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1. JOINT PROGRAMME STRATEGY: MAIN DEVELOPMENT CHALLENGES AND POLICY RESPONSES

1.1 Programme area

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

The Interreg Programme Slovenia – Croatia programme area (PA) covers 17 NUTS 3 regions, nine Slovenian NUTS 3 regions (Podravska, Pomurska, Savinjska, Zasavska, Posavska, Jugovzhodna Slovenija, Obalno-kraška, Osrednjeslovenska, and Primorsko-notranjska statistical regions), and eight Croatian NUTS 3 regions (Primorsko-goranska, Istarska, Zagrebačka, Krapinsko-zagorska, Varaždinska, Međimurska, and Karlovačka counties and the City of Zagreb). Not all regions are directly on the border (Osrednjeslovenska and Zasavska regions, the City of Zagreb), but all these regions form part of the PA. The Osrednjeslovenska region and the City of Zagreb make part of the programme area due to their proximity and concentration of economic, research, development, and educational capacities, which could significantly contribute to the development of the PA. The Zasavska region in Slovenia is included in order to ensure the territorial cohesion of the cross-border area and to make better use of the potentials of cross-border cooperation. The PA covers an area of 31,728 km² (SI: 46.6%, HR: 53.4%). The area comprises a significant share of the Slovenian territory (73%), and almost one third of the territory of Croatia (30%). The approximate length of the land border between Slovenia and Croatia is 657 km.

About 3.8 million inhabitants live in the PA (SI: 1.7 M, HR: 2.1 M). The population density is 119.8 persons/km², which is slightly above the EU-27 average. The main economic impact and high attractiveness are undoubtedly linked to both capital cities (Ljubljana and Zagreb) with more than million inhabitants altogether. The land border between Slovenia and Croatia is characterised by high geographical diversity: from a coastal area, vast forests, hills, and mountains connected by several rivers (the main international rivers: Drava, Sava, Mura) and some cross-border rivers.

1.2 Joint programme strategy: A summary of the main joint challenges

Reference: point (b) of Article 17(3), point (b) of Article 17(9)

1.2.1. Introduction

The main joint cross-border (CB) challenges of the PA were examined in “The Territorial and Socio-Economic Analysis of the Slovenia – Croatia Cross-Border Territory.” It has been prepared as a part of the input documents in the process of elaboration of the Interreg programme Slovenia – Croatia 2021- 2027, where the main CB challenges, needs, and potential of the PA are identified. The primary and secondary data analysis was made and documents from relevant EU strategies were taken into account, as well as the results of the public consultations based on the online survey, interviews carried out with representative stakeholders active in or competent for the cross-border territory, and focus groups.

Sources of text data used in this chapter are listed in the document Territorial and socio-economic analysis.

Main challenges and needs of the programme area

The programme area is very diverse in terms of natural and social geographical characteristics. There is a big **imbalance** between the socioeconomic situation of the capital cities (Ljubljana and Zagreb) on one hand, and the border areas on the other as a result of the trend of territorial centralisation in both countries and the fact that in 2021, the border separating both countries is still a Schengen border. Immediate border settlements are the most underdeveloped (Krapinsko-Zagorska County) and depopulated (Primorsko-Goranska and Karlovačka Counties in the Croatian part and the Pomurska and Savinjska regions in the Slovenian part of the PA). There are substantial disparities between regional urban centres and rural areas in terms of accessibility. This is especially recognised in the river valleys that flow along the border and represent the physical obstacle for territorial cohesion in contrast to the river valleys (e.g., Sava and Drava), which represent the most attractive environment for settlements, transport, and other forms of spatial development.

Climate change has made the area vulnerable, and only 18% of municipalities have elaborated adaptation plans, leaving them not resilient enough to the extreme natural events that are occurring more frequent and are already being felt by residents. Therefore, the spatial planning could be more attentive to the identified climate threats, especially in the urban areas of the programme area. In spite of the fact that Natura 2000 covers almost 40% of the programme territory, **degradation of the conservation status of species and habitats** is recognised. Joint investment needs include significant interventions based on transboundary cooperation in biodiversity and habitat conservation.

The average human development index of the PA is 0.862, and is defined as *very high* in the majority of the regions. Nevertheless, **the population in the PA is decreasing**, especially in the Primorsko-Goranska and Karlovačka counties in the Croatian part and the Pomurska and Savinjska regions in the Slovenian part somewhat due to natural decrease and emigration flows. The share of people over the age of 65 in both countries continues to grow approximately 2–3% annually (from the year 2011 until 2019). **The aging index** in the PA is the highest in the Krapinsko-Zagorska County (358) and in Primorsko-Goranska County (270.13) and the lowest is in south eastern Slovenia (114.1) in 2019. Joint investment needs include **an increasing demand for health and daily care services** for the elderly.

The lives of the people, as well as tourism and culture in the PA has been strongly affected by negative demographic changes and the **COVID-19 pandemic**. The fast-changing environment is calling for CB actions for resilience and increasing adaptation capabilities of people and organisations for emerging needs and new circumstances, which would foster the recovery of the economy and increase the quality of living in the PA. The

low level of **entrepreneurial activities** related to digital transformation and the insufficient knowledge of smart management concepts was recognised, and in fields connected with the tourism and culture sector as well.

To **strengthen the territorial cohesion** of the PA and attract people, diversity and an improved quality of health, social, and complementary services in remote areas have to be provided for people on both sides of the border. Because of this, joint actions should provide support in connecting stakeholders, gaining knowledge and experience, and creating learning networks and cross-border structures.

The programme seeks to involve residents in the social and territorial issues in order to provide the most suitable solutions for everybody. In the light also of the Covid-19 pandemic, **building trust and a positive mind-set**, as well as personal responsibility for a better future of inhabitants living in the PA is needed.

1.2.2 Competitiveness of the programme area

Disparities in the GDP per capita are significant in the PA, as they vary from 7,919 EUR in Krapinsko-Zagorska County, to 32,620 EUR in the Osrednjeslovenska region, which is a common issue between rural and urban areas in the PA. High youth unemployment and **lack of skilled labour in the region, which particularly affects SMEs** could be tackled by increasing job opportunities in the tourism sector by creating new multisectoral job profiles for young people. Competitiveness of SMEs could be improved by capacity building in digital literacy and the use of available advanced e-services and ICT solutions. Also, by enhancing knowledge and skills of employees in supporting the transition to resilient tourism destinations.

Within the territory, **SMEs are an important creator of added value**. The number of enterprises in the examined period 2015–2019 has grown overall on the NUTS 3 level. In the Osrednjeslovenska region and the City of Zagreb, a much higher rate was observed than in remote areas that are lagging behind in developing or creating new enterprises. Existing SMEs and innovative support organisations provide promotion and networking services for future partnering in cross-border industries. Future business opportunities can be supported through the specific topics, particularly in energy efficiency, green tourism, in circular tourism business models. The competitiveness of existing businesses could be improved by increasing the level of entrepreneurial activities related to digital transition and supporting the green transition, especially in the tourism sector.

1.2.3 Environment, climate change, energy, and resource efficiency

The main identified territorial needs are closely related to improvements in the territorial cooperation in the protection and management/interpretation of natural landscapes, connectivity of habitats, and attaining protective attitude of people towards habitats and species, particularly those in declining status. Climate adaptation needs of the territory are to enhance resilience of the people, habitats and property. Awareness-raising, joint CB adaptive strategies, and the development and promotion of jointly developed solutions that lead to improved resource efficiency, climate-proof service delivery, and sector co-ordination would improve the adaptation capacities of the PA. Behaviour change and sustainable small-scale investments should be led by the principles of the New European Bauhaus.

Landscape, biodiversity, water resources, and air quality

The PA is vastly covered by nature, and is rich in biodiversity. **Natura 2000** covers almost 40% of the PA, including several transboundary sites and many nationally designated areas of protection or natural importance. Besides the Natura 2000 network, there is a network of national and landscape parks, regional parks, reserves, and other areas protected as areas of ecological importance. There are five coastal and marine protected areas along the Slovenian coast in two nature parks – the Sečovelje Salina Nature Park and Strunjan Nature Park. The Marine Protected Area and National Park Brijuni in Croatia are also located in the PA.

The most threatened habitats in the area are freshwater habitats and grasslands. For marine regions, there is a general lack of data, and so many assessments of ‘unknown conservation status’ are reported. The share of protected marine areas in the region (3% for the Adriatic) is low and far from the key commitment of the EU Biodiversity Strategy for 2030. The main threats to biodiversity in both marine, coastal, and land ecosystems are the combined effects of high anthropogenic pressure (pollution), climate change, degradation and loss of habitats, invasive species, and a lack of supervision. For marine ecosystems, excessive fishing, trawling, and the absence of no-take zones should be added to the list of threats.

One of the key factors for improving biodiversity and habitat conservation and restoration is further cooperation. The managers of protected areas, particularly in the transboundary areas could exchange experience and good practices to demonstrate new or improved actions for preventing biodiversity loss and focus on communication and education of visitors and inhabitants aiming for behavioural change, e.g., through optimisation of visitor management approaches, enhanced nature interpretation, valorisation of natural heritage, results-based innovation oriented towards nature protection, awareness-raising of target groups, etc. The level of nature protection could be more aligned in the PA and should consider landscape entities regardless of the state border dividing some of them. Furthermore, Natura 2000 implementation and management should be supported by developing, exchanging, and promoting CB and cross sectoral experiences, data, and practices for improvement of the environmental status of habitats in poor/declining conditions.

Forests are a relevant joint habitat of the PA and cover 71% of the Natura 2000 network in Slovenia and 38% in Croatia. Capacity building for multi-purpose forest management with a focus on the promotion and preservation of biodiversity should be supported. A forest biosphere regional park of international significance can be developed in the PA. Integrated management and stakeholder cooperation are the primary needs of this Karstic-Dinaric area where high environmental quality is a result of traditional multipurpose management that extends into the entire biosphere area.

The territory is generally **rich in water resources**, but its quality differs. In Slovenia, 55% of the total surface water bodies have good ecological status, while in Croatia only 23%. In 2018, 54.6% of the Croatian and 71.5% of the Slovenian populations were connected to the sewage systems. While an improvement of the wastewater treatment infrastructure in the area is noted, a dispersed settlement pattern is the main reason why rural wastewater management lags behind achieving the goals set.

Most of the **water consumption in the region remains within households**. The water of the region is abstracted mainly from underground water sources; therefore, protection of these sources is vital. An additional cause of concern remains in the southern part of the region in the Karstic-Dinaric environment, where surface pollution is affecting underground water sources. Losses in the public water supply system remain significant.

Air quality in the entire PA is good, particularly due to the abundant natural areas. However, the **air quality in urban areas remains an environmental and health problem**. Measurements show that many Slovenian and Croatian cities fail to approach the limit values defined by European legislation with regard to the quality of ambient air. Greater attention should be devoted to education, notification, and awareness raising.

Strong cases of green infrastructure are already evident in the PA (Natura 2000, natural habitats), but could be further promoted and strengthened as an efficient response to climatic challenges. Green infrastructure supports territorial green corridors (improving species connectivity), biodiversity, and ecosystem services. There is a need to further promote green infrastructure solutions for the provision of multifunctional ecosystem services in the PA. Green infrastructure **in urban areas** can provide multipurpose benefits, as they address water management, reduce the effects of heat waves, improve air quality, and contribute to life quality in general. **Nature-based solutions** could be stimulated to improve climate resilience against flood risks (water retention measures), urban water management (water harvesting, storm management), and air quality.

Climate change, risk and resilience

Climate change is already occurring and will continue to cause **a rise in temperature and higher heat load, and unexpected precipitation patterns resulting in storms, droughts, floods, sea-level rise, and less snowfall**. The climate change effect differs across the regions' biogeographical areas (coast, river basins, forests, and hills). Apart from temperature increase and changes in the water cycles, forest fires and earthquakes are relevant threats. This calls for improved adaptation capacities and solutions, particularly on local level, where damages are most visible.

Adaptation efforts lack concrete measures on the regional and local levels. Climate change affects biodiversity and potentially new aspects should be considered in management plans and practices. Increased cross-border cooperation at the inter-municipal and regional levels is needed in order to **increase the resilience of the PA**.

Within the territory, some efforts have been made to adapt to climate change at the regional and local levels. By 2023, regional development plans and regional spatial plans in Slovenia should include climate vulnerability assessments. From 2021 on, climate adaptation considerations, including green infrastructure, should form an integral part of spatial, urban, and land-use planning processes at all levels. **Eighteen per cent of municipalities in the PA did elaborate Sustainable Energy and Climate Action Plans (SECAPs) that need concrete actions and plans for implementation**. They particularly focus on resource (energy, water) management, biodiversity conservation, green infrastructure, and spatial planning as possible climate adaptation focus areas.

The organisation of disaster management is vertically organised and includes every local community, but differs in the quality and local capacity. **Enhanced risk preparedness and response capacities** in the PA is needed, especially the development of the jointly developed cross-border rescue mechanism of civil protection, coordinated and adapted to climate-induced risks. Capacity building for the local population against climate change-related natural hazards must be enhanced.

The **frequency and intensity of flood events** vary throughout the PA. In the past decades, floods caused severe damage to nature and property. The topographical features of the territory expose the inhabitants to high flood risk. Jointly harmonised measures for the reduction of flood risk have already been undertaken in all six cross-border basins (i.e., awareness raising, early warning systems), but future climate change effects could further impact the region. In addition to planned engineered infrastructure, nature-based solutions could also be applied for holistic management of floods and other effects of storm events.

Fires are a distinctive threat to nature and property and are linked to climate change-related temperature increases and droughts. Traditional regions where water scarcity affects the population and economy are in the Karst and the sub-Mediterranean part of the region. Already affected habitats and an imbalanced population pattern calls for development of joint protocols, data exchange, equipment, and capacity in the cross-border region.

There is a need for demonstration measures for increasing resilience of economy and society (e.g. production systems, water management, transport and sustainable mobility etc.).

Energy supply and consumption

Energy efficiency and further exploitation of renewable resources are an important part of the energy transition of the PA. The digital transformation of buildings, neighbourhoods, and cities, as well as building energy retrofits are considered in both countries through available national support for the exploitation of renewable energy sources, particularly solar and wind energy, and energy efficiency investments for public and private buildings.

Local energy agencies are active and support citizens and organisations in the regions towards lower energy consumption and increased efficiency.

Wood biomass, solar, and geothermal energy have the biggest exploitation potential. Besides improving energy efficiency, self-sustainable communities are an important approach to raise awareness about reducing emissions, improving energy storage, fostering efficiency through digitalisation, and achieving efficient resource management. Energy stands high on the agenda of smart specialisation and national plans for energy and climate adaptation. In general, there is a need for the development of innovative cross-border solutions and pilot actions in the field of energy efficiency in terms of developing new models and tools.

Circular economy

The transition to a circular economy is a transformative set of behaviour and actions of producers and consumers aiming to create a circular, rather than a linear (take-make-waste) economy. Waste management in the PA is increasingly efficient, and key industries are aware of the necessity and opportunities offered by the circular economy. Both countries have defined circular economy as part of the smart specialisation strategies and would in the future support this transformation on a systemic national level that also connects regional stakeholders and resources.

This approach generates tools for the sustainable management of resources, and in the case of the PA its biomass potential, preserved nature, renewable energy source availability, local food production, and rich natural heritage. Enhancing the circular economy supports, e.g., green job creation, sustainable energy services, and new product development. As well, circular business models could be promoted within the development of sustainable tourism management and the green transition of organisations through pilot actions.

1.2.4: Connectivity and sustainable mobility

The area is crossed by two TEN-T corridors: the southern part of the Baltic-Adriatic corridor and the Mediterranean corridor. The Road TEN-T network in the PA is mostly complete, while rail infrastructure is 5–6% completed in comparison to the EU average of 60%. With future allocated finances within national transport strategies, the rail network is expected to be developed more rapidly, but the majority of national financial investment belongs to the road network. In particular, rail connections in the PA are missing, with many rail services having been cancelled in the past. At the same time, daily work commuters struggle on the border crossings due to transport congestion, tourist season peaks, and COVID-19 restrictions.

In the SI-HR PA, road density (1.7 km/km²) is higher than the European average (1.0 km/km²). At the same time, passenger transport recorded high usage (SI 86%, HR 83%) of passenger cars and car travel in both countries above the EU average. Road coverage of the rural areas is relatively good, which in combination with the lack of efficient public transport makes the car passenger transport very attractive. The public transport in rural hilly areas that could adjust to the specific spatial characteristics should be promoted in the border region.

There are seven national major cycling routes crossing the PA. Two of them run along the Slovenia Croatia border. The cycling infrastructure is quite inadequate regarding cycling paths, signposting, and services. There is still a big gap in quality in comparison to more cycling-friendly European countries.

Activities in the field of sustainable mobility in urban areas aim to ensure access to public transport or ensure conditions for sustainable mobility, which include walking and cycling. Green walkable urban areas and cycling networks could be a part of climate adaptation activities and would enable sustainable use of existing cross-border pilot products and services. To improve public passenger transport, the development of comprehensive sustainable and accessible mobility in cities must be established as some cities/municipalities have already begun to demonstrate (Zagreb, Ljubljana, Ljutomer, Murska Sobota, Piran, Umag, Novigrad, etc.). Further efforts should

be made to prepare local mobility strategies (Sustainable urban mobility plans – SUMP) that take into account local needs and are supported with significant awareness-raising actions.

Challenges in the development of sustainable mobility solutions remain, especially in rural remote areas and those linked to tourism travels. Connectivity between remote areas between countries or bigger cities in the strictly PA is the prerequisite for those villages to remain populated. Joint investment needs include improving sustainable mobility to improve accessibility to health, education, tourism and social services, especially in the peripheral areas. The demand for responsive transport with the support of digitalisation and e-mobility (e.g., mobility as a service) could be the solution for those areas. Alternative sustainable solutions like car-sharing, transport on call, arrangements with employers to enable work at home, or providing shuttles for their employees should be promoted in terms of improvement of quality and diversity of services.

1.2.5: Employment and education, social and healthcare, tourism, and culture

Labour market, education, and training

The positive trend of decreasing unemployment figures in 2018 and 2019 was discontinued in 2020 due to the Covid-19 pandemic. Even though there was a significant number of workers available at the labour market in 2020, many industries suffered from skills shortages due to shifts taking place both in society and in industries. Another problem of the labour market in the PA is long-term unemployment, which is particularly high among the unemployed without secondary education, the elderly (up to age 65), and the unemployed without previous work experience. The available workforce in the PA should be trained and educated in line with labour market demands (e.g., tourism, emerging needs in line with the digital and energy transition), and labour market should be more open to elderly people. Cross-border cooperation between educational institutions exist and is satisfactory, but it is necessary to enable an exchange of knowledge to strengthen digital skills of teachers for improving efficiency and techniques of distance teaching.

Health and social care

Due to the COVID-19 pandemic, socially excluded groups of people have become even more excluded, stressed, and passive, which was negatively reflected on their psychophysical health. Ageing society requires adapted building capacities and introduction of new locally accessible social and health services, which support deinstitutionalization and active ageing. Similar services are also missing for children with disabilities who tend to be socially excluded.

Health centres are accessible in the PA, except in the narrow bordering area where locals in need are forced to travel to domestic hospitals instead of using the nearest emergency health services across the border. To address the issue, joint investments should foster the cooperation between the institutions and develop permanent cross-border activities (e.g., exchanging knowledge, protocols, call centres, etc.). Distance learning and working from home during the pandemic forced people to adopt less-active lifestyles accompanied by significant psychological burden, especially for children and the elderly. The challenges could be tackled jointly through the implementation of social innovations. Mortality caused by diabetes, chronic obstructive pulmonary disease and some cancers is also on the rise. Diversification of health prevention activities (e.g., chronic diseases and obesity) should be implemented, and attractive outdoor infrastructure and activities that call for active living should be made available in rural parts of the PA. These new challenges call for joint actions addressing solidarity, resocialisation and healthier living in the “new normal.”

Tourism and culture

The PA is characterised by **various types of tourism** (maritime, alpine, thermal, eco, cultural, creative, and active), thus the area is also rich with diverse competences, skills, knowledge, and experiences that could be shared

among the stakeholders. Tourism is one of the pillar services sectors in the territory, however, very **unevenly spread**. In the continental part of the area, tourism has been taking off in recent years (before the 2020 crisis), and progressively better results indicate that it is on the right track.

Counties located in the northern Croatia, and Slovenian regions in the tourist area of thermal Pannonian Slovenia concentrate their tourist products on thermal springs with spas, gastronomic and oenological tourism, heritage tourism, and rural tourism. The tourist area of Ljubljana and central Slovenia and Zagreb on the Croatian side, are forming their tourist offers on business and city tourism, cultural and creative tourism, and gastronomy, while Karlovačka County is focusing on green (eco), active, and sports tourism. Although the regions, counties, cities and municipalities recognise the local potentials for development of tourism, they were not successful enough in increasing the **relevance and quality of products** and services and building cross-border and **multisectoral relations between stakeholders** that would enable knowledge exchange, collaboration platforms, and joint learning actions.

Social and environmental responsibility actions should be embedded and seen in businesses, local and regional strategies that support sustainable tourism, rather than mass tourism, and ultimately, the decision-makers should understand the needs and importance of sustainability and nature protection. **Therefore, we want to see social and organizational changes in line with the New European Bauhaus, awareness-raising** actions to increase environmental and social responsibility of visitors, tourists, and other stakeholders in tourism, as well as to support the shift towards greener, sustainable, and more responsible tourism.

The cultural institutions in the PA offer different cultural programmes for disadvantaged and marginalised groups and are well adapted to the needs of people with disabilities. There is a need to increase the responsibility of stakeholders in tourism and culture for adjusting establishments to foster inclusion and equality by improving accessibility of tourism infrastructure, products, and services.

Since sustainable tourism is a fast-growing trend, it is expected that the interest of tourists for nature-based and cultural tourism will increase in the future, which will contribute to better resilience and creating businesses and jobs in tourism. In the development of sustainable products and services, local identity and the growing demand for **active tourism, the tourism of emotions, slow tourism, cultural tourism, tourism of experiences, and stories should be considered**. Tourism offer should become more accessible also for people with disabilities and inclusive for the elderly and families living in poverty.

Development of new CB services, products, and the overall greening of tourism in the PA increases resilience and recovery of tourism in the PA, and requires **new skills and cross-border multisectoral connections** (e.g., connecting tourism with agriculture, creative industries, fisheries, etc.), better CB **collaboration and learning**. **Mutual learning and mentoring** are needed to enhance the capacities of businesses and public organisations in the most efficient manner, as well as joint actions for supporting synergies and cross-sectoral networks. Challenges to be addressed include a need for education on integrated sustainable approach and planning on destination management also on cross-border level, including remote and inaccessible micro destinations. It is recommended that learning events are accessible to vulnerable groups.

Joint pilot actions and certification are needed to support the upgrade, diversification and development of innovative green tourist and cultural services and products, and foster the transition towards green and sustainable tourism.

The PA lacks cross-border mobility connections for tourists and visitors, and so **new vehicle-sharing mechanisms, multi modal traveling possibilities (bike, rail, boat), and “last-mile solutions” should be applied in sustainable tourism products**.

COVID-19 brought new challenges and restrictions, but also **opportunities for increasing competitiveness**, if tourists' emerging needs are carefully observed and considered. "COVID tourism" opportunities include the development of inclusive **outdoor products and services, efficient safety standards and protocols, and using modern technologies for cultural interpretation, information sharing, and ensuring digital attractiveness** and visibility of COVID-adapted destinations. **Digitalisation** is an important part of tourism ecosystem and an important asset for inclusion of vulnerable groups and greening of tourism in the PA.

The cultural offer of the area includes a programme organised by various publicly funded institutions, private institutions, and associations (independent cultural scene), but **cultural interaction in the PA and across the borders is currently set to a minimum due to COVID-19 restrictions**. The programme should offer inclusive opportunities **for re-connecting people and fostering cultural interactions**, learning about Slovenian and Croatian culture and languages. **Cultural and creative industries** and social innovators play a great role in enhancing resilience of tourism, **contributing to job creation and re-connecting people across** the border by offering joint handicraft projects, events, and joint learning possibilities.

There **are eight UNESCO world heritage sites** in the PA, and there are **plenty of other tangible and intangible cultural assets** on both sides of the border. The PA is abundant in **intangible cultural heritage** that includes various forms and phenomena of spiritual creativity that are transmitted by tradition or otherwise: language, dialects, speech and toponymy, oral literature of all kinds, folklore in music, dance, tradition, games, rituals, customs, as well as other traditional folk values, and traditional arts and crafts.

However, to preserve the tradition, it must be passed on by the people who maintain and upgrade it. **Despite the exceptional abundance of these natural, historical, and cultural attractions that foster local authenticity, only a small number of them have been valorised and included in the overall destination offer**. Modern technologies should be encouraged to be part of a heritage interpretation in order to enable people with disabilities and all vulnerable groups to access these services more easily.

Creativity in tourism and cultural and creative industries should be supported as a part of diversification of tourism offer and enriching urban and rural spaces to ensure more comfortable and interesting experience for tourists and local inhabitants. Diversification of services in line with emerging needs of tourists/visitors and straightening capacities of stakeholders will contribute towards building more resilient tourism in the PA.

1.2.6: Sustainable and integrated development

Integrated territorial development needs can be fostered by **local multi-sectoral strategies developed** jointly via CLLD (community led local development) and ITI (integrated territorial investments) mechanisms for specific cross-border functional areas. There are no functional areas having such strategies on the Slovenian-Croatian border (except for Pannon EGTC (European Grouping of Territorial Cooperation) established for improving cross-border cooperation along the Croatian-Slovenian-Hungarian border). However, the local stakeholders are aware of the advantages of sustainable and inclusive development that can be promoted by territorial multisectoral strategies and establishment of EGTCs.

1.2.7: Governance and cooperation

The area is governed at three levels in the Croatian part (national, regional, and local levels), and at two levels in the Slovenian part (national and local levels). No regional level of government exists in Slovenia, which poses challenges in cross-border cooperation.

With the support of efficient public administration, some of the challenges that are being the main reason for depopulation of the border area could be efficiently addressed. Cross-border cooperation of stakeholders could

make a progress in accessibility and quality of the services in the areas of health care, social inclusion, and welfare and energy efficiency in the border region. Multisectoral and multi-level knowledge exchange would make it easier to understand the local problems and needs. Innovative cross-border solutions and upgrading cross-border structures is needed to contribute to solve some of the main challenges of the area (deinstitutionalisation of elderly care, lack of public transport possibilities, chronic diseases, etc.).

As a result of many historical and contemporary factors including the Covid-19 pandemic, support for collaboration among the inhabitants is needed in order to improve relationships, understanding, and trust between people across the border. People-to-people actions could address the issue.

1.2.8. Selected Specific and Policy objectives

In the Interreg A programmes along internal land borders, the Policy Objectives PO2 “**A Greener Europe**” and PO4 “**A More Social Europe**” are obligatory according to the regulation. Based on joint challenges identified in territorial analysis, stakeholders’ inputs and lessons learned, the following specific objectives were selected for support and joint investment within the Interreg Programme Slovenia – Croatia 2021–27 and are therefore taken into consideration from Chapter 1.2.8 onwards:

- The Policy Objectives “**A Greener Europe**” (with **Specific Objective 2.4** that promotes climate change adaptation and disaster risk prevention and disaster resilience, taking into account ecosystem-based approaches, and **Specific Objective 2.7** that enhances the protection and preservation of nature, biodiversity, and green infrastructure, including in urban areas, and reducing all forms of pollution);
- “**A More Social Europe**” (with **Specific Objective 4.6** enhances the role of culture and sustainable tourism in economic development, social inclusion, and social innovation);
- Interreg Specific Objective “**A Better Cooperation Governance**” (with (ii) **enhances efficient public administration** by promoting legal and administrative cooperation and cooperation between citizens, civil society actors, and institutions, in particular, with a view to resolving legal and other obstacles in border regions, and (iii) **builds up mutual trust**, in particular by encouraging people-to-people actions).

1.2.9: Lessons learnt

Within the programming period 2014-2020, the Cooperation Programme Interreg V-A Slovenia – Croatia supported 41 projects that cooperated on flood risk reduction in the transboundary Dragonja, Kolpa/Kupa, Sotla/Sutla, Drava, Mura and Bregana river basins, active heritage preservation through sustainable tourism, protecting and restoring biodiversity and promoting ecosystem services, and building partnerships among public authorities and stakeholders for healthy, safe and accessible border areas.

The analysis carried out within the Impact Evaluation shows that interventions in sustainable use of natural and cultural resources with a strong emphasis on tourism have produced some effective results and synergetic effect. However, the numerous challenges this diverse and extensive programme area is facing (e.g. COVID-19 pandemic, dependency on imported sources, global warming, high inflation rates) are complex and demanding in terms of time and financial means. Besides, the area is particularly vulnerable to increasing climate change impacts. Nature protection, culture and tourism should therefore remain in the focus of the Programme, but with stronger social inclusion and economic sustainability aspect in the culture and tourism sector. Capitalisation potential could be increased by facilitating thematic workshops and thus contributing to stronger cooperation between similar projects and forming thematic networks. For projects aimed at elaboration of joint cross-border plans and strategies, a stronger involvement of decision-makers at national levels is needed in order to achieve better impact. To enable integration of newly developed solutions in the national strategic umbrella further efforts for overcoming the legal and other obstacles in the PA should be made.

The analysis shows the overrepresentation of the most developed urban regions where the capitals as placed (Osrednjeslovenska and Grad Zagreb) as the result of the concentration of the economic, research, development and educational capacities in those regions. Strategic approach for a stronger involvement of peripheral and rural areas is suggested.

There was a high level of consistency between implemented projects and the intervention logic. However, longer duration of projects would enable greater effects in the environmental protection domain and allow more opportunities for testing developed solutions on a larger scale. Enhanced visibility of the projects and especially projects results and further simplification and reduction of administrative burden (i.e. through simplified cost option where applicable) is recommended.

1.2.10: Correlation with macro-regional strategies

In the case of the correlation with macro regional strategies, only the thematic fields of the selected Specific Objectives of Interreg Programme 2021-2027 are assessed.

PO 2 – A Greener Europe

Concerning the preservation of biodiversity and nature – and the effective management of Natura 2000 sites – a very high synergy can be observed with the EUSDR (EU Strategy for the Danube Region), where Pillar 2 is entirely dedicated to the protection of the environment, including PA4, PA5, and PA6 overall aims to improve the quality of water, air, and soils, reduce environmental risks, and supports good management of natural assets, biodiversity and landscapes.

EUSAIR (EU Strategy for the Adriatic and Ionian Region) also includes environmental protection with the aims to contribute to the goals of the EU Biodiversity Strategy for 2030, and to improve water quality as one of four key intervention areas. EUSAIR also indirectly supports climate change adaptation provision measures with actions for interdisciplinary coordinated spatial planning for the maritime area under Pillar 1 (“Blue Growth”).

PO 4 – A more Social Europe

The proposed specific objective (“Enhancing the role of culture and sustainable tourism in economic development, social inclusion, and social innovation”) in the Interreg programme Slovenia – Croatia is aiming for behaviour change for enhancing the sustainability of tourism and culture as part of the social and economic development, and upgrading joint tourism and cultural products and services. Both EUSDR and EUSAIR strategies put significant focus on the development of sustainable tourism assets. EUSDR deals with tourism in PA3 (“To promote culture and tourism, people to people contacts”) of Pillar 1 (“Connecting the DB region”). The proposed actions of the Interreg Programme Slovenia – Croatia provide valuable contributions to most actions of this PA, via promoting sustainable tourism, valorisation of cultural heritage, cultural activities, and tourists’ inclusion.

Pillar 4 of the EUSAIR is entirely dedicated to sustainable tourism under Topic 1 (“Diversified Tourism Offer”), especially Action 5 (focused on the establishment of sustainable and thematic tourist routes (cultural routes)), Action 6 (fostering the cultural heritage by working together with the culture sector), and Actions 7–8 (improving tourism products and services and their accessibility). EUSAIR also supports actions under Topic 2 of the pillar (“Sustainable and Responsible Tourism Management”), via measures of creating the network of sustainable tourism businesses and building a more sustainable and responsible tourism sector (Action 7).

Interreg Specific Objective 1 – A Better Cooperation Governance

Institutional cooperation and governance are crosscutting areas for both related macro-regional strategies (EUSDR and EUSAIR). EUSDR has a dedicated PA focusing on stepping up institutional capacity and cooperation between macro-regional stakeholders (PA10 under Pillar 4 entitled “Strengthening the Region”). Under Pillar 3 entitled “Building Prosperity in the Danube Region,” PA 9 is dedicated to investment in people and skills – which is aligned with proposed activities, as it is the development of cooperation and learning networks between public administration and stakeholders.

EUSAIR also supports actions for removing the barriers for cross-border investments in Pillar 2 (“Connecting the Region”), and is as such aligned with general activities proposed in the Interreg Programme Slovenia – Croatia to overcome legal and administrative obstacles to enable cross-border cooperation.

1.2.11. Complementarities and synergies with other funding programmes and instruments

The planned interventions of the cross-border programme should focus primarily on those thematic areas that are important for the border area. Projects support cooperation between organizations on both sides of the border. The national programmes primarily aim at developments and investments within the country borders while Interreg programmes support projects, which have cross-border effects. Potential overlaps shall be investigated between activities and projects at project level in national and cross-border programmes.

Challenges and development potentials of the Republic of Croatia are set in the National Development Strategy 2030, and Operational Programme Competitiveness and Cohesion (OPCC), Operational Programme Effective Human Resources (OPEHR) and Integrated Territorial Programme (ITP). The OPCC supports various priorities from smarter, greener, connected, social and inclusive Europe. The OPEHR addresses human and administrative capacities, and social development. ITP focuses on connecting urban and rural parts of Croatia and thus seeks to accelerate the development of peripheral areas. In Croatia, for the 2021-2027 period, the National Coordination Committee and Subcommittee for the Coordination of the Participation of the Republic of Croatia in European Territorial Cooperation Programmes and Macro-Regional Strategies of the European Union continue to ensure the overall coordination of the use and monitoring of the implementation, complementarity, and synergy between funds and other instruments of the European Union.

Specific objectives of the Interreg VI-A Slovenia – Croatia Programme are coherent with challenges and development potentials of the Republic of Slovenia, set in the Slovenia’s development strategy 2030 (focusing on productivity growth, low carbon circular economy, inclusive social development and intergenerational solidarity and strengthening the development role of the state and its institutions) and with the Partnership Agreement for Slovenia which was at the beginning of March 2022 under informal discussion with the Commission services. The synergies and complementarities are especially mentioned within the PO2 but additional synergies will be identified in the process of implementation.

The development of the PA is also supported by cross-border Interreg programmes Slovenia – Austria, Slovenia – Italy and Slovenia – Hungary as well as with transnational programmes and cohesion funds, European investment funds, Next Generation EU, EU Solidarity fund, Interreg Programme Hungary – Croatia, Interreg Programme Italy – Croatia with overlapping areas focused on raising awareness and risk prevention system, protection of biodiversity and sustainable and inclusive tourism based on local culture.

In both countries SI-HR programme activities can be complemented with EU centralized programmes such as LIFE (with SO 2.4 and SO 2.7) and EU Civil Protection Mechanism (with SO 2.4).

The M A of cohesion policy programmes in Slovenia are centralised within one institution, i.e. the Ministry of Cohesion and Regional Development. The MA of IP SI-HR 2021-2027 participates in internal coordination meetings at the highest level on a weekly basis and is a member of the Monitoring Committee of the European

cohesion policy Operational Programme. This coordination mechanism is planned to be maintained also in the future.

1.2.12. Programme vision, mission, and horizontal principles

The Interreg Programme Slovenia – Croatia aims at achieving a preserved, resilient, and connected cross-border region where sustainable development is recognised and used as a main tool in reaching economic viability, safety, biodiversity protection, and social well-being of all inhabitants. The Programme envisages mutual learning and joint actions leading to a change in all its priorities, primarily to re-connect across the border, to understand the current joint needs and threats of a rapidly changing reality, and to work together to improve resilience and adaptability of people, organisations, and communities, assisting the PA in becoming more green and digital, and thus fit for the future.

The green transition supported by the Programme aims at enhancing the understanding and environmental responsibility of all stakeholders on environmental threats, climate change adaptation, and habitat resilience. 26% of the total budget allocation will contribute to climate objectives.

In its intention to protect the environment and biodiversity, the Programme will continue to require implementation of joint actions by respecting sustainable development principles. The Programme suggests intensive “greening” of tourism in the PA by supporting joint actions and solutions with a minimum impact on the environment (**green tourism**). Besides protecting nature as the most precious asset, the Programme envisions nourishing cultural and social diversities to maximise potentials for learning and growth, as well as preserving uniqueness and identities for future generations. The **sustainability, responsibility, and resilience** of all stakeholders in culture and tourism will be improved by **encouraging cross-border interaction**, improving the capacities of stakeholders for understanding not just sustainable tourism, but also the demands of local residents and modern visitors, cultural heritage, and cultural landscapes, and for implementing new types of tourism based on environmentally-friendly, inclusive, and socially responsible actions. The 2021-2027 programme will continue to support biodiversity, with a planned contribution to diversity objectives representing 24% of the total budget allocation.

To support the **efficiency and cooperation** of the public authorities, institutions, communities, and people, the Programme aims at overcoming legal and administrative obstacles, capacity building, and by supporting **participative management, encouraging cooperation** between all stakeholders, as well as supporting volunteerism, active citizenship, cross-border knowledge exchange, and digitalisation. Collaboration among inhabitants is foreseen in the framework of “People-to-people” actions, aiming at improving relationships, understanding, and trust between people across the border. Such small actions will **inspire and encourage people to re-connect**.

The Charter of Fundamental Rights of the European Union, gender equality and non-discrimination including accessibility, sustainable development and “do no significant harm” principles will be respected throughout preparation, implementation, monitoring, reporting and evaluation of the programme. The Programme supports social innovation, tourism and green jobs thus contributes to 1st (No poverty) and 8th (Decent work and economic growth) UN’s sustainable development goal. By increasing environmental sustainability, promoting climate change adaptation and disaster risk prevention and by eliminating the negative impacts of humans on the environment by conserving biodiversity and halting the degradation of ecosystem services through enhanced protection and preservation of nature, biodiversity, and green infrastructure, as well as contributing to reduce pollution the Programme facilitates in reaching the European Green Deal targets/ EU Biodiversity Strategy and supports UN’s efforts in reaching 6th, 11th, 13th, 14th and 15th Sustainable Development Goals. Each SO includes a number of sustainable development principles that should be respected by the beneficiaries (e.g. nature-based solutions, avoiding negative environmental impacts).

During the implementation of the Programme the Managing Authority will promote the strategic use of public procurement to support Policy Objectives (including professionalization efforts to address capacity gaps). Beneficiaries will be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives will be incorporated into public procurement procedures. The Programme will use electronic data exchange system set between beneficiaries and all the programme authorities (JEMS), which already fully functional.

1.3 Justification for the selection of policy objectives and the Interreg-specific objectives

Reference: point (c) of Article 17(3)

Table 1: Justification for selection of policy objectives and the Interreg-specific objectives

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
<p>PO2 – A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</p>	<p>(iv) promoting climate change adaptation and disaster risk prevention, and resilience, taking into account ecosystem-based approaches</p>	<p>Green and adaptive region</p>	<p>The Programme area is vulnerable to climate change effects, which are already visible. Trends are showing that in the future, the area can expect higher average temperatures and irregular precipitation patterns, followed by possibly extreme storm events, floods and droughts. In contrast, vast green and blue areas of the territory offer the potential to support adaptation solutions.</p> <p>Since biogeographical as well as urbanised areas extend beyond borders, the cross-border cooperation is a key response to climate threats. Joint planning and actions can serve not only as a tool to cope with the new situation, but also as an opportunity for a stronger connection between the people and stakeholders on both sides of the border.</p> <p>Adaptation to climate change is a dynamic process and requires the inclusion of many stakeholders and the integration of several sectors. It is therefore relevant that better resilience and adaptation to climate change should be strived for in all future plans, especially in spatial plans and other acts on the local and regional levels. The awareness on possible climate-related effects and solutions should be improved in the entire PA. The threats in the territory are shared, hence the increased cooperation of cities/municipalities and regions is mandatory.</p> <p>The development, co-ordination, upskilling and unified equipment of disaster response units and organisations are to be developed in PA of both countries and used in cross-border response to the main threats. They are not only climate-related, but also area-specific (earthquakes, environmental accidents). The response provided must be relevant to the PA and coordinated through joint plans and protocols aligned with responsible authorities.</p>

			<p>The priority will be implemented in the form of grants as the most suitable financial form taken into account the character of this priority, the nature of activities and the financial scale of this specific objective.</p>
<p>PO2 – A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</p>	<p>(vii) Enhancing protection and preservation of nature, biodiversity, and green infrastructure, including in urban areas, and reducing all forms of pollution</p>	<p>Green and adaptive region</p>	<p>The main characteristics of the PA are its rich nature and biodiversity demonstrated in one of the highest shares of Natura 2000 in the EU, which covers almost 40% of the PA. Several other protected areas of regional and local importance are present. However, these areas include a high share of habitats and species facing poor conservation status, due to habitat loss and fragmentation, but also invasive alien species, pollution, urbanisation, and climate change. Most affected habitats of the area are freshwater habitats and grasslands.</p> <p>Habitat and species are not limited by the border. The effort for the preservation status and their environment improvement can be effective only by joining cooperation from both sides of the border. When faced with threats, the cross-border coordinated response of stakeholders from different backgrounds can lead to successful preservation actions and can bring long-lasting cooperation, particularly in mitigation of threats to communities of species that support important ecosystem services in Natura 2000 and other protected areas.</p> <p>Considering the abundance of natural landscapes in the programme area, the polycentric position of small settlements, the connection between urban and rural areas, and the promotion and pilot introduction of green infrastructure can bring additional value to conservation efforts and can lead to multiplied effects on landscapes, habitats, species, and people. Connecting stakeholders from different levels and sectors from both sides of the border can deliver better and connected nature-based solutions that can serve as pollution mitigation, improving habitat connectivity, or climate change adaptation measures of the whole programme area and beyond.</p> <p>The priority will be implemented in the form of grants as the most suitable financial form taken into consideration the character of this priority, the nature of activities and the financial scale of this specific objective.</p>
<p>PO4 - A more social and inclusive Europe implementing the European Pillar of Social Rights</p>	<p>(vi) enhancing the role of culture and sustainable tourism in economic development, social inclusion, and</p>	<p>Resilient and sustainable region</p>	<p>Tourism in the region is one of the major economic sectors in the programme area, but it is unevenly spread, seasonally imbalanced, vulnerable to climate change effects, and it has been strongly affected by the Covid-19 pandemic.</p> <p>These challenges call for cross-border efforts to create synergies for the recovery of cultural and tourism</p>

	<p>social innovation</p>	<p>stakeholders in the programme area. Stronger cross-border linkages and mutual learning opportunities can result in the enhanced capacities of stakeholders, innovative tourism services, stronger common local cultural identity, common promotional opportunities, and better resilience for a future global crisis. Economic recovery could be tackled by increasing the quality and diversifying the cross-border products and services, entering standardisation schemes and modernizing the tourism and cultural offer in accordance to emerging needs of tourists and visitors. The creative industries could contribute to the quality of tourism by supporting the local cultural elements often shared between people on both sides of the border, as well as make destinations and their contents more viable and compelling. Greening and digitalizing of tourism and cultural heritage sectors would allow them to remain competitive, resilient and environmentally, socially and economically sustainable.</p> <p>The development of a unified methodological research framework is needed as well as adaptation of global best practices to smart, integrated, sustainable, and resilient destination management solutions. Behaviour change for enhancing environmental and social responsibility through collaborative learning and awareness raising of all stakeholders in tourism, culture, and creative industries can facilitate recovery after the COVID-19 pandemic.</p> <p>The priority will be implemented in the form of grants, as this is the most suitable financial form taken into account the character of this priority, the nature of activities, and the financial scale of this specific objective.</p>
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<p>ISO1 - A better cooperation governance</p>	<p>(ii) enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors, and institutions, in particular, with a view to resolving legal and other obstacles in border regions</p>	<p>An accessible and connected region</p>	<p>In spite of similar administration and governmental structures in both countries, the legal and administrative barriers are the most recognised type of obstacle for cross-border cooperation in the programme area. Support of public administration to address those barriers and connect the stakeholders in the most relevant thematic fields in the programme area could significantly improve the quality of people's lives and prevent depopulation.</p> <p>An aging society, together with the Covid-19 pandemic brings new health and social needs that require urgent attention. The elderly and people with disabilities are the most socially excluded groups, and so health, social, and complementary services should become accessible in the local communities, even when located across the border. Accessibility in the programme area is a challenge on its own, especially in peripheral rural border areas, but as a result of differences in public transport systems on both sides of the border also in populated urban areas. Apart from the improved availability of services, tackling this issue in a cross-border manner would have multiplied effects on various fields such as improved connectedness between people and a positive outcome on the local economy, health, and environment. Addressing energy poverty in remote areas and finding innovative solutions in energy efficiency that takes into account separate national energy systems would additionally contribute to green and a just transition of the PA.</p> <p>Rapidly changing conditions of development in the PA increase the urgency to implement development approaches that are place-based, participatory, digital, sustainable, and inclusive. A cross-border approach would make the strongest impact in the fields of health-care and healthy living, social inclusion and welfare, accessibility in terms of the possibility of reaching destinations or activities by all groups of people, and energy efficiency.</p> <p>The priority will be implemented in the form of grants as this is the most suitable financial form taken into account the character of this priority, the nature of activities, and the financial scale of this specific objective.</p>
<p>ISO1 - A better cooperation governance</p>	<p>(iii) build up mutual trust, in particular by encouraging people-to-people actions</p>	<p>An accessible and connected region</p>	<p>People in the programme area have been strongly connected with each other in the times where there was no border between the countries enabling everyday family, business, and friendship contacts. Due to the Schengen border and the COVID-19 pandemic, people living in remote areas have become even more isolated and socially excluded.</p>

			<p>The motivation and will for people-to-people cooperation is highly emphasized among the elderly, as well as cultural and sport associations.</p> <p>Cross-border awareness-raising and learning actions, joint events, and new partnerships across the border could build trust, personal responsibility for better future, and foster positive mind-sets.</p> <p>The priority will be implemented in the form of grants (limited financial volume) as this is the most suitable financial form taken into account the character of this priority, the nature of activities, and the financial scale of this specific objective.</p>
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2. PRIORITIES

2.1 Priority 1 – A green and adaptive region

Reference: points (d) and (e) of Article 17(3)

2.1.1 Specific objective 2.4 – Promoting climate change adaptation and disaster risk prevention and resilience, taking into account ecosystem-based approaches

Reference: point (e) of Article 17(3)

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and macro-regional and sea-basis strategies

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The aim of support under this specific objective is to enhance the preparedness of local communities and responsiveness of rescue response units by joint upskilling and unified equipment, the establishment of joint protocols (concrete and comprehensive plans), and co-ordination mechanisms, so that units from both countries will be able to jointly respond to the same disaster and adapt to different climate change-related and other shared risks along the entire cross-border area, including the capacity building of different target groups to protect against shared risks. The activities must be aligned with responsible authorities for provision and co-ordination of protection, rescue, and relief in case of natural and other disasters from both countries.

Additional support will be provided to local communities in the cross-border territories by identification and increasing awareness on required responsiveness and solutions for effective climate adaptation needs. Activities will boost joint cross-border cooperation on multidisciplinary and integrated climate change adaptation measures. Eco-system approach should be considered prioritised.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact. The project results will contribute to UN's sustainable goals and should take into account the values and principles of the New European Bauhaus.

Guiding principles, including horizontal principles:

- Creating sustainable joint risk management partnerships for the cross-border territory,
- Stimulating the application of nature-based solutions wherever possible, above hard or grey infrastructure,
- Enhancing the resilience of people, property, and natural environment to climate change and disasters (actions for enhanced resilience of society should not have indirect negative impacts on nature in protected areas and Species and Habitats of Community interest),
- Supporting interdisciplinary approach and holistic planning in development of climate adaptation and disaster risk prevention action plans and solutions.

Types of action 1: Strengthening of risk preparedness and response capacities in the cross-border area

Indicative list of activities:

- Cross-border exchange and harmonisation of data, risk mapping, establishment of joint protocols, and information flows on the cross-border level;
- Development and enhancement of cooperation of disaster response units and organisations, including rescue plans, protocols, and co-ordination mechanisms of civil protection to prepare and respond to climate change-related hazards and other risks in the cross-border area;
- Development and enhancement of early warning and response systems with efficient data and information exchange between the national, regional, and the local levels; awareness-raising and educational activities for inhabitants on climate risk adaptation and on how to act during different climate change-related and other disasters where shared in the cross-border territory;
- Joint cross-border upskilling and equipping of disaster response units and organisations for different types of hazard scenarios define for the expected area covered (e.g., fires, frost, floods, droughts, storms, earthquakes, and other extreme events); sharing knowledge and good practices on climate adaptation for resilience of society and infrastructure;
- Supporting cross-border capacity building, establishment of cross border tools for the target groups in the cross-border area (particularly youth and children) for protection against shared threats (promoting community assistance, reaction in case of disasters, digital tools for natural hazard observations in schools, etc.).

Types of action 2: Increasing the resilience to climate-change effects in the programme area

Indicative list of activities:

- Preparing and coordinating cross-sectoral, integrated, cross-border climate adaptation action plans for neighbouring municipalities/cities/regions/territorial units (aligned with the national climate plans) and their implementation on the regional level (e.g., SECAP - Sustainable Energy and Climate Action Plan) for anticipating the adverse effects of climate change on key sectors and taking appropriate activities to prevent/minimise damage they can cause, or taking advantage of opportunities that may arise;
- Pilot activities focused on strengthening the resilience of the cross-border area (e.g., digital solutions for selected sectors for different problem areas and users, accompanied by small scale investments etc);
- Supporting the process of elaboration of inclusive (interdisciplinary) cross-border spatial planning background documents (aligned with national strategies) and expert bases for local adaptation plans, responding to identified climate threats;
- Supporting capacity building for sustainable implementation of defined action plans on regional/local level. Pilot activities developed must benefit the target groups in the cross-border area;
- Introduction and development of nature-based solutions for integrated water management by considering ecosystem restoration, natural water retention measures and other green (or blue) infrastructure measures that reduce flood risk threats and have a direct benefit for climate change adaptation and risk prevention.

Expected results

- Improved preparedness and responsiveness of local communities and civil protection units,
- Increased capacity and responsibility of stakeholders and ensured understanding of climate related threats, needs, and necessary measures for climate change adaptation,
- Developed pilot solution for community climate adaptation in the cross-border area,

- Enhanced cross-border cooperation of response units, co-ordination of warning and response systems,
- Enhanced capacities for climate resilient spatial planning and solution integration in the cross-border area,
- Enhanced cooperation and delivery of cross-border climate action plans for increased community adaptation and resilience,
- Increased knowledge and application of nature-based solutions for delivery of multipurpose effects,
- Increased knowledge and capacity of inhabitants and relevant stakeholders for behavioural change towards nature and resource preservation.

Expected contribution to macro-regional strategies

Supported actions within this priority are in line with the EU Strategy for the Danube Region (EUSDR) where climate change adaptation is addressed through resource sustainability and environmental risks management, particularly water related hazards. Risk prevention and disaster resilience are shared areas of proposed activities. The Sava Commission is a relevant joint stakeholder for EUSRD, as well as present cross-border program in this respect.

2.1.1.2 Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2: Output indicators SO 2.4

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
1	SO 2.4	RCO83	Strategies and action plans jointly developed	Strategy/action plan	0	5
1	SO 2.4	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	0	8
1	SO 2.4	RCO116	Jointly developed solutions	Solution	0	8
1	SO 2.4	RCO87	Organisations cooperating across borders	Organisation	0	25
1	SO 2.4	RCO115	Public events across borders jointly organised	Event	0	8

Table 3: Result indicator SO 2.4

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	SO 2.4	RCR79	Joint strategies and action plans taken	joint strategy/action plan	0	2021	3	JEMS Joint Electronic	

			up by organisations					Monitoring System	
1	SO 2.4	RCR104	Solutions taken up or up-scaled by organisations	Solution	0	2021	2	JEMS Joint Electronic Monitoring System	
1	SO 2.4	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2021	15	JEMS Joint Electronic Monitoring System	

2.1.1.3 The main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9))

Target groups of the supported actions are organisations and individuals that will be involved or positively affected by the actions, including:

- National, regional, and local public authorities and bodies established and governed by national, regional or local public authorities (national, regional and local government, ministries, national agencies, etc.),
- Higher education and research institutions (universities, polytechnics, science centres and institutes etc.),
- Regional or local development agencies,
- NGOs, associations, and other interest groups (citizen’s associations, associations of municipalities, associations of experts, local action groups, relief organizations, civil protection bodies, emergency and rescue services etc.),
- Schools and training centres (e.g adult education institutions),
- Sectoral agencies and institutions (e.g. energy agencies),
- Infrastructure and service providers in public interest (institutions for spatial planning, communal institutions, hospitals etc.),
- Other public organisations (e.g. information centres, nature parks),
- Local population.

2.1.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Not applicable.

2.1.1.5 Planned use of financial instruments

The priority will be implemented in the form of grants as this is the most suitable financial form taken into account the character of this priority, the nature of activities and the financial scale of this specific objective.

2.1.1.6 Indicative breakdown of the EU programme resource by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 - intervention field

Priority no	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.4	ERDF	58 Prevention or management of floods and landslides	3.920.000,00
1	SO 2.4	ERDF	59 Prevention or management of climate related risks: fires	2.940.000,00
1	SO 2.4	ERDF	60 Climate change measures - prevention and management storms and droughts	1.960.000
1	SO 2.4	ERDF	61 Non-climate + human-induced risk: prevention + management	980.000,00

Table 5: Dimension 2 – form of financing

Priority no	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.4	ERDF	1 Grant	9.800.000,00

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.4	ERDF	33 Other approaches - No territorial targeting	9.800.000,00

2.1.2 Specific objective 2.7 – Enhancing protection and preservation of nature, biodiversity, and green infrastructure, including in urban areas, and reducing all forms of pollution

Reference: point (e) of Article 17(3)

2.1.2.1 Related types of action, and their expected contribution to those specific objectives, and to macro-regional and sea-basis strategies

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The aim of support under this specific objective is to enhance, develop, or introduce green infrastructure as strategically planned network of natural and semi-natural areas with other environmental features designed and managed to deliver a wide range of ecosystem services, particularly addressing the biodiversity loss. Cross-border cooperation for improved protection, restoration, and management of the environment will be boosted (incl. Natura 2000 and other protected areas and areas of ecological importance. Actions will be focused to mitigate threats (e.g., pollution, climate change, invasive species, biodiversity loss, habitat fragmentation) and improve cross-border landscape management as the key to improving biodiversity.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact.

Preservation of habitats and species, mitigated biodiversity loss, sustainable nature management, exploration of green infrastructure in the cross-border area and enhanced ecosystem services will contribute to UN's sustainable goal 13 "Climate action", 14 "Life below water" and 15 "Life on land". All the actions within this SO will result in a cleaner environment and good health of inhabitants living in the CB area (sustainable goal 3). The expected results will be reached by considering of the New European Bauhaus that fosters sustainability and inclusion of citizens in all of the development processes, thus the outputs will be environment-friendly and co-created by people (e.g. strategies). Green procurement will be recommended by the programme where appropriate.

Guiding principles, including horizontal principles:

- Enhancing participatory process for delivery of holistic and multi-beneficial solutions for habitats and species,
- Considering nature-based solutions underlying on multiple benefits.

Types of action 1: Strategically planned green infrastructure for provision of environmental and socio-economic benefits

Indicative list of activities:

- Enhancing cross-border **cooperation and knowledge exchange for inclusive and holistic spatial planning** by fostering participative process, for integration of **green infrastructure on a regional scale**, relying on (but not limiting to) Natura 2000 network as its backbone, aiming to support habitat connectivity, prevent degradation and support delivery of ecosystem services;
- Supporting cross-border pilot activities for introducing and managing **green infrastructure, and enhancing and raising awareness on provision of multiple ecosystem services** in the cross-border area (e.g., establishment of pilot green infrastructure, promotion of environmental education, sustainable resource management etc).

Types of action 2: Improved protection and preservation of endangered habitats, species, and landscapes in the programme area

Indicative list of activities:

- Sustainable joint **cross-border actions for better management of natural areas for improving the conservation status** of species and habitat types in poor or declining condition (e.g., wetlands, grasslands, etc. also considering the underground karstic habitats). Actions under this activity should consider knowledge exchange and co-ordination of relevant stakeholders for advancement of nature protection efforts; cross-border pilot actions to demonstrate possible solutions (e.g., cross-border management plans of visiting regimes, cross-border nature interpretation, cross-border innovative models for results-based innovation in environment protection, etc.); engagement and education of citizens and local organisations from different sectors that impact behaviour and improve practices that cause negative effects on habitats and species in the cross-border area.
- Joint actions for planning and managing of natural landscapes across border (e.g. border river corridors, forests, other integrated biodiversity areas) aiming to provide a cross-border collaboration and exchange platform for preservation and development of the habitats quality and landscape identity and achieve high awareness on natural and semi-natural heritage value of the cross-border territory addressed, particularly involving (but not limiting to) Natura 2000 and other protected areas.
- Cross-border actions to improve protection, management, and implementation of joint measures **against invasive species** (e.g., cross-border relevant small-scale clean-up), including data gathering and exchange, on best preventive practices, and further awareness-raising actions for sustainability of cross-border cooperation. Activities to be focused on Natura 2000 and other areas of ecological importance.
- Coordinated cross-border actions for **protection of the threatened communities within ecosystems that support ecosystem services** in the programme area (e.g., pollinators, large carnivores and other, having special role in the community of species). Activities should address all integrated aspects (cross-border data gathering and processing, pilot implementation of identified solutions, awareness-raising, enhancing sustainability of cross-border actions). Activities to be focused on Natura 2000 and other areas of ecological importance.

Expected results:

- Identified opportunities and demonstrations of green infrastructure for multipurpose benefits (including natural and semi-natural heritage),
- Enhanced preservation of habitats and species, mitigated biodiversity loss,
- Enhanced cooperation for management of protected areas in the cross-border area and cross-border natural landscapes,
- Developed solutions for improving conservation status of habitats and species in the cross-border area,
- Increased awareness, cooperation and exploration of green infrastructure in the cross-border area and enhanced ecosystem services,
- Enhanced sustainable nature management,
- Reduced negative impacts on habitats and species, particularly in protected areas,
- Enhanced awareness and innovative solutions for nature interpretation and protection.

Expected contribution to macro-regional strategies

Supported actions within this priority are in line with EUSDR where Pillar 2 is dedicated to protecting the environment in the Danube region. The focus of the pillar is on restoring and maintaining the water environments, managing environmental risks, and preserving biodiversity, landscapes, air, and soils.

Implemented actions will benefit the targets set under the EU Strategy for the Adriatic-Ionian Region (EUSAIR), particularly in terms of improving the environmental and ecological status of the coastal environment.

Joint efforts of mitigating biodiversity loss and degradation of ecosystem services is equally important for both strategies and the present cross-border programme.

2.1.2.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 7: Output indicators SO 2.7

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
1	SO 2.7	RCO83	Strategies and action plans jointly developed	Strategy/action plan	0	3
1	SO 2.7	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	0	4
1	SO 2.7	RCO116	Jointly developed solutions	Solution	0	4
1	SO 2.7	RCO87	Organisations cooperating across borders	Organisation	0	15
1	SO 2.7	RCO115	Public events across borders jointly organised	Event	0	4

Table 8: Result indicator SO 2.7

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	SO 2.7	RCR79	Joint strategies and action plans taken up by organisations	Joint strategy/action plan	0	2021	1	JEMS Joint Electronic Monitoring System	

1	SO 2.7	RCR104	Solutions taken up or up-scaled by organisations	Solution	0	2021	2	JEMS Joint Electronic Monitoring System	
1	SO 2.7	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2021	12	JEMS Joint Electronic Monitoring System	

2.1.2.3 The main target groups

Reference: point(e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of the supported actions are organisations and individuals that will be involved or positively affected by the actions, including:

- National, regional, and local public authorities and bodies established and governed by national, regional or local public authorities (national, regional and local government, ministries, national agencies, public institutions/agencies for nature and/or cultural heritage protection, national parks etc.),
- Higher education and research institutions (universities, polytechnics, science centres and institutes etc.),
- Regional or local development agencies,
- NGOs, associations, and other interest groups (citizen’s associations, associations of the municipalities, associations of experts, local action groups etc.),
- Schools and training centres (e.g. adult training institutions),
- Sectoral agencies and institutions (e.g. environmental agencies, forestry organisations),
- Infrastructure and service providers in public interest (institutions for spatial planning, communal institutions etc.),
- Other public organisations (e.g. nature parks),
- Visitors/tourists,
- Local population (e.g., local communities, farmers, owners of the land in Natura 2000, protected areas and other areas of nature values, owners of heritage units and other protected areas).

2.1.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD, or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Not applicable.

2.1.2.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

The priority will be implemented in the form of grants as this is the most suitable financial form taken into account the character of this priority, the nature of activities and the financial scale of this specific objective.

2.1.2.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(3)(e)(vi), Article 17(9)(c)(v)

Table 9: Dimension1 - intervention field

Priority no	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.7	ERDF	78 Protection, restoration and use of Natura 2000 sites	3.258.000,00
1	SO 2.7	ERDF	79 Nature + biodiversity protection	2.172.000,00

Table 10: Dimension 2 - form of financing

Priority no	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.7	ERDF	1 Grant	5.430.000,00

Table 9: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Specific objective	Fund	Code	Amount (EUR)
1	SO 2.7	ERDF	33 Other approaches - No territorial targeting	5.430.000,00

2.2 Priority 2 – Resilient and sustainable region

Reference: point (d) of Article 17(3)

2.2.1 Specific objective 4.6 – Enhancing the role of culture and sustainable tourism in economic development, social inclusion, and social innovation

Reference: point (e) of Article 17(3)

2.2.1.1 Related types of action, and their expected contribution to those specific objectives, and to macro-regional and sea-basis strategies

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The aim of the support under this specific objective is to facilitate the recovery of tourism and culture in the PA by greening of tourism, **supporting shift from quantity towards quality, increasing diversity of tourism products and services, and supporting cultural tourism entrepreneurship and innovation**. Special attention will be given to rural border areas to unlock their hidden potentials to offer demand-driven products and services, while conserving their cultural uniqueness and protecting the natural environment. All the actions supported by this priority will contribute to strengthening local communities and local economy, increasing competitiveness, and job creation in the Programme area.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact as well as “European Quality Principles for EU-funded Interventions with potential impact upon Cultural Heritage”.

The results contribute to UN’s sustainable goals and will be implemented in line with sustainable development principles, by promoting cultures and diversities, increasing quality by creating standards that go beyond regulatory requirements, and fostering job development and well-being of citizens.

Guiding principles, including horizontal principles:

- respecting and preserving **culture, nature, biodiversity, and the health** of inhabitants,
- fostering economic, **environmental and social sustainability** of tourism,
- facilitating **slow tourism** by increasing the quality of fewer and more **meaningful experiences** by fostering sustainable mobility solutions, outdoor activities, organic food, and eco-oenological experiences, using local products, learning through interactive experience-based activities and implementing similar actions,
- facilitating **cross-sectorial job creation** and economic recovery of tourism, culture and creative industries.

The programme encourages the inclusion of revenue-generating measures to support the activities in the renovated cultural heritage or cultural sites, e.g. through diversification of use of the site or indirectly as an economic gain to the cross-border region.

Types of action 1: Supporting sustainable tourism and green transition of public and private organisations through pilot actions, collaborative learning, and awareness-raising of tourists and all stakeholders in tourism, and culture

Indicative list of activities:

- development of **joint pilot actions** to support a **green transition** of public and private stakeholders in tourism and culture (e.g., enhancing CB tourism products and services for entering green certification schemes, actions that promote and implement circular economy);
- **development of new or “greening” of existing CB products, services, or solutions** that contribute to the sustainability and accessibility of tourism and cultural products and service;
- **CB awareness-raising actions to increase environmental and social responsibility** of stakeholders in tourism and culture, tourists, and visitors;
- **joint CB collaboration platforms and joint learning actions** (e.g., CB study visits, CB mentoring, cross-border exchange programmes, CB job shadowing programmes for **supporting environmentally and socially responsible** tourism, culture, and creative industries);
- upskilling of public and private organisations for **integrated sustainable destinations management by enhancing knowledge and skills supporting transition to resilient tourism destinations and enhancing digital skills and supporting transition to circular business models** in tourism, culture, and creative industries (incl. heritage interpretation).

Types of action 2: Enhancing resilience and recovery of tourism and culture by development and upgrade of joint CB tourism products and services

Indicative list of activities:

- **increasing diversity and accessibility of CB tourism by development of** special types of tourism corresponding to the local or historical identity in rural communities, also respecting needs of vulnerable groups (e.g., cultural tourism, outdoor and active tourism that are in line with environmental and spatial requirements, developing **joint tourism products by using existing infrastructure**);
- modernising tourism and cultural organisations and institutions to meet the demands of modern visitor including vulnerable population by supporting CB demand driven **digitalisation** (e.g., digital solutions for identification, interpretation and presentation of cultural and natural heritage (e.g. cultural routes), joint smart technologies supporting information sharing in PA, CB reservation systems);
- increasing **quality** of tourism offer in **CB tourism regions/destinations** (e.g. by entering the certification schemes);
- **upgrading of joint CB tourism products** by supporting valorisation, preservation and inclusive and interactive interpretation of cultural and natural heritage;
- CB pilot actions to mobilize local communities and improve local economy by enhancing and promoting **health tourism, oenology, and gastronomy** as part of agrotourism and farm to fork initiatives;
- **joint CB actions for supporting social innovations and cultural and creative industries, and creativity in tourism and culture** (e.g., cross-border cultural networking, including clusters and cultural routes, increasing value of tourist cross-border products and services by development of participative creative experiences);

Results:

- sustainable development promoted and accepted as the main principle of tourism growth and job creation,
- increased resilience of tourism and tourism stakeholders to current and incoming disturbances,
- increased quality of joint cross-border products and inclusive experience-based services in line with current and emerging desires of modern visitors,

- more preserved, digitally interpreted and promoted cultural heritage, and supported by cultural and creative industries,
- increased social responsibility and inclusion of marginalised groups.

Contribution to the Macroregional strategies

The contribution to the EUSDR is envisaged especially to the Priority area 3 – Culture and Tourism by greening the tourism in the PA, developing new and upgrading existing products and services (including cultural routes), and enabling preservation and promotion of cultural heritage and natural values through networking, clustering, and interpretation in line with expectations of modern visitors. In that way, the Programme contributes to reaching targets 3, 4, and 6 of the EUSDR.

The Programme contributes also to achieving EUSAIR objective sustainable tourism objectives (Pillar 4) through increasing diversity and quality of tourism products and services, and building capacities of stakeholders in tourism and encouraging tourists to implement sustainable tourism principles. Through cross-border knowledge exchange actions stakeholders in tourism will improve management and other skills needed for greening and increasing the quality of tourism offers.

2.2.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 10: Output indicators SO 4.6

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
2	SO 4.6	RCO83	Strategies and action plans jointly developed	Strategy/action plan	0	10
2	SO 4.6	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	0	15
2	SO 4.6	RCO116	Jointly developed solutions	Solution	0	15
2	SO 4.6	RCO87	Organisations cooperating across borders	Organisation	0	45
2	SO 4.6	RCO115	Public events across borders jointly organised	Event	0	15

Table 11: Result indicator SO 4.6

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
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2	SO 4.6	RCR79	Joint strategies and action plans taken up by organisations	Joint strategy/action plan	0	2021	5	JEMS Joint Electronic Monitoring System	
2	SO 4.6	RCR104	Solutions taken up or up-scaled by organisations	Solution	0	2021	6	JEMS Joint Electronic Monitoring System	
2	SO 4.6	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2021	36	JEMS Joint Electronic Monitoring System	

2.2.1.3 The main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded actions are both individuals and organisations that will be involved or positively affected by the actions. More concretely, target groups include both public and private sector actors such as:

- National, regional, and local public authorities and bodies established and governed by national, regional or local public authorities (national, regional and local government, ministries, national agencies, public institutions/agencies for nature and/or cultural heritage protection, tourist boards, etc.),
- Higher education and research institutions (universities, polytechnics, science centres and institutes etc.),
- Regional or local development agencies,
- NGOs, associations and other interest groups (citizen’s associations, associations of the municipalities, associations of experts, cultural organizations, local action groups, etc.),
- Schools and training centres (e.g. adult education centres),
- Sectoral agencies and institutions,
- Infrastructure and service providers in public interest,
- Other public organisations (e.g. tourist information centres, nature parks, museums, theatres and other cultural institutions),
- SME’s, including micro-organisations (e.g. creative industries, trades and crafts, travel agencies, food producers etc.),
- Business support organisations/associations, including chambers of commerce/crafts, networks and clusters (business incubators, technological parks, tourism destination management organisations etc.),
- Local population (e.g. agrotourism, owners of heritage sites),
- Visitors and tourists,
- Vulnerable and marginalized population.

2.2.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD, or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Not applicable.

2.2.1.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The priority will be implemented in the form of grants as this is the most suitable financial form taken into account the character of this priority, the nature of activities and the financial scale of this specific objective.

2.2.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 12: Dimension1 - intervention field

Priority no	Specific objective	Fund	Code	Amount (EUR)
2	SO 4.6	ERDF	165 Protection, development and promotion of public tourism assets and tourism services	10.820.740,00
2	SO 4.6	ERDF	166 Protection, development and promotion of cultural heritage and cultural services	5.037.241,00
2	SO 4.6	ERDF	167 Protection, development and promotion of natural heritage and eco-tourism other than Natura 2000 sites	2.798.467,00

Table 13: Dimension 2 - form of financing

Priority no	Specific objective	Fund	Code	Amount (EUR)
2	SO 4.6	ERDF	1 Grant	18.656.448,00

Table 14: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Specific objective	Fund	Code	Amount (EUR)
2	SO 4.6	ERDF	33 Other approaches - No territorial targeting	18.656.448,00

2.3 Priority 3 – An accessible and connected region

Reference: point (d) of Article 17(3)

2.3.1 Specific objective 6.2 – Interreg-specific objective 1 – Enhance efficient public administration by promoting legal and administrative cooperation, and cooperation between citizens, civil society actors, and institutions, in particular with a view toward resolving legal and other obstacles in border regions;

Reference: point (e) of Article 17(3)

2.3.1.1 Related types of action, and their expected contribution to those specific objectives, and to macro-regional and sea-basis strategies

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The support under this specific objective is to support public administration in its role as an initiator/coordinator of processes aimed at improving the quality of services and developing innovative solutions in the area of health care, social inclusion and welfare, energy efficiency, and accessibility in the border region. A place-based and participatory approach, sustainability and digitalisation are the guiding principles when implementing the activities within this specific objective. The cross-border cooperation and resolving legal and other obstacles is crucial when taking into account the functional relations between the different actors and activities in the border area.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature. The SO contributes to UN's sustainable goal 16 "Peace, justice and strong institutions" by capacity building actions that would unlock institutional potentials to become more sustainable and inclusive. Strengthening capacities, digitalization and improving cooperation and accessibility of health and social institutions (especially for elderly and people with disabilities) will contribute to UN's development goal 3 "Good health and wellbeing" and is in line with the Charter of Fundamental Rights of the European Union. All the actions within this SO will be designed and implemented in collaboration with citizens living in the PA, which is in line with the priorities of the New European Bauhaus.

Guiding principles:

- Place-based approach,
- Participatory approach,
- Sustainability,
- Digitalisation.

Thematic fields:

- Health care,
- Social inclusion and welfare,
- Energy efficiency,
- Accessibility.

Types of action: Improvement of the quality and diversity of the services and development of innovative solutions in the areas of health care, social inclusion and welfare, accessibility, and energy efficiency in the border regions by overcoming legal and administrative obstacles

The indicative list of activities:

- Development and implementation of cross-border cooperation models; tools and learning networks for more efficient and accessible public administration in the areas of healthcare, social inclusion, accessibility and energy efficiency (e.g., knowledge sharing and capacity building, awareness-raising actions, cross-border data sharing and monitoring systems, introduction of digital tools for identifying cross-border legal and administrative obstacles, joint workshops, upskilling, meetings, and seminars for strengthening the cross-border cooperation between municipalities, cities and regions, study visits in order to transfer best practices, cross-border staff exchange programmes and cross-border mentoring);
- Establishment and co-ordination of joint multi-level and multisectoral knowledge exchange, governance models and development of territorial strategies of cross-border areas involving public administration at different levels (local, regional, national), civil society and other stakeholders;
- Setting up new or/and upgrading existing cross-border organisational structures providing the services in the area of healthcare, social inclusion, accessibility and energy efficiency (e.g., cross-border network for demand responsive transport, joint development of models in the area of deinstitutionalisation of elderly care);
- Development of innovative cross-border solutions and pilot actions in the field of energy efficiency (jointly developed tools and solution for improving energy efficiency at different levels, models of self-sufficient energy communities, monitoring systems, proposals for reducing legal, administrative and other obstacles hampering implementation of such tools and solutions);
- Development of joint solutions and pilot actions for improving the quality and diversity of health, social, and complementary services (e.g., solutions to challenges connected to aging population, health, energy and mobility poverty to improve attractiveness of remote areas and to stop depopulation, pilot actions for integration of health, social and complementary services, diversification of health prevention activities etc.);
- Development of solutions and pilot actions for improvement of accessibility (e.g., action plan and pilot actions of joint cross-border sustainable mobility services, introducing digital solutions for easier access to health and social services, participatory decision-making actions to reduce the administrative barriers and harmonise timetables);
- Mainstreaming and uptake of developed solutions in the area of healthcare, social inclusion, accessibility and energy efficiency in the cross-border area towards civil society and public administration at different levels (e.g., promotion of suggestions on improving legislation, presentation of proposals for mainstreaming and adapting of developed solutions digital platforms, collaboration platforms, cross-border newsletter, cross-border newspaper).

The expected result is efficient and active public administration at improving services and finding new solutions in the areas of healthcare, social inclusion and welfare, accessibility, and energy efficiency.

Contribution to the Macroregional strategies

The Programme contributes to both macroregional strategies (EUSDR and EUSAIR) as the institutional cooperation and governance are cross-cutting themes. The contribution to the EUSDR is envisaged especially to the PA 10 under Pillar 4 (institutional capacity) to enhance the capacities of public administration in the selected thematic fields. The SO will strengthen capacities for implementing sustainable development principles, re-connecting and engaging people, promoting cultures and diversities, improving access to healthcare and welfare and therefore increasing the quality of living in the PA.

2.3.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 15: Output indicators ISO 1 (6.2)

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
3	ISO 1 (6.2)	RCO83	Strategies and action plans jointly developed	Strategy/action plan	0	4
3	ISO 1 (6.2)	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	0	5
3	ISO 1 (6.2)	RCO87	Organisations cooperating across borders	Organisation	0	15

Table 16: Result indicator ISO1 (6.2)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	ISO 1 (6.2)	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/action plan	0	2021	2	JEMS Joint Electronic Monitoring System	
3	ISO 1 (6.2)	RCR104	Solutions taken up or up-scaled by organisations	Solution	0	2021	2	JEMS Joint Electronic Monitoring System	
3	ISO 1 (6.2)	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2021	12	JEMS Joint Electronic Monitoring System	

2.3.1.3 The main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded actions are both individuals and organisations that will be involved or positively affected by the actions. More concretely, target groups include both public and private sector actors such as:

- National, regional, and local public authorities and bodies established and governed by national, regional or local public authorities (national, regional and local government, ministries, national agencies, public institutions),
- Higher education and research institutions (universities, polytechnics, science centres and institutes etc.),
- Regional or local development agencies,
- NGOs, associations and other interest groups (citizen's associations, associations of experts, local action groups, volunteers etc.),
- Schools and training centres,
- Sectoral agencies and institutions (e.g. energy agencies),
- Infrastructure and service providers in public interest (public transport service providers, health care and social care institutions, communal institutions etc.),
- Other public organisations,
- Local population.

2.3.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD, or other territorial tools

Not applicable.

2.3.1.5 Planned use of financial instruments

The priority will be implemented in the form of grants as this is the most suitable financial form taken into account the character of this priority, the nature of activities and the financial scale of this specific objective.

2.3.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 17: Dimension 1 - intervention field

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.2)	ERDF	171 Enhancing cooperation with partners both within and outside the Member Stat	2.400.000,00
3	ISO 1 (6.2)	ERDF	173 Enhancing institutional capacity of public authorities and stakeholders to implement territorial cooperation projects and initiatives in a cross-border, transnational, maritime and inter-regional context	1.600.000,00

Table 18: Dimension 2 - form of financing

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.2)	ERDF	1 Grant	4.000.000,00

Table 19: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.2)	ERDF	33 Other approaches - No territorial targeting	4.000.000,00

2.3.2 Specific objective 6.3 – Interreg-specific objective 1 – Build up mutual trust, in particular by encouraging people-to-people actions;

Reference: point (d) of Article 17(3)

2.3.2.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional and sea-basis strategies

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The aim of support under this specific objective is to build trust and understanding among people living in the cross-border area by supporting joint cross-border events, intergenerational cooperation, and joint learning and awareness-raising.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

Connecting people across the border greatly enhances cross-border cohesion and building up partnerships for the future, thus it is in line with the UN's sustainable goal 17. "Partnership for the goals". The New European Bauhaus movement promotes the involvement of all kinds of citizens, experts, and stakeholders by promoting collaborative partnerships among them. This might lead to new ideas for development that are initiated by citizens. Participation in the project will be conducted in accordance with gender equality, non-discrimination, and all the principles outlined in the Chart of Fundamental Rights of the European Union. The programme will promote the involvement of the elderly and people with disabilities who suffer from extensive social isolation due to COVID-19 restrictions.

Guiding principles:

- Inclusion,
- Active involvement,
- Environmental and climate responsibility.

Types of action: People-to-people projects to improve cultural and social relations, and to get actively engaged in the community

Indicative list of activities:

- Cross-border awareness-raising actions (e.g., on solidarity, community support, climate and environmental responsible lifestyle, and healthy living);
- Cross-border people-to-people learning actions (e.g., educational programmes for children, youth and students for active citizenship, educational programmes for the elderly (e.g., digital skills), cross-border intergenerational learning actions, platform for sharing climate-friendly households solutions, cross-border healthy living actions, cross-border learning about cultural and national heritage (e.g. traditional food and music));
- Cross-border joint events to increase connectivity, networking, and intergenerational support (e.g., cultural events, sports events; summer camps, recreational activities in nature, experience-based learning events, joint nature clean-up actions, greening of public spaces).

Contribution to the Macroregional strategies

The Programme with its people-to-people activities contributes to PA9 under Pillar 3 (Building Prosperity in the Danube Region) of EUSDR, which is dedicated to investment in people and skills.

2.3.2.2 Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 20: Output indicators ISO 1 (6.3)

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
3	ISO 1 (6.3)	RCO87	Organisations cooperating across borders	Organisation	16	48
3	ISO 1 (6.3)	RCO115	Public events across borders jointly organised	Event	4	8

Table 21: Result indicator ISO 1 (6.3)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	ISO 1 (6.3)	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2021	29	JEMS Joint Electronic Monitoring System	

2.3.2.3 The main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The main target group of funded actions is local population involved or positively affected by the actions.

2.3.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD, or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Not applicable.

2.3.2.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The specific objective 6.3 will be implemented in the form of grants (limited financial volume) as this is the most suitable financial form taken into account the character of this priority, the nature of activities, and the financial scale of this specific objective.

2.3.2.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 22: Dimension 1 - intervention field

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.3)	ERDF	171 Enhancing cooperation with partners both within and outside the Member State	720.555,00

Table 23: Dimension 2 - form of financing

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.3)	ERDF	1 Grant	720.555,00

Table 24: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Specific objective	Fund	Code	Amount (EUR)
3	ISO 1 (6.3)	ERDF	33 Other approaches - No territorial targeting	720.555,00

3. FINANCING PLAN

Reference: point (f) of Article 17(3)

3.1 Financial appropriations by year

Reference: point (f)(i) of Article 17(3), points (a) to (d) of Article 17(4)

Table 25: Financial appropriations by year

Fund	2021	2022	2023	2024	2025	2026	2027	Total
ERDF (territorial cooperation goal)	0	9,221,228	6,829,190	6,939,312	7,051,636	5,843,131	5,959,996	41,844,493
IPA III CBC ¹								
Neighbourhood CBC ²								
IPA III ³								
NDICI ⁴								
OCTP ⁵								
Interreg Funds ⁶								
Total	0	9,221,228	6,829,190	6,939,312	7,051,636	5,843,131	5,959,996	41,844,493

¹ Interreg A, external cross-border cooperation

² Interreg A, external cross-border cooperation

³ Interreg B and C

⁴ Interreg B and C

⁵ Interreg B, C and D

⁶ ERDF, IPA III, NDICI, or OCTP, where as single amount under Interreg B and C

3.2 Total financial appropriations by fund and national co-financing

Reference: Article 17(4)(f)(ii), Article 17(5)(a)-(d)

Table 26: Total financial appropriations by fund and national co-financing

Policy objective No	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
2	Priority 1	ERDF	Total eligible cost	16.520.746	15.230.000	1.290.746	4.130.187	3.658.320	471.867	20.650.933	80,00	0,00
4	Priority 2	ERDF	Total eligible cost	20.203.124	18.656.448	1.546.676	5.050.781	4.374.867	675.914	25.253.905	80,00	0,00
ISO1	Priority 3	ERDF	Total eligible cost	5.120.623	4.720.555	400.068	1.280.156	1.241.424	38.732	6.400.779	80,00	0,00
	Total	ERDF	Total eligible cost	41.844.493	38.607.003	3.237.490	10.461.124	9.274.611	1.186.513	52.305.617	80,00	0,00
	Total	All funds	Total eligible cost	41.844.493	38.607.003	3.237.490	10.461.124	9.274.611	1.186.513	52.305.617	80,00	0,00

4. ACTION TAKEN TO INVOLVE THE RELEVANT PROGRAMME PARTNERS IN THE PREPARATION OF THE INTERREG PROGRAMME AND THE ROLE OF THOSE PROGRAMME PARTNERS IN THE IMPLEMENTATION, MONITORING, AND EVALUATION

Reference: point (g) of Article 17(3)

The Interreg Programme Slovenia – Croatia is being prepared in close alignment between Programming Task Force, Managing Authority and a group of external experts. During the entire process, the members of the PTF consulted with regional and national government departments and stimulated the participation of different responsible authorities.

The programming process could be divided in three phases and all were developed in partnership with competent stakeholders and authorities representing the programme area. The process is considering the European Code of Conduct on Partnership and is being monitored by members of the Programming Task Force (PTF). The PTF was established based on the decision of the Programme's Monitoring Committee in June 2019. The PTF consisted of representatives from the Croatian side, representatives from the Slovenian side, representatives of the Managing Authority and the Joint Secretariat. One of the key aspects were involvement of target group representatives in all phases. Separate attention and reports on community participation were elaborated by external experts in each of the phases observing the participation of organisation representatives and experts from both countries, different target groups, and from all priority thematic areas.

Inclusion of relevant bodies representing civil society (e.g. environmental NGOs, youth organisations) and bodies responsible for promoting social inclusion, rights of persons with disabilities and non-discrimination, was considered. Also, representatives of research and educational facilities in the territory were included.

Stakeholders were identified and contacted (by direct mails) based on the Programme's database (contacts from beneficiaries and applicants as well as interested persons of the general public that participated in activities of the Cooperation Programme 2014-2020 and local administrations of the Programme area and recognised thematic institutions). The Slovene and Croatian National Authority also informed and contacted relevant institutions in their spheres directly. Information about the programming process and invitations for participation in the consultation process were published on the Programme website (<http://www.si-hr.eu/en2/programme/ip-si-hr-21-27/>) in English, Slovene and Croatian language. National Authorities put in a special effort to increase the active involvement of stakeholders by using different communication channels (publication on websites, direct mailing) to mobilise stakeholders in their territories for getting involved in the programming process.

Each phase of IP drafting was concluded with a report from the experts as a feedback on the outcomes of the process steps.

Phase 1: Preparation of the Territorial and Socio-Economic Analysis

A relevant contribution from programme partners and stakeholders were gathered for the document which defined main challenges, potential, and disparities of the cross-border area, and identifying its needs within the key areas in which the programme can contribute. Two main tools were applied to gather the widest possible participation of the citizens and stakeholders.

An online survey was carefully designed in cooperation with the PTF and Managing Authority aiming to identify the primary expectations and needs of the citizens in the programme priority areas. The survey was publicly announced on the Programme website and was open for participation for 35 days. Respondents could use their

national languages to do so. The survey targeted a broad set of stakeholders as all applicants and beneficiaries of past and ongoing projects were asked to participate. The survey was completed by 313 respondents from more than 14 different types of organisations located in the territory. A total of 22% of respondents represent local public authorities, followed by representatives of higher education and research institutions (15%), and interest groups, including non-profit organisations (13 %). Relevant opinions were considered in the programme documents following the report prepared by the expert group.

The interviews with representatives of identified regional key stakeholders were carried out in June and July 2021. The invitation to cooperate were sent to 110 organisations in the programme area. The interviews were carefully designed, and included all priority objectives. Discussion topics were sent in advance to the interviewees. A total of 48 interviews with 71 persons were performed and valuable inputs for programme documents gathered. The respondents were representatives of national (ministries) and regional offices, regional stakeholders (incl. development agencies), economic and social partners, non-governmental organisations, and members of the research community. Their feedback was considered in the preparation of the strategic thematic directions. The final version of the Territorial and Socio-Economic Analysis was published on the Programme website (January 2022).

Phase 2: Preparation of Strategic Thematic Directions (STD)

The main goal of the document was to propose key areas of intervention for the future IP program, based on the findings of the territorial analysis. Six focus groups were organised that additionally justified the selection of relevant topics and implementation approaches. Ninety-nine participants from 71 different institutions were actively involved. The invited participants were experts, regional stakeholders, non-governmental organisations, and the research community. Programming partners selected a wide group of stakeholders from key thematic areas, the participants were delegated by the institutions. The focus groups were interactive and participants could openly propose and discuss on specific objectives of smart development, green transition, mobility and social inclusion, and services.

Based on these reactions and regulatory limitations, the STD focused on PO2, PO4, and ISO 1. The PTF members agreed to the recommended priority objectives that were suggested and further elaborated in the IP.

Phase 3: Preparation of the Interreg Programme Slovenia – Croatia 2021–2027

The draft IP was made available on the Programme website from 31st January till 28th February 2022 to the widest possible interested community, and all interested stakeholders were invited to express their opinion in an inclusive and transparent way. Representatives from 10 organisations provided their comments. Relevant adaptations were introduced into the final draft of the IP document. The treatment of all received comments was discussed by the PTF and published at the programme website (<http://www.si-hr.eu/si2/download/Online-public-consultations-table.pdf>).

Two workshops were organised to present the current draft IP to all interested public. They were held on the 15th and 16th of February 2022 in both national languages. A total of 262 organisations and 353 participants were actively involved. The aim of the workshops was to inform all interested stakeholders, experts, and potential applicants about the strategic priorities selected to be tackled by the programme and on its expected results. Therefore, all invited institutions from all previous stages of consultation process (survey, interviews and focus groups) were invited to submit their feedback on the draft IP SI-HR 2021-2027 and to attend the workshops. This means that more than 1500 persons were personally invited. In addition, all participants were invited to submit their reactions and proposals to the open online public consultation.

During the entire programming process, the members of the PTF consulted with experts from other regional and national government departments on the progress of the programming process and the contents of the programme and assured their considerations would be integrated into the document.

The role of the programme partners in the implementation, monitoring and evaluation of the Programme

Information from the general public and the proper involvement of competent programme partners is considered to be crucial for a successful programme implementation. The information of the general public about the programme is needed to assure ownership of the Programme and its outcomes.

The continuous involvement of programme partners in the implementation of the programme is envisaged for two reasons:

- To enhance ownership of the programme among partners, to make use of their knowledge and expertise and to increase transparency in decision-making processes;
- To improve the coordination with other programmes as well as with MRSs to capitalize on project and programmes results, as well as to increase synergies and complementarities.

Programme partners will be involved in steering and monitoring of programme implementation to make their voice heard in consultation and the decision-making process.

In line with Article 8 of Regulation (EU) 2021/1060 and Article 29 of the Interreg Regulation all relevant partners will be included in the Monitoring Committee which will also approve the methodology and criteria used for the selection of operations, monitor the progress of the programme on a regular basis, including the final performance report and evaluation of the programme. Appropriate measures to avoid conflict of interest will be included in the Rules of Procedure e.g. to declare to the Chair any situation of conflict of interest in which they might be with regards to the discussions on a specific subject matter. Specific working groups will be established if needed or requested e.g. on programme evaluation.

5. APPROACH TO COMMUNICATION AND VISIBILITY FOR THE INTERREG PROGRAMME (OBJECTIVES, TARGET AUDIENCES, COMMUNICATION CHANNELS, INCLUDING SOCIAL MEDIA OUTREACH, WHERE APPROPRIATE, PLANNED BUDGET, AND RELEVANT INDICATORS FOR MONITORING AND EVALUATION)

Reference: point (h) of Article 17(3)

The programme's approach to communication and visibility is developed in a dedicated communication strategy. The communication focuses on transmission of information, awareness-raising, creating cooperation communities, and attracting applicants from all programme area.

Communication objectives

Based on programme and management objectives, the following communication objectives are supporting the programme implementation:

- to promote the programme's funding opportunities by providing information on all programme-related issues and motivating potential beneficiaries to use the possibilities the EU Funds represent;
- to support programme bodies, applicants, and beneficiaries in the effective project implementation by ensuring well-functioning internal communication between the programme bodies to make the programme function effectively, providing applicants and beneficiaries high-quality and timely support in all phases of the project implementation;
- to enhance the public awareness about the programme by providing the general public/media with understandable, easy-to-follow information on co-financed projects, promoting the benefits of cross-border cooperation and funding opportunities in the programme area and beyond, and underline the benefits of CBC for the general public in the programme area, promoting projects' achievements and capitalisation activities;
- to cooperate with other Interreg programmes by sharing information and best practices to enhance inter-programme communication cooperation;

- to increase the project's capacities to communicate their own achievements by supporting and encouraging beneficiaries in communication activities, enhancing inter-project cooperation, and promoting capitalisation activities.

Target audiences

The programme defines four fundamental types of target audiences, which are further detailed in the communication strategy of the programme: applicants or beneficiaries, programme bodies, the expert and political sphere, and the general public – especially citizens of the cross-border area and the media.

Communication channels and tools

The programme considers the following communication channels and tools as an instrument to convey the content to the target audience: the programme website, social media; public events (annual events, workshops for applicants/beneficiaries/programme structures, informational thematic and networking events, synergy events for capitalisation), online or printed publications, online campaigns including the production of visual elements (e.g., videos) especially for the promotion (capitalisation) of project results, articles, and other contributions in the media.

Much of the programme visibility comes through the projects. The programme will provide special attention and support to small-scale projects through events and via the programme web site and social media.

The programme will appoint a communication officer to be in charge of the implementation of harmonised communication and visibility actions.

As described in Appendix 3, IP SI-HR 2021-2027 is planning to select all operations via Calls for Proposals. Therefore, no pre-identified operations of strategic importance have been embedded in the Programme.

Monitoring, evaluation, and indicators

All communication activities will be evaluated on a regular basis using external or internal evaluators. Data will be collected through surveys, internal statistics, and website analytics. The programme will use a detailed set of indicators to follow and evaluate the communication activities and improve their performance on an ongoing basis. The foreseen output indicators refer to the satisfaction with the quality of guidance and the engagement of the general public in programme activities. The communication goals are planned to be measured by several result indicators, e.g., the number of active regions, the number of received and approved applications, satisfaction of the applicants or beneficiaries with the provided information, guidelines and support, awareness of the programme's funding opportunities in the programme area, the number of participants to events and specific activities, the level of engagement in the programme newsletter, outreach of the social media account(s), the number of events, and the participants in events other than workshops (e.g., annual event). The programme foresees an estimated communication budget (excluding staff costs) of at least 0.3 percent of the total programme budget.

6. INDICATION OF SUPPORT TO SMALL-SCALE PROJECTS, INCLUDING SMALL PROJECTS WITHIN SMALL PROJECT FUNDS

Reference: point (i) of Article 17(3), Article 24

Cross-border cooperation between Slovenia and Croatia has been supported since 2003 under several EU instruments, but the programme area is historically connected much longer. Therefore, the cultural closeness is strongly felt and people living near the border would like to (re)gain the cross-border connections and attractiveness of their living area.

By implementing small-scale projects, the new programme aims to offer the cross-border area the possibility to deepen mutual trust and understanding among the people living in the cross-border area, and to strengthen the ties between them.

Small-scale projects will tackle unexplored possibilities of cross-border cooperation and foster knowledge exchange actions and interactions between the people on both sides of the border. Cooperation among people and civil society organisations across the border will connect people and increase the visibility of the cross-border programme by supporting joint cross-border events, awareness-raising actions, and joint learning.

Small-scale projects will have a smaller budget and short duration. Their activities will contribute to the programme output indicators and result indicators specified in Interreg Specific Objective (ISO 1) 3.2. The programme plans to earmark an indicative 2% of the funds for small-scale projects of this kind. Envisaged size of small-scale projects is up to 30.000 EUR and therefore simplified costs options will be used.

Support to small projects under a Small Project Fund as defined in Article 2(10) of the CPR and Article 25 of the Interreg Regulation is not planned to be included in the Interreg programme Slovenia – Croatia.

7. IMPLEMENTING PROVISIONS

7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 27: Programme authorities

Programme authorities	Name of the institution	Contact name	Position	E-mail
<i>Managing Authority</i>	<i>Ministry of Cohesion and Regional Development (MCRD)</i> <i>Interreg and Financial Mechanisms Office</i> <i>Cross-Border Programme Management Division</i>	<i>Aleš Mrkela</i>	<i>Head of the Managing Authority</i>	ales.mrkela@gov.si
<i>Audit Authority</i>	<i>Republic of Slovenia Ministry of Finance Budget Supervision Office</i>	<i>Patricija Pergar</i>	<i>Head of the Audit Authority</i>	patricija.pergar@gov.si
<i>Group of Auditors Representatives</i>	<i>Republic of Slovenia Ministry of Finance Budget Supervision Office</i> <i>Republic of Croatia, Agency for the Audit of EU Programmes Implementation System</i>	<i>Patricija Pergar</i> <i>Neven Šprlje</i>	<i>Acting Director of the Office</i> <i>Director of the Agency</i>	patricija.pergar@gov.si neven.sprlje@arpa.hr
<i>Body to which the payments are to be made by the Commission</i>	<i>Public Fund of the Republic of Slovenia for Regional Development and Development of Rural Areas (Slovenian Regional Development Fund)</i>	<i>Jana Kajfež</i>	<i>Head of the accounting function</i>	jana.kajfez@srrs.si

7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

The Managing Authority (MA), after consultation with the Member States/programme partners, sets up a joint secretariat (JS) for the programme in compliance with Article 46(2) of the Interreg Regulation.

Based on the successful implementation of the three forerunning programmes in the 2004-2006, 2007-2013 and 2014-2020 periods, the JS seat remains in Ljubljana, Slovenia, within the official structure of MCRD (Cross-border Programmes Management Section) while a JS regional antennae(s) will be maintained in the Croatian part of the programme area in order to cover more efficiently the whole cross-border area which stretches over 17 NUTS III regions from the Adriatic Sea to the Pannonian Plain. JS regional antennae(s) executes its tasks for the entire cross-border area and acts under the full authority of the Head of the Joint Secretariat. It performs the same tasks as the other JS members, it participates in the process of the project assessment, but it is not involved in the decision-making process within the Monitoring Committee. The hosting institution will setup adequate replacement procedures for a timely replacement of staff, if necessary. The structural and implementation arrangements within the hosting organisation will be kept. The JS is set up within the same section as the MA. A clear separation of tasks will be ensured within the description of single positions. The JS will work in close cooperation with the MA related to programme coordination and implementation in such a way as to ensure its cooperation on one hand, and its independence from national structures on the other.

A smooth transition and institutional stability will be ensured also by maintaining in principle the organisational, structural and implementation arrangements already in place ensuring that a highly experienced and professional JS team supports the Programme also in the future. All JS members, current and future, are selected in a transparent way by both Member States taking into account the programme partnership approach as far as possible and ensuring a JS team which possesses representative linguistic competence and relevant programme area knowledge.

The JS will continue to assist the MA and the monitoring committee in carrying out their respective duties and ensuring that all operational implementation tasks of the programme are fulfilled. The JS will provide support to potential applicants by providing them information on funding opportunities and give beneficiaries assistance to facilitate the efficient implementation of operations.

7.3 Apportionment of liabilities among participating Member States and where applicable, the third or partners countries and OCTs, in the event of financial corrections imposed by the Managing Authority or the Commission

Reference: point (c) of Article 17(6)

The arrangements related to the irregularities, which lead to financial corrections and apportioning of liabilities among Member States (MSs) will follow the already established, well-functioning principles from the programming period 2014–2020.

Without prejudice to the MSs' responsibility to take all required actions for preventing, detecting, and correcting irregularities and reporting on irregularities including fraud, according to Article 69 (2) of the CPR, the MA shall in accordance with Article 52 (1) of the Interreg Regulation ensure that any amount paid as a result of an irregularity is recovered from the Lead Partner (LP). The project partners (PPs) shall then repay the LP any amounts unduly paid.

In line with Article 52 (2) of the Interreg Regulation the MA will not recover an amount unduly paid if it does not exceed EUR 250 ERDF (not including interest) paid to an operation in a given accounting year.

If the LP does not succeed in securing repayment from a PP or if the MA does not succeed in securing repayment from the LP, the MS on whose territory the LP or PP concerned is located (in case of an EGTC where it is registered) shall, in accordance with Article 52 (3) of the Interreg Regulation, reimburse the MA the amounts unduly paid to that partner. The MS of Croatia is represented by the Ministry of Regional Development and EU Funds. The MS of Slovenia is represented by the Ministry of Cohesion and Regional Development. The final decision on financial liability is taken by the Monitoring Committee on a case-by-case basis. The MA is responsible for reimbursing the amounts recovered to the general budget of the Union, in accordance with the apportionment of liabilities among the participating MSs as laid down below. The MA will reimburse the funds to the Union once the amounts are recovered from the LP/PP/MS.

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

Since TA expenditure is based on a flat rate, the participating countries will reimburse the MA part of the financial correction, based on joint liability proportionally to their respective share in the financial correction.

Since MSs have the overall liability for the ERDF support granted to LPs or PPs located on their territories, they shall ensure that 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 52 (4) of the Interreg Regulation, once the MS has reimbursed the MA any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner pursuant to its national law.

Where the MS has not reimbursed the MA any amount unduly paid to a partner, in accordance with Article 52 (5) of the Interreg Regulation, those amounts shall be subject to a recovery order by the European Commission (EC), which shall be executed, where possible, by offsetting to the MS. Such recovery shall not constitute a financial correction and shall not reduce the support from the ERDF to the respective Interreg programme. The offsetting shall concern subsequent payments to the same Interreg programme. In such an eventuality, the MA

will start bilateral discussions with the concerned MS at fault so as to find a joint solution on how and from where to offset the amount deducted by the EC.

As stated in Article 69 (12) of the CPR, MSs shall report on irregularities in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided and the format for reporting set out in Annex XII of the CPR. Irregularities shall be reported by the MS in which the irregular expenditure is incurred by the LP/PP and paid in implementing the project. The reporting MS shall at the same time inform the MA and the Audit Authority (AA) of the programme.

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

- Each MS bears liability for possible financial consequences of irregularities caused by the LPs and PPs located on its territory;
- In the case of a systemic irregularity or financial correction (decided by the programme authorities or the EC), the MS will bear the financial consequences in proportion to the relevant irregularity detected on the respective MS's territory;
- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific MS, the liability shall be jointly borne by the MSs in proportion to the ERDF claimed for LPs and PPs (located on MS's territories) to the EC for the period which forms the basis for the financial correction.

The liability principles described above shall also apply to financial corrections to Technical Assistance (TA) calculated in compliance with Article 27 of the Interreg regulation, since such corrections would be the direct consequence of project-related irregularities (whether systemic or not) if they cannot be reused. The MA will keep the MSs informed about all irregularities and their impact on TA. At the end of the programming period, the MA will carry out a reconciliation to verify whether there is a remaining balance of irregularities that have affected the TA budget. In case of a remaining balance, the MA will inform and ask the respective MS/MSs and ask MS to reimburse the corresponding ERDF amount.

8. USE OF UNIT COSTS, LUMP SUMS, FLAT RATES, AND FINANCING NOT LINKED TO COSTS

Reference: Articles 94 and 95 of Regulation (EU) 2021/1060 (CPR)

Table 28: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 94 and 95	YES	NO
From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums, and flat rates under priority according to Article 94 CPR (if yes, fill in Appendix 1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
From the adoption programme will make use of financing not linked to costs according to Article 95 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDICES

Appendix 1: Union contribution based on unit costs, lump sums, and flat rates

Appendix 2: Union contribution based on financing not linked to costs

Not applicable.

Appendix 3: List of planned operations of strategic importance with a timetable

Appendix 4: Map of the programme area

Appendix 1

Union contribution based on unit costs, lump sums and flat rates

Template for submitting data for the consideration of the Commission (Article 94) CPR

Date of submitting the proposal	15.11.2023

This Appendix is not required when Union-level simplified cost options (SCO) established by the delegated act referred to in Article 94(4) CPR are used.

A. Summary of the main elements

Priority	Fund	Specific objective	Category of region	Estimated proportion of the total financial allocation within the priority to which the SCO will be applied in %	Type(s) of operation covered		Indicator triggering reimbursement		Unit of measurement for the indicator triggering reimbursement	Type of SCO (standard scale of unit costs, lump sums or flat rates)	Amount (in EUR) or percentage (in case of flat rates) of the SCO
					Code ⁽¹⁾	Description	Code ⁽²⁾	Description			
3. Cooperating border region	ERDF	ISO6.3	33. Other approaches – No territorial targeting	7,03	171	Type I - Cross-border cooperation projects based on unit costs		Completed project (with at least 2 physical bilateral events with participants from both countries and at least 30 participants per project)	participant	Unit cost	128.00 EUR

3. Cooperating border region	ERDF	ISO 6.3	33. Other approaches – No territorial targeting	7,04	171	Type II – Mutual trust building projects based on lump sum		Completed event	2 events	Lump sum	31,000.00 EUR
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(¹) This refers to the code for the intervention field dimension in Table 1 of Annex I to the CPR and Annex IV to the EMFAF Regulation.

(²) This refers to the code of a common indicator, if applicable.

B. Details by type of operation (to be completed for every type of operation)

Did the managing authority receive support from an external company to set out the simplified costs below?

If so, please specify which external company:

No

1. Description of the operation type including the timeline for implementation(¹)	<p>Type I - Cross-border cooperation projects based on unit costs</p> <p>The calculated unit cost will be applicable only for small-scale projects, which are implemented exclusively under ISO1-SO 6.3. Small-scale projects will be used to address the specific aim to enhance people-to-people activities. A separate open call with regular submission deadlines could be launched at the end of 2023. Both defined types of operations would be subject of the same Call.</p> <p>The project is at most 1 year long and supports events that build up mutual trust, and enable or improve cooperation of project partners. At least two physical bilateral events per project (at least one per member state and with participants from both countries) with minimum of 30 participants are required. Events include workshops, conferences, seminars, trainings, tournaments, camps, etc. Within unit cost all costs occurring in phases of preparation as well as project implementation (staff costs, administrative costs, travel and accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included.</p>
2. Specific objective(s)	Priority axis 3, ISO1 (SO6.3)
3. Indicator triggering reimbursement(²)	Completed project (with at least 2 physical bilateral events with participants from both countries and at least 30 participants per project)
4. Unit of measurement for the indicator triggering reimbursement	Participant

5. Standard scale of unit cost, lump sum or flat rate	Unit costs
6. Amount per unit of measurement or percentage (for flat rates) of the SCO	128.00 EUR
7. Categories of costs covered by the unit cost, lump sum or flat rate	Within unit cost all costs occurring in phases of preparation as well as project implementation (staff costs, administrative costs, travel and accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included. See Methodology I (C.3 below).
8. Do these categories of costs cover all eligible expenditure for the operation? (Y/N)	Yes
9. Adjustment(s) method ⁽³⁾	Set amounts represent the co-financing of projects to partners of both member states without any (later) adjustments.
10. Verification of the achievement of the units — describe what document(s)/system will be used to verify the achievement of the units delivered — describe what will be checked and by whom during management verifications — describe what arrangements will be made to collect and store the relevant data/documents	<p>a) Obligatory documents are: - Signed subsidy contract - Lists of participants, and the event report about each implemented event that must clearly describe the event implementation (in words and picture where and when the event took place; who attended and what was presented, offered and shared with the participants and in what way).</p> <p>b) The MA/JS will be carrying out the management verifications for the reimbursements based on the documents listed under point a, setting out the conditions for support (signed subsidy contract) including all conditions for event implementation and reporting (the proof that the event took place: list of participants and a final report containing information about the completed event including date, location, invitation, photos, duration).</p> <p>The payment will be depending on the number of participants at the events.</p> <p>c) The original documents are kept by the project partners (beneficiaries) and shall be made available in case of site visits and audit controls. The relevant data/documents will be collected by beneficiaries and uploaded in Jems monitoring system in the process of reporting.</p>
11. Possible perverse incentives, mitigating measures ⁽⁴⁾ and the estimated level of risk (high/medium/low)	The level of risk from implementing projects using simplified costs compared to actual costs is low. When determining the amount of the unit cost, all regular costs incurring during implementation of planned

	events were taken into account. Mitigating measures are therefore not envisaged.
1.12 Total amount (national and Union) expected to be reimbursed by the Commission on this basis	Total reimbursed amount for the type 1 projects is about 450,347.00 EUR (360,277.50 EUR ERDF (80%) and 90.069,50 EUR of national contribution (20%)).

1. Description of the operation type including the timeline for implementation ⁽¹⁾	<p>Type II – Mutual trust building projects based on lump sum</p> <p>The calculated lump sum will be applicable only for small-scale projects, which are implemented exclusively under ISO1 (SO6.3). Small-scale projects will be used to address the specific aim to enhance people-to-people activities. A separate open call with regular submission deadlines could be launched at the end of 2023. Both defined types of operations would be subject of the same Call.</p> <p>The project is at most 1 year long and supports open public bilateral physical events that build up mutual trust. Two 1-day events, each per one member state are predicted per project,. Open events are considered, with approximately 200 people attending; such as concerts, markets, fairs and other thematic events (e.g. culture events, sport events, recreational activities in nature, joint nature cleanup actions, greening of public spaces etc).</p> <p>. If the two events take place under the conditions set above, and provided that all conditions for reimbursement are fulfilled, the total amount of the lump sum will be reimbursed.</p> <p>Within the proposed lump sum all costs occurring in phases of preparation and project implementation (staff costs, administrative costs, travel and accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included.</p>
2. Specific objective(s)	Priority axis 3, ISO1 (SO 6.3)
3. Indicator triggering reimbursement ⁽²⁾	Completed event
4. Unit of measurement for the indicator triggering reimbursement	Two events
5. Standard scale of unit cost, lump sum or flat rate	Lump sum
6. Amount per unit of measurement or percentage (for flat rates) of the SCO	31,000.00 EUR
7. Categories of costs covered by the unit cost, lump sum or flat rate	Within the proposed lump sum all costs occurring in phases of preparation as well as project implementation (staff costs, administrative costs, travel and

	accommodation costs, translation/interpretation costs, venue (room, equipment), moderation of the event and catering) are included. See Methodology II (C.3 below).
8. Do these categories of costs cover all eligible expenditure for the operation? (Y/N)	Yes
9. Adjustment(s) method ⁽³⁾	Set amounts represent the co-financing of projects to partners of both member states without any (later) adjustments.
10. Verification of the achievement of the units delivered — describe what document(s)/system will be used to verify the achievement of the units delivered —describe what will be checked and by whom during management verifications — describe what arrangements will be made to collect and store the relevant data/documents	<p>a) Obligatory documents are: - Signed subsidy contract - Event report for each completed event about each implemented event that must clearly describe the event implementation (in words and picture where and when the event took place; who attended and what was presented, offered and shared with the participants and in what way), the list of content providers (e.g. for cultural events a list of program providers, for markets and fairs a list of goods and services providers) etc.</p> <p>b) The MA/JS will be carrying out the management verifications for the reimbursements based on the documents listed under point a, that are setting out the conditions for support (signed subsidy contract) including conditions for event implementation and reporting (the proof that the event took place: list of service providers and a final report containing information about the completed event including date, location, invitation with program, photos, duration). The realisation of the project is the key to trigger the payment (after the last event is implemented). The control thus consists of checking whether the event/s was/were fully implemented and the outputs/ results were delivered in line with the conditions set by the programme authorities (the outputs/results need to be well documented).</p> <p>c) The original documents are kept by the project partners (beneficiaries) and shall be made available in case of site visits and/or audit controls. The relevant data/documents will be collected by beneficiaries and uploaded in Jems monitoring system in process of reporting.</p>
11. Possible perverse incentives, mitigating measures ⁽⁴⁾ and the estimated level of risk (high/medium/low)	The level of risk from implementing projects using simplified costs compared to actual costs is low. When determining the amount of the unit cost, all regular costs incurring during implementation of planned

	events were taken into account. Mitigating measures are therefore not envisaged.
12. Total amount (national and EU) expected to be reimbursed by the Commission on this basis	Total reimbursed amount for the type 2 projects is about 450,347.00EUR (360,277.50 EUR ERDF (80%) and 90,069.50 EUR of national contribution (20%)).

C. Calculation of the standard scale of unit costs, lump sums or flat rates

1. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data; where the data are stored; cut-off dates; validation, etc.).

The historical data used for preparation of the methodology of the proposed cost simplifications (unit cost, lump sum) in the 2021-2027 programming period, were collected from the Electronic Monitoring System (eMS) of the programme 2014-2020 at the invoice level (already validated costs). The cut-off date for gathering the information was 12 May 2023.

The data in the eMS are stored under partner/project progress reports. All invoices were carefully checked to ensure completeness and to assure, they are of proven quality in relation to its objectives. In line with the management and control system of the programme 2014-2020 and the relevant provisions in the CPR and Interreg Regulation 2014-2020, the expenditures are verified and validated as eligible expenditure through management verifications by FLC before the submission to the CA and MA/JS. All together 15 (out of 37) concluded standard projects were taken into account.

For the salary calculation the following data were used:
 Slovenia: second gross is gross salary (average monthly gross earnings in Slovenia for April 2023 taken from the Statistical office of Republic of Slovenia data in amount of 2,181.70 EUR), together with contributions paid by the employer in amount of 16.1% of gross salary and holiday pay (in year 2023: 1.203,36 EUR).
 Croatia: second gross salary is gross salary (average monthly gross earnings in Croatia for April 2023 taken from the Croatian Bureau of Statistics in amount of 1,547.00 EUR), together with contributions paid by the employer in amount of 16.5% of gross salary.

Average second gross salary of both countries amounts to 2,213.88 EUR per month.

2. Please specify why the proposed method and calculation based on Article 94(2) is relevant to the type of operation.

The amounts of unit costs and lump sums for proposed 2 types of small-scale projects were prepared on the basis of a fair, equitable and verifiable calculation method based on reliable statistical data, verified historical data, other objective information and an expert judgement.

3. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and, if requested, provided in a format that is usable by the Commission.

Type I projects - Cross-border cooperation projects based on unit costs

This type of events is intended for implementation of workshops, conferences, seminars, trainings, tournaments, camps, etc. For the calculation of the amount per unit of measurement (unit cost per participant) at least two bilateral events per project and minimum of 25 participants per event representing both MS were used.

- a) The preparation costs lump sum covers all expenditure needed for the preparation of the project until the date of submission of the project application to the programme

The preparation costs were already in use in the current programming period as a lump sum in standard projects in the amount of 5,000.00 EUR. The preparation costs lump sum covers all expenditure needed for the preparation of the project until the date of submission of a project to the programme. Based on above stated it is estimated that 550.00 EUR is sufficient, as these are simpler projects of lower value. All projects when submitting a project proposal have generated costs for the preparation of the proposal, independent from the question whether they can be claimed or not. We can safely identify the following costs: staff costs (writing the application, communicating & working with potential partners), linked administration costs, travel costs and costs for meetings to discuss content and meeting partners, translation costs for necessary documents and in some cases external service, and equipment.

Preparation costs are estimated to 550.00 EUR. They include at least 2 meetings, staff costs, and administration costs.

This amount includes at least 2 meetings, staff costs and office and administrative costs and travel and accommodation costs. April 2023 average salary of 2,213.88 EUR and the assumption that 2 people will need 2 full-day meetings for preparing the project proposal, the following structure of preparation costs appears:

- staff costs 423.36 EUR
- office and administrative cost (15 % flat rate) 63.50 EUR
- travel and accommodation costs (= 550.00 EUR – staff costs – office and admin. costs) 63,14 EUR

- b) Unit costs* for events per participant per event covering moderation, venue (room, equipment), and catering were set in the following way:

The data considering all events were gathered (see Chapter C, point 1 of this document). After collection and checks performed all incomplete data were excluded (e.g. missing number of participants, no certified costs, only room rental or only catering costs, only short press conferences). Finally, the “non representative” events were omitted from the clean data set due to their specificity (internal meetings). As representative events conference, thematic event, training and workshop were observed. Duration of the events was set to one-day unit and for all types of events average and median unit cost value were calculated. The calculated value express the costs for one participant per day per event.

The calculated average and median values for 1 participant at a one-day workshop are 45.65 EUR and 29.91 EUR, respectively.

The calculated average and median values for 1 participant at a one-day conference are 45.94 EUR and 39.90 EUR, respectively.

The calculated average and median values for 1 participant at a one-day training are 76.89 EUR and 73.65 EUR, respectively.

The calculated average and median values for 1 participant at a one-day thematic event are 61.10 EUR and 42.22 EUR, respectively.

Use of the average/median is considered appropriate as it reflects best the programme reality and levels out extremes. After taking into consideration also the number of each type of event and calculated mean and median values, the unit cost* per participant per one day event was calculated to 45.00 EUR (see the MS Excel document).

- c) The translation cost of documents stand at 20.00-30.00 EUR per page, and the interpretation costs (simultaneous, consecutive) are 70.00-140.00 EUR per hour. Since the length of the event is at approximately 4 hours, the translation and interpretation costs can be estimated to 520.00 EUR per event.
- d) Remaining (other) costs that were considered in the project size are: staff costs, administration costs, travel and accommodation costs; they are summarized to approximately 40 % of the whole project budget. The justification of estimation of other costs to approximately 40 % is explained in the calculation below.

CALCULATION OF UNIT COST (project with 2 project partners; planning each one event with 25 participants):

project size = preparation costs + participation costs + no. of events × translation costs + other costs

project size = preparation costs + unit cost* × no. of events × no. of participants + no. of events × translation costs + other costs

preparation costs = 550.00 EUR

participation costs = 45.00 EUR × 2 × 25 = 2,250.00 EUR

translation costs = 2 × 520.00 EUR

$$\text{project size} = \frac{550.00 \text{ EUR} + 2,250.00 \text{ EUR} + 1,040.00 \text{ EUR}}{0,6} = \text{EUR}$$

other costs = 0.4 × project size = 2,560.00 EUR

In the calculation the 2,560.00 EUR is calculated as other costs. This amount must be divided to 2 partners (each 1,280.00 EUR). If 80.00 EUR are traveling costs used to attend the event within the programme area, 1,200.00 EUR remain. 15 % of 1,163.34 EUR represent administration costs (180.00 EUR), which leaves 1,020.00 EUR. With average monthly gross earnings in February 2023 (according to Statistical offices of Republic of Slovenia and Croatia) the amount of approximately 1,000.00 EUR means about 10 working days that are available for each partner's staff to prepare and implement the event, and report afterwards.

For the programming period 2021-2027 the calculated unit cost per participant per event is therefore estimated to:

$$\text{UNIT COST} = \frac{6,400.00 \text{ EUR}}{2 \times 25} = \mathbf{128.00 \text{ EUR}}$$

Type II – Mutual trust building projects based on lump sum

For the calculation of the amount of lump sum for events at least two 1-day events, each per one member state are predicted per project. Open physical events are considered, with approximately 200 people attending; such as concerts, markets, fairs and other thematic events (e.g. culture events, sport events, recreational activities in nature, joint nature cleanup actions, greening of public spaces etc.

- a) The preparation costs are estimated to 550.00 EUR using the same methodology as for type I projects.
- b) Lump sum* for 1 event covering moderation, venue (room, equipment), and catering was set in the following way:
The calculated unit cost* was 45.00 EUR per participant per event per day.
Since open events are considered, the decision was made to set an estimation of 200 people joining the event, thus the proposed lump sum* per daily event was calculated to 9,000.00 EUR.
- c) Possible other costs that were considered in the project size are: staff costs, administration costs, travel and accommodation costs, translation costs, external experts' costs); they are summarized to approximately 40 % of the whole project budget.

CALCULATION OF EVENT LUMP SUM (project with 2 project partners; each planning one event):

project size = preparation costs + lump sum* × no. of events + other costs

preparation costs = 550.00 EUR

$$\text{project size} = \frac{550.00 \text{ EUR} + 9,000.00 \text{ EUR} \times 2}{0,6} = 30,916.67 \text{ EUR}$$

other costs = 0.4 × project size = 12,366.67 EUR

For the programming period 2021-2027 the calculated lump sum per project with 2 events was rounded to 31,000.00 EUR which was also set as the limit value for small scale projects by the programme:

EVENT LUMP SUM = 31,000.00 EUR

Following, the lump sum per project with 1 event is 15,500.00 EUR.

From the calculation, we can see that 12,366.67 EUR is proposed for covering other costs. This amount is divided to 2 partners, (each 6,183.00 EUR) which covers translation cost of documents (20.00 – 30.00 EUR per page), and the interpretation costs (simultaneous, consecutive) are 70.00 - 140.00 EUR per hour. Since we set the length of each event to at least 4 hrs, the estimation of 520.00 EUR translation costs per event is used. With average monthly gross earnings in August the amount of 1.000.00 EUR corresponds to about 10 full-time working days that are available for each partner's staff to prepare and implement the event, and report on it afterwards. 15 % represent administration costs (150.00 EUR). Per partner about 4,513.00 EUR remains for traveling costs and costs for external experts (in the case of a cultural event for providers; in the case of a market/fair for suppliers of goods and/or services, payments of articles, photographers, security at the event and other).

4. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate.

The data used for the calculation of standard scale of unit costs and lump sums was verified in accordance with the management and control system description of the programme (e.g., management verifications, quality checks & audits) and part of audit of operations with no findings on budget line External Expertise and Services. The audit authority in the 2014-2020 programming period assessed the programme's electronic monitoring system during their system audit as category 1. In addition, statistical data published by Statistical office of Republic of Slovenia and the Croatian Bureau of Statistics on average gross salary were used, thus eligibility is assured.

5. Assessment of the audit authority(ies) of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data.

Overall assessment on the set-up of the 2 types of SCOs by the AA: positive

- 1) The unit cost - Type 1 - Cross-border cooperation projects based on unit costs;
- 2) The lump sum - Type 2 - Mutual trust building projects based on lump sum;

have been established in line with Article 94(2) of Regulation 1060/2021 on the basis of:

- (a) a fair, equitable and verifiable calculation method based on the following:
 - (i) statistical data, other objective information or an expert judgement;
 - (ii) verified historical data;

On the base of the assessment of the methodologies used for establishing of the 2 types of SCOs, the AA can confirm that the proposed set-up is in line with the regulatory requirements within Article 94(2), in particular:

- a) The calculation method is fair, equitable and verifiable.
- b) The data used are based on statistical data and verified historical data. The data used have been assessed as reliable and they are relevant to the type of operations.
- c) The categories/types of costs taken into consideration for establishing the SCOs are in line with the relevant national and EU eligibility rules in particular as established within Chapter V of Interreg Regulation No 2021/1059 (Art. 37-44) for Interreg programmes and Chapter III of the Common Provision Regulation No 2021/1060 (Art. 63 and 67).

- d) On the basis of the available information on the set-up methodologies, there is no risk of double funding of the same expenditure.
- e) The amounts set are in line with the assumptions made and the data used for establishing the amounts.
- f) The adjustment method will not be used in the implementation of the 2 Types of SCOs.

As regards the arrangements to ensure the verification, quality, collection and storage of data, INTERACTs IT system Jems is planned as supporting system to be used to confirm achievement of milestones/number of units and storage of data.

This assessment covers all relevant elements listed in section 1 of the Commission audit services SCO checklist. For each SCO separate checklist has been fulfilled by AA.

APPENDIX 3: List of planned operations of strategic importance with a timetable - article 22(3) CPR

As set out in article 17(3) of Regulation (EC) 2021/1059 and article 22(3) of Regulation (EC) 2021/1060 the Member State shall ensure that the programme submitted is accompanied by a list of planned operations of strategic importance and a timetable.

The Interreg Programme Slovenia – Croatia 2021-2027 is planning to select all operations via Calls for Proposals. Therefore, no pre-identified operations of strategic importance have been embedded in the Programme. Nevertheless, operations of strategic importance contributing considerably to the visibility of the Programme will be identified in the course of implementation of the programme.

A separate Call for small-scale projects under Specific Objective 6.3 will be launched in 2023.

The Programme will support projects of limited financial value (small-scale projects) under ISO 1 (SO 6.3) in order to increase visibility and trust among people living in the programme area and beyond. The added value of small-scale projects will be felt in the increased mutual trust among people across the Slovenian-Croatian border, opening up new cooperation possibilities between neighbours and allowing the cross-border region to grow closer. The inclusion of small institutions will connect many people in the programme area and also increase the visibility of the new Interreg programme Slovenia – Croatia, through dedicated campaigns, events, social media channels and programme website.

Taking all this into consideration people-to-people projects are trust-building projects, which are of high importance in cross-border area and will highly contribute to programme visibility.

Appendix 4: Map of the programme area



Map of the programme area is without prejudice to the border between the Republic of Slovenia and the Republic of Croatia. (Nothing in this document could prejudice the final delimitation between Croatia and Slovenia and the graphics and depictions of the border are exclusively for the purpose of this document.)