, SMEs should be supported in cooperating with CB complementary RTI in terms of technology and know-how transfer in order to increase knowledge and innovation capacities of entrepreneurs and employees. This would enable SMEs to develop internationally competitive local products. Technology and knowledge transfer should be upgraded by the measures that will enhance commercialisation of products/services developed. Besides, technological and also non-technological ones (among creative and cultural industries) should be taken into account.
- Secondly, internationalization within and outside the programme area of enterprises (SMEs) should be supported. Besides raising the awareness, concrete actions for internationalisation and CB cooperation should be implemented and supported.
- Thirdly, measures need to be taken in order to:
 - Improve the birth rate of new enterprises and to foster in particular the creation of innovation- and technology-oriented start-ups, as these companies have particular good growth prospects and potential impact on the innovation system.
 - Address also specific location needs which could be supported in a broader regional context, and
 - Support the development of innovative enterprises with high potential to grow.

³⁵ Out of all project partners (497), 92 companies was involved in the co-financed projects as project partners.

1.1.1.4 Brief synopsis of the regional analysis to Environment and Cultural and Natural heritage

Characteristics

In the last programming period^{36 37}, CB cooperation among nature park institutions and tourism organizations was dynamic. The list of operations shows that large number of applications supported nature parks and their organizations, tourist organizations and museums. This is also a big potential for future cooperation which may be further investigated and supported. Projects focused to sustainable valorisation and safeguarding of natural and cultural heritage including bio- or geodiversity, developing sustainable products using heritage and develop possibilities for employment, natural risk reduction and risk prevention including CB water management, will be of key importance.

Cultural and Natural Heritage

The programme area is characterized by an increased level of natural heritage under protection (e. g. active conservation of NATURA 2000 sites, National Parks, Regional Parks, Natural Values) and increasing efforts to safeguard the areas of common cultural heritage (e.g. historically important buildings and traditions like language, artifacts, customs, music and dance, traditional manual dexterity, etc.). A strong legal basis for nature conservation presents the EU Habitats Directive.

In the Slovenian part of the programme area, there are more than 22,000 cultural heritage sites and 416 cultural heritage areas, comprising units from different religious buildings to secular architectural heritage such as castles (Bogenšperk, Rakičan, Grad...), urban architecture and old rural homesteads. In the last decade numerous sites were renovated, often with funding from European Regional Development Fund (ERDF), CB cooperation projects and the Rural Development Programme. Awareness of the general public has increased. During the investment and construction boom (the period between 2000 and 2010), a significant number of cultural heritage buildings were damaged or even destroyed. A similar situation is seen in Austria where a number of sites are protected on the federal state level. In terms of tangible cultural and natural heritage, UNESCO World Heritage Sites are among the most attractive hotspots for tourists. Austria has 9 properties inscribed on the World Heritage List. Among these, two are in the programme area: City of Graz with Historic Centre and Schloss Eggenberg, and Prehistoric Pile dwellings around the Alps which are shared with Slovenia. Among those, which are submitted on the Tentative List, one is located in the programme area Fužina Hills in Bohinj (1994) in Slovenia, and 3 of them in Austria: Iron Trail with Erzberg and the old town of Steyr (2002), Hochosterwitz Castle (1994), Cathedral of Gurk (1994). There are several other cultural and nature heritage locations and objects in the programme area.

³⁶ In calls for the financing from the CBC programme till November 2013: 82 successful applicants were business organizations of different kinds, 76 successful applicants were municipalities and regional administration, 71 successful applicants were development agencies, 68 successful applicants were knowledge institutions, 33 successful applicants were chambers, unions and similar associations, 28 successful applicants were national authorities, ministries with agencies and similar institutions, 25 successful applicants were clusters and business support institutions, 14 successful applicants were NGOs, 15 successful applicants were nature parks and their organizations, 15 successful applicants were tourism organizations and museums, 6 successful applicants were hospitals.

³⁷ Operational Programme Cross-Border Cooperation Slovenia-Austria 2007 – 2013: Lists of operations for which contracts were signed for the ERDF funding under the different public calls for projects. Publically available at web.

About 70 % of the Slovenian Natura 2000 network is covered by forests what shows their overall good condition. Among the larger areas of Natura 2000 are highlands and hilly areas (Karavanke, Pohorje, Julijske Alpe, Jelovica, Kamniško-Savinjske Alpe Peca, Goričko, etc.), wetland areas (Ljubljansko barje) and bigger rivers (Drava, Mura, Savinja – Letuš, Sava – Medvode – Kresnice, Dravinjska dolina, etc.). The only Slovenian national park (Triglav) has a long cooperation tradition with Austria. On the other hand, there are no regional parks in the programme area. Landscape park Goričko covers big surface in Pomurska, so does nature park Logarska valley in Savinjska. Goričko is also playing an important role in CB development and is part of three-lateral park with similar parks in Austria and Hungary. In 2013, first Geopark was formed (CB Geopark Karavanke/Karawanken). It covers a surface area of 977 km² with population of over 50,000. From March 2013 on, it is a part of the European (EGN) and Global (GGN) Geoparks Network under UNESCO. In addition, also Geopark Idrija (SI) and the Geopark Karnische Alpen (AT) have been inscribed on the UNESCO List of World Heritage.

An area that needs special attention is dealing with controversy between increased conservation level needed on one side and the public accessibility of the conserved natural resources through an approach of valorisation on the other side. In the field of cultural heritage, projects that aim to valorise the cultural heritage (e.g. UNESCO heritage, cultural heritage in Triglav National Park etc.), develop cultural tourism and recognisable tourist destinations, products and services in order to use the potential of cultural heritage for economic, social and sustainable development, are of importance.

The data above show importance of long-term conservation and preservation of natural assets, sustainable conservation, valorization and safeguarding of natural and cultural heritage. These form fundamental pillars for the improved regional tourist offer.

Bio- and geodiversity

Studies³⁸ demonstrate that in the last years, the number of endangered and extinct species increased in the programme area, as biodiversity loss could not have been stopped. This can be attributed to the fact that the number of threatened or extinct plants and animals is growing steadily. Causes of threat for single species are caused mainly by direct or indirect changes or destruction of their natural habitats. However, as the share of nature conservation objectives is increasing steadily, the trend in the future is towards stable development³⁹. For example, Austrian programmes to preserve the landscape by traditional agricultural methods show positive effects.

Due to geographic characteristics, the number of species and the degree of endemism is very high.

Pressures on geodiversity arise principally from planning developments and land-use changes. These may damage key features, impair their visibility and accessibility, or fragment the interest. Therefore

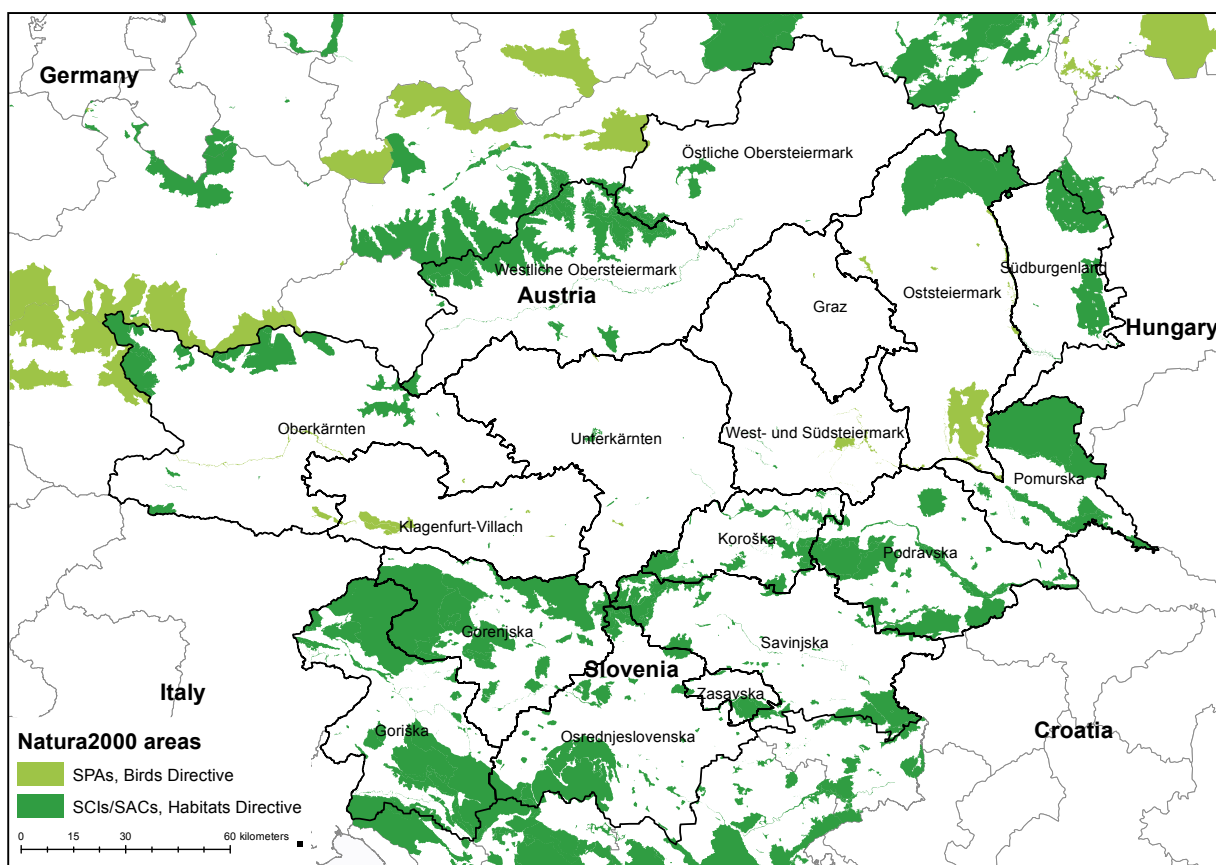
³⁸ JOANNEUM RESEARCH, OIKOS (2007). Environmental Report in line with the SEA of the Operational Programme Cross Border Cooperation Austria Slovenia 2007-2013.

³⁹ JOANNEUM RESEARCH (2010). 15 Jahre INTERREG/ETZ in Österreich – Rückblick und Ausblick. Analysen relevanter Umweltthemen.

there is a need for geoconservation, but the objectives and methods of geoconservation need to take various elements of geodiversity into account.

In the Austrian part of the programme area, there are 88 Natura 2000 sites with an area of 4,214 km² while in the Slovene part there is 4,724.6 km² of Natura 2000 site. Altogether, 23.3 % of the whole programme area belongs to Natura 2000 sites.

Figure 4: Natura 2000 sites



Source: EEA2014.

Water, natural and other disasters

The programme area includes large CB river systems (Mura/Mur, Kučénica/Kutscheniza) as well as multitude of small streams and brooks.

In the years from 2008 to 2010, rivers had above-average runoff; while the runoff in 2011 has been very close to year 2003 when it was the lowest in the period 1961-2011. The largest river is Mura, running through greater part of the programme area and is also an important source of energy in Austria. The state of the water quality of Mura and Kučénica differs. While for Mura with its 33.5 km length (this length refers only to the border section of the river) is overall good, the status of Kučénica with its 22.5 km length is unsatisfactory. Increased awareness of industry when referring discharges into the river and more rational use of plant protection products on agricultural land are not enough for improving the water quality status. In order to gain the most effective results, common projects from both sides with direct focus to the improvement of water quality are needed.

Among other major rivers there are Drava, Savinja, Dravinja, Ljubljana, Sora, Kamniška Bistrica, Ledava, Rába, Lavant, Gail and Glan. The most extensive flood areas are northeast plains of Subpanonska Slovenia, Predalpski svet and valleys and plains along rivers Ledava, Mura, Ščavnica, Rába, Lavant, Gail and Glan. The programme area contains the biggest share of Slovenian population on flood areas - in Savinjska (13 %), Zasavska (12 %) and Osrednjeslovenska region (9 %). In the last decade, the frequency and damage from floods have increased significantly⁴⁰. Hydraulic engineering has a long tradition in Austria. Long ago, protective structures were built already to reduce the risk of floods for humans. In the last years, several investments for flood control have been made by the government, municipalities etc.^{41 42}, but major CB projects are still missing.

Most of the programme area is part of the Danube River Basin District. Western part (Soča Valley) is part of the Adriatic river basin. Slovenia prepared River Basin Management Plans for both River Basin Districts as one document titled "The RBMP for Danube RBD and North Adriatic RBD 2009-2015". The programme area is characterized by numerous lakes which form the core of the tourist offer. In general, water quality in lakes and streams is good. App. 41 % of the water flowing through Slovenia comes from Austria. Most of the surface water is of good quality, only 10% of rivers and streams are in poor state according to the parameters of the Water Framework Directive. Ground-waters too are generally of good quality and are crucial for the water supply. Utilization of nitrate and plant protection products continues to decline due to effective implementation of the Water Framework Directive and changes in the field of agriculture under the Common Agricultural Policy. Both countries implemented several measures and actions for improving the quality of water, but there is still a lack of coordination of actions and policies between them.

Extreme weather including storms, thunderstorms, droughts and heavy rainfall implies a growing threat from natural disasters like landslides, mud-flows, floods, avalanches, sleet and earthquakes. As damages in the last years have shown, purely national strategies for risk management are not appropriate, not in technical and neither in economic sense. Unilateral measures (local, regional) of MS could result in different and even contradictory approaches, not only delaying the solution of risk problems, but also using limited resources in an inadequate way.

The programme area showed a relatively high risk of flooding in the past. However, it has to be mentioned that protection programmes have been developed in the past which could lead to an increased security.

⁴⁰ Oikos d.o.o. and Natalija Vrhunc, Poslovno svetovanje in vodenje delavnic, Natalija Vrhunc s.p. (January 2015). Draft Environmental Report for SEA of the Interreg V-A Slovenia-Austria Cross-Border Co-operation Programme 2014-2020; Ministrstvo za kmetijstvo in okolje (julij 2012). Določitev območij pomembnega vpliva poplav v Republiki Sloveniji, Poročilo o določitvi območij pomembnega vpliva poplav v Republiki Sloveniji in spremljanju aktivnosti obvladovanja poplavne ogroženosti na območjih pomembnega vpliva poplav, Povzetek.

⁴¹ Prettenhaler, F.; Albrecher, H. (2009). Hochwasserrisiko und dessen Versicherung in Österreich. Evaluierung und ökonomische Analyse des von der Versicherungswirtschaft vorgeschlagenen Modells NatKat.

⁴² <http://www.bmlfuw.gv.at/en/fields/water/Protection-against-natural-hazards/Floodcontrol.html>

Challenges and intervention needs

Based on analysis and the study⁴³, the following challenges can be identified:

- Enlargement of regional tourist offer and/or improvement of existing tourist offer.
- Sustainable valorization and safeguarding of natural and cultural heritage including bio/geodiversity.
- Natural risk prevention and risk reduction as well as preparedness and response in the field of natural and other disasters including water management.
- Improvement of water quality of CB rivers.

Situation analysis showed that connectivity of policy measures, coordinated management tools for the conservation and stability of bio/geodiversity as well as natural and cultural heritage is lacked. Developing and implementing joint strategies and action plans for management and active conservation of natural and cultural heritage sites could serve as an important tool to overcome mentioned challenges. Analysis also showed that further capacity building and awareness-raising about sustainable valorization and safeguarding of natural and cultural heritage is needed. With training, shared policy framework, common approaches or common products, these can be solved. Tourism also generates growth and jobs and has impact on other policy areas ranging from regional policy, diversification of rural economies, sustainability and competitiveness to social policy and inclusion (“tourism for all”). CB cooperation in this field is needed as it could provide more support and input in terms of tourist products, tourist infrastructure, educational activities etc.

Situation analysis showed that the programme area is characterized by strongly integrated surface water bodies. Accordingly joint CB water measures for improving the quality of the water, water management and flood risk prevention measures are of high importance. CB cooperation regarding these issues has been historically very strong. Nevertheless, taking account of environmental and climate effects, further cooperation is essential. These challenges can only be tackled with coordinated innovative efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives.

The relationships in the field of water management are being regulated with Slovenian and Austrian “water agreements”, but there are still many common challenges (e.g. technologies and innovativeness regarding maintenance and improvement of surface and underground water quality and their management) to be overcome. In the past, strong CB cooperation happened only in the field of data exchange. Ensuring an adequate supply of clean water by maintaining the already high water quality standards, and where necessary, to further improve them, reducing natural risks in the field of natural disasters, especially along the rivers Drava and Mura, improving the coordination of environmental protection and flood risk management actions, will therefore be of key importance in the future. Additionally, climate change implications will increase the need for precautionary measures. Therefore, the knowledge base for decision-making in water policy that will additionally

⁴³ JOANNEUM RESEARCH (2010). 15 Jahre INTERREG/ETZ in Österreich – Rückblick und Ausblick. Analysen relevanter Umweltthemen.

contribute to an improved water and waste water management, flood risk prevention and protection is going to be very important as well.

Extreme weather implies a growing threat from natural disasters like floods. According to analysis on the areas with significant impact of floods, more than 96,000 people lives in more than 15,400 houses. These areas cover 8,894 business facilities where approximately 58,800 people are employed. Besides, there are 1,118 monuments of cultural heritage registered in these areas. In Slovenia 70 % and in Austria up to two thirds of cadastral areas at rivers have significant flood risks⁴⁴. Regarding the fact that the water quality status of the whole length of River Kučénica is unsatisfactory, there is a strong need for intervention in this field.

1.1.1.5 Brief synopsis of the regional analysis to efficient public administration and institutional capacity (Governance)

Characteristics

The aim of CB cooperation is to tackle challenges identified by a joint approach.

The organisational variety of the Austrian administration is derived from two principles: from the constitutional basic principle of the Federation and from the principle of local self-administration of Austrian municipalities, resulting in an administrative structure consisting of three levels of subdivisions, each with corresponding administrative organisations: at central government level the Federal Government, at federal level the federal state administrations of the nine States, and at local self-administration the municipal administrations of 2,102 (January 1, 2015)^{45 46}.

Another specific feature of the political system in Austria is that there are large corporative interest organisations with compulsory membership ("social partners") and are governed by public law⁴⁷. The number of municipalities in Austria was changing continuously. At the beginning of 2014⁴⁸, 692 municipalities were located in the programme area. However, due to fusion of municipalities, the number will be lower from 2015 on.

In Slovenia there are 212 municipalities with 174 municipalities located in 6 statistical regions of the programme area. Slovenia has no second level of governance except for the national level jurisdiction, which is organized in de-concentrated governmental/administrative units. 39 out of 56 are in the programme area, having no development or coordination powers. Municipalities and statistical regions organized with regional development agencies have all possible development, social and economic powers and are enabled to form projects and cooperation.

⁴⁴ Pretenthaler, F.; Albrecher, H. (2009). Hochwasserrisiko und dessen Versicherung in Österreich. Evaluierung und ökonomische Analyse des von der Versicherungswirtschaft vorgeschlagenen Modells NatKat.

⁴⁵ Statistik Austria (2015).

⁴⁶ <https://www.bka.gv.at/DocView.axd?CobId=41629>

⁴⁷ http://www.umweltbundesamt.at/en/soer/soer2010_partc/soer2010_intro/

⁴⁸ http://www.statistik.at/web_en/classifications/regional_breakdown/nuts_units/

The situation analysis also showed that Slovenian municipalities are in most cases too small in terms of development. 111 municipalities in Slovenia do not meet the statutory minimum level for the establishment of a municipality. A similar problem was faced also in Austria, but they have resolved this problem by applying the concept of functional networking. This good practice could be transferred to Slovenia.

In the last programming period, CB cooperation among municipalities, regions and public institutions was dynamic. A large number of applications supported such cooperation. All these facts show potential and lead to a particular need for cooperation networks among public administrations also in the future.

There are some cases of successful CB initiatives, such as shared training facilities and other activities for civil protection or rescue services in the case of natural and other disasters as well as investments in health and social infrastructure, but the cooperation should be improved and expanded further.

At different events within the programming process, there were many suggestions to intensify CB cooperation between citizens and institutions especially in the area of urban development, civil protection, energy efficiency, health and social infrastructure. The suggestion was to include not just public institutions into CB cooperation, but also citizens, companies and other entities as well. Therefore it is vital to ensure the cooperation among different levels of governance. This will be only possible when existing administration, language and other intercultural barriers will be overcome, and common resources exploited to its full extent.

Regarding energy efficiency, especially the Austria possesses the needed technological know-how, skills and drive. On the Slovenian side, the growing knowledge level still has to reach its full potential. Therefore, the need to improve, enforce and disseminate technological innovation still exists. Fostering improvements in the field of energy efficiency goes in line with awareness-raising activities among key stakeholders and the wider public (e.g. brochures, public events, etc.).

Challenges and intervention needs

There are serious in-coherences concerning the relevant administrative/governance structures which are responsible for the stimulation of CB cooperation (policy agendas, organisational structures, responsibilities or different governance levels) as well as language barriers, intercultural misunderstandings, lack in CB labour market integration, missing infrastructure and lack in local connections etc. which often hinder regional stakeholder to engage in CB cooperation. As both countries have the same cultural basis, there is a strong potential for cooperation among municipalities. Due to different regional strategies and processes in both countries, there is a need to harmonize them. Also improving public administration and public services could be solved with various joint measures.

CB activities are based on intensive cooperation and communication processes and depend on actors and networks at national, local and regional level. There is a need to implement new and to strengthen existing networks and cooperation platforms as well as to create new possibilities that promote cooperation among organisations, public sector and citizens. Already existing successful initiatives, such as shared training facilities and other activities for civil protection or rescue services

in the case of natural and other disasters as well as investments in health and social infrastructure should be improved and expanded further.

In order to promote and intensify (future) CB cooperation, there is a strong need to involve local population into the CB activities, e.g. stakeholder involvement, support of non-profit oriented people-to-people activities, or intercultural training and education. It is vital that the regional population is incorporated into various project activities either directly or indirectly, as the primary aim of CB cooperation activities. Therefore, the CP in particular should improve their everyday working and living conditions by providing economic, social and environmental security.

1.1.1.6 Identified strengths, weaknesses, opportunities and threats based on the regional analysis for the programme area

Research and Innovation

Strengths	Weaknesses
<ul style="list-style-type: none"> - Good regional endowment with R&D infrastructures, innovation infrastructures and research and technology organisations. - Regional universities are integrated into European research networks and have high potential in areas of technological, natural and social sciences - Initial experience in co-operation between R&D institutions, universities and enterprises - Technology parks enabling concentration and integration of entrepreneurship, knowledge and development 	<ul style="list-style-type: none"> - Heterogeneous levels of R&D and innovation intensity – R&D activities are concentrated in regional centres and do not reach out into periphery - R&D and innovation is supported by a very strong, but narrow peak of large leading enterprises – SMEs are lagging behind - Lack of industry science cooperation across the border - Low knowledge of scientific and technological competences - Lack of non-technological innovations
Opportunities	Threats
<ul style="list-style-type: none"> - Better CB coordination of innovation and R&D policies could lead to a coherent development and thus form the basis for an interregional science and technology space such as the Rhine-Maas triangle. - Good scientific and entrepreneurial innovation potential - Further fostering of CB cooperation between R&D institutions and enterprises could help the programming area to increase its regional innovation capacities - Promotion of non-technological innovation could foster more marketable products and services 	<ul style="list-style-type: none"> - Parallel activities (clusters, R&D infrastructure) could lead to fragmented competition, thus weakening the position on a broader EU-level - Mismatch between SME's innovation needs and offers by universities and R&D institutions because of low key profile of SMEs cooperation requests - Growing international orientation of excellent R&D institutions in terms of contract R&D could reduce regional industry science cooperation potentials

Competitiveness and SMEs

Strengths	Weaknesses
<ul style="list-style-type: none"> - Common technological specialisation and sectors exist (e.g. automotive industry, Information and Communication Technology (ICT), environmental technology, wood and furniture industry etc.) - Strong regional knowledge base in mechanical engineering and process engineering - Dense population of industry clusters in the programme area 	<ul style="list-style-type: none"> - Inadequate cooperation and internationalisation of SMEs - Low knowledge of potential partners along the value chain across the border - Enterprises find themselves in an unfavourable sandwich position between high technology manufacturing and service regions in the core of Europe and low technology suppliers in Croatia, Romania and Turkey - Lack of entrepreneurial initiatives in rural areas (a small number of family SMEs) - Poorly developed and used areas within the creative industries

Opportunities	Threats
<ul style="list-style-type: none"> - Development of CB value chains could help regional SMEs to gain capacities to access international markets and growth prospects - Fostering of entrepreneurial activity could strengthen the local firm base in peripheral rural areas - Increased mobility of skilled workers across the border could overcome existing shortages and growth barriers - Fostering creative industries 	<ul style="list-style-type: none"> - Globalisation threatens the industry location of the programme area. New and future competitors are of non-European origin (e.g. China, India, Brazil etc.) - Poor equity capital basis and growth prospects of SMEs could lead to increased business failures - Disruptive innovations (e.g. 3D printing, cyberphysical systems etc.) could make existing competences in low and medium technology sectors obsolete

Environment and Cultural and Natural heritage

Strengths	Weaknesses
<ul style="list-style-type: none"> - Rich natural heritage, bio-/geodiversity - Preserved natural environment with high share of protected areas (natural parks, regional parks, natural values, Natura 2000) - Good capacity for dealing with environmental problems - Strong potential for the use of renewable resources – wood biomass, hydro and geothermal energy... - Attractive landscape for tourism (nature, cultural heritage) - Well-known international events - Regional centers of tourism as local development incubators - Awareness of the importance of sustainable tourism development - Richness of traditional heritage, culinary heritage and handicrafts - Developed amateur culture and local cultural performers - Rich cultural heritage and cultural offers 	<ul style="list-style-type: none"> - Regulatory barriers for renewable in regional energy markets - Lack of business models for prosumer markets in the field of renewable - Lack of cooperation/integration among tourist service providers in providing full range offer; weak cooperation among tourist service providers and organizations for marketing and promotion; lack of advanced integrated tourist products; weak integration of cultural heritage with tourism in the region; - Short stay of tourists and visitors with low consumption; concentration of supply/offer in the main season and weak “out of season” offer; - Fragmentation of cultural events, low cooperation among programmes and associations in the field of cultural activities; - Weak integration of the sectors of agricultures, nature conservation and protection of water resources
Opportunities	Threats
<ul style="list-style-type: none"> - Building partnerships for a comprehensive programme to protect the environment; - Environmental Resources Management (ERM) and revitalization of degraded areas; - Protected nature areas - Natura2000 as a development opportunity; - Production of bio-and alternative fuels from waste; - Increasing energy self-sufficiency due to potential of renewable energy sources. - Regional centers of tourism as local development incubators; Sustainable use of natural and cultural heritage together with existing knowledge and skills in the environment; development of eco-tourism; development of green tourism in Natura 	<ul style="list-style-type: none"> - Climate change (increased water shortages for irrigation, hail and floods); - Vanishing small areas important for bio-/geodiversity conservation (e.g. wetlands); - Increasing damage due to improper use of flood and landslide areas; - Unsatisfactory status of water quality in CB River Kučenica - Inability of reconciling various interests in the area (agriculture, tourism, nature conservation and cultural heritage); - Mismatch between spatial and development

<p>2000 areas;</p> <ul style="list-style-type: none"> - Activation of cultural and artistic potential of the region; - Integration of agriculture, tourism, complementary activities and other services in rural areas; - Geoparks which are members of EGN and GGN supported by UNESCO - Mountains as the cornerstone of the protection of habitats, grazing and adjusted CB tourism. - Conservation of water resources 	<p>planning;</p> <ul style="list-style-type: none"> - Neglecting ecologically degraded areas; - Non-systemic, unplanned and environmentally problematic use of alternative energy sources. - Increasing relative competitiveness of neighbouring regions and countries in tourism; - Loss of traditional cultural landscape; - Slow implementation of public-private partnership model for the development of tourism products and infrastructure; - Failure in identifying new trends in tourism; - Concentration of tourist accommodation facilities in some locations and large companies - Loss of habitats of protected flora and fauna as a result of the abandonment of agricultural use in the mountains. - Negative impacts of invasive species
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Efficient public administration and institutional capacity (Governance)

Strengths	Weaknesses
<ul style="list-style-type: none"> - Structural linkages and historical socio-economic ties in programme area - Initial practical experiences in institutional CB co-operation of rescue services and planning 	<ul style="list-style-type: none"> - Differences in political, legal and administrative framework conditions still hamper CB co-operations on an institutional level - Language barriers still prevail – in particular regarding specific terminology
Opportunities	Threats
<ul style="list-style-type: none"> - Improved conditions for better risk management. - Harmonised joint development strategies. - Successful initiatives of CB cooperation in the past. 	<ul style="list-style-type: none"> - Growing competition of locations in the programme area - Regional election cycles could lead to instable institutional cooperation patterns because of changing personnel

1.1.1.7 Programme objectives and programme strategy contributing to Europe 2020 and cohesion policy

The basis for the new programming period is Europe 2020 strategy. The strategy identified five headline targets to be achieved by the end of 2020 covering employment, R&D, climate/energy, education, social inclusion and poverty reduction. The Europe 2020 strategy provides clear orientation for MS and translated the headline targets into national targets.

Table 2: Overview of Europe 2020 targets

Europe 2020 headline targets	EU	Austria 2020 targets	Slovenia 2020 targets
Employment rate in % of the 20-64 year olds	75 %	77-78 %	75 %
R&D investment in % of GDP	3 %	3.76 %	3 %
Reduction of greenhouse gas emissions	-20 % (compared to 1990)	-16 % (compared to 2005)	-4 % (compared to 2005)
Increase in share of renewable energy in gross final energy consumption	20 %	34 %	25 %
Reduction of dropout rate	10 %	9.5 %	5 %
Third-level education in %	40 %	38 %	40 %
Reduction of number of people in or at risk of poverty and social exclusion	20,000,000	235,000	40,000

Source: EC

The specific characteristics of the CP are taking into account common challenges and needs as well as the envisaged 2020 targets, shared by all regions and can thus contribute better to social, economic and territorial cohesion than national endeavours alone. In this context, the Common Strategic Framework (CSF) of the EU cohesion policy provides the necessary investment framework.

1.1.1.8 Rationale for the selection of thematic objectives based on identified challenges and needs

The CP is embedded in national and regional development strategies and has to be understood as a complementary programme to the Austrian and Slovenian portfolio of funding. Thus the CP supports explicitly those actions that are contributing to the achievement of CB and EU-2020 targets.

As the programme is confronted with a shrinking budget for the period 2014-2020, tough choices have to be made in terms of priority setting. Therefore this section reflects the reasoning and discussion for identifying those thematic objectives (TO) and investment priorities (IP) which offer highest potential to solve problems and could not be addressed in other programmes.

Research and Innovation

The programme area is well endowed with R&D infrastructures, but its capacities for R&D and innovation are fragmented. Regions show high heterogeneity with regard to R&D intensity. Enterprises in peripheral areas suffer from poor access to R&D infrastructure and to new scientific and technological knowledge. Enterprises and SMEs lack knowledge of potential R&D partners and capacities. Therefore, there is a strong need for a better collaboration of R&I actors (including enterprises) by improved networking and exchange, jointly developed solutions and shared research facilities. Better collaboration could help to reduce the gaps in the levels of development of regions and the extent to which the less-favoured are lagging behind.

The innovation capacities are concentrated on small number of frontrunning enterprises serving international markets while the majority of companies (in particular SMEs) lag behind in this respect, particularly peripherally located companies. The CP will – with CB cooperation approaches – actively complement national policy intervention such as the Strategy for research, technology and innovation of the Austrian Federal Government and the Austrian ERDF Programme "Investing in Growth and Jobs 2014-2020" as well as Slovenian national policy documents (such as the operational programme under EU Cohesion Policy (ECP) for Slovenia, the Smart Specialisation Strategy of the Republic of Slovenia, the Strategy for R&D&I, and regional development programmes that aims to broaden and to secure the (RDI) base in the sense of an open innovation for companies, especially for SMEs.

The CP will help to broaden the R&I base by giving companies a better understanding of R&D and innovation capacities and drawing specific benefits of CB cooperation, focusing on SMEs (e.g. accessibility to a broader range of competences for SMEs and start-ups). This includes also the establishment of innovative enterprises (in the sense of open innovation, including service innovation). In order to secure and to improve the high performance of the region, potentials of CB cooperation in the sense of a common R&I area should be fostered.

Competitiveness and SMEs

SMEs are situated mainly in the medium and low technology sector, being characterised by low levels of competitiveness as they are not prone to innovations and lack internationalisation. This is particularly true for peripheral areas where location of companies hampers proper supply of customers in the wider region.

Internationalisation of SMEs is therefore pivotal for securing future growth prospects. Internationalisation should start at low thresholds in a business to business framework by developing inter-company networks across the border. This development of regional value chains could help companies in peripheral regions to get better access to markets and to develop competitive advantage by specialisation along respective value chains. Furthermore, such value chains should form in a long term perspective such basis for activities on international markets. Like ERDF, also the CP complements existing national programmes and European policy interventions, such as EUREKA EUROSTARS by offering partners across the border access to funding without the need of a strong innovation orientation.

Environment and Cultural and Natural heritage

Natural and cultural heritage is a key factor for societal and regional identity and integration of a region, therefore related topics have a unique CB character. As the protection level increases, the necessity for a balanced coordination between such level and public accessibility increases as well.

In terms of cultural and linguistic heritage, there is a long common history across the border. Thus, CB coordination efforts should be supported in order to use the programme area's tangible and intangible cultural and natural heritage potential in terms of fostering green tourism for the purpose of improving the programme area's tourist attractiveness, and thus, establishing the programme area as a long term green, sustainable and competitive tourist destination, based on valorisation of sustainable natural and cultural heritage.

Efficient public administration and institutional capacity (Governance)

The administrative landscape is fragmented due to the small size of the involved regions. Different political and administrative frameworks together with different organisational structures make CB cooperation even more difficult. In order to overcome these barriers, public administration, stakeholders and citizens could improve its efficiency in CB issues by deepening existing networks (e.g. in urban development, natural and other disaster management and rescue operations) and establishing CB cooperation in further relevant fields of activity (e.g. health care systems, labour market). Also CB measures for supporting competitiveness (e.g. technical training) can be covered within this topic.

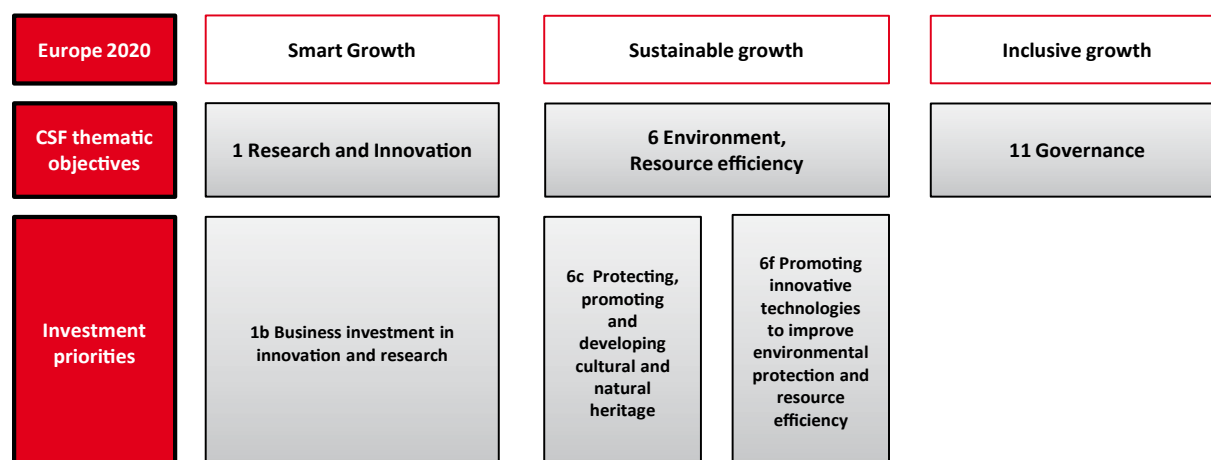
Based on the selection of thematic objectives, the CP reduces barriers of development by promoting sustainable and integrated territorial approaches. It aims to strengthen existing, or to make use of yet untapped potentials to support territorial integration which will ultimately result in smart, sustainable and inclusive growth, directly contributing to the Europe 2020 goals.

It focuses on R&I (increasing R&D investment), protecting the environment and promoting resource efficiency as well as on the EU's intention to "invest in growth". The CP will contribute to the employment target through direct effects on jobs and, in the longer term, through an efficient and innovative economy.

ETC programmes must concentrate at least 80 % of their ERDF finances on a maximum of four TOs, selected on the basis of key challenges and needs identified in the programme area. Consequently, the CP builds on the following TOs that are in line with issues identified as being the most suitable to be tackled by CB cooperation:

- Strengthening research, technological development and innovation (TO 1)
- Preserving and protecting the environment and promoting resource efficiency (TO 6)
- Enhancing institutional capacity of public authorities and stakeholders and efficient public administration (TO11).

Figure 5: Contribution of the CP to the EU 2020 strategy



These objectives shall be achieved through strengthening RTD capacities as well as R&I in technological and business fields of strength through CB cooperation of research institutions and public administrations. The expansion of research shall be achieved through the development of dynamic critical mass by strategic networking of (R&I)-institutions, companies and platforms in order to achieve synergies across the border and broaden the basis of innovating enterprises (IP 1b). This may contribute to the attractiveness of a research location and to preconditions for increasing quality and quantity of research.

Gaps in regional innovation systems shall be closed by the creation of SMEs in the CB region, by increasing internationalization level of companies and by increasing the collaborative capacities of the SMEs/networks with R&D centres and higher education sector (IP 1b). The expansion of SMEs is directly linked to secure and create jobs.

The aim of the CP is to increase the attractiveness of the programme area by common approaches in terms of protection, restoration, promotion and development of natural and cultural heritage in a sustainable, environment friendly and resource efficient way and to improve the environmental situation by using innovative technologies and developing sustainable management measures (IP 6c and IP 6f).

With the TO 11, the CP strives to ensure and increase cooperation between all levels of governance and stakeholders.

The link of the CP to the Europe 2020 strategy goals is ensured through the definition of thematic objectives (Art. 9, CPR) and the requirement for thematic concentration (Art 5. ETC) and complies to the largest possible extent with the recommendations of the position papers. The country specific recommendations contain specific ETC-related recommendations which were taken into account.

These recommendations⁴⁹ are meant for all ETC programmes in which the Member States participate. So not all challenges mentioned will be dealt with the CP. Recommendations the CP is dealing with, are the support to the R&D through the exchange of experiences (in line with the TO 1 of the CP and with priority of the EU 2020 strategy for smart growth through more effective investments in education, research and innovation), favouring exchanges of know-how and joint initiative projects as well as promotion of climate change adaptation, risk prevention and management (TO 6 and the EU 2020 strategies' priority of sustainable growth) in both countries. These development objectives will contribute to maintain sustainable employment as well as to facilitate the creation of new jobs, correlating with the EU 2020 objectives of inclusive growth). Together with other ESI-Funds, the implementation of a broad development strategy for the eligible regions will be supported.

1.1.1.9 The programme strategy in line with macro-regional, national and regional strategy frameworks

The preparation of the CP is understood as a multi-level governance process and offers the possibility to develop an integrated strategy that involves concepts and strategies at different spatial levels – not only European, but also regional and national – and in different policy areas.

The CP has also to be put into the picture of the EU Strategy for the Danube Region (EUSDR). The EUSDR addresses a wide range of issues and includes four pillars. The objectives set in the CP will contribute to the implementation of the macro-regional EUSDR in particular to the following PAs: PA 02 Energy, PA 03 Culture & Tourism, PA 04 Water Quality, PA 05 Environmental Risks, PA 06 Biodiversity, landscapes, quality of air and soils, PA 07 Knowledge Society, PA 08 Competitiveness, PA 09 People & Skills and PA 10 Institutional capacity and cooperation.

In addition, the CP is taking into consideration the two pillars (“Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises” and “Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources”) of the EU Strategy for the Alpine Region (EUSALP), which aims to ensure that this region remains one of the most attractive areas in Europe, taking better advantage of its assets and seizing its opportunities for sustainable and innovative development in a European context.

Additionally, the CP is partly in line with the EUSALP which objectives are to promote economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity.

On national level for Slovenia, the following strategic framework is of relevance: Slovenia's Development Strategy 2014-2020, National Reform Programme 2013-2014, National Reform

⁴⁹ For Slovenia recommendations in terms of CB programmes were that CPs should be particularly used for removing the main bottlenecks in transport improving accessibility especially rail/road links and intermodal links to the motorways of the sea. Further they should help in removing the existing barriers to labour mobility, and increasing the support to the R&D through the exchange of experiences, favouring exchanges of know-how and joint innovative projects. Promoting climate change adaptation and risk prevention and management should also be tackled at transnational level. Austrian's recommendations pointed out to draw up with each of its neighbouring countries approaches addressing specific needs, including the involvement of private partners.

Programme 2014-2015 and the Smart Specialization Strategy. The draft of the Slovenia's Development Strategy 2014-2020 represents the nation's fundamental strategic document which defines the direction of development by 2020. The document defines four priority areas: 1) competitive economy, 2) knowledge and employment, 3) green living environment and 4) inclusive society. Within the identified priority areas, the following three horizontal development primacies were identified: 1) RDI, 2) start-up, growth and development of SMEs and 3) employment, education, training and competence (young and older). Slovenia will allocate 50 % of the development funds available by 2020 to these areas.

The National Reform Programmes for 2013-2014 and 2014-2015 represent the Government's medium-term tool of priority measures and schemes which strive to achieve the aims of the EU 2020 Strategy. The reform programme, together with the Stability Programme, defines the centrepiece and groundwork of the European Semester in order to prepare country-specific proposals to the individual MS. In order to promote economic growth and increase the prosperity of the population, both reform programmes comprise different key priorities. The National Reform Programme 2013-2014 focuses on measures within the scope of the following three pillars: 1) institutional changes to decision making processes, 2) measures for enhancing economic growth in the short-term and 3) improving competitiveness for sustainable growth in the long-term. The National Reform Programme 2014-2015 focuses on measures within the scope of the following three pillars: 1) financial pillar (overhauling the banking sector, corporate deleveraging and re-structuring, insolvency), 2) corporate management and privatisation (Slovenian Sovereign Holding, ongoing privatisation) and 3) fiscal pillar (Fiscal rule, Medium-term fiscal plan, Long-term sustainability of debt and consolidation).

The Smart Specialisation Strategy sets Slovenia's key development priorities in terms of investing in R&D in the framework of the 2014-2020 European Cohesion Policy (ECP), and the areas where Slovenia has the critical mass of knowledge as well as the capacity to introduce and place this knowledge into the market. These envisaged four priority areas are healthy living and working environment, resource efficiency, SI_industry 4.0: sustainable high added value products and services (KET) and advanced materials and technologies for health and the environment (FET).

Natura 2000 Management programme for Slovenia for the period 2014-2020 is being prepared as part of the LIFE project SI Natura 2000 Management and has been adopted in the first trimester of 2015. Objectives and measures will be defined for each Natura 2000 site, based on expert data and participation of key stakeholders.

Preservation of cultural heritage as national interest is recognised as a priority task in the National Programme for Culture 2014-2017.

For Austria, one of the most relevant framework considering Europe 2020 strategy and the national reform programme, is the RTI Strategy "Becoming an Innovation Leader". In addition, the Austrian Energy Strategy 2020, the Austrian Strategy for Adaptation to Climate Change, the Prioritised Action Framework (PAF) for Natura 2000 for 2014-2020 and the Austrian Spatial Development Concept (ÖREK 2011) have to be mentioned. These strategies and their objectives are part of the National Reform Programme.

The RTI Strategy objective for Austria is to push forward from the group of Innovation Followers into the group of Innovation Leaders, i.e. to be among the most innovative countries in the EU by mobilising research, technology and innovation for civil and economic challenges (climate change, demographic change, etc.). It sets action priorities and lays down support measures in terms of implementing sustainable reforms in the education system, creating knowledge, promoting excellence, activating innovation potential and efficiently organising political governance.

Within ESI-funds, especially the priority “Utilising knowledge, increasing added value” in the RTI Strategy is of relevance. The objectives of the RTI Strategy form together with the Austrian regional R&I strategies, the strategic framework especially for the TO 1 RTI. The CP contributes to the RTI Strategy mainly in the priorities “utilising knowledge, increasing added value” and to the strengthening of research.

Regarding spatial development, the “Austrian Spatial Development Concept” (ÖREK 2011), a joint strategy for spatial development in Austria from 2011 to 2021, was conducted. The themes of Spatial planning as well as spatial development are defined as joint tasks of the federal government, Länder, cities and municipalities. The ÖREK Concept defines four thematic inter-related strands which are regional and national competitiveness; social diversity and solidarity; climate change and resource efficiency; a cooperative and efficient framework for actions. The CP addresses mainly the first and third strand of the Austrian Spatial Development Concept 2011⁵⁰.

Federal states in Austria have their own strategies, like regional development plans, science-, research- or innovation-concepts, e.g. Economy Strategy Styria 2020, Carinthia 2020 Strategy, the Strategy of the Province of Styria for the Promotion of Science and Research, Styrian development mission statement, tourism strategies (e.g. Burgenland Tourism 2015), energy and climate change programmes, etc.⁵¹.

In accordance with the set objectives, it is possible not only to anticipate a contribution to the objectives of Europe 2020, but also to the main national and regional strategies.

In practice however, the ETC programme can only form a contributing element of regional policy in Austria and Slovenia on a limited scale. The actual impact that can be expected from the programme’s modest financial budget (EUR 47,988,355 of ERDF funds for 2014-2020) is limited to a complementary role in supporting regional development.

⁵⁰ ÖROK (2007). STRAT.AT 2007/2013 Nationaler Strategischer Rahmenplan Österreich 2007-2013.

ÖROK (2011). Österreichisches Raumentwicklungskonzept ÖREK 2011. ÖROK (2014): STRAT.AT 2020.

Partnerschaftsvereinbarung Österreich 2014-2020. Österreichische Raumordnungskonferenz. Final Draft vom 17. März 2014.

⁵¹ Das Land Steiermark- Amt der steiermärkischen Landesregierung. Umwelt und erneuerbare Energien. Energie Strategie Steiermark 2025.

http://www.energie.steiermark.at/cms/dokumente/11226966_50185852/a9f7babb/Energiestrategie_2025_inkl_Vorwort%20FINAL_20100816.pdf

Die Burgenländische Landesregierung (2014): Energiestrategie Burgenland 2020.

http://www.tobgld.at/uploads/tx_mddownloadbox/Energiestrategie_Burgenland_2020_.pdf

1.1.1.10 Programme architecture

Priority setting in the CP is characterised by a “top-down” and “bottom-up” process reflecting the needs of regional stakeholders. At the same time it is in line with the requirements of the EU as well as regional needs and characteristics.

Based on the regulatory framework which foresees thematic concentration of expenditure on a limited number of objectives and investment priorities, the CP selected three thematic objectives (TO 1, 6 and 11) with four investment priorities and the priority for technical assistance (TA). The programme therefore is in line with the EU’s target values of jobs and growth and in accordance with the principle of proportionality. It also focuses on most pressing issues, common challenges and needs. Concentration on a limited number of objectives within the programme also reflects the limited financial resources available in the programming period for funding.

Table 3: Overview of priorities, Thematic Objectives and Investment Priorities

Priority	Thematic objective	Investment priority
Priority 1 Strengthening cross-border Competitiveness, Research and Innovation	Thematic Objective 1 Strengthening research, technological development and innovation	1(b) Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education
Priority 2 Protecting the Environment and Promoting Resource Efficiency	Thematic Objective 6 Preserving and protecting the environment and promoting resource efficiency	6(c) Protecting, promoting and developing cultural and natural heritage 6(f) Promoting innovative technologies to improve environmental protection and resource efficiency in waste sector, water sector, soil protection or to reduce air pollution
Priority 3 Enhancing Institutional Capacity and an Efficient Public Administration	Thematic Objective 11 Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	11(b) Promoting legal and administrative cooperation and cooperation between citizens and institutions (ETC-CB)
Priority 4 Technical Assistance		

1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities, having regard to the Common Strategic Framework, based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs, addressing, where appropriate, missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation

Table 4: Justification of the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
TO 1	1(b) Promoting business investment in innovation and research	The programme area is well endowed with R&D infrastructure, but its capacities for R&D and innovation are fragmented. Its regions exhibit high heterogeneity in R&D intensity. Enterprises in peripheral areas suffer from poor access to R&D infrastructure and new scientific and technological knowledge. CB collaboration between SMEs and R&D institutions is still rare. Thus there is a strong need for a better collaboration of R&I actors by improved networking and exchange, jointly developed solutions and shared research facilities. Such collaborative projects may lead to formation of innovative and technology-oriented start-ups. Internationalisation of SMEs should start by developing inter-company networks across the border helping companies in peripheral regions to get better access to markets and to develop competitive advantage by specialisation. Such value chains should form a basis for activities on international markets in a long term perspective.
TO 6	6(c) Protecting, promoting and developing cultural and natural heritage	<p>The programme area is rich with cultural and natural diversity what makes it attractive and raises the quality of life for inhabitants and visitors. Cultural and natural heritage being at risk, increased level of natural heritage under protection and increasing efforts to safeguard the areas of common cultural heritage, present the challenges for CB cooperation.</p> <p>CB cooperation efforts are needed in order to develop joint strategies and action plans for management and active conservation of heritage sites. It can serve also as a support for know-how transfer, training, capacity building and awareness-raising about sustainable valorisation and safeguarding of natural and cultural heritage. It can also serve as an important tool in achieving goals through sustainable tourism projects.</p>

TO 11	<p>6(f)</p> <p>Promoting innovative technologies to improve environmental protection and resource efficiency</p>	<p>Due to existing threats to the water resources and due to many open common challenges, coordinated efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives are important issues.</p> <p>Ensuring an adequate supply of clean water and reducing natural risks in the field of natural disasters, improving the coordination of environmental protection and flood risk management actions, should be the main focus in the future.</p> <p>CB cooperation efforts are needed to develop and implement joint sustainable water strategies and to support development and practical implementation of joint modeling, monitoring and forecasting studies and research works to reduce the overall footprint. Protection and control measures can be developed, implementation of joint monitoring activities and of construction and non-construction anti-flood measures in line with the flood risk management plan can be realized.</p>
	<p>11(b)</p> <p>Promoting legal and administrative cooperation and cooperation between citizens and institutions (ETC-CB)</p>	<p>Governance of CB region faces common challenges so local institutions and administrations will tackle the most pressing challenges together. Situation analysis showed that deepening cooperation between citizens and institutions with the aim of finding common solutions in protecting nature, managing multiplying natural disasters and manmade risks and creating suitable living conditions for the citizens, is needed. Challenges of increased energy consumption, increased frequency of natural and other disasters, recurring need for risk management and a need for increased social cohesion in the area of health and qualification have been tackled by CB cooperation already in the past. However, open challenges still remain and need to be overcome. Strong networks on local/regional level, joint capacities, transfer and exchange of know-how, skills, knowledge and practices as well as small scale investments could serve as appropriate actions.</p>

1.2 Justification of the financial allocation

Totally, the programme budget consists of EUR 57,213,193, with an ERDF contribution of EUR 47,988,355 what corresponds to 84 % of the total financing⁵². The detailed financial figures are represented in Section 3 (Financing Plan) where the financial allocation has been determined according to:

- The information inputs given by Task Force members during the corresponding Task Force meetings.
- The information inputs given by the relevant stakeholders during the consultations (including the workshop held in January 2014).
- The gained experiences from the last programming period 2007-2013 in relation to the current needs and challenges.
- The types and financial scope of the projects under each determined priority axis.

The total amount of EUR 15,023,809 what corresponds to 31.31 % of the total co-financing from the ERDF, is to be allocated to the priority axis 1 (IP 1b). The financial allocation corresponds to the estimated extent of supported projects aiming at improving the cooperation, networking and exchange of linkages between (R&I)-institutions, companies (SMEs) and platforms in order to increase R&D investments as well as the development and progression towards innovation and internationalization activities. Despite the high economic dependency on such activities, this priority has been allocated a smaller amount of funds due to rather high co-financing possibilities from private funding (e.g. inclusion of SMEs). Data from the programming period 2007-2013 show a number of 15 cooperation projects in the field of R&D. A number of cooperation projects where SMEs have been involved, totaled even 39. This represents a good basis for further cooperation in this field. The experience shows a high interest of regional stakeholders in the field of R&D and SME evolution. Based on this experience together with continuously expressed further interest, a high number of projects can be anticipated under this priority in the programming period 2014-2020 as well.

The total amount of EUR 17,564,263 corresponding to 36.60 % of the total co-financing from the ERDF, is to be allocated to the priority axis 2 (IPs 6c and 6f). This priority axis is allocated with the highest financial contribution due to three reasons. Firstly, it includes two investment priorities: one concentrating on the rich environmental and cultural assets and their usage for the purpose of sustainable destination development, and the other on the area's resource efficiency in terms of water management. Due to the wider content, a larger number of projects are expected to be supported. Secondly, there is traditionally high environmental focus of the programme area. 12 projects in the field of environment, 13 in the field of natural resource management and 14 in the field of culture have been realized in the programming period 2007-2013. Moreover, high interest and potential project ideas were expressed on public consultation events (workshops). The high

⁵² The total amount for PA1, PA2 and PA3 is EUR 52,927,477 with an ERDF contribution of EUR 44,988,355, which corresponds to 85 % of the total financing. The amount for PA 4 is EUR 4,285,714, with an ERDF contribution of EUR 3,000,000, which corresponds to 70 % of the total financing.

allocation is due to the fact that also more cost-intensive investments into infrastructure are foreseen.

The total amount of EUR 12,400,283 corresponding to 25.84 % of the total co-financing from the ERDF, is to be allocated to the priority axis 3 (TO 11). This is the lowest financial allocation due to two reasons. Firstly, it includes only one investment priority, and secondly, investments are allowed under this priority only if they bring clear added value to the programme. Such investments are also important for making the impact of the programme visible to the citizens and therefore contribute to the recognition of the programme in general. Furthermore, the funding reflects the main objective of the priority in promoting the cooperation between citizens and public- and/or private institutions for the purposes of tackling the common bottlenecks, identified by a joint approach.

The financial allocation is based on experience from the programming period 2007-2013 as well as information received on public consultation events (workshops). However, it's primary source are regional and SWOT analyses with characteristics, challenges and needs identified in section 1 of the CP Interreg SI-AT. All these show the need for establishing mutual understanding of challenges and their handling both on programme- and project level as well as building up capacities in order to guarantee good and long term partnerships what leads to successful outcomes.

The rest of the total co-financing from the ERD equaling EUR 3,000,000 will be allocated to the priority axis for TA.

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support to the cooperation programme (by Fund)			Thematic objective	Investment priorities	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI	IPA				
Priority axis 1	15,023,809	31.31 %	0 %	0 %	TO 1	IP 1 (b)	- Strengthening R&I in technological and economic fields of strength through CB cooperation of relevant stakeholders. - Broadening the basis of innovating enterprises in the programme area. - Increasing the level of internationalization of SMEs in the programme area.	- R&D intensity - Enterprises with innovation cooperation with cooperation partners from Europe - Number of exporting companies.
							- Achieving sustainable development of natural and cultural heritage	- Overnight stays
						IP 6 (f)	- Innovation in sustainable management and utilization of water resources	- Length of the cross-border river bodies with unsatisfactory water quality status
Priority axis 2	17,564,263	36.60 %	0 %	0 %	TO 6			
Priority axis 3	12,400,283	25.84 %	0 %	0 %	TO 11	IP 11 (b)	- Improving cooperation in the fields of risk management, energy, health and social cohesion - Improving interactions among municipalities and citizens within the CB region	- Level of sustainable institutional cooperation in the field of energy and risk management or health and social cohesion in the programme area - Level of cross-border cooperation among municipalities and citizens in the programme area
							- Providing the efficient and smooth implementation of the CP	Not applicable
Priority axis 4 (TA)	3,000,000	6.25 %	0 %	0 %				

Table 5: Overview of the investment strategy of the cooperation programme

SECTION 2

DESCRIPTION OF THE PRIORITY AXES

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

Beside the priority axis for TA, three priority axes have been chosen:

- Priority axis 1: Strengthening cross-border Competitiveness, Research and Innovation
- Priority axis 2: Protecting the Environment and Promoting Resource Efficiency
- Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Furthermore, investment priorities have been determined which are in line with the corresponding thematic objective.

Priority axis 1 includes one IP 1 (b) which corresponds to the thematic objective 1 (Research, development and innovation). Priority axis 2 includes two IPs, 6 (c) and 6 (f) which correspond to the thematic objective 6 (Protecting the environment and promoting resource efficiency). Priority axis 3 includes one IP, 11 (b) which corresponds to the thematic objective 11 (Institutional capacity and public administration).

2.A.1/1 Priority Axis 1: Strengthening cross-border Competitiveness, Research and Innovation

ID of the priority axis	A.1
Title of the priority axis	Strengthening cross-border Competitiveness, Research and Innovation

2.A.2/1 *Justification for the establishment of a priority axis covering more than one thematic objective*

Not applicable.

2.A.3/1 *Fund and calculation basis for Union support*

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible costs

2.A.4/1.1b *Investment priority 1(b): Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education*

Investment priority

1(b) Promoting business investments in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education

2.A.5/1.1b *Specific objectives corresponding to the investment priority and expected results*

Specific objective 1

ID	A.1.1
Specific objective	Strengthening R&I in technological and economic fields of strength through CB cooperation of relevant stakeholders.
The results that the Member States seek to achieve with Union support	<p>The geographic space generally shows a rich endowment with research institutions, but these are distributed unevenly. Consequently, large regional disparities in terms of regional capacities for R&I are evident. The lion's share of R&D infrastructures (such as universities and applied research institutes) is concentrated in the regional centres Graz, Ljubljana, and to a much smaller extent in Maribor. This is equally true on an interregional as an intraregional level. Even if the R&I infrastructure is centred in these two cities, in the past R&I competences and infrastructures were established successfully in the whole programme area. This shows a good endowment not only with universities and/or universities of applied sciences, but also good endowment with research and technology organizations as well as technology and science parks. R&D infrastructure has also formed the nodes of participation within the EU Framework Programmes for Research and Technology (FP 6). Recent analyses show that project partners from Graz and Ljubljana account for the highest share of participation in the programme area. There is also a dense population of industry clusters by various cluster and network initiatives in strong economic sectors (automotive, wood, materials, electronics, etc.). Hence in the past, innovation systems were developed.</p> <p>However, the programme area is still characterized by fragmented R&I-capacities with the problem of achieving critical mass. Hence, the CP could overcome the problem by strengthening (already existing) cooperation activities in order to improve the interaction of research organisations and by building up know-how of research institutions and public administration (policy actors responsible for the coordination of strategic agendas and specialisation) across the border in order to respond to the progressive and growing trend in the development of R&I.</p> <p>The aim should be to reach critical mass by institutional cooperation, as this will also have a positive impact on companies in the programme area. Supporting coordination for exchange (especially at research</p>

institutions) should ensure strengthening of networking, active technology and knowledge transfer as well as overcome the lack of access to R&D in peripheral and CB regions.

Analysis in the past showed that there is a strong interregional knowledge base in mechanical engineering and process engineering, materials (i.e. polymers), design, food, production, wood processing industry etc. The support for the development of institutional cooperation between R&D-infrastructures should therefore be related to existing technological and economic fields of strength in order to intensify research activities and the building up of know-how in order to create spill-over effects for the industry. The CP will help to expand existing capacities for strengthening R&I activities also in peripheral and CB regions and for exploiting and developing synergies across the border. This intends to contribute to structural improvement at research institutions and the visibility of the programme area as a research location within Europe.

Specific objective 2

ID	A.1.2
Specific objective	Broadening the basis of innovating enterprises in the programme area.
The results that the Member States seek to achieve with Union support	<p>Based on strengthening R&I by the cooperation among institutions capable for research and education, technology and infrastructure (specific objective 1), specific objective 2 will help companies to broaden their R&I base. Companies will receive a better understanding of R&D and innovation capacities in the programme area. For technology and knowledge intensive companies, the access to infrastructures and their services will be secured.</p> <p>The improved “innovation ecosystem” will contribute to broadening of basis of innovating enterprises in the programme area⁵³. By providing specific support services, companies and especially SMEs will be able to implement RTI activities, especially in regions where companies are less innovative and have limited access to new technological knowledge. By supporting cooperation, networking of companies, research institutions (science-industry cooperation) and platforms could be improved and/or</p>

⁵³ This is coherent with European strategies of fostering open innovation in the European Union within the Europe 2020 Initiative (see, also the contributions of EU’s Open Innovation Strategy and Policy Group (OISPG): <http://ec.europa.eu/digital-agenda/en/open-innovation-strategy-and-policy-group>).

developed in order to achieve synergies across the border, to broaden the basis of innovating enterprises and to increase R&D investments in the programme area.

The aim of CP Interreg Slovenia-Austria is to increase the territorial competitiveness, focusing on consolidation, modernisation and diversity of local and regional economies in order to support new business models and to introduce organisational, marketing and service innovations and technologies. The aim should be to support the development and improvement of products (with a focus on the development of new and joint products) and CB services. Growing synergies will lead to advantages for SMEs, as they will be able to reduce uncertainties and costs, as learning processes will be initiated, the migration of qualified workers from the region will be limited and the ability to network will be extended. SMEs will not only be encouraged to expand their businesses in the area, but also in achieving additional significant growth and use of new technologies. Soft measures, such as training programmes focused on gaining and improving specialised qualifications, skills and competences, are measures for enhancing the SME's capabilities to cooperate. The key feature here is the development of innovation and process capabilities and the introduction of growth phases and strategies. Hence, within this processes, cooperation is necessary and can lead to increased knowledge and innovation capacities of entrepreneurs, and positive effects in productivity and profitability of supported SMEs. This includes also the establishment of innovative (in the sense of Open innovation) enterprises what means that the programme will support start-up of business.

In order to secure and to further improve the high performance of the region, the potential of CB cooperation in the sense of a common R&I area will be fostered. Therefore, the cooperation activities will foster the basis for new products and processes what may lead to sustainable growth and jobs.

Specific objective 3

ID	A.1.3
Specific objective	Increasing the level of internationalization of enterprises, especially SMEs in the programme area
The results that the Member States seek to achieve with Union support	Based on the objective of broadening the R&I base and increasing the territorial competitiveness (specific objective 2) consequently,

specific objective 3 will help those companies and especially SMEs to increase the level of internationalization.

The economy of the CB region is dominated by SMEs showing considerable problems in meeting future requirements and competitiveness. The innovation capacities are concentrated on a small number of frontrunning enterprises serving international markets while the majority of companies (in particular SMEs and start-ups) are lagging behind in this respect. This is particularly true for companies located in border regions as they face disadvantage resulting from their peripherality. While industrial activities are concentrated in large and medium sized centres, peripheral territories show a larger share of SMEs in the service sector. The latter should play a comparatively larger role in supporting regional development. High seasonality of certain economic activities and small-sized enterprises as well as the lack of high-quality services for specific target groups are limiting the competitiveness of SMEs in an increasingly international environment. These SMEs, positioned mainly in the medium- and low-technology sector, are characterised by low levels of competitiveness, as they are not prone to innovations. They lack internationalisation and tend to serve local markets. This is particularly true for peripheral areas where market size is marginal and location of companies hampers proper supply of customers in the wider region.

The CP offers additional measures oriented to the market growth (networking, clusters) and internationalisation, creating efficient and stable business environment. This will allow companies to grow sustainably. The first step is the cooperation across the border, helping to strengthen regional innovation capacities and contributing to regional smart specialisation strategies, building-up a critical mass and closing value chains before the companies can start long-distance internationalisation.

The CP addresses these problems by supporting CB cooperation of companies for internationalization and export, by upgrading business environment and by creating awareness of enterprises (especially SMEs) towards internationalisation.

Table 6: Programme specific result indicators

ID	Indicator	Measure- ment unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1b.1 – specific objective 1	R&D Intensity	percentage	3.1%	2011	3.3 %	Statistical Office Austria (R&D survey and Gross Domestic Product and RegionalAccounts and), Statistical Office Slovenia Gross Domestic Product and RegionalAccounts and Research and Development)	2018, 2020, 2023
1b.2 – specific objective 2	Enterprises with innovation cooperation with cooperation partners from Europe	Number	860	2012	903	Community Innovation Survey (CIS 2012)	2018, 2020, 2023
1b.3 – specific objective 3	Number of exporting companies	Number	17,695	2012	18,220	Statistical Office Austria (Umsatzsteuerstatistik), Statistical Office Slovenia (Statistični urad Republike Slovenije Oddelek za strukturne in globalne poslovne statistike)	2018, 2020, 2023

2.A.6/1.1b Actions to be supported under the investment priority

2.A.6.1/1.1b *A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries*

Type and examples of actions to be supported under the investment priority:**Specific objective 1**

- Improvement of CB competitiveness and excellence in R&I (e.g. by creation of joint CB platforms for know-how and technology transfer as basis for R&I, applied science projects, etc.).
- Support of a better access and use of research infrastructure for CB research institutions and relevant stakeholders (e.g. institutional cooperation between R&D-infrastructure).
- Use of potential of researchers and their international mobility (with the purpose of increasing the competitiveness of CB area).

- Implementation of research, innovation and technology transfer projects to support the building-up of competences in common fields of strength defined by the Smart specialization strategy in both countries⁵⁴.
- Promotion of CB cooperation among research institutions and public administrations.

Specific objective 2

- Strengthening innovation processes and investment of CB clusters and networks, enterprises and other institutions cooperating across border in order to develop new or improved products, services and pilot investments.
- Support to enterprises in the phase of testing innovation (including the process of certification).
- Enhancing the transfer of developed solutions and of new knowledge to the public domain.
- Strengthening growth and development of companies and especially SMEs (and their creativity and innovativeness, investment in processes and development as well as development of capabilities of SME's to cooperate) especially by design and implementation of support programmes in common fields of strength defined by the Smart specialization strategy in both countries.⁵⁵
- Strengthening the innovation ability of enterprises (offering innovation support services to support innovation) or the use of new technologies in common fields of strength⁵⁶⁵⁷⁵⁸.
- Support to services for innovative (innovation in services, creative industries, product innovation, etc.) entrepreneurs/companies and potential entrepreneurs to enable the start-up of business.
- Support to development of new CB business models and integrated models of business processes.
- Promotion and development of new (social) entrepreneurship models (innovative companies with potential of global growth, companies in CB areas facing the development challenges (problem areas).
- Support to CB SME/networks to develop new or improved products, services or to enter new markets and improve their export potential.

⁵⁴ Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region; Smart Specialisation Strategy Slovenia; July 2015, Carinthia 2020 Strategy (http://www.klhd.at/fileadmin/user_upload/KLH-Gruppe/Wirtschaftsstrategie_fuer_Kaernten_2013%C2%AD2020.pdf) Economic Strategy Styria 2020; Innovation Offensive Burgenland 2020. Action Plan for Research and Innovation.

⁵⁵ Refers to the text provided in the footnote 56.

⁵⁶ Mechanical engineering and process engineering, civil engineering, environmental science / engineering, IT / software engineering, computer based simulation, and to a smaller amount microelectronics, micro/ nano analytics, material sciences (i.e. polymers), surface science / engineering, design, food production, wood processing industry, physics and chemistry, genetics and microbiology, medicine and pharmacology.

⁵⁷ Kärntner Wirtschaftsförderungs Fonds (2008): Interregional Innovation Policy. Opportunities and Challenges in the Alps-Adriatic Region.

⁵⁸ Smart Specialisation Strategy Slovenia, July 2015.

- Encouragement and support to technology and know-how transfer (of best practices) between research, technology, educational institutions and/or institutions of the cultural and creative sector with enterprises for the development, adaptation and marketing of new technologies, products or services.
- Support to exchange of experiences in the field of business and innovation development.

Specific objective 3

- Support to creation of awareness towards internationalisation by promotion of enterprises (SMEs) in common fields of strength defined by the Smart specialization strategy in both countries (in the field of manufacturing, ICT, tourism and health and social work activities), especially for high-growth enterprises and enterprises with a potential to grow in the programme area.
- Increasing CB cooperation of companies for competitiveness, internationalization and export, e.g. by supporting networking/clusters of enterprises, joint investments, joint participation on the market, etc.
- Implementation of services for knowledge intensive start-ups with the strong potential to internationalize.

Main target groups supported under the investment priority:

- Institutions relevant for research and education, technology and infrastructure.
- Innovation leaders.
- Enterprises being at the threshold to innovation activities.
- Universities and other academic and education institutions.
- R&D institutions.
- Company founders and young entrepreneurs.
- Local business community.
- Business support mechanisms.
- Technology/business/university parks.

Types of beneficiaries supported under the investment priority

- Private and public business support institutions (incubators, technology parks, science parks, competence centres, business support centres).
- Enterprises (including SMEs).
- Clusters and networks (including clusters and networks of SMEs).
- Tourism institutions, associations and agencies.
- Research institutions.
- Universities and other academic and higher education institutions as well as technology and business oriented high schools.
- Training and education organisations and institutions.
- Institutions and organisations representing economic and social interests of employees/employers.
- National, local and regional (public) authorities.

- Local/regional institutions, development organisations and networks.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/1.1b Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the IP are outlined in section “5.3.2 Project cycle/Description of procedures”.

Specific guiding principles for IP 1b

- Connecting knowledge, competences and technologies in the priority areas, with regard to RIS3 strategy and CB impact should be part of all projects.
- Involvement of SMEs or SME-networks as project partners is strongly recommended. For actions under specific objective A.1.3 the involvement of at least one enterprise as a project partner is mandatory.
- Consulting and mentoring/coaching projects should develop or accompany sustainable or even high growth and/or internationalization processes.

2.A.6.3/1.1b Planned use of financial instruments

Within the concrete IP no financial instruments are planned.

2.A.6.4/1.1b Planned use of major projects

There are no concrete projects planned.

2.A.6.5/1.1b Output indicators by the investment priority*Table 7: Common and programme specific output indicators by investment priority*

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
CO01	Number of enterprises receiving support (CI)	Enterprises	15	Monitoring system	Annually
CO02	Number of enterprises receiving grants (CI)	Enterprises	15	Monitoring system	Annually
CO04	Number of enterprises receiving non-financial support (CI)	Enterprises	30	Monitoring system	Annually
CO26	Number of enterprises cooperating with research institutions (CI)	Enterprises	20	Monitoring system	Annually
CO29	Number of enterprises supported to introduce new to the firm products (CI)	Enterprises	5	Monitoring system	Annually
1b.1	Number of joint CB R&D projects	Number	8	Monitoring system	Annually
1b.3	Number of joint CB internationalization projects involving SMEs	Number	7	Monitoring system	Annually

2.A.7/1 Performance framework of the priority axis 1: Strengthening cross-border Competitiveness Research and Innovation

Table 8: Performance framework of the priority axis 1: Strengthening cross-border Competitiveness, Research and Innovation

Priority axis	Indicator type	ID	Indicator or key implementation step	Measure–ment unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
PA 1: Strengthening cross-border Competitiveness, Research and Innovation	Financial indicator	A.1.1	Payments: Certified and declared to the EC	Number	2,121,008.40	17,675,070.00	Monitoring system	The milestone of the financial indicator A.1.1 is based on the programme's financing plan, taking into account the annual breakdown and the allocation per priority axis. The target value equates to the total amount of eligible expenditure of priority axis 1.
	Output	CO01	Number of enterprises receiving support (CI)	Enterprises	2	15	Monitoring system	Number of enterprises receiving support in any form from ERDF.

Additional qualitative information on the establishment of the performance framework

The CP is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established by taking into account the nature and size of expected operations under each IP as well as the experience of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/1 Categories of intervention*Table 9: Dimension 1 Intervention field*

Priority axis	Code	Amount (EUR)
1	56 - Investment in infrastructure, capacities and equipment in SMEs directly linked to research and innovation activities	751,192
	57 - Investment in infrastructure, capacities and equipment in large companies directly linked to research and innovation activities	450,714
	58 - Research and innovation infrastructure (public)	450,714
	59 - Research and innovation infrastructure (private, including science parks)	450,714
	60 - Research and innovation activities in public research centres and centres of competence including networking	2,253,571
	61 - Research and innovation activities in private research centres including networking	450,714
	62 - Technology transfer and university-enterprise cooperation primarily benefiting SMEs	3,004,762
	63 - Cluster support and business networks primarily benefiting SMEs	2,253,571
	64 - Research and innovation processes in SMEs (including voucher schemes, process, design, service and social innovation)	1,502,381
	67 - SME business development, support to entrepreneurship and incubation (including support to spin offs and spin outs)	3,455,476

Table 10: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
1	1 - Non-repayable grant	15,023,809

Table 11: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
1	1 - Large Urban areas (densely populated >50 000 population)	7,511,904
	2 - Small Urban areas (intermediate density >5 000 population)	6,760,714
	3 - Rural areas (thinly populated)	751,191

Table 12: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
1	7	15,023,809

2.A.9/1 *A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)*

Not applicable.

2.A.1/2 **Priority Axis 2: Protecting the Environment and Promoting Resource Efficiency**

ID of the priority axis

A.2

Title of the priority axis

Protecting the Environment and Promoting Resource Efficiency

2.A.2/2 *Justification for the establishment of a priority axis covering more than one thematic objective*

Not applicable.

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

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.A.4/2.6c *Investment priority 6(c): Protecting, promoting and developing cultural and natural heritage*

Investment priority	6(c) Protecting, promoting and developing cultural and natural heritage
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2.A.5/2.6c **Specific objectives corresponding to the investment priority and expected results**

ID	A.2.1
Specific objective The result that the Member States seek to achieve with Union support	<p>Achieving sustainable development of natural and cultural heritage</p> <p>The programme area is rich with tangible and intangible natural as well as cultural heritage. An adequate conservation and valorization of such assets bears high potential for the programme area's economic and social development, especially in terms of sustainable tourism.</p> <p>The programme area is characterized by an increased level of natural heritage under protection (e.g. active conservation of the NATURA 2000 sites) as well as increasing efforts to safeguard the areas of common cultural heritage (e.g. historically important buildings and traditions like language, artifacts, customs, music and dance, traditional manual dexterity, etc.). Thereupon, the development as a sustainable tourist destination requires a balanced coordination between the increased conservation level and the public accessibility of the conserved natural resources, together with the conservation of the cultural complexity generated by two different cultural identities. CB cooperation is an important tool for achieving such a balance by establishing common understanding and integrated joint approaches of valorisation which ensures natural and cultural heritage conservation on one side and fosters sustainable tourism on the other.</p> <p>The aim of CP INTERREG Slovenia-Austria lies in long-term conservation and preservation of natural assets, sustainable conservation, valorization and safeguarding of natural (e.g. active conservation of the Natura 2000 sites) and cultural heritage (e.g. prevented from deteriorating) as these form fundamental pillars for the improvement of the regional tourist offer. With the creation of new and/or improved common tourist products and/or services, investments in nature interpretation infrastructure (learning paths, show cases explaining what animals are living there etc.), fostering capacity building and networking among key stakeholders, the establishment of the programme area as a sustainable and competitive tourist destination will be achieved. An additional added value will be created by contributing to the overall economic growth (e.g. development and introduction of creative branding that makes destinations more attractive to tourists and also to providers of new business models or services in that field, increase of tourist visits, creation of new forms of employment) as well as for the awareness-raising among citizens.</p> <p>The results to be achieved through EU support will contribute to increasing number of overnight stays in the programme area.</p>

Table 13: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
6c	Overnight stays	Number	33,127,302	2013	36,124,869	SURS, Regional Statistics Steiermark, Kärnten, Burgenland	2018, 2020, 2023

2.A.6/2.6c Actions to be supported under the investment priority

2.A.6.1/2.6c A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

Type and examples of actions to be supported under the investment priority:

- Development and practical implementation of necessary joint strategies and action plans for management and active conservation of natural heritage in terms of bio- and geodiversity as well as cultural heritage sites (e.g. Natura 2000 sites, cultural monuments etc.).
- Sustainable utilization and management of natural and cultural heritage, including nature protection measures.
- Conservation, protection, restoration, development and valorisation of cultural and natural heritage sites as well as public visitor infrastructure for their utilization in the field of sustainable tourism.
- Support of know-how transfer, training and capacity building as well as awareness-raising for relevant stakeholders for development of corresponding skills.
- Joint development of new/improved products and services in the field of sustainable tourism in order to preserve/valorize the natural/cultural heritage in an appropriate way and/or to increase the attractiveness of the programme area (e.g. accommodations, tours, transportation, recreational activities, development of joint quality standards in tourist services).
- Development and improvement of long-term approach and measures for cultural heritage protection through comparative studies of risk-preparedness tools and mechanisms (e.g., recording, monitoring, risk assessment, etc.).
- Investments for improvement of Natura 2000 species and habitat types, functioning of ecosystems (e.g. restoration of ecosystems and habitats, control of invasive alien species), their sustainable utilization and management.

- Promotion of awareness-raising with the direct involvement of local communities (including investments in nature interpretation infrastructure).

Main target groups supported under the investment priority:

- Public and private institutions as well as owners and managers responsible for natural and cultural heritage.
- Local and regional public and state administrations.
- Institutions in the field of tourism.
- Citizens.

Types of beneficiaries supported under the investment priority

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Institutions, organisations, associations and NGOs in the field of nature protection and conservation, environment, spatial planning, public transport, culture and tourism.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/2.6c Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the IP are outlined in section “5.3.2 Project cycle/Description of procedures”.

Specific guiding principles for IP 6c

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primarily serve as recommendations in the project selection process:

- Cultural and natural heritage sites supported have to be publicly accessible.
- Tourist offers have to include at least two destinations, one from each Member State and have to be related to natural/cultural heritage valorization.
- Only those studies, strategies, action plans and similar cross-border mechanisms and solutions will be supported which are able to demonstrate evidence or realistic assumptions on their real/practical application in the sustainable development of common areas.

2.A.6.3/2.6c Planned use of financial instruments

Within the concrete IP, no financial instruments are planned.

2.A.6.4/2.6c Planned use of major projects

There are no concrete projects planned.

2.A.6.5/2.6c Output indicators by the investment priority

Table 14: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
6c.1	Number of newly developed and/or improved joint CB tourist products ⁵⁹	Number	16	Monitoring system	Annually
6c.2	Number of projects targeting geodiversity or biodiversity	Number	3	Monitoring system	Annually
6c.3	Number of sustainable tourism related services	Number	6	Monitoring system	Annually

⁵⁹ A tourist product can be defined as an individual service and/or good, which is used by a tourist on the way and the stay outside his permanent place of residence. A set of such set products can be named as an integral tourist product. For the purposes of the Cooperation Programme Interreg V-A Slovenia-Austria the definition can be specified in terms of sustainable tourism and defined as: 'Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities'. Thus, sustainable tourism should: 1. Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage. 2. Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance. 3. Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation. Reference: Making Tourism More Sustainable - A Guide for Policy Makers, UNEP and UNWTO, 2005, p.11-12. Natural heritage comprises bio- and geodiversity.

2.A.4/2.6f *Investment priority 6(f): Promoting innovative technologies to improve environmental protection and resource efficiency in waste sector, water sector, soil protection or to reduce air pollution*

Investment priority	6(f): Promoting innovative technologies to improve environmental protection and resource efficiency in waste sector, water sector, soil protection or to reduce air pollution
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2.A.5/2.6f *Specific objectives corresponding to the investment priority and expected results*

A.2.2	
ID	
Specific objective	Innovation in sustainable management and utilization of water resources
The result that the Member States seek to achieve with Union support	<p>The programme area is characterized by strongly integrated surface water bodies, accordingly joint CB water management and flood risk prevention measures are of high importance. Given the essentiality of the topics, CB cooperation regarding these issues has been historically very strong. Nevertheless, when taking into account the environmental and climate effects, further cooperation is essential. The programme area includes two larger CB river systems (Mura/Mur, Kučénica/Kutscheniza) as well as multitude of small streams and brooks. The relationships in the field of water management are being regulated with Slovenian and Austrian “water agreements”, but there are still many common challenges (e.g. technologies and innovativeness regarding maintenance and improvement of surface and underground water quality and their management) to overcome. These challenges can only be affected with coordinated innovative efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives. CB cooperation in the field of water management will help to improve the quality status of CB rivers, provide smooth flow of water, and reduce natural risks in the field of natural disasters, especially along the river Mura where CB cooperation is required to help in improving the coordination of environmental protection and flood risk management actions. Lastly, due to current and in the future even more possible climate change implications (e.g. thaw) necessary joint precautions have to be taken. A vital prerequisite for the CB cooperation would be the usage of innovative methods and technologies which are to a certain extent already used, but nevertheless, still need further enhancement, dissemination and transformation.</p> <p>Aimed results are infrastructure, joint studies and research works (surface water modeling and monitoring, high water forecasting) as well as joint innovative measures for improving the quality status of CB rivers, flood protection and river system revitalization, accompanied by monitoring activities which will show the status and impacts of the measures incorporated. Furthermore, strategies and action plans will raise the knowledge base for the decision-making in water policy that will additionally contribute to an improved water and waste water management, flood risk prevention and protection as well as overall strengthening of CB cooperation in the field of water management, including not only public services, but important private stakeholder as well. Smaller building flood-protection measures within these activities are also required. Merely sustainable, nature-friendly measures that can be carried out with the use of innovative technologies that will increase the impact and sustainability of all other planned activities in this area are meant here (e.g. sustainable arrangements of slopes, pilot activities of flood regime using sustainable materials, revival of the former Nature sleeves watercourses to increase the fluidity of watercourses and reducing potential risks). Green infrastructure will be used to improve resilience of rivers. The results to be achieved through EU support will contribute to a secured and improved sustainable utilization</p>

of water resources in the programme area.

Table 15: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measure– ment unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
	Length of the cross-border river bodies with unsatisfactory water quality status	Kilometers	22.5	2014	15	Amt der Steiermärkischen Landesregierung, Abteilung 14 Wasserwirtschaft, Ressourcen und Nachhaltigkeit	2018, 2020, 2023

2.A.6/2.6f Actions to be supported under the investment priority

2.A.6.1/2.6f A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

Type and examples of actions to be supported under the investment priority:

- Development and practical implementation of joint sustainable water strategies to set out long-term plans for improving the quality status and securing the water future of the programme area.
- Development and practical implementation of joint modeling, monitoring and forecasting studies and research works with the inclusion of climate change implications and action plans for reducing the overall water and wastewater footprint.
- Development and practical implementation of integrated flood determination, protection and control measures as well as river restoration measurements.
- Practical implementation of joint monitoring activities (qualitative and quantitative) to assess the status and impacts of the measures incorporated.
- Preparation and implementation of construction and non-construction anti flood measures in line with the flood risk management plan.

Main target groups supported under the investment priority:

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Bilateral CB commissions.

- Institutions and organisations in the field of water management, nature protection, environment and risk prevention, spatial planning.
- Research institutions.

Types of beneficiaries supported under the investment priority

- Local, regional and national authorities and organisations (e.g. ministries, local communities, public institutes and services).
- Institutions and organisations in the field of water management, nature protection, environment and risk prevention, spatial planning and other research organizations.
- Associations and NGOs in the field of water, nature protection, bio/geodiversity and environment.

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/2.6f Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the IP are outlined in section “5.3.2 Project cycle/Description of procedures”.

Specific guiding principles for IP 6f

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primary serve as recommendations in the project selection process:

- Solely those joint sustainable water strategies will be funded which will be able to provide evidence of their long-term utilization in terms of improving the water quality or securing the water future of the programme area.
- Solely those joint studies and research works will be funded which will be able to provide evidence of their practical utilization in applied water management.
- Projects with innovative character will be prioritized.

2.A.6.3/2.6f Planned use of financial instruments

Within the concrete IP no financial instruments are planned.

2.A.6.4/2.6f Planned use of major projects

There are no concrete projects planned.

2.A.6.5/2.6f Output indicators by the investment priority

Table 16: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
CO42	Research institutions participating in CB research projects (common indicator)	Organisations	4	Monitoring system	Annually
6f.1	Number of jointly developed water management strategies	Number	1	Monitoring system	Annually
6f.2	Number of joint modelling, monitoring and forecasting studies and research works	Number	1	Monitoring system	Annually
6f.3	Number of joint CB flood determination, protection and control measures	Number	1	Monitoring system	Annually

2.A.7/2 Performance framework of the priority axis 2: Protecting the Environment and Promoting Resource Efficiency

Table 17: Performance framework of the priority axis 2: Protecting the Environment and Promoting Resource Efficiency

Priority axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
Protecting the Environment and Promoting Resource Efficiency	Financial indicator	A.2.1	Payments: Certified and declared to the EC	Number	2,686,299.07	20,663,839.00	Monitoring system	The milestone of the financial indicator A.2.1 is based on the programme's financing plan, taking into account the annual breakdown and the allocation per priority axis. The target value equates

							to the total amount of eligible expenditure of priority axis 2.
Output indicator	A. 2. 2	Number of jointly developed water management strategies	Number	0	1	Monitoring system	This indicator will measure the number of jointly developed water management strategies which will lead to protection of Environment and Promotion of Resource Efficiency
Key implementation step	A. 2. 3	Number of operations developing water management strategies (approved operations)	Number	1	1	Monitoring system	This indicator will measure all approved operations developing water management strategies in PA 2, IP 6f.
Output indicator	A. 2. 4	Number of newly developed and/or improved joint CB tourist products	Number	0	16	Monitoring system	This indicator will measure the number of newly developed and/or improved joint CB tourist products which will lead to protection of Environment and Promotion of Resource Efficiency
Key implementation step	A. 2. 5	Number of operations developing newly and/or jointly improved CB tourist products (approved operations)	Number	2	4		This indicator will measure all approved operations developing newly and/or jointly approved CB tourist products within PA2, IP 6c.

Additional qualitative information on the establishment of the performance framework

The CP INTERREG V-A SI-AT is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established taking into account the nature and size of expected operations under each IP as well as the experiences of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/2 Categories of intervention

Table 18: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
2	021 - Water management and drinking water conservation (including river basin management, water supply, specific climate change adaptation measures, district and consumer metering, charging systems and leak reduction)	3,468,952
	085 - Protection and enhancement of biodiversity, nature protection and green infrastructure	3,117,632
	086 - Protection, restoration and sustainable use of Natura 2000 sites	2,239,432
	088 - Risk prevention and management of non-climate related natural risks (i.e. earthquakes) and risks linked to human activities (e.g. technological accidents), including awareness raising, civil protection and disaster management systems and infrastructures	1,932,069
	090 - Cycle tracks and footpaths	1,888,185
	091 - Development and promotion of the tourism potential of natural areas	878,213
	092 - Protection, development and promotion of public tourism assets	1,141,677

	093 - Development and promotion of public tourism services	878,213
	094 - Protection, development and promotion of public cultural and heritage assets	1,141,677
	095 - Development and promotion of public cultural and heritage services	878,213

Table 19: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
2	1 - Non-repayable grant	17,564,263

Table 20: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
2	2 - Small Urban areas (intermediate density >5 000 population)	6,498,777
2	3 - Rural areas (thinly populated)	11,065,486

Table 21: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
2	7	17,564,263

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

Not applicable.

2.A.1/3 Priority Axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

ID of the priority axis	A.3
Title of the priority axis	Enhancing Institutional Capacity and an Efficient Public Administration

2.A.2/3 Justification for the establishment of a priority axis covering more than one thematic objective

Not applicable.

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

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.A.4/3.11 Investment priority 11b: Promoting legal and administrative cooperation and cooperation between citizens and institutions

Investment priority	(CBC) promoting legal and administrative cooperation and cooperation between citizens and institutions
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2.A.5/3.11 Specific objectives corresponding to the investment priority and expected results

ID	A.3.2
Specific objective 1	Improving cooperation in the fields of risk management, energy, health and social cohesion
The results that the Member States seek to achieve with Union	<p>Both countries face same challenges – how to keep the economy globally competitive, how to protect nature, how to manage multiplying natural disasters and manmade risks, how to create suitable living conditions for the citizens. This specific objective is all about facing these challenges together.</p> <p>The situation analysis in the programme area showed increasing energy consumption, increased frequency of natural and other disasters and recurring need for risk management. These challenges can be solved the most effectively with sustainable measures and joint approach.</p>

support

Regarding energy efficiency, especially the Austrian side possesses the needed technological know-how, skills and drive; wherein on the Slovenian side, the growing knowledge level still has to reach its full potential. CB cooperation ensures a more efficient knowledge transfer, contributes to capacity-building, networking and institutional support and by that to more coordinated innovation activities, resulting in the creation of positive synergy effects. Fostering improvements in the field of energy efficiency goes in line with awareness-raising activities among key stakeholders and the wider public (e.g. brochures, public events, etc.).

The issue of risk management (water, soil, air) has been successfully tackled in the past, but joint CB measures remain of high importance. Through further cooperation in the field of public services, capacity building, networking enlargements and exchanging of know-how and best practices, CB cooperation will importantly contribute to natural risk prevention.

Situation analysis showed also the need for increased social cohesion in the area of health and qualification. This area has been an important priority also in previous cooperation. As the CB mobility of patients has been increasing in the past years, it is important to provide them with the best health care services in terms of adequate medical workers, hospital infrastructure (e.g. availability of hospital beds) and information provision (hard and e-form). Within this, an important part is also the promotion of preventive sanctions (e.g. healthy living and eating habits) which gains momentum.

Another challenge is to strengthen CB cooperation in the area of qualification. The reasons lie in different curricula, education systems and legal bases. Thereupon, cooperation and networking which lead to the basic quality improvements and coordination in the field of education and continuing vocational training in the inter-regional level, should be emphasized. Here, special attention will be given to the unemployed people aged 55 to 64.

Possible results under this specific objective are strong networks on local/regional level aiming to build joint capacities, transfer and exchange of know-how, skills, knowledge and practices in the field of risk management, energy, health and qualification etc., wherein this primary aim will be supported by small scale investments which will make the impact of the programme visible to the citizens. The results to be achieved through EU support will contribute to increased intensity of CB cooperation in field of energy, risk management, health and qualification.

ID**A.3.2****Specific
objective****2**

Improving interactions among municipalities and citizens within the CB region

The results that the Member States seek to achieve with Union support

As both countries have the same cultural basis, there is a strong potential for cooperation among municipalities in the region. Due to different regional strategies and processes in both countries, there is a need to harmonize them. Improving public administration and public services could also be solved with various joint measures. The CP aims to reach more stable and more extended legal and administrative CB cooperation among municipalities from both sides of the border. Implementing and strengthening networks, exchange of experience, know-how, best practices and other forms of capacity building will result in more efficient public administration and delivery of quality public services in the programme area.

Possible results under this specific objective will include strong networks on local/regional level, joint strategies, processes and services, exchange of know-how, skills, knowledge and practices, etc. This primary aim will be supported by small scale investments making the impact of the programme visible to the citizens. The results to be achieved through the EU support will improve the environment for cooperation among municipalities and citizens within the programme area.

Table 22: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
11	Level of sustainable institutional cooperation in the field of energy and risk management or health and social cohesion in the programme area	Scale	3,54	2015	3,89	Survey	2018,2020, 2023
11	Level of cross-border cooperation among municipalities and citizens in the programme area	Scale	2,41	2015	2,65	Survey	2018, 2020, 2023

2.A.6/3.11 Actions to be supported under the investment priority**2.A.6.1/3.11 A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries****Type and examples of actions to be supported under the investment priority:****Specific objective 1**

- Developing and implementing CB tools and services (e.g. analytical tools, management tools, technical tools, software tools, etc.) for the purpose of risk management prevention (e.g. joint monitoring, etc.).
- Joint programming, project preparation and demonstration actions of local governments, non-profit organizations, development and energy agencies in the field of renewable energy and energy efficiency.
- Active awareness-raising among key stakeholders as well as the wider public (e.g. information sheets, public information events, brochures, etc.).
- Developing and implementing training programmes and schemes (in order to intensify future CB cooperation as well as to build up capacities and skills needed for the CB labour market (e.g. intercultural communication and qualification trainings, language courses, joint schemes to support transfers of best practices and know-how, study visits, vocational training).
- Strengthening cooperation within CB networks on local/regional level as well as the cooperation of institutions providing public services, training and educational institutions, cultural associations, etc. (e.g. capacity building, knowledge exchange and networking activities).
- Developing and implementing CB tools and services (e.g. analytical tools, management tools, technical tools, software tools, etc.) for the purpose of emergency interventions (e.g. information about hospital beds, availability of ambulances and medical workers, etc.).
- Developing human skills and knowledge (including language skills) enabling institutions to continue and intensify CB cooperation
- Developing new services and products regarding important regional topics in order to ensure closeness to citizens and the visibility of the programme (e.g. trainings, consultancies).
- Joint development of common approaches to identified common problems such as social inclusion and employment promotion for marginalized groups.
- Joint improvement of basic health and social services in the border region by the use of ICT technologies.

- Better harmonization of the demand and supply side of the labour market such as creation of sub- or micro-regional employment pacts or collection of labour market information and data.
- Developing and delivering shared labour market information and guidance for the employers and potential employees in the CB region (with special attention also to the age group of 55 to 64).
- Formulation of bottom up, multi-stakeholder partnerships in order to develop territory based integrated solutions on employments.
-

Specific objective 2

- Strengthening public institutional cooperation among regions, municipalities and citizens as well as key institutions involved in regional development activities (e.g. exchanging practices, knowledge, know-how, services, development strategies, etc.).
- Improving interaction among municipalities by improving coordination, tools and methods for evidence-based policy making, mechanisms for public participation, tools for increased transparency and accountability, etc.
- Improving the quality of services by reforms for reducing administrative burden, integration of services (focus on e.g. e-government/ e-justice, etc.).
- Organizing meetings and seminars for the exchange of experiences, information in order to identify common development issues, ideas and structures.

Main target groups supported under the investment priority:

- Local and regional public and state administrations.
- Other types of public and private organizations/institutions interested in CB cooperation (e.g. training and educational institutions, institutions and organizations in the field of risk management, health, energy, qualification and labour market, etc.).
- NGOs and associations of socially excluded.
- Citizens.

Types of beneficiaries supported under the investment priority

- Local and regional public and state administrations.
- Other types of public and private organizations/institutions interested in CB cooperation (e.g. training and educational institutions, institutions and organizations in the field of risk management, health, energy, qualification and labour market, NGOs and associations of socially excluded, associations for children, etc.).

Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is entitled.

2.A.6.2/3.11 Guiding principles for the selection of operations

The **general guiding principles** for the selection of operations under the IP are outlined in section “5.3.2 Project cycle/Description of procedures”.

Specific guiding principles for TO 11

Specific guiding principles are based on the defined horizontal principles under section 8. The defined guiding principles should primary serve as recommendations in the project selection process under TO 11.

- Wider usability of project deliverables in at least one of three areas (energy efficiency and risk management, health and qualification as well as cooperation among municipalities and citizens) is defined (e.g. pilot and demonstration projects, tools and services, training programmes and schemes, etc.).
- Projects involving new composition of networks will be prioritized.
- Solely those measures which are able to provide evidence of harmonization in implementation of the measures or setting up/ensuring common standards will be funded.

2.A.6.3/3.11 Planned use of financial instruments

Within the concrete IP no financial instruments are planned.

2.A.6.4/3.11 Planned use of major projects

There are no concrete projects planned.

2.A.6.5/3.11 Output indicators by the investment priority

Table 23: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
11.1	Number of institutions and/or organizations participating in joint CB initiatives	Number	100	Monitoring system	Annually
11.2	Number of people participating in joint training schemes and programmes	Number	200	Monitoring system	Annually
11.3	Number of joint CB pilot and demonstration projects	Number	5	Monitoring system	Annually
11.4	Population covered by improved public services	Number	200,000	Official statistical data on population of Municipalities (Statistical office Austria, Statistical office Slovenia)	Annually

2.A.7/3 Performance framework of the priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Table 24: Performance framework of the priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration

Priority axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator, where appropriate
Enhancing Institutional Capacity and an Efficient Public Administration	Financial indicator	A.3.1	Payments: Certified and declared to the EC	Number	1,750,628.28	14,588,569.00	Monitoring system	The milestone of the financial indicator A.3.1 is based on the programme's financing plan, taking into account the annual breakdown and the allocation per priority axis. The target value equates to the total amount of eligible expenditure of priority axis 3.
	Output indicator	A.3.2	Number of institutions and/or organizations participating in joint CB initiatives	Number	5	100	Monitoring system	This indicator will measure the number of institutions and/or organizations engaged in the cross-border structure, which will lead to promotion of legal and administrative cooperation and cooperation among citizens and institutions.

Additional qualitative information on the establishment of the performance framework

The CP Interreg V-A SI-AT is composed of output indicators and financial indicators for each priority axis and includes milestones for 2018 as well as targets for 2023.

Output indicators have been established taking into account the nature and size of expected operations under each IP as well as the experiences of the Operational programme Slovenia–Austria 2007-2013. The related information is collected during the regular monitoring of the implementation of operations (periodic progress reports) and therefore no additional administrative burden is imposed for data collection related to the performance framework.

The financial indicators included in the performance framework, namely payments certified and declared to the EC for the respective priority axis, are based on the annual breakdowns set by the EC. They are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the implementation of operations. The reporting of this indicator therefore does also not generate additional administrative burden.

2.A.8/3 Categories of intervention

Table 25: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
3	013- Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures.	1,488,025
	083 - Air quality measures.	992,000
	087 - Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures.	2,604,091
	096 - Institutional capacity of public administrations and public services related to implementation of the ERDF or actions supporting ESF institutional capacity initiatives.	682,016
	107 - Active and healthy ageing.	682,016
	108 - Modernisation of labour market institutions, such as public and private employment services, and improving the matching of labour market needs, including through actions that enhance transnational labour mobility as well as through mobility schemes and better cooperation between institutions and relevant stakeholders.	806,018
	112 - Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest.	1,364,031

	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, including through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work-based learning systems, including dual learning systems and apprenticeship schemes.	1,364,031
	119 - Investment in institutional capacity and in the efficiency of public administrations and public services at the national, regional and local levels with a view to reforms, better regulation and good governance.	806,018
	120 - Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies, including through sectoral and territorial pacts to mobilise for reform at the national, regional and local levels.	1,612,037

Table 26: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
3	1 - Non-repayable grant	12,400,283

Table 27: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
3	1 - Large Urban areas (densely populated >50 000 population)	6,200,142
3	2 - Small Urban areas (intermediate density >5 000 population)	5,580,127
3	3 - Rural areas (thinly populated)	620,014

Table 28: Dimension 4 Territorial delivery mechanisms

Priority axis	Code	Amount (EUR)
3	7	12,400,283

2.A.9/3

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

Not applicable.

2.B Priority axis 4: Technical Assistance**2.B.1 Priority axis 4: Technical Assistance**

ID of the priority axis	B.1
Title of the priority axis	Technical Assistance

2.B.2 Fund and calculation basis for Union support

Fund	ERDF
Calculation basis (total eligible expenditure or eligible public expenditure)	Total eligible cost

2.B.3 Specific objectives and expected results

ID	B.1.1
Specific objective	Providing the efficient and smooth implementation of the cooperation programme.
The result that the Member States seek to achieve with Union support	<p>An efficient implementation of cooperation programme demands technical management in order to ensure a solvent realization of the programme objectives, and thus, the achievement of the desirable results. The allocation of TA funds aims to ensure a proficient operation of all bodies which are needed for cooperation programme's frictionless enforcement, e.g. Managing Authority (MA)/Joint Secretariat (JS), first level control (FLC), Certifying Authority (CA), Audit Authority (AA)/Audit Body (AB), National Authority (NA) in Slovenia and National/Regional Authorities (NA/RA) in Austria.</p> <p>TA is a key objective to ensure a successful implementation of operations with noticeable outputs and results which contribute to the progress of the programme area. The work portfolio of the enlisted bodies includes a variety of actions as preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, certification of expenditures control and audit which have to be provided on one hand to the interested applicants (e.g. beneficiaries at a later stage) and the wider public as well as to the EC on the other hand.</p> <p>The performances have to be undertaken professionally in order to provide support to the selected beneficiaries throughout all phases of the project management which includes initiation, planning/design, execution, monitoring and controlling, closing, reporting. Interested applicants and later beneficiaries have to be provided with the needed information in an easily accessible and simple communicating way. Corresponding to the diversity of the latent applicants and/or beneficiaries as well as their variety in communication needs, a well-balanced blend between the usage of</p>

modern communication technology (e.g. online services) and a more traditional approach (e.g. face-to-face meetings) has to be established.

Moreover, informational and communicational actions should be undertaken to notify the wider public in the programme area and beyond about the funded and implemented projects, including general and specific project information. Further efforts include life events for a wider public as competitions, get-togethers, publishing articles and other pieces, etc. Such undertakings serve to raise awareness and promote operations to the inhabitants of the eligible area as well as good practice examples for potential emulators in other areas.

In consideration of the European level, evaluations, expert reports, statistics and studies have to be carried out by the cooperation programme's management bodies which will serve as a display and acknowledgement of the achieved outcomes to the pertinent Commission service.

2.B.4 Result indicators

Table 29: Programme Specific Result indicators by Specific Objective

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Not applicable. Regulation (EU) No 1303/2013 of the European Parliament and of the Council [...], Article 96, [...]. <i>Point (ii) shall not apply where the Union contribution to the priority axis or axes concerning technical assistance in an operational programme does not exceed EUR 15,000,000.</i>							

2.B.5 Actions to be supported and their expected contribution to the specific objectives

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

Type and examples of actions to be supported:

- Adequate personnel in all management bodies, including MA/JS, FLCs in both Member States, NA in Slovenia and NA/RA in Austria.
- Direct and indirect cost related to the bodies, such as office supply and maintenance cost, informational technology cost, etc.
- Operational necessities by the Audit and Certifying Authorities.
- Setting up effective and proportionate anti-fraud and anti-corruption measures in relation to the implementation of the programme taking into account the risks identified.
- Trainings for the beneficiaries and programme structures

- Strengthening the capacity-building for the programme structures for effective management of the Cooperation Programme by information exchange, primarily between the CB programmes covering neighbouring regions (e.g. SI/CRO, SI/HU, AT/HU, HU/CRO) and participating at training events.
- Formation, implementation and up-keeping of the monitoring system.
- Informational and communicational undertakings.
- Services related with the operations needed for the preparation for the upcoming programming period (evaluations, analysis, indicator development, etc.).

2.B.5.2 Output indicators expected to contribute to results

Table 30: Common and programme specific output indicators by investment priority

ID	Indicator	Measurement unit	Target value (2023) (optional)	Source of data
TH.1	Number of joint CB projects successfully implemented and concluded	Number	4	Monitoring system
TH.2	Number of joint CB informational and publicity events	Number	10	Monitoring system
TH.3	Number of employees (FTEs) whose salaries are co-financed by the Technical Assistance	Number	10	Monitoring system
TH.4	Information, consultation and training measures for applicants and beneficiaries on the project generation	Number	8	Monitoring system
TH.5	Number of trainings for the beneficiaries, programme structures	Number	10	Monitoring system
TH.6	The number of visitors of the programme website	Number	10.000	Monitoring system

2.B.6 Categories of intervention

Table 31: Dimension 1 Intervention field

Priority axis	Code	Amount (EUR)
4	121 - Preparation, implementation, monitoring and inspection	2,700,000
	122 - Evaluation and studies	120,000
	123 - Information and communication	180,000

Table 32: Dimension 2 Form of finance

Priority axis	Code	Amount (EUR)
4	1	3,000,000

Table 33: Dimension 3 Territory type

Priority axis	Code	Amount (EUR)
4	7	3,000,000

SECTION 3**FINANCING PLAN****3.1 Financial appropriation from the ERDF (in EUR)**

	2014	2015	2016	2017	2018	2019	2020	Total
Fund								
ERDF	0	5,855,759	4,963,236	9,018,169	9,198,533	9,382,504	9,570,154	47,988,355
Total	0	5,855,759	4,963,236	9,018,169	9,198,533	9,382,504	9,570,154	47,988,355

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

Priority axis	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart	National Public funding (c)	National private funding (d)	Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e)	For information	Contributions from third countries	EIB contributions
Priority axis 1	ERDF	Total eligible cost	15,023,809	2,651,261		1,237,255	1,414,006	17,675,070	85 %		Not applicable	
Priority axis 2	ERDF	Total eligible cost	17,564,263	3,099,576		2,066,384	1,033,192	20,663,839	85 %		Not applicable	
Priority axis 3	ERDF	Total eligible cost	12,400,283	2,188,286		1,458,857	729,429	14,588,569	85 %		Not applicable	
Priority axis 4	ERDF	Total eligible cost	3,000,000	1,285,715		1,285,715	0	4,285,715	70 %		Not applicable	
Total		Total eligible cost	47,988,355	9,224,838		6,048,211	3,176,627	57,213,193	84 %		Not applicable	

3.2.B Breakdown by priority axis and thematic objective

Breakdown by priority axis and thematic objective

Priority axis	Thematic objective	Union support	National counterpart	Total funding (€)
<i>Priority axis 1</i>	Thematic objective 1	15,023,809	2,651,261	17,675,070
<i>Priority axis 2</i>	Thematic objective 6	17,564,263	3,099,576	20,663,839
<i>Priority axis 3</i>	Thematic objective 11	12,400,283	2,188,286	14,588,569
<i>Priority axis 4</i>	Technical Assistance	3,000,000	1,285,715	4,285,715
TOTAL		47,988,355	9,224,838	57,213,193

Indicative amount of support to be used for climate change objectives

Priority axis	Indicative amount of support to be used for climate change objectives (€)	Proportion of the total allocation to the programme (%)
<i>Priority axis 1</i>	0.00	0.00
<i>Priority axis 2</i>	5,418,591.40	11.29
<i>Priority axis 3</i>	4,488,916.00	9.35
<i>Priority axis 4</i>	0	0.00
Total	9,907,507.40	20.65 %

SECTION 4

INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

The objective is to ensure the harmonious development of participating CB regions and to enable all citizens to make the best use of given natural conditions and opportunities, taking into account the specifics of each part of the programme area.

Being consistent with the national Partnership Agreements (PAs) of Austria and Slovenia, the CP promotes smart, sustainable and inclusive growth through an integrated approach combining thematic and territorial dimensions in the design of the priority axes, as summarised below.

Priority 1 (TO1):

It tackles the regional disparities by supporting better collaboration of R&I actors by improved networking and exchange, jointly developed solutions and shared research facilities. A major intervention need is to contribute to the development of dynamic critical mass of R&I capacities, to promote technological and non-technological innovation, to set up and improve a complementary research portfolio and to strengthen the already developed structures for fostering industry-science cooperation.

The CP is expected to support SMEs in cooperating with R&D institutions in the R&D centres as well as to raise awareness of enterprises towards internationalization, to improve birth rate of new enterprises and in particular to foster the creation of start-ups. Internationalisation should start by developing inter-company networks across the border. This could help companies in peripheral regions to get better access to markets and to develop competitive advantage by specialisation.

Priority 2 (TO 6):

The CP will support joint strategies and action plans for management and active conservation of natural and cultural heritage sites as well as know-how transfer, training, capacity building and awareness-raising for relevant stakeholders in developing corresponding skills and further. There is a long common history across the border. Therefore, CB coordination efforts should be supported in order to use the programme area's tangible and intangible cultural and natural heritage potential in terms of fostering green tourism for the purpose of improving the programme area's tourist attractiveness, and thus, establishing the programme area as a long term green, sustainable and competitive tourist destination, based on valorization of sustainable natural and cultural heritage.

Another challenge is sustainable management and utilization of water resources. Due to existing threats to the water resources and due to many open common challenges, coordinated efforts in water management, technologies, innovativeness and flood-risk management with corresponding joint initiatives will be supported. CB cooperation efforts are needed to develop and implement joint sustainable water strategies and to support development and practical implementation of joint modeling, monitoring and forecasting studies and research works to improve the quality of the waer and to reduce the overall footprint.

Priority 3 (TO 11):

The administrative landscape is fragmented due to the small size of the involved regions with different political, administrative frameworks and organisational structures. In order to break down these barriers, public administration, stakeholders and citizens could improve its efficiency in CB issues furtherly by deepening existing networks and establishing CB cooperation in further relevant fields of. In addition, CB measures for supporting competitiveness can be covered within this topic.

4.1 Community-led local development (where appropriate)

Not applicable.

4.2 Integrated actions for sustainable urban development (where appropriate)

Not applicable.

4.3 Integrated Territorial investments

Not applicable.

**4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identifies by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate)
(Where Member States and regions participate in macro-regional and sea basin strategies)**

The CP Interreg V-A SI-AT will contribute to the EUSDR targets, the EUSALP as well as the EUSAIR. The selected thematic objectives and investment priorities of the Cooperation programme are in line in particular with the following EUSDR targets, priority areas and “actions” of the EU Strategy and the Action plan 2010 (SEC 2010 1489):

A) Connecting the Danube Region

- 1) To improve mobility and intermodality
- 2) To encourage more sustainable energy (TO 6)
- 3) To promote culture and tourism, people to people contacts (TO 6)

B) Protecting the Environment in the Danube Region

- 4) To restore and maintain the quality of waters (TO 6)
- 5) To manage environmental risks (TO 6)
- 6) To preserve biodiversity, landscapes and the quality of air and soils (TO 6)

C) Building Prosperity in the Danube Region

- 7) To develop the Knowledge Society through research, education and information technologies (TO 1)

8) To support the competitiveness of enterprises, including cluster development (TO1)

9) To invest in people and skills (TO 11)

D) Strengthening the Danube Region

10) To step up institutional capacity and cooperation (TO 11)

The CP Interreg V-A SI-AT further takes into consideration the following EUSALP targets:

Pillar 1. Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises and

Pillar 2. The main objective is “Connectivity to all: in search of balanced territorial development through environmentally friendly patterns, transport systems and communication services and infrastructures”. As the CP Interreg V-A SI-AT is not focusing in its objectives on transport systems, the Alpine Strategy is therefore not recognised as fully covered by the programme.

Pillar 3. Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources⁶⁰.

Additionally, the CP is in line with the EUSAIR especially in terms of objectives, which are dealing with the promotion of economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity.

During the implementation, the programme will seek to coordinate with the EUSDR, EUSALP as well as the EUSAIR by:

- Governance arrangements for ongoing mutual information exchange, coordination and joint planning in areas of joint interest: During the programme implementation, the national coordination committees in the framework of the Austrian Conference on Spatial Planning (ÖROK) for CB, transnational and interregional Cooperation programmes (i.e. working group “CBC”, national committee) will ensure a continuous and regular institutionalised exchange of information on macro-regional strategies among programme partners; and vice versa information about programme activities will be reported to the established national coordination platform for the EUSDR. Furthermore, an embedding into the strategic monitoring process STRAT.AT 2020 would be possible. In Slovenia, the Government office for development and European cohesion policy (GODC) is coordinating the development planning and is also responsible for managing the preparation and coordination of the strategic documents with the EU⁶¹.
- Developing more in-depth working relationships between EU programme partners and EUSDR/EUSALP/EUSAIR stakeholders, both on transnational, national and regional levels, on identified issues/activities of joint interest in the implementation phase.

⁶⁰ <http://www.alpine-region.eu/index.html>

⁶¹ More information in Section 6.

- Establishing a EUSDR specific category in the monitoring system. Consequently, funding activities and/or projects contributing to the EUSDR will be identified in the appropriate way. This approach includes the consideration of EUSDR aspects in programme reports, specifying how the CP contributes to the challenges identified by the EUSDR.

SECTION 5

IMPLEMENTING PROVISION FOR THE COOPERATION PROGRAMME

5.1 Relevant authorities and bodies

Table 34: Programme authorities

Authority/body	Name of authority/body and department or unit	Head of the authority/body (position or post)
Managing Authority	<ul style="list-style-type: none"> Government Office of the Republic of Slovenia for Development and European Cohesion Policy (GODC), European Territorial Cooperation and Financial Mechanism Office, Cross-border Programmes Management Division 	Head of MA
Certifying Authority, where applicable	<ul style="list-style-type: none"> Public Fund for Regional Development of the Republic of Slovenia 	Head of CA
Audit Authority	<ul style="list-style-type: none"> Ministry of Finance of the Republic of Slovenia, Budget Supervision Office of the Republic of Slovenia 	Head of AA

The Programme Manager as a representative of the MA remains in Maribor, Slovenia, within the official structures of the GODC (Cross-border Programmes Management Division).

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

Managing Authority	Government Office of the Republic of Slovenia for Development and European Cohesion Policy
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Body or bodies carrying out control and audit tasks:

Table 35: Body or bodies carrying out control and audit tasks

Authority/body	Name of authority/body	Head of the authority/body
Body or bodies designated to carry out control tasks (First Level Control)	<ul style="list-style-type: none"> • Government Office of the Republic of Slovenia for Development and European Cohesion Policy (GODC), Control division ETC, IPA and IFM programmes 	<ul style="list-style-type: none"> • Head of the Control Division ETC, IPA and IFM Programmes
	<ul style="list-style-type: none"> • Regionalmanagement Burgenland GmbH, Abteilung Controlling • Amt der Steiermärkischen Landesregierung, Abteilung 17 Landes- und Regionalentwicklung Stabstelle Controlling, Innerer Dienst und Haushaltsführung • Amt der Kärntner Landesregierung Abt. 1 - Kompetenzzentrum Landesamtsdirektion Uabt. Wirkungsrechnung- und Controlling <p>in cooperation with</p> <ul style="list-style-type: none"> • KWF - Kärntner, Wirtschaftsförderungsfonds, Projektcontrolling 	<ul style="list-style-type: none"> • Head of Department • Head of Department • Head of Sub-Department
Body or bodies designated to be responsible for carrying out audit tasks (Audit Authority and Audit Body)	<ul style="list-style-type: none"> • Ministry of Finance of the Republic of Slovenia, Budget Supervision Office of the RS • Federal Chancellery of Austria, department IV/3 Financial Control of the ERDF 	<p>Director of the Budget Supervision Office of the RS</p> <p>Director of the Audit Department</p>

5.2 Procedures for setting up the Joint Secretariat (JS)

After consultation with the programme partners, the MA sets up the JS for the programme in compliance with the Article 23, paragraph 2 of the ETC Regulation. There are no substantial changes in the functions and tasks of the JS in regard to the period 2007 – 2013.

The continuation of the successful work of the JS as well as smooth transition, institutional stability (avoidance of staff turnover) and adjustment of the JS to the functions and tasks stated in the (European Structural and Investments (ESI) funds regulations 2014 – 2020 will be ensured.

The JS is composed of 5 full-time staff members including the Head of the JS and remains in Maribor, Slovenia, within the official structures of the GODC (Cross-border Programmes Management Division). The structural and implementation arrangements within the hosting organisation will be kept. The JS is set up within the same division as the MA. A clear separation of the tasks will be ensured within the description of the posts.

The JS will work in close cooperation with the MA related to programme coordination and implementation in a way that securing its cooperation on one hand, and their independence from national structures on the other.

The JS will ensure that all of the operational implementation tasks of the programme, including coordination of project development and project selection process, are fulfilled.

5.3 Summary description of the management and control arrangement

5.3.1 Programme Structures

The Cooperation programme is a joint programme of the two Member States, Slovenia and Austria. While Slovenia is represented at national level, Austria is represented at national and regional level (by its regions Styria, Carinthia and Burgenland). The joint implementation structure of the CP includes the following programme authorities: a single MA, a single CA and a single AA.

According to the Common Provision Regulation (CPR), No 1303/2013 there are no substantial changes in the functions of the programme authorities as well as Monitoring Committee (MC) and JS in regard to the period 2007 – 2013. Basic programme structures and implementation arrangements will remain the same, ensuring institutional stability and smooth transition to the period 2014 – 2020.

Joint structures for the management of the Programme:

- Monitoring Committee: supervising and monitoring the programme implementation; selecting operations.
- Managing Authority: bearing overall responsibility for the management and implementation of the Programme towards the European Commission (EC).
- Certifying Authority: certifying declarations of expenditure and applications for payment before they are sent to the EC.

- Audit Authority: body functionally independent from the MA and the CA, responsible for verifying the effective functioning of the management and control system. The AA will be assisted by a Group of auditors comprising of a representative of both Member States participating in the CP.
- Joint Secretariat: assisting the MA and the MC in carrying out their respective duties.

The following articles of the CPR, No 1303/2013 describe the functions of the management and control authorities:

Article 125: MA and Article 23 of the ETC Regulation.

Article 126: CA and Article 24 of the ETC Regulation.

Article 127: AA/Group of Auditors and Article 25 of the ETC Regulation.

More detailed provisions, relating to the internal control environment, risk management, management and control activities, fraud risk prevention and monitoring will be included in the description of the functions and procedures for the MA and the CA according to Article 124 of the CPR in the programme guidance documents.

Monitoring Committee (MC)

Within three months of the date of notification to the Member State of the Commission decision adopting a programme, the both Member States participating in the programme, in agreement with the MA, set up a MC. The composition of the MC is agreed on by mutual consent by the programme partners who represent the Member States.

The functions of the MC are described in the Article 49 of the CPR. It will be the task of the MC to steer the programme and to ensure the quality and effectiveness of the Cooperation Programme Interreg V-A Slovenia-Austria implementation. Details of the MC work are defined in the Rules of Procedure to be adopted by the MC on its first meeting.

The composition of the MC is agreed in line with Article 5 of the CPR and taking into consideration the Commission Delegated Regulation on the European Code of Conduct on Partnership. The MC composition is determined carefully to include competent national, regional and local institutions, following good practice from the 2007-2013 period. Other relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination institutions relevant for CB cooperation (e.g. NGOs) may also participate.

MC will be chaired by the MA according to Article 48 of the CPR. MC meetings will be held alternatively in both Member States. The MC meets at least once a year and reviews the implementation of the Programme and progress towards achieving its objectives. It examines in detail all issues that affect the performance of the Programme and makes a decision on any amendment of the Programme proposed by the MA or on MC's own proposal.

Member States shall aim to promote equality between men and women and equal opportunity in the membership of the MC.

The MA shall ask the members of the MC to sign a statement acknowledging their obligations related to confidentiality and conflict of interest.

Managing Authority (MA)

The designated MA of the Programme is the GODC, Slovenia. The MA shall be responsible for managing the Cooperation programme in accordance with the principle of sound financial management. The MA will be directly supported by the JS, as the latter carries out the operational management for the whole Programme. Although the MA bears overall responsibility for the Programme, certain horizontal tasks (procedures for the employment of JS members, legal services etc.) will be delegated to a separate unit of GODC.

The main responsibilities of MA among others are the following:

- ✓ prepares the Description of the Management and Control System;
- ✓ chairs the MC meetings;
- ✓ signs the ERDF Subsidy contracts;
- ✓ reacts on the audit recommendations relevant to the management and implementation of the Programme;
- ✓ participates in the complaint procedure;
- ✓ facilitates the information exchange on the programme level among participating NAs/RAs, CA, AA and EC;
- ✓ submits Claims for Reimbursement to CA;
- ✓ draws up the management declaration;
- ✓ prepares changes of the CP.

The detailed description of the activities will be included in the programme documents.

Certifying Authority (CA)

The designated CA of the Programme is the Public Fund for Regional Development of the Republic of Slovenia. The CA will be responsible for drawing up and submitting to the EC certified statements of expenditure and applications for payment.

Audit Authority (AA)

In accordance with Article 127 of Regulation (EU) No. 1303/2013, the AA shall ensure that audits are carried out on the proper functioning of the management and control system of the operational programme and on an appropriate sample of operations on the basis of the declared expenditure. It also prepares the report and opinion on the compliance of the management and control systems.

Group of Auditors (GoA)

In line with Article 25 (2) of Regulation (EU) No. 1299/2013, a Group of Auditors (GoA) will be set up to assist the AA. The GoA will be set up within three months from the approval of the Programme. It shall draw up its own Rules of Procedure and shall be chaired by the AA. The AA and the auditors appointed to the GoA shall be independent of the management and control system of the Programme.

Joint Secretariat (JS)

The JS is set up by the MA and placed within the GODC (Cross border programmes management division). The team of JS is located in Maribor and led by the Head of JS who is functionally independent from the MA and any other programme body. The division of the tasks between MA and JS is defined by their main roles in the programme documents, considering that the MA is responsible for the strategic management and implementation of the programme, whereby the JS operationally assists the MA and the MC in day to day management of the programme.

The tasks of the JS are, among others, the following:

- ✓ assists the MA and the MC in carrying out their respective functions;
- ✓ provides information to potential beneficiaries about funding opportunities under CPs necessary for project application;
- ✓ administrative and eligibility check and quality assessment of the project applications;
- ✓ assists beneficiaries in implementing their operations;
- ✓ assists the Lead Partners in preparing payment claims;
- ✓ elaboration and coordination of the Annual Implementation Reports and submitting them to the MA and the MC;
- ✓ provides support for the preparation of meetings and events at the programme level;
- ✓ facilitates, assesses and ensures that project selection is equitable and transparent;
- ✓ collects financial, physical and statistical data that is needed for programme monitoring as well as for the interim and final implementation reports;
- ✓ ensures the administrative management of (external) tasks and services;
- ✓ ensures proper functioning and maintenance of the Monitoring and Information System (e-MS);

- ✓ ensures the coordination as well as the follow-up of information and publicity activities at programme level including maintaining the programme's website according to the communication strategy;
- ✓ participations in communication initiatives of the EC, of INTERACT and/or national organizations;
- ✓ coordinates evaluations performed during (and following) the implementation of the Programme.

The detailed description of the activities will be included in the programme documents.

The continuity of the JS is ensured. The JS is composed of the bilingual staff, who is familiar with the programme area of participating Member States, in order to ensure effective cooperation with applicants and beneficiaries from the whole programme area. The exchange and secondment of international personnel is promoted. The JS is composed of different posts in charge of financial and programme monitoring, project implementation and monitoring - including the management of electronic data exchange system - and communication activities. The set-up and functioning of JS, including its activities, is funded from the TA budget from both Member States.

First Level Control bodies (FLC bodies)

As regards the verifications of expenditures in relation to beneficiaries, both Member States designate the FLC Bodies as set out in Article 74 of the CPR and 23 (4) of the ETC regulation.

For the Austrian region of Kärnten, two FLC bodies will be nominated for the 2014-2020 programming period. Their work will be coordinated by Amt der Kärntner Landesregierung, Abteilung 1 - Kompetenzzentrum Landesamtsdirektion, Uabt. Wirkungsrechnung und Controlling.

Bilateral working group (BWG)

It is envisaged to establish the BWG who will assist the MA during the programme implementation in order to insure effective and qualitative programme implementation (e.g. elaboration of programme documents, application pack etc.). The BWG consists of all programme partners: representatives of MA, JS, NA, RA, CA and when applicable also AA and FLC.

5.3.2 Project cycle/Description of procedures

The administrative work involved in the procedures for granting assistance to the individual projects will be described in the programme guidance documents, agreed between the programme partners.

➤ Project generation

Pro-active project generation is a basic principle of the CP, as it leads to projects with a clear added-value in the CB approach and achievement of the implementation steps, financial and output or result indicators, as set out in the performance framework.

The programme implementation structures will provide information and support to potential project applicants interested in becoming a project partner. For this purpose, thematic workshops and/or seminars will be organised in the programme area.

The representatives of the Member States are assisting the MA and JS in organising the support for potential project applicants in finding CB project partners, as well as providing information to applicants in order to obtain quality projects that will meet the cooperation programme objectives and indicators.

➤ **Project application**

The programme will operate on the basis of the open call system. This means that project holders can submit project applications continuously after opening the call which is open until all programme funds are disbursed. Applications received in due time before each MC and fulfilling all requirements will be subject to MC decision.

The application process will be carried out completely in an online system using the Harmonized Implementation tools (HIT). Project applications shall be submitted by the LP in electronic form to the MA/JS.

➤ **Project assessment and selection**

The programme will operate on the basis of an open call system. The methodology for the project assessment will be defined by the MA and approved by the MC. The MA will propose common standards for the eligibility and selection criteria, which will be subject to the approval of the MC. The MA assisted by the JS has the overall responsibility of organising the assessment of project applications. For parts of the assessment, independent external experts may be consulted.

The results of the assessment in a form of a report and ranking list of recommended projects will be presented by the JS to the MC for decision. This report will cover all the project applications, which were received by the JS, and will provide recommendations for decision – consistently taking reference to the selection criteria given by the programme documents.

A set of **administrative compliance and eligibility criteria** will be defined to ensure compliance of all project applications with formal requirements. This part of the assessment will especially focus on the following points:

- Submission in due time
- Completeness of the submitted project application pack, including the signed project PA
- Eligibility of the Project Partners
- Exclusion of possible double financing (at this stage)
- Project assignment to the CP (priority axis/IP and specific objective)

Those project applications that fully comply with the administrative compliance and eligibility criteria will be subject to quality assessment.

Quality assessment aims at assessing the relevance and feasibility of the project. This is reflected in two types of assessment criteria. **Strategic assessment criteria** are meant to determine the extent of the project's contribution to the achievement of the programme objectives. A strong focus is given to the result orientation of a project with the demand for visible outputs and concrete results.

Operational assessment criteria review the viability and feasibility of the proposed project, as well as its value for money in terms of resources used versus results delivered.

Projects focussing on purely academic cooperation or basic research or aiming at mere networking and exchanging of experience and/or not demonstrating the translation of outputs arising from “soft” actions (surveys, studies, networks etc.) into concrete and sustainable results will not be supported by the Programme.

All projects receiving funds have to meet the following quality requirements:

- ✓ CB relevance
- ✓ Partnership relevance
- ✓ Concrete and measurable results
- ✓ Sustainable outputs and results
- ✓ Coherent approach
- ✓ Effective management
- ✓ Sound budget.

In regard to the sustainable development, environmental concern and reduction of the environmental impact, the assessment principles are described in section 8.

Since some of the chosen beneficiaries (especially SMEs and other enterprises) and actions will be State Aid relevant, the programme will respect State Aid legal framework. The selection of project proposals will be carried out in line with Article 12 of the ETC Regulation following a standardised assessment.

The programme will support projects having a clear focus on joint CB actions and demonstrating the added value of the CB approach versus regional, national, approaches.

All planned and submitted projects will have to consider environmental concerns and reduce their environmental impact by:

- ✓ Contribution to reduced transport and mobility related air pollution.
- ✓ Contribution to the development of green infrastructures and technologies.
- ✓ Contribution to more employment opportunities, training and education possibilities as well as support services regarding environmental protection and sustainable development.
- ✓ Application of green public procurement in a methodical way.

Projects should follow an output and result-oriented approach with emphasis on concrete, relevant and visible outputs and results.

The programme specifically supports the delivery of outputs and results that are durable, applicable and contribute to or feed into concrete future initiatives, and as such contribute to the long-lasting decrease of existing social and economic disparities in the programme area.

High strategic value of project proposals will be a condition for being selected for funding what will be reflected in the assessment methodology by means of weighting of scores and/or setting of thresholds for the selection criteria.

Programme bodies will strive for coordination with other programmes, making use of synergies to the possible extent.

Since some of the chosen beneficiaries (especially SMEs and other enterprises) and actions will be State Aid relevant, the programme will respect State Aid legal framework.

Specific guiding principles for selection of operations are described in sections *Guiding principles for selection of operations* under each investment priority.

➤ **Project decision for ERDF funding**

The MC formally decides on the approval of the projects and on the ERDF contribution. The MC, as a general rule, meets twice a year; in urgent cases additional MC or written procedure for project decision can be performed. After the formal decision is made, the applicant will be informed about the decision on the submitted project application by the MA.

➤ **Contracting for ERDF funding**

Following the decision of the MC, the JS will draft a (bilingual) ERDF Subsidy Contract by using a standard bilingual template approved by the MC. The ERDF Subsidy Contract lays down details concerning the responsibilities and liabilities of all contracting parties. It is addressed to the LP and signed by the legal representative of the LP and the MA. The national/regional funding bodies issue (according to the decision of each Member State) the national/regional co-financing contracts linked to the ERDF Subsidy Contract to the project partners (if applicable). After completing the national/regional contracting of co-financing (if applicable), the NAs and RAs provide the information to the JS and MA if needed.

Beside the general legal framework, the ERDF Subsidy Contract will lay down among other: the subject and duration of the contract, budgetary allocation (maximum ERDF funding), procedures and obligations regarding reporting and payments, obligations within the partnership, general conditions for the eligibility of costs, procedures for project changes, obligations regarding validation of expenditure and audit of operations, recovery obligations and procedures, information and publicity requirements, closure arrangements, rules for amendments to the contract and liability clauses.

The over-commitment of the ERDF funds on the programme level should also be considered in order to optimise the disbursement process.

➤ **Resolution of complaints**

The complaints are differentiated according to the object of the complaint.

Complaints related to selection process

Project Lead partners will be informed in written about the reasons why an application was not eligible or approved. Any complaint against the communication issued by the MA or JS, based on the decision of the MC, regarding the selection process shall be submitted by the Lead partner to the

MA. The MA assisted by the JS, will examine and prepare the answer regarding the merit of the complaint. The decision if the complaint is justified or to be rejected is to be taken by the Complaint Panel, composed of the representatives of MA, JS and MC members, which will be (if needed) established by the MC.

Complaints related to decisions made by the MA, JS or CA

Any complaints in relation to decisions made by the MA, JS or CA regarding the project implementation and corresponding procedures (based on the ERDF Subsidy Contract or MC decisions) shall be submitted by the LP to the MA, JS or CA, following the provisions laid down in the ERDF Subsidy Contract.

Complaints related to the FLC system

LPs or project partners that have complaints related to the FLC set up in accordance with Article 23(4) of the ETC Regulation, can file the complaint to the institution responsible for the financial control of the relevant Lead or project partner within the respective Member State, according to the applicable national rules.

Complaints related to the Second level control (Auditors)

Complaints related to the Second level control have to be lodged to the responsible national AA in each Member State, according to the applicable national rules.

The complaints received within the programme, including the content and the solutions proposed or already implemented, will be reported to the MC.

Further information on the procedure for the submission of complaints will be laid down in the relevant programme and national documents and communicated to applicants and beneficiaries. The complaint procedures set out above are without prejudice to any mechanism or process for legal redress at national level, in particular with regard to unsuccessful applicants. Where courts, public prosecution offices or other national institutions are competent in relation to the object of the complaint, the applicant/beneficiary has the right to turn also to the relevant authorities.

➤ *Project reporting and reimbursement to beneficiaries*

In accordance with Article 13 of ETC Regulation, for each project, project partners shall appoint a LP. The LP shall assume overall responsibility for the implementation of the project, including the handling of ERDF funds and taking any judicial and administrative procedures to recover amounts unduly paid to the project partners.

All project expenditure has to be pre-financed by the project partners. Expenditure of all partners has to be validated by designated FLC, in line with Article 125 (4) of CPR. Verification by the FLC should be carried out in cooperation with the programme structures and the NA/RA. The LP collects the certificates of all project partners that are issued by the FLC after verification of expenditure. These certificates will be included in the activity and the financial progress reports that the LP periodically presents to the MA/JS. In these documents, the LP reports about progress achieved in project

implementation and on related validated expenditure. This will be the basis for the project's claim for reimbursement.

On the basis of the submitted LP reports, the MA/JS monitors the progress of the projects both in financial terms and in terms of activities implemented. When assessing the reports, the JS considers the use of ERDF and the progress in implementation of the project in order to monitor the proper implementation of the project compliant with the subsidy contract. It is also checked whether verifications are carried out by the controllers defined in the ERDF Subsidy Contract.

Based on checks of the reports undertaken by the JS and in accordance with Article 21 (2) of ETC Regulation and Article 132 of CPR, the CA shall make payments to the LP who is responsible for transferring the ERDF contribution to the partners participating in the project. On behalf of the LP, direct transfers from the CA to the project partners could also be an option, but the overall financial responsibility lies with the LP. The option selected has to be mentioned in the PA and – if the project is approved – also in the ERDF Subsidy Contract.

In line with Article 132 of CPR, MA ensures that LPs, subject to the availability of ERDF funds, receive ERDF payments in full and in due time, no later than 90 days from the date of submission of the LP Application for payment. No deduction, retention or further specific charges, which would reduce the amount of the payment, shall be made.

➤ **First Level Control system**

In accordance with Article 125 (4) of CPR and Article 23 (4) of ETC Regulation, each Member State shall designate the FLC Bodies for carrying out verifications in relation to beneficiaries on its territory. The control system is set up to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations and the compliance with Community rules, programme rules and its national rules.

In the CP two different systems are in place regarding the implementation of control tasks: a decentralised system in Austria and a centralised system in Slovenia.

In order to ensure coherence among all controllers responsible, standard templates such as control certificate and report will be used in the programme e-Monitoring System (e-MS). Furthermore, a network of controllers will be established to ensure regular exchange of knowledge and good practices.

➤ **Programme monitoring**

The monitoring of this programme will provide information on the implementation. It will cover financial issues and achieved results considering the targets fixed for the different milestones in the performance framework.

Programme data will be recorded and stored in the programme e-Monitoring System (e-MS) and will be used, together with additional information on the financial implementation of the programme, for drafting the annual and final implementation reports.

The monitoring data shall be available to the MA, CA, AA, JS, NA, RA, EC, as well to the FLC bodies via online access.

➤ **Implementation reports**

In accordance with Article 14 of ETC Regulation, the MA will submit implementation reports (annual implementation reports and final implementation report) to the EC in accordance with the requirements stipulated in Article 50 of the CPR and respecting the deadlines set in Article 14 of ETC Regulation.

The annual implementation reports will be drafted by MA/JS on the basis of programme monitoring data and data provided by the beneficiaries in their progress and final reports, other programme structures and the NA and RA. The annual implementation reports of the programme will be submitted to the MC for approval prior to sending to the EC.

➤ **Programme evaluations**

The CP has been subject to an ex-ante evaluation of independent evaluators with the aim of improving the overall quality of the programme and to optimise the allocation of budgetary resources.

In accordance with Article 56 and 114 of the CPR, the MA will draw up an evaluation plan which will be approved by the MC prior to sending to the EC. The evaluations will be carried out to assess effectiveness, efficiency and impact of the programme. All evaluations, recommendations and follow-up actions will be examined and approved by the MC. By 31 December 2022, the MA will submit to the EC a report summarising the findings of evaluations carried out during the programming period, including an assessment of the main outputs and results of the programme. In compliance with Article 57 and 114 of the CPR, the ex-post evaluation lies in the responsibility of the EC together with the Member States.

➤ **Monitoring System**

On the side of the programme, the electronic monitoring system (e-MS) according to Article 72 of CPR shall provide data and information needed to fulfill management, monitoring and evaluation requirements. As stipulated in Articles 74 and 112 of CPR, data exchange with the EC will be carried out electronically (by means of SFC 2014). In accordance with Article 122 of CPR, the Programme will ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and the MA/JS, CA and AA can be carried out by means of an electronic data exchange system (e-MS).

The e-MS will comply with the following aspects:

- ✓ data integrity and confidentiality
- ✓ authentication of the sender within the meaning of Directive 1999/93/EC4
- ✓ storage in compliance with retention rules defined in Article 140 of CPR
- ✓ secure transfer of data
- ✓ availability during and outside standard office hours (except for technical maintenance activities)

- ✓ accessibility by the MSs and the beneficiaries either directly or via an interface for automatic synchronisation and recording of data with national, regional and local computer management systems
- ✓ protection of privacy of personal data for individuals and commercial confidentiality for legal entities with respect to the information processed (according to Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Directive 1995/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data).

➤ **Information and communication**

According to Articles 115 and 116 of CPR, a communication strategy will be drafted and submitted to the MC not later than 6 months after adoption of the programme. Any revision of the communication strategy will be discussed and approved by the MC.

In line with Article 116 (3) of CPR, the MA will inform the MC at least once a year on the progress in the implementation of the communication strategy and its assessment of the results, as well as on the planned information and communication activities to be carried out in the following year.

The aim of the communication strategy is two-fold, to inform potential applicants about funding opportunities under the CP and to communicate achievements of cohesion policy to the general public by focusing on the results and impacts of the programme and its projects. The CP will use the common logo under the frame of ETC. It will be used together with the programme logo. The communication strategy will be implemented within the JS that will be responsible for information and communication activities at the level of the programme area. Publicity and information tasks on regional/national level are carried out by the representatives of the Member States (NAs/RAs). A budget for the implementation of the communication strategy will be made available as part of the programme's budget for TA.

The programme working language is English. All programme documents relevant for the beneficiaries will be provided also in Slovene and German language. If in translation into Slovene and German language any discrepancies occur, the English version prevails.

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

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

If the LP does not succeed in securing repayment from a project partner or if the MA does not succeed in securing repayment from the LP, the Member State on whose territory the project partner concerned is located, shall reimburse the MA the amounts unduly paid to the partners in accordance with the apportionment of liabilities among the participating Member States as laid

down below. The MA will reimburse the funds to the EC once the amounts are recovered from the LP/PP/MS.

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

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

In accordance with Article 122 (2) of CPR, irregularities shall be reported by the Member State in which the expenditure is paid by the Lead Partner or project partner implementing the project. The Member State shall at the same time, inform the MA, CA and the AA.

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

- ✓ Each Member State bears liability for possible financial consequences of irregularities caused by the LPs and project partners located on its territory.
- ✓ For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the ERDF claimed to the EC for the period which forms the basis for the financial correction(*if applicable*).
- ✓ For TA expenditure incurred by the MA and JS, the liability related to administrative irregularities shall be borne by the MA and JS.
- ✓ For TA expenditure incurred by the CA, the liability shall be borne by the CA.
- ✓ For TA expenditure incurred by the AA/Audit Body (AB), the liability shall be borne by the AA/AB. For TA expenditure incurred by the Member States, the liability shall be borne by the Member State concerned.

5.5 Use of the Euro (where applicable)

Not applicable.

5.6 Involvement of partners

The partnership principle was implemented according to Article 5 of CPR and the Commission delegated Regulation (EU) of January 7, 2014 on the European code of conduct on partnership in the framework of the ESI Funds.

The coordination of the programming process including partner involvement was carried out by the MA/JS of the SI-AT 2007-2013. NAs and RAs were coordinating programming process at the level of regions and Member States.

Partners were involved in particular in:

- (a) The analysis and identification of needs;
- (b) The definition or selection of priorities and related specific objectives;
- (c) The allocation of funding.

Inputs for preparing the strategy and intervention logic of the CP were gathered through bilateral event (workshop) and different events on national/regional level. Events addressed adequate national, regional and local public and private institutions, economic and social stakeholders, bodies representing the civil society, including environmental partners and non-governmental organizations. Bilateral workshop was carried out in Radenci, Slovenia, on 29th January 2014 with the participation of more than 200 persons. Based on the draft of the SWOT analysis, three thematic objectives (TO 1, TO 6 and TO 11) have been chosen for deeper elaboration. The workshop provided a unique opportunity to discuss the programme's strategy including the programme area's specific development needs and priorities, possible activities and potential project ideas with a wide range of stakeholders during its development phase. Furthermore, potential applicants have been given the possibility for networking and an opportunity to find potential future CB project partners. Based on the feedback provided by the workshop participants and the results from events organized on national level, the SWOT analysis was completed and the programme's orientation regarding thematic objectives and investment priorities was chosen.

To steer the programming process Task Force group was established. Members of the group represented all participating Member States and had meetings about once a month, in total 19 meetings. In addition, external experts for consulting and writing Cooperation programme were included.

Beside the activities on programme level, information and consultation was also carried out on the level of Member States.

With the aim of programming Operative programme EU Cohesion Policy (OP ECP) and ETC programmes, the following methodology of work has been prepared in Slovenia:

Coordination at the national level in Slovenia took place in the form of functioning of the working groups for development planning, which were set up by the Slovenian Government. They were the following:

- ✓ Working group: Macroeconomic framework and financial system.
- ✓ Working group: Knowledge, competitiveness and labour market.
- ✓ Working group: Welfare and health.
- ✓ Working group: Infrastructure.
- ✓ Working group: Management of natural resources.
- ✓ Working group: The provision of basic functions of government.

The main tasks of the working groups were:

- ✓ Coordinating the development planning.
- ✓ Preparing strategic and implementing development planning documents (participation in the preparation of Slovenia's Development Strategy, draw up the programme of national development priorities and investments, the Partnership Agreement and the Cohesion Policy operational programmes).
- ✓ Monitoring of development planning at the time of implementation of strategic documents.

In the frame of this process, Slovenian TF members identified the most relevant thematic fields for CB programmes which were later coordinated with Austrian TF members. The result of coordination process was intervention logic.

On the basis of the draft of the intervention logic consultations with line ministries and regions were performed. Inputs from national and regional level were later integrated into new draft of intervention logic.

In Austria, the activities were carried out by the respective regions. In Burgenland different expert working groups discussed and formulated regional priorities that found their way into the “Regional Development Strategy - Burgenland 2020” and also into the programming process. There was close cooperation and ongoing communication between the institutions responsible for the programming of other programmes (ERDF, European Social Fund (ESF), EAFRD), especially with regard to the Operational Programme “Österreich IWB 2014-2020”. In Carinthia, the programming process started already in 2012 with relevant departments of the regional government and stakeholders in the region as such, social partners, regional managements, the Employment Service Austria, as well as educational institutions such as the university and the University of Applied Sciences. Results out of several workshops were summarised in a final report which can be seen as the Carinthian input for the programming process. Additionally, the Carinthian Economic Promotion Fund (KWF) was involved in the programming process of the Operational Programme IWB/ERDF 2014-2020 Austria and was responsible to ensure coherence between the content of ETC programmes, the Carinthian 2020 Future through Innovation - strategy for research, technology development and innovation and the Austrian IWB/ERDF 2014-2020 programme. In Styria, the information and consultation process started with an analysis of existing strategies for various sectors (e.g. energy, economy, tourism) in order to identify their CB aspects by discussion with the relevant departments of the regional administration. Furthermore, a survey among project partners with 70 replies and interviews with 20 regional stakeholders were undertaken. The local level was involved with different initiatives in order to emphasise the importance of the regional aspect and to activate local and regional actors. One of these initiatives were 5 thematic workshops with about 200 participants on the topics tourism, energy and environment, economy and innovation, traffic and mobility as well as employment and lifelong learning.

The Strategic Environmental Assessment (SEA) of the Cooperation programme was based on external expert assessment, a series of interviews with relevant authorities and several stakeholders as well as public consultation process. A wider public in Austria and Slovenia had the opportunity to

comment on the draft CP Interreg SI-AT, particularly taking into account the expected environmental impacts of implementation. Subsequently, comments relevant to the content of the Cooperation programme have been taken into account.

SECTION 6 COORDINATION

The CP will seek coordination with other ESI Funds through different actions. Firstly, coherence and complementarities with national and regional programmes supported by ESI Funds will have to be described in the application form. Secondly, a special attention will be given to the possibility of coordination with other ETC programmes. The MA and JS will seek exchanges with other ESI programmes regarding questions concerning efficient programme management; furthermore they will also seek to the contact with the programme to avoid duplication and to activate synergies.

In order to avoid overlaps in the double EU-financing of identical actions in addition to the work of National FLC and bodies responsible for carrying out audit tasks, a signed declaration to exclude double funding will be requested from beneficiaries in the phase of the submission of the application (checked within the administrative and eligibility assessment). Special provision related to the prevention of the double financing will be included also in the ERDF Subsidy Contract, which will be signed by the LP. At the level of GODC - CB Programmes Management Division which is MA for the three CB programmes (SI/AT, SI/CRO, SI/HU), where overlapping thematic objectives exist, particular co-ordination between the programmes is established to identify possible risk in relation to double financing at the level of particular projects.

In addition, project applicants of the CP will be asked to include information on the past, the current and the anticipated EU support and to indicate how coordination with activities of other programmes will be achieved, especially to avoid overlaps between CP projects and similar projects in the other EU programmes. Mechanisms and bodies established to ensure effective coordination and to avoid overlaps in the double EU-financing in Austria and Slovenia are as follows:

Coordination in Austria

The overall coordination of EU structural funds in Austria falls within the competence of the Federal Chancellery which represents the fund corresponding resort for the ERDF. As the coordination function derives from regional policy as well as spatial planning, the execution takes place from the outset in close cooperation with the Länder. The institutional framework for the national coordination of cohesion policy takes place in the Austrian Conference on Spatial Planning (ÖROK), which is also responsible for the elaboration of the Austrian PA “STRAT.AT 2020”. This coordination efforts aim at ensuring the complementarities of ESI funds specific activities and avoiding overlaps.

The coordination platforms organised by the ÖROK for the ERDF are the Working Group “Managing Authorities” for the objective regional competitiveness and employment & convergence phasing out Burgenland, the Working Group “Cross-Border-Cooperation” (AG CBC) for the objective European territorial bilateral cooperation and the National Committee for transnational and network programmes. The AG CBC assures important linkages to other committees, enhances synergies and increases the visibility of ETC CBC in other committees for structural funds. Through better information on existing concerns and possibilities of other ETC stakeholders it enables more rapid and better harmonized decisions. These three working groups are installed at the ÖROK Subcommittee on Regional Economy, which represents the central coordination committee for regional policy questions in Austria as well as their implementation.

The AG CBC consist of representatives of the Länder (“regional bodies”), managing authorities of the CBC programmes, representatives of the federal chancellery and the federal ministries which are relevant for the implementation of bilateral ETC programmes (Ministry of Agriculture Forestry, Environment and Water Management, Ministry of Labour, Social Affairs and Consumer Protection, Ministry of Economy, Family and Youth, Ministry of Science and Research, Ministry of Education the Arts and Culture, Ministry of Transport, Innovation and Technology) as well as economic and social partners and a representative of the National Contact Point for transnational and network programmes. Ministries responsible for the national ESF and EAFRD programmes as well as some Priority Area Coordinators for the EUSDR are in direct exchange with the programme partners. As the working group is installed in the framework of the ÖROK, a close coordination with the Investment for Growth and Jobs Goal (IGJ) is ensured as well.

The main focal points of the AG CBC are:

- Co-ordination of perspectives, positions and contents on the role and tasks of CB cooperation ETC programmes in the Austrian EU regional policy: ETC programmes and their anchorage in the PA “STRAT.AT 2020”, influence of national/macro-regional strategies on ETC programmes (need for co-ordination between CBC & TN), mutual information, co-ordination and exchange on the programming 2014-2020, project development and selection, etc.
- Recommendations for technical/administrative questions for programme and project implementation: Programme closure, evaluation, cross-programme implementation processes, etc.
- Co-ordination of information flows in Austria and to European processes.

In the framework of the strategic monitoring process of the PA “STRAT.AT 2020” all ESI funds and objectives will be considered, be it in common events, seminars, studies, evaluations, etc. The strategic monitoring process will built upon the good experiences gained from the coordination mechanism of the implementation of the NSRF in the current structural funds period, the so called “STRAT.AT plus process”. As regards contents, the process pursues the objective of promoting the exchange of experiences and reflection, as well as to generate practical impulses. This establishes a framework in Austria which in addition to administrative and ESI funding-related issues, supports a content-based or dialogue-driven discussion for information, reflection and learning processes for all Austrian regional policy actors in charge. This coordination mechanism strengthens the strategic discussions, the interaction, and exchange of experience and use of synergies among ESI funds.

Besides the coordination between ESI funds, the integration of EU co-financed bilateral measures in various policy fields on national and regional level is of importance. In this respect, the ÖROK takes over an “informative” role as both levels are integrated. However, the embedding of ESI co-financed measures in the (regional) development policy is subject of the Länder.

Furthermore, coordination with other union instruments relevant for policy areas concerned by the ERDF is important. In the programme area particularly HORZION 2020 and LIFE are relevant for the selected objectives of the programme.

In Austria HORIZON 2020 will be accompanied in its implementation by the Ministry of Science and Research. The regional contact points (for the current 7th FP) are responsible for the coordination of RTDI policy and regional development strategies as well as for the embedding of the European R&D funding measures at the regional level. As a result of the preparation of the PA, the corresponding ministry intends to install a platform for responsible ESI funds actors and stakeholders of the RTDI policy in Austria.

The LIFE programme will be accompanied by the Ministry of Agriculture Forestry, Environment and Water Management. The thematic objective 6 (environment and resource efficiency) will be addressed in the CP, where an adequate attention will be paid to the connection with LIFE.

To avoid double funding by other ESI funds in Austria, the participating Austrian regions are in close connection with Investment for Growth and Jobs (IGJ) Programme /ERDF, European Agriculture Fund for Rural Development (EAFRD)/LEADER and other funding organizations (Federal Ministry of Science, Research and Economy, Federal Ministry of Education and Women's Affairs, Federal Chancellery and the Government's Office for Slovenians Abroad, etc.). In addition to that the regions are voting members within the MC. It is also foreseen that one member of Austria (Office of the Carinthian Government - responsible for EU-program coordination incl. the coordination of transnational program and macro-regional strategies) will be nominated as competent advisor.

Coordination in Slovenia

In Slovenia⁶² the GODC coordinates the development planning, i.e. development documents, monitors the implementation of development policies and its programmes and is responsible also for the coordination of documents pertaining to development planning and compliance of national development planning programmes and the EU and other international organisations' development documents. GODC is also managing the preparation and coordination of the strategic documents with the EU.

Through ETC CB programmes, Slovenia will favour common development strategies.

The contents common to all CB- and transnational programmes in the vast majority have their place among the measures of the Danube, the Adriatic-Ionic and Alpine future macro-regions.

Coordination of the preparation of the PA, the Operational Programme for Cohesion Funds (CF) and of CB Cooperation programmes takes place within one institution which both in the documentation preparatory stage and during implementation provides for the complementarities and synergies of various funds. At NUTS 3 level, Slovenia prepares regional development programmes in accordance with the Balanced regional development law to be used with investments from different sources of financing in key development areas based on territorial challenges and opportunities.

⁶² Information about coordination in Slovenia is based on the following documents: »Partnership Agreement between Slovenia and EC for the period 2014-2020« (10/04/2014) and "Responsibilities of Government office for development and European cohesion policy" available at: http://www.svrk.gov.si/en/about_the_office/responsibilities/

Coordination of the preparation of macro-regional strategies is the responsibility of the Ministry of Foreign Affairs, while the coordination and implementation of individual parts of strategies fall under the responsibility of individual ministries. For the period after 2014, an enhanced role of inter-ministerial coordination of macro-regional strategies has been envisaged within the committee framework, where all ESI funds are to be considered with a view to achieving better complementarities and synergy effects as a result of participation in the EU macro-regional strategies.

According to PA between Slovenia and EC for the period 2014-2020 (10/04/2014) the Inter-ministerial Coordination Committee will provide for coordination between ESI Funds that are being indirectly implemented (ERDF, ESF, CF, EAFRD) and other EU instruments as well as other national instruments and the European Investment Bank (EIB). Membership of the Inter-ministerial Coordination Committee will be represented by the MAs of all the Funds and participating ministries. Inter-ministerial coordination has already been established for the 2007-2013 period charged with planning and monitoring of the implementation (ERDF, ESF, CF) and will be upgraded through inclusion of the other two Funds (EAFRD, EMFF).

Key functions of the Inter-ministerial Coordination Committee are the following:

- ✓ coordination and approval of PA revisions
- ✓ monitoring of the progress as regards fulfilment of PA objectives and discussion and approval of PA progress reports
- ✓ review of implementing plans and delivery of opinion thereon
- ✓ provision of counselling services on matters of content and organisation/implementation based on evaluation findings and analysis results.

With the aim of ensure Slovenia's contribution to the realization of the individual thematic objectives, the MA will establish relevant Expert Groups at the working level under the OP ECP to provide for coordinated preparation of expert bases. The latter will be composed of representatives of intermediate bodies, national authorities of ETC, information points for direct EU programmes and, if necessary, external experts.

For the absorption of the 2014-2020 Cohesion Policy Structural Funds, Slovenia has prepared a single Operational Programme as the contribution to the realisation of the EU Strategy for Smart, Sustainable and Inclusive Growth – the operational programme strategy is in accordance with the CSF and the content of the PA.

The OP ECP 2014-2020 encompasses the two cohesion regions and the ERDF, the ESF, the CF, and other relevant forms of implementing instruments.

Due to the regional development potential in Slovenia in this programming period a greater emphasis will be laid on the coordinated action between national and regional levels, based on the intersection between the development documents at national and regional level. In the context of the preparation of the regional development programmes at the level of the statistical regions Slovenia also concentrated on the identification of the region's specialisation as a method of concentration and activation of the region's potential. Regions will therefore promote development

based on their comparative advantages. Integration between regions and the creation of joint projects and initiatives to achieve synergies in several regions simultaneously will also be promoted. In this context the complementarity of EU Funds and other available resources is of key importance.

As already mentioned particularly HORIZON 2020 and LIFE are relevant for the selected objectives of the programme. HORIZON 2020 will be accompanied in its implementation by the Ministry of Education, Science and Sport while LIFE programme will be accompanied by the Ministry for Agriculture and the Environment. The TO 6 will be addressed in the CP where an adequate attention will be paid to the connection with LIFE.

Relevant Instruments															
EU				MACRO-REGIONAL			TRANSNATIONAL / INTERREGIONAL				CROSS-BORDER				
Horizon 2020	LIFE	EU Strategy for the Danube Region	EU Strategy for the Alpine Region	Adriatic-Ionic macro-regional strategy	CENTRAL EUROPE 2020 Cooperation Programme	Alpine Space Programme 2014-2020	Danube Transnational Programme 2014-2020	URBACT Programme 2014-2020	INTERREG Europe Operational Programme	ESON programme 2014-2020	MED programme	Programme Austria - Hungary	Programme Italy - Austria - Hungary	Programme Slovenia - Hungary	Programme Slovenia - Italy - Croatia
PA 1: Strengthening research, technological development and innovation and Enhancing the competitiveness of SMEs															
TO1: Research and Innovation															
TO1: Research and Innovation															
Priority axis 2: Protecting the Environment and Promoting Resource Efficiency															
TO6: Environment and Resource Efficiency															
TO6: Environment and Resource Efficiency															
PA3: Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration															
TO11: Institutional Capacity															
TO11: Institutional Capacity															
NATIONAL															
Operational Programme IWB/ERDF 2014-2020	Operational Programme for Rural Development in Austria 2014-2020 (LE 2020)	European Social Fund Operational Programme 2014-2020, Austria	Operational Programme Austria - European Maritime and Fisheries Fund 2014-2020 (EMFF)	Operational Programme for the Natura 2000 site management for the 2014-2020 period, Slovenia	Operational Programme for the implementation of the EU Cohesion Policy in the period 2014 – 2020										
PA 1: Strengthening research, technological development and innovation and Enhancing the competitiveness of SMEs															
TO1: Research and Innovation															
TO1: Research and Innovation															
Priority axis 2: Protecting the Environment and Promoting Resource Efficiency															
TO6: Environment and Resource Efficiency															
TO6: Environment and Resource Efficiency															
PA3: Priority axis 3: Enhancing Institutional Capacity and an Efficient Public Administration															
TO11: Institutional Capacity															
TO11: Institutional Capacity															

 Significant overlap,
  Minor overlap,
  Limited or no overlap

SECTION 7

REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

The reduction of the administrative burden has been a key principle for the whole programming. During the period 2007-2013 the main challenge for the partners was the financial reporting and the time needed from the moment a cost occurred to when it was paid out. The problems related to the delays occurred due to several facts; the reporting periods were frequent (for majority of the projects every 6 months), not enough staff resources had been reserved and assured for the monitoring and checking within the national control units. The payment process involved many levels (technical admissibility check, financial check, content monitoring, and CA check) and therefore took time.

Beside the long lasting payment process, the beneficiaries had to meet impediments concerning the long decision-making process and delays in contract signing. The specifics of the ETS programmes represented also some challenges for the complex monitoring system.

According to the Analysis of the survey on CB cooperation between Slovenia and Austria carried out by the MA/JS in December 2013, the majority of respondents proposed the following improvements:

- ✓ to simplify the application and reporting procedures,
- ✓ to reduce bureaucracy/administrative barriers,
- ✓ to implement faster procedures,
- ✓ to introduce a user-friendly information system in both programme languages,
- ✓ to introduce an e-monitoring system,
- ✓ to put greater emphasis on the content and added value of projects etc.

Thereupon, programme structures and beneficiaries are in favour of as much simplification measures as possible that will ensure a smooth project application and implementation process. The simplification measures are applicable from the approval of the Cooperation programme. Those measures for beneficiaries will be put in place from the date of launching the Open Call.

The following measures for the reduction of administrative burden will be implemented in the period 2014-2020:

➤ Use of the Harmonized Implementation Tools (HIT)

Using the INTERACT HIT is especially useful for applicants applying for funding from different funds as many funds will use the same approach, questions or rules, which are then familiar for the partnership. In addition, the use of the HIT enables the exchange of good practices from different ETC programmes and ensures that the focus of the documentation lies on the essential components, which are needed for a good cooperation project.

➤ Extended use of simplified cost options and rules on eligibility of expenditure at the EU level

The simplified cost options that have been made available by Article 67 CPR (simplified costs option) and Article 68 CPR (flat-rate calculation of office and administrative costs), as well as the implementation of the Commission Delegated Regulation (EU) No 481/2014 will be used. The aim of

the simplified cost options is to reduce the amount of needed paperwork and to speed up the reporting, verification and control procedures. When deciding on the eligibility rules and simplified cost options on the programme level, as defined in regulations and the delegated acts⁶³, the experience of the MA, CA and JS of the current period as well as that of the FLC's will be taken into account.

In support of project partners with the aim of harmonized approach at the level of programme area, the MA in cooperation with the FLCs and other involved parties will provide Rules on eligibility of expenditure. The rules, including the application of simplified cost options in order to reduce the administrative burden take the provisions of the Delegated Act (EU) No 481/2014 into account, and are in line with Article 18(3) of the ETC regulation. Detailed rules, including the exact scope of the application of simplified costs will be elaborated till the launch of the Open Call.

➤ **Simplification of the monitoring system (e-MS)**

The new programme monitoring system is based on the INTERACT HIT and in cooperation with INTERACT and other ETC programmes. The templates and processes are based on the most essential elements and the structure has been based on an analysis of best practices from several ETC programmes. Also the fact that many programmes use the same templates will simplify applying for projects from several funding instruments.

The online monitoring system will also be an important multi-lingual tool (English, German, Slovenian) for reducing the administrative burden for beneficiaries. It eliminates the need to send documents in paper and with signatures (although scanning unstructured documents will pose additional work for the applicants). It also allows for streamlined and efficient handling of any changes required to the project application as both the project and JS/MA can access the same information in the database. It allows for interactive and/or pre-filled forms by the system on the basis of the data which is stored at consecutive steps of the procedures, for automatic calculations preventing mistakes and speeding up the work, where appropriate, automatic embedded controls which reduce as much as possible back-and forth exchange of documents, system generated alerts to inform the beneficiary of the possibility to perform certain actions and on-line status tracking meaning that the beneficiary can follow up the current state of the project, which results in more transparency. Due to the principle of information inserted only once the beneficiaries avoid doing extra work. The e-MS also greatly reduces the amount of documents that need to be signed and sent in.

➤ **Simplification and acceleration of the application as well as reporting procedure**

The mentioned simplifications will significantly simplify and accelerate application and reporting process. It includes a simplification of the administering and reporting documentation, as well as of the corresponding procedures, like the shortening of the decision-making process of the approval of

⁶³ COMMISSION DELEGATED REGULATION (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes.

projects (decision on the submitted projects will be taken at least twice a year, until all available funds will be committed, the decision of the MC will be taken as general rule within 3 months from the submission deadline of the application. Also the tasks of the JS, national controllers and the functions of the CA will be reviewed and a simpler implementation process will be set up.

➤ **Introduction of E-Cohesion**

Exchanges of information carried out by electronic data between beneficiaries and programme structures will be gradually introduced to ensure a frictionless information and data flow. Moreover, such an approach would reduce the necessity for the submission of hard copy documents and alleviate the submission of electronic based documentations as well as to avoid excessive manual handling of the data.

SECTION 8

HORIZONTAL PRINCIPLES

8.1 Sustainable development

Important tools in methodically considering the principles of sustainable development in the preparation phase of the CP are the Ex-ante evaluation, which ensures “the adequacy of planned measures to promote sustainable development”⁶⁴, and even more the SEA, which aim is to “provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development”.

The ex-ante evaluation and the SEA process are carried out analogue throughout the programming phase, thereafter; the main findings of the SEA process have been incorporated into the final ex-ante report. The findings of the SEA were considered during preparation of the programme and the mitigation measures as proposed in the Environmental Report were integrated into the Cooperation programme and its implementation procedures. The SEA has included public consultation and comments received were considered also at final definition of mitigation measures. Moreover, comments from the SEA process were considered when the guiding principles and selection criteria were prepared.

The CP supports three priority axes of which one (Priority axis 2: TO 6) focuses fully on sustainable development. The priority axis with its two investment priorities, 6c and 6f is focusing on sustainable utilization and management of cultural and natural heritage, as well as the preservation, restoration and development of cultural and natural heritage sites. Further, the priority axis supports projects to overcome existing administrative borders, as in example the management of natural and other disasters (e.g. flooding). The other two Priority axes of the cooperation programme deal with (i) R&D and Innovation and Competitiveness of SMEs (Priority axis 1) and (ii) with the institutional CB cooperation (Priority axis 3) and do not directly focus on sustainable development issues.

However, it is quite likely that projects supported under those priorities also address aspects of sustainable development in their work. This may for instance be the case for R&D and innovation related projects that focus on capacities and skills for eco-innovation, or projects that concentrate on the internationalisation of SMEs in green technology sectors.

Furthermore, sustainable development will be considered throughout the program implementation phase. Projects’ assessment, selection, implementation, monitoring and evaluation will be guided by the following principles:

- ✓ Selection of investment related projects in view of highest resource efficiency, and sustainability.
- ✓ Selection of projects with positive enviromental and climate effects.

⁶⁴ CPR, Article 55 (m).

- ✓ Consideration of long-term prospects in the comparison process of life cycle costs of various investment options.

Regarding the content assessment, all (planned and submitted) projects regardless under which Priority Axis they will fall, will be encouraged to consider environmental concerns and reduce their environmental impact by (if applicable) application of green public procurement in a methodical way.

8.2 Equal opportunities and non-discrimination

The CP adopts social inclusion which also implies equal opportunities and non-discrimination. It will consider the principles of equal opportunities and non-discrimination based on for instance sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during its life cycle. It will take into account the needs of the various target groups at risk of such discrimination and in particular the requirements of ensuring accessibility for persons with disability. Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equal opportunities.

Specific target groups that need particular attention include elderly, the young unemployed, and population living in remote and underdeveloped areas, disabled persons, low-income families and others. Inclusion and diversity is therefore an important objective to be pursued in the programme.

Inclusive development will be addressed in all three Priority axes. Actions of the **Priority Axis 1** focus on strengthening growth and development of companies and especially SMEs and thus contributing to inclusion and diversity through better employment possibilities.

Actions of the **Priority Axis 2** focus on restoration and mobilisation of cultural and natural heritage with promotion of development of new sustainable tourism products and services. This will increase employment opportunities and access to new knowledge and capacity building. On the other hand, investments in the natural and cultural heritage have to consider possibilities for ensuring accessibility for people with disabilities and elderly to the restored and new infrastructure and services. Developing products and services for new audiences may include target groups at the risk of exclusion.

Actions of the **Priority axis 3** focus on building sustainable cooperation in order to improve health and social cohesion. Health care and health promotion, social care services and civil protection are areas to be specifically addressed targeting the groups at a disadvantage. Also opportunities for the unemployed will be addressed within this PA.

All priority axes will also support building of the social capital of the area by supporting knowledge and skills development of the target groups in priority axis related topics/themes. Moreover, products, services, and infrastructure delivered with the support of the programme shall be accessible to all citizens.

Equal opportunities will be observed in the selection of operations regardless of the priority axis they are proposed. Generally, all beneficiaries will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equal opportunities. The contribution shall be clearly demonstrated in the application and will be monitored and reported during the

implementation of the operation and on its completion. Equal opportunities and discrimination aspects may also be addressed in the programme evaluations.

8.3 Equality between men and women

The aim of equality between women and men belongs to the fundamental values of the European Union and is set out in of the Treaty on the European Union. Article 3 states that the Union shall “combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child”. The elimination of inequalities and the promotion of equality between women and men are also included in the consolidated version of the Treaty on the Functioning of the European Union. These fundamental values must be respected in the Regulations and implementation of the ESI Funds of the European Commission, as stated in the Common Provisions Regulation (CPR): “Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective is promoted in the preparation and implementation of programmes” and that the “Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes”⁶⁵.

The CP will strive to promote equality between men and women throughout all stages of programme implementation, including the preparation, implementation, monitoring and evaluation of operations. Generally, all projects will be obliged to avoid discrimination of any kind and to ensure that their activities comply with the principles of equality between men and women. Moreover, projects will be encouraged to foster gender mainstreaming as set out in the EQUAL Guide on Gender Mainstreaming: “To make gender equality part of this dominant (mainstream) trend in society so that women and men benefit equally”. It means looking at every step of policy – design, implementation, monitoring and evaluation – with the aim of promoting equality between women and men⁶⁶.

All priority axes have potential to include actions promoting gender equality, in particular 2 and 3. Under **Priority axis 1**, employment opportunities for women in start ups and growing SMEs can be promoted. Under **Priority axis 2**, employment opportunities for women in nature protected and rural areas related to sustainable tourism can be promoted. Protection and promotion of intangible cultural heritage may also develop specific talents of both men and women. Under **Priority axis 3**, actions may relate to issues connected to the equality of opportunity for men and women to take positions in specific services (e.g. civil protection or health care professions), examination of employment opportunities for women and men in provision of social care services for the elderly in remote areas. Issues related to health indicators and health promotion may be addressed to take into account differences and specific needs of men and women.

⁶⁵ Article 7,CPR, COM(2011) 615 final/2, Brussels, 14.3.2012, p. 34

⁶⁶ EQUAL Guide on Gender Mainstreaming, EC.(2004). Directorate-General for Employment, Social Affairs and Equal Opportunities.

Beneficiaries will be required to examine gender-based differences where appropriate and consider activities in support of promotion of equal opportunities in the operations. All beneficiaries will be obliged to avoid discrimination of any kind and to ensure their activities promote equal participation of women and men. It is important that supported operations would not unintentionally create new gender-based barriers.

Equality between men and women shall also be considered in the programme management arrangements. The programme authorities will ensure there is no gender-based discrimination in the appointment of personnel as well as in all other activities. Where appropriate, gender disaggregated data may be collected through monitoring (e.g. indicators related to capacity building and awareness raising activities, health care promotion, social care and health care services). Evaluation activities may specifically devote to gender issues where appropriate.

SECTION 9

SEPERATE ELEMENTS

9.1 Major projects to be implemented during the programming period

Table 37: List of major projects

Projects	Planned notification/su submission date (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date (year, quarter)	Priority axes/investment priorities
There are no concrete projects planned.				

9.2 Performance framework of the cooperation programme

Table 38: Performance framework (summary table)

Priority axis	ID	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final Target (2023)
1	A.2.1	Certified and declared to the EC	Number	2,121,008.40	17,675,070.00
1	CO01	Number of enterprises receiving support	Enterprises	2	15
2	A.2.1	Certified and declared to the EC	Number	2,686,299.07	20,663,839.00
2	A.2.2	Number of jointly developed water management strategies	Number	0	1
2	A.2.3	Number of operations developing water mangement strategies (approved operations)	Number	1	1
2	A.2.4	Number of newly developed and/or improved joint CB tourist products	Number	0	16
2	A.2.5	Number of operations developing newly and/or jointly improved CB tourist products (approved operations)	Number	2	4
3	A.3.1	Certified and declared to the EC	Number	1,750,628.28	14,588,569.00
3	A.3.2	Number of institutions and/or organizations participating in joint CB initiatives	Number	5	100

9.3 Relevant partners involved in the preparation of the cooperation programme

In the table 39, the main relevant partners are listed. The list is not exhaustive.

Table 39: Relevant partners involved in the preparation of the cooperation programme

Alpe Adria Vita d.o.o.	AKZENTE
Barbara Rozman s.p.	Amt der Kärntner Landesregierung
Bezlaj in drugi	Amt der Kärntner Landesregierung Abt. 1 - Kompetenzzentrum Landesentwicklung und Gemeinden
Bistra hiša Martjanci	Amt der Kärntner Landesregierung Sachgebiet Förderabwicklung im Rahmen der Orts- und Regionalentwicklung
BSC, d.o.o., Kranj - RRA Gorenjske	Amt der Kärntner Landesregierung Uabt. Fondsmanagement
Center za socialno delo Maribor	Amt der Steiermärkischen Landesregierung, Stabsstelle Controlling
Center za usposabljanje, delo in varstvo Črna	Amt der Steiermärkischen Landesregierung, Abteilung 7 Landes- und Gemeindeentwicklung
Center za zdravje in razvoj Murska Sobota	Arbeitsmarktservice Kärnten
Doba fakulteta	Arbeitsmarktservice Steiermark
Druga osnovna šola Slovenj Gradec	BAB Unternehmensberatung GmbH
EIM, Center razvoja človeških virov	Berchtold land.plan
Ekonomski institut Maribor	Bezirkshauptmannschaft Südoststeiermark
Ekonomsko-poslovna fakulteta; Univerza v Mariboru	Bildungswerk Kärnten
EKTC Maribor	Bio Ernte Steiermark
E-zavod	Biosphärenpark Nockberge
Fundacija za izboljšanje zaposlitvenih možnosti PRIZMA	Bundeskanzleramt Österreich, Abteilung IV/3 Finanzkontrolle des Europäischen Fonds für Regionalentwicklung (EFRE)
Gozdarski inštitut Slovenije	Bundesministerium für Arbeit, Soziales und Konsumentenschutz Abteilung VI/6b Bilaterale Zusammenarbeit in der Arbeitsmarktpolitik Stubenring
Gorenjski glas, d.o.o., Kranj	Bundesministerium für Land- und Forstwirtschaft, Umwelt und Wasserwirtschaft Prüfstelle
Gorska reševalna zveza Slovenije	Diözese Graz-Seckau
Gospodarska zbornica Slovenije	Energieagentur Weststeiermark
GZS Območna zbornica Koroška	Energierregion Oststeiermark GmbH
GZS Območna zbornica za Gorenjsko	Entwicklungsagentur Kärnten GmbH
Hidria d.d.	EU-Regionalmanagement Südweststeiermark
Hidria Rotomatika d.o.o.	Europäisches Zentrum für Erneuerbare Energie Güssing

IEI - Institut za ekološki inženiring	Fachhochschule Kärnten
Inštitut za ekonomska raziskovanja	Gemeinde Sittersdorf - ARGE GeoparkKarawanken-Karavanke
Inštitut za narodnostna vprašanja v Ljubljani	HTL Wolfsberg
Inštitut za tehnologijo materialov	IFA Unternehmensberatung GmbH
ISN d.o.o.	JOANNEUM RESEARCH Forschungsgesellschaft mbH
Jamarska zveza Slovenije	Kärntner Bildungswerk
Javni zavod SPOTUR Slovenj Gradec	Kärntner Landesfeuerwehrbund
Kemijski inštitut	KWF Kärntner Wirtschaftsförderungsfonds
KGZS – Kmetijsko gozdarski zavod Kranj	Landesverband für Bienenzucht in Kärnten
Koroški pokrajinski muzej	LEO GmbH
Krščanska kulturna zveza	Magistrat Klagenfurt
Logarska dolina d.o.o.	Obir Tropfsteinhöhlen GesmbH
Lokalna energetska agencija za Pomurje	Österreichische Botschaft in Slowenien
LOTRIČ Meroslovje d.o.o.	Pranger Pretiosa. Alpeninitiative 2015-2020
Mariborska razvojna agencija	PRO MENTE Steiermark GmbH
MEA inženiring, Metka Pavčič sp.	Qualifizierungsagentur Oststeiermark GmbH
Mestna občina Kranj	R M B - Regionalmanagement Bgld GmbH
Mestna občina Maribor	Regionalkooperation Unterkärnten
Ministrstvo za finance, RS	Regionalmanagement Graz und Graz Umgebung
Ministrstvo za gospodarski razvoj in tehnologijo	Regionalmanagement Lavanttal RML GesmbH
MORS, Uprava RS za zaščito in reševanje	Regionalmanagement Südoststeiermark Steirisches Vulkanland
Nacionalni laboratorij za zdravje okolje in hrano	Rosentaler Carnica Honige.V.
Naravoslovno tehniška fakulteta, Univerza v Ljubljani, Oddelek za geologijo	SFG-Innofinanz GmbH
Občina Bled	Stadtgemeinde Bad Radkersburg
Občina Cankova	Steiermark Tourismus
Občina Gornja Radgona	Technologiezentrum Deutschlandsberg
Občina Jezersko	Thermenland Steiermark
Občina Kidričevo	Universalmuseum Joanneum GmbH
Občina Majšperk	Verband für Interref. Zusammenarbeit
Občina Makole	W.E.I.Z. GmbH
Občina Naklo	Waldverband Steiermark
Občina Oplotnica	ZAMG
Občina Poljčane	
Občina Ravne na Koroškem	
Občina Tišina	

OOZ Murska Sobota	
OZARA storitveno in invalidsko podjetje d.o.o.	
Palemid d.o.o.	
Panles d.o.o.	
Pomurski tehnološki park d.o.o.	
Pora Gornja Radgona	
Prleška razvojna agencija, GIZ	
RA Kozjansko	
Razvojna agencija Zgornje gorenjske	
RASR, Razvojna agencija Savinjske regije	
Razvojna agencija Kozjansko	
Razvojna agencija Sinergija	
Razvojna agencija Sorad.o.o.	
Razvojna agencija Sotla	
RIS Dvorec Rakičan	
Riso d.o.o.	
Rosina d.o.o.	
RRA Koroška	
RRA Lur	
RRA MURA	
Simbio, d.o.o.	
Slovenska gospodarska zveza	
Slovenski narodopisni inštitut Urban Jarnik	
Slovenski regionalno razvojni sklad	
Splošna bolnišnica Jesenice	
Služba Vlade Republike Slovenije za razvoj in evropsko kohezijsko politiko	
Štajerska gospodarska zbornica	
Študentska organizacija	
Študentska založba	
Slovenski orodjarski grozd	
TECES, tehnološki center za električne stroje	
Tehnološki park Ljubljana	
Univerza v Ljubljani, Biotehniška fakulteta	
Univerza v Mariboru, FERi	
Urad RS za nadzor proračuna	
Ustanova lokalna razvojna fundacija za Pomurje	
Visoka šola za tehnologijo polimerov	
Zadruga Soča Trenta z.o.o.	

Zavod Prava poteza	
Zavod Risa	
Zavod RS za varstvo narave, OE Maribor	
Zavod RS za zaposlovanje	
Zavod za inovativnost in podjetništvo	
Zavod za turizem Maribor - Pohorje	
Zavod, tovarna trajnostnega turizma, Ljubljana	
Znanstveno raziskovalno središče Bistra Ptuj	
ZRC SAZU	
ZRS Bistra Ptuj	

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