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Guide for Applicants Call for proposal – HUSK-2401

Interreg Hungary – Slovakia Programme

Close-ended, targeted, competitive call for the
Action 2.4.2: Complex development of tourism destinations

#interreg-husk

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Introduction

Interreg Hungary-Slovakia Programme

The Interreg VI-A Hungary-Slovakia Programme is implemented under the Multiannual Financial Framework for 2021-2027 of the European Union (EU) as part of the Cohesion Policy. The programme aims to relieve administrative and legal barriers at the Hungarian-Slovak border, to build up mutual trust between the citizens of Hungary and Slovakia and to make the border area environmentally friendly, more competitive and inclusive. These objectives are described in the Programme document approved by the European Commission on 3 November 2022. The total allocation of the European Regional and Development Fund (ERDF) for the projects is €124,552,109.

Subject of the call

The Joint Secretariat (JS) of the Programme on behalf of the Ministry of Foreign Affairs and Trade of Hungary as Managing Authority (MA) and the Ministry of Investment, Regional Development and Informatization of the Slovak Republic as National Authority (NA) launches a close-ended, targeted competitive call for proposals (Call) under

Priority axis 2:	Social cooperations
Specific objective 2.4:	Enhancing the role of culture and sustainable tourism in economic development
Action 2.4.2:	Complex development of tourism destinations

For the one round selection procedure, applicants must submit their project proposals in English via the Interreg+ monitoring system by **20 December 2024, 15:00**. Applications will be evaluated according to various quality criteria based on scores. Within the financial framework of the call, the applications with the highest scores will be selected for implementation. The decision on approval is expected in April 2025.

Financial framework

The ERDF allocation for Action 2.4.2 awarded under this selection procedure is 32,710,280 EUR. The programme offers a non-repayable grant composed of an EU contribution and national co-financing for the selected projects. The indicative ERDF budget per Territorial Action Plan is 4,000,000 EUR. As part of the current selection process, the programme supports approximately 8-10 Territorial Action Plans. Except for simplified cost categories, partners' expenditures can be reimbursed after the costs have been incurred and paid.

Modifications of the Call

The Managing Authority, in agreement with the National Authority, may modify the conditions of this call at any time before the deadline for submission. The modifications shall not affect the eligibility and evaluation criteria. If the conditions of the call are modified, the Managing Authority may extend the deadline for the submission of applications. If applicants have submitted the application before the publication of an amendment, they must not suffer any disadvantages as a result of the amended conditions. The Managing Authority, in agreement with the National Authority, may decide at any time to cancel a call that has already been published. Information about changes or cancellation will be posted on the programme website and on Facebook. Any losses due to cancellation are not compensable.

Basic principles

Action 2.4.2 aims to improve the overall sustainability and competitiveness of tourism destinations in the programme area through integrated development actions. These actions are based on a common territorial action plan that includes several cross-border projects tailored to the specific needs of the different target areas. The integrated approach is based on the following key elements:

Territorial action plan document

Action 2.4.2 aims to improve the overall sustainability and competitiveness of tourism destinations in the programme area by providing integrated and harmonised tourism offers across the border. The action primarily aims to support tourist attractions in field of sustainable-, green-, thematic- and MICE (Meetings, Incentives, Conferencing, Exhibitions) tourism that minimise the impact on the environment and maintain the well-being of local communities by the development of market-based services provided by local enterprises.

- Under the present Call tourism destination is a geographically delimitable, identifiable area that can be presented as a single destination on the tourism market, with elements of built environment, natural geography or cultural values that are interrelated, and therefore have a national interest in planning and developing a coherent concept and a regional tourism brand.
- Under the present Call tourist attraction is a place of interest that tourists visit, typically for its inherent or an exhibited natural or cultural value, historical significance, natural or built beauty, offering leisure and amusement.
- Under the present Call, tourist attraction is a place that attracts is visited regularly or at least seasonally and generates a critical mass of financial expenditures or can attract visitors after the development activities are carried out.
- Under the present Call, market-based services are controlled naturally by the supply of and demand for goods and services sustainably and/or at scale. A market-based approach can engage low-income people as customers and supply them with products and services they can afford; or, as business associates (suppliers, agents, or distributors), to provide them with improved incomes.

The aim of the document is to provide a solid basis for the cross-border integrated approach. The action plan must define the main assets of a selected territory, its strengths and weaknesses, its advantages and disadvantages compared to their regional competitors and define the tourism sectors to be specifically developed within the framework of the TAP.

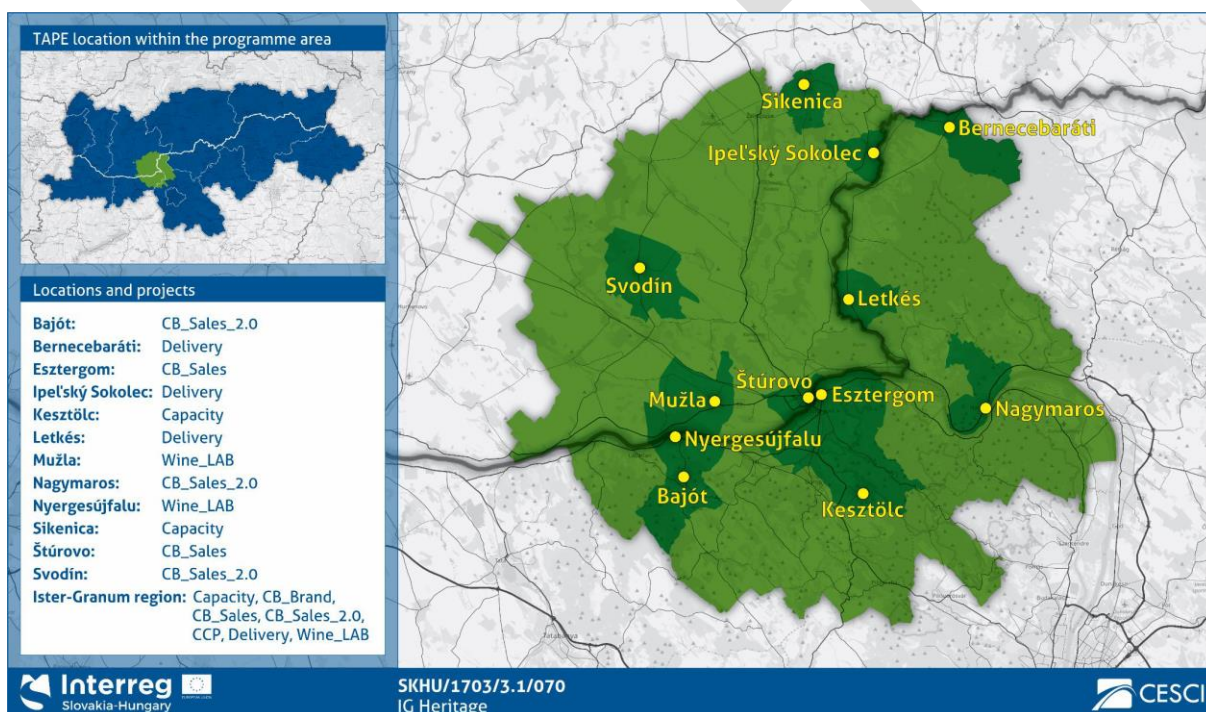
Target area

The elaboration of the territorial action plan begins with the delineation of the target area. The target area has to be cross-border (must include territories from Hungary and Slovakia as well) and must be geographically and/or ethnographically homogenous. The target area does not have to follow the existing administrative borders of the member states. The size of the target area is not limited; however, the applicant should aim for a compact and continuous area with a strong internal cohesion.

Applicants should consider the following steps when developing the target area. The delineation of the target area begins with the identification of the existing tourism destinations, central settlements or key tourist attractions on each side of the border. In a second step, applicants should define the catchment area of these attributes and outline their joint catchment area. In a third step, applicants shall further customise the boundaries of the target area considering:

- the natural geography of the area,
- the most common entry and exit points of the area,
- number and location of border crossing points,
- most visited main and complementary attractions nearby,
- usual travelling patterns of visitors during their stay,
- most important unutilised natural or cultural assets nearby.

Map 1): Example of a coherent target area supported in the Interreg V-A Slovakia-Hungary Programme



In case the TAP supports different attractions and/or services based on a thematic concentration, the target area may extend across different regions, but must be still continuous and coherent.

When the boundaries of the target area are outlined, applicants must thoroughly analyse the socio-economic background of a target area, especially in the tourism sector. The territorial action plan shall identify the relevant or potential tourism attractions on the outlined area, identify the specific needs of the visitors and tourism stakeholders, and define the key objectives and expected results of the TAP. Parallel the main elements of the TAP are drafted, the coordinating organisations start to set up the consortium of potential stakeholders.

Consortium

The consortium is led of coordinating organisations, which have a territorial agenda. The stakeholder pool is composed of representatives and decision-makers from public, non-profit and private organisations that have a strong influence on the tourism industry of the target area. As the TAP must have a strong cross-border character, the final members of the consortium shall be selected according to their future potential for cross-border co-operation. The maximum number of organisations participating in the TAP is not limited.

Project development

Project categories and supported activities

Each Territorial action plan must contain a minimum of 3 and a maximum of 8 project proposals. The project proposals can be divided into four categories depending on the nature of its' core activities.

1) Coordination and communication project (CCP)

The coordinating partners must create their own project. The CCP partners are responsible for the coordination, management of the entire action plan. The CCP project must include the following activities:

- the coordination of the TAP consortium,
- the preparation of partner and project reports for each partner or

According to the agreement between the members of the consortium, the CCP can also take over the tasks of visibility and communication for the beneficiaries.

2) Non-profit development projects (NDP)

Non-profit development projects must include infrastructural or service development activities of tourism destinations managed by public or non-profit institutions. NDP projects must include activities such as:

- renovation, reconstruction, and enhancement of cultural, historical and religious sites to ensure their sustainable use for tourism or the accessibility for the visitors,
- restoration and development of natural landscapes and trails to ensure their environmentally friendly use for tourism or the accessibility for the visitors, and
- improving the infrastructural background and accessibility of existing tourism destinations (e.g. car parks, cycle paths, walkways, roads etc.),
- experience-focused attraction development by creation or development of services.

3) For-profit development projects (FDP)

For-profit development projects must include all infrastructural or service development activities of tourism destinations managed by private or public organisations with economic activities. FDP projects must include activities such as:

- development of existing tourism attractions to ensure their sustainable and efficient utilisation and
- development of new or existing market-based tourism services.

4) Marketing and capitalization project (MCP)

The capitalisation project must include soft activities capitalising the selected area or touristic attractions primarily on the other side of the border. The capitalisation project must include activities such as:

- joint marketing and capitalization (e.g. branding, promoting etc.) of tourism destination or attractions,
- development of thematic routes and joint tourism packages,
- harmonisation of different tourism offers across the border,
- training of shortage occupations for the tourism industry and tourism professionals.

Specific conditions

- Partners or projects that do not contribute to the complex development of a tourism destination or to the cohesion of the target area can be removed from the action plan during the evaluation process.
- Action plans must contain one CCP and one MCP project. The number of NDP or FDP projects is limited only by the maximum number of projects within the TAP.
- Members of the consortium may participate in more projects.
- Marketing and capitalization measures must primarily focus on Hungarian and Slovak visitors and must be prepared in minimally in Hungarian and Slovak language.

Timeframe

The maximum duration of the TAP is 48 months. When determining the project duration, applicants must take various factors into account, such as the duration of the approval process for the building permit, the duration of public tenders, the availability of personnel capacities or the financial liquidity of the organisation. The maximum duration of the various projects is as follows:

Project category	Maximum duration of projects in months
CCP	48
NDP	30
FDP	30
MCP	20

The expected start date for the projects is in the third quarter of 2025. The start date of the first project under the TAP must not be earlier than the start date of the CCP project and the end date of the last project must not be later than the end date of the CCP project. Partners making investments in infrastructure or productive investments must maintain the project results for at least five years after 31 December of the year in which the last payment was made by the programme, or at least three years in the case of SMEs.

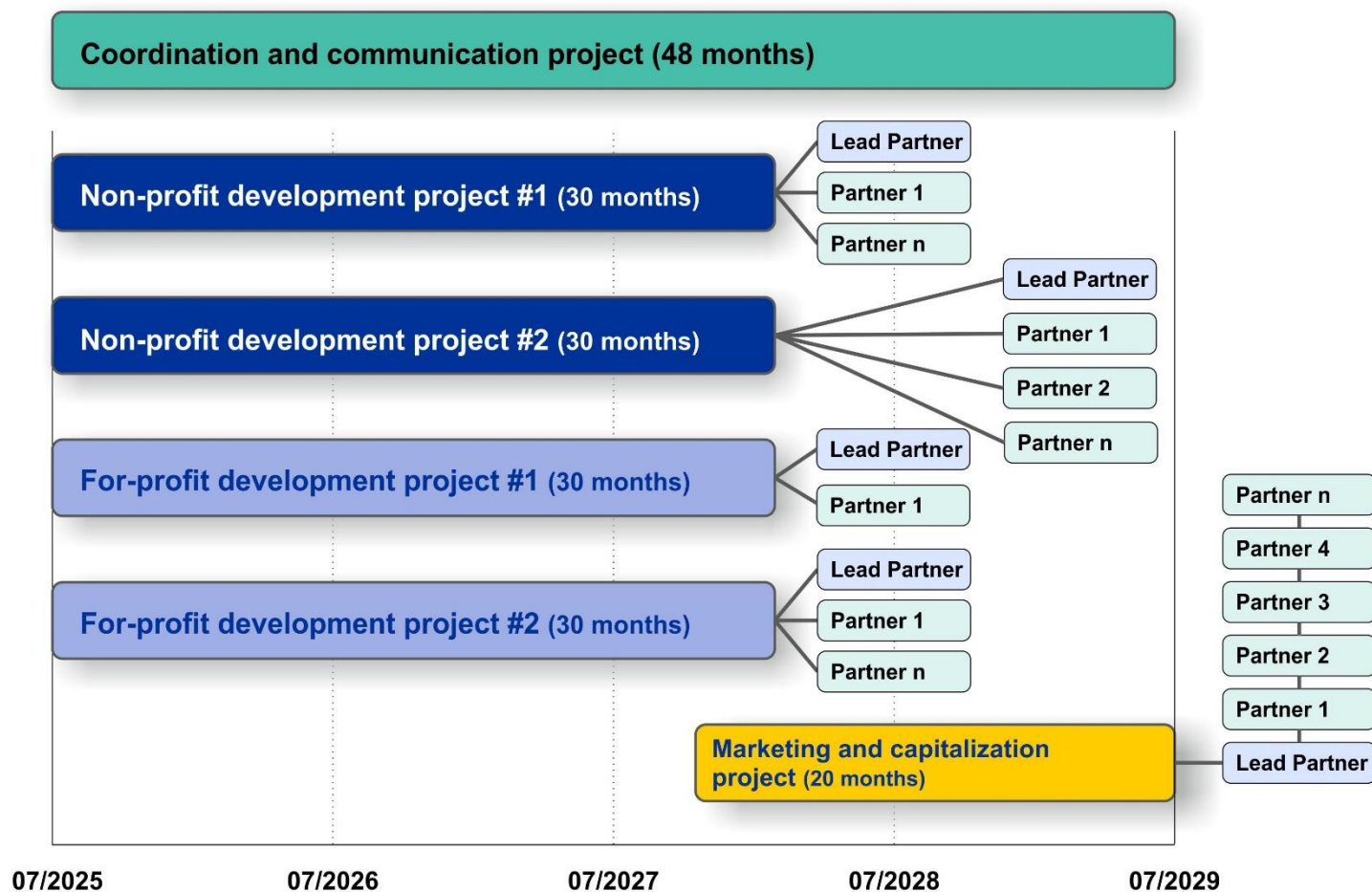


Chart 1): Possible structure and timing of the TAP

Main evaluation aspects

The most important evaluation aspects represent the main criteria that are taken into account in the evaluation. These aspects are the following:

- The joint action plan should focus on innovative, experience-oriented development that mitigates seasonal fluctuations and extends the season, to which relevant complex service development and cross-sectoral networking should be linked.
- In developing the action plan, applicants should endeavour to take a territorial approach, i.e. ensure that the action plan rather supports series of small-scale investments that meet the diverse needs of visitors than a few bigger investments in a single municipality.
- The action plan must aim to increase the attraction potential of the developed sites primarily on the other side of the border through bilingual information boards, cross-border marketing activities and cross-border visitor management.
- For-profit developments must have a functioning business model and must have financial and human guarantees for the durability of the project results.

Target groups

Applications may be submitted by organisations with legal personality, if their project objectives are in line with the objective of Action 2.4.2 and that they have relevant experience with the proposed activities.

Eligible coordinating organisations are the following:

- European Groupings of Territorial Cooperation,
- Regional Governments at NUTS(III) level,
- Territorial Development Agencies,
- Destination management organisations.

Besides the coordinating organizations the main target groups of the Action 2.4.2 are the following:

- European Groupings of Territorial Cooperation,
- local and regional governments and their non-profit or economic organisations,
- Development agencies,
- Destination management organisations,
- National Park directorates,
- Nature Park organisations,
- Museums and cultural institutions,
- Churches,
- Nature and environment protection organisations,
- Non-governmental organisations,
- small and medium sized enterprises.

Partnership

All projects must be implemented within the framework of a partnership consisting of at least one Hungarian and one Slovak partner. According to Article 23 (6) of Council and European Parliament Regulation 2021/1059, this requirement is automatically fulfilled by organisations operating as a legal entity in the form of a European Grouping of Territorial Cooperation (EGTC). The maximum number of project partners is not limited. For each project, the applicants select a Lead applicant (Lead Partner when implementing), who assumes responsibility for the successful implementation of the entire project.

Lead Partner principle

Lead Partner shall bear the responsibilities to represent the whole project towards the Managing Authority, Joint Secretariat, Certifying Authority and Audit Authority. The Lead Partner shall meet the following main requirements (also see: General Terms and Conditions of the Subsidy Contract template and in the Partnership Agreement template):

- assume responsibility for ensuring the implementation of the entire project (however, each partner bears full responsibility for the appropriate implementation of its own project part);
- lay down the arrangements with the other partners in partnership agreement comprising provisions that, inter alia, guarantee the sound financial management of the funds allocated to the projects, including the arrangements for recovering amounts unduly paid;
- ensure that expenditure presented by all Partners has been incurred in implementing the project and corresponds to the activities agreed between all the Partners;
- is accountable for project reporting and administrative actions on project level.

Partners receiving no financial support

Partners that do not receive direct financial support can act as partners without a budget. Partnership can be extended with organisations assisting in project activities, without funding and, therefore, without budget in the application form. They can participate as professional advisors, observers or indirect beneficiaries.

Indicators

Each application must contribute to at least one output indicator and one result indicator. Applicants must agree on the applicable indicators according to their definitions and set their target value in line with the planned outputs and expected project results.

Output indicators

ID	Name	Meas. unit	Definition
RCO77	Number of cultural and tourism sites supported	pcs	Number of cultural and tourism sites supported by the Funds.
RCO58	Dedicated cycling infrastructure supported	km	Length of dedicated cycling infrastructure newly built or significantly upgraded by projects supported. Dedicated cycling infrastructure includes cycling facilities separated from roads for vehicular traffic or other parts of the same road by structural means (kerbs, barriers), cycling streets, cycling tunnels, etc. For cycling infrastructure with separated oneway lanes (ex: on each side of a road), the length is measured as lane length.
RCO87	Organisations cooperating across borders	pcs	The indicator counts the organisations cooperating formally in supported projects. The organisations counted in this indicator are the legal entities including project partners and associated organizations, as mentioned in the financing agreement of the application. Organisations cooperating formally in small projects (for instance under a Small Project Fund) are also counted.

Result indicators

ID	Name	Meas. unit	Description
RCR77	Visitors of cultural and tourism sites supported	visitors/year	<p>Estimated number of annual visitors of cultural and tourism sites supported. The estimation of the number of visitors should be carried out ex post one year after the completion of the intervention. The baseline of the indicator refers to the estimated annual number of visitors of the supported sites the year before the intervention starts, and it is zero for new cultural and tourism sites.</p> <p>The indicator does not cover natural sites for which an accurate estimation of number of visitors is not feasible.</p>
RCR84	Organisations cooperating across borders after project completion	pcs	<p>The indicator counts the organisations cooperating across borders after the completion of the supported projects. The organisations are legal entities involved in project implementation, counted within RCO87. The cooperation concept should be interpreted as having a statement that the entities have a formal agreement to continue cooperation, after the end of the supported project. The cooperation agreements may be established during the implementation of the project or within one year after the project completion. The sustained cooperation does not have to cover the same topic as addressed by the completed project.</p>

Eligibility criteria

Location criteria

Applicants are eligible if they are registered in any NUTS3 region of Hungary or Slovakia. All project activities must be carried out in or at least have an impact on the programme area. The programme area consists of the following NUTS(III) regions:

Hungary

- Győr-Moson-Sopron vármegye
- Komárom-Esztergom vármegye
- Pest vármegye
- Budapest
- Nógrád vármegye
- Heves vármegye
- Borsod-Abaúj-Zemplén vármegye
- Szabolcs-Szatmár-Bereg vármegye

Slovak republic

- Bratislavský samosprávny kraj
- Trnavský samosprávny kraj
- Nitriansky samosprávny kraj
- Banskobystrický samosprávny kraj
- Košický samosprávny kraj

Eligible applicants

Depending on legal form, the following organisations are eligible as partners for the programme:

- Public authorities,
- Public bodies governed by public law,
- Non-profit organisations governed by private law,
- Small and medium sized enterprises,
- Churches.

Public authorities

Public authorities are generally understood as the national, regional, or local authorities assigned with special competencies and performing tasks in public interest and state-owned companies having portfolio according to national legislation.

Public bodies governed by public law

In order to be considered a public law body/ body governed by public law, the concerned organisation has to comply with Article 2.4 of Directive 2014/24/EU, according to which: 'bodies governed by public law' means bodies that have all of the following characteristics:

- a) they are established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character,
- b) they have legal personality, and

- c) they are financed, for the most part, by the State, regional or local authorities, or by other bodies governed by public law; or are subject to management supervision by those authorities or bodies; or have an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.

Private non-profit body

A private non-profit body (legal entities only – a legal personality is required) in the context of the Programme must meet the following criteria:

- a) they do not have an industrial or commercial character,
- b) they have a legal personality, and
- c) they are not financed, for the most part, by the state, regional or local authorities, or other bodies governed by public law; or are not subject to management supervision by those bodies; or not having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.

Small and medium sized enterprises

An enterprise is considered to be any entity engaged in an economic activity, irrespective of its legal form. This includes, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in an economic activity. In the present Call private entrepreneurs and limited liability companies with double-entry bookkeeping are eligible.

Churches

In case of Hungarian partners, an ecclesiastical legal person based on Section 10 of Act CCVI of 2011 (established churches, registered churches and listed churches, and their internal ecclesiastical legal persons). In case of Slovak partners according to the Section 4 of Act No. 308/1991 Zb. (1): A church or religious society is a voluntary association of persons of the same religious faith in an organisation formed according to their religious affiliation on the basis of the internal regulations of the respective church or religious society.

Financial criteria

Small and medium sized enterprises can be eligible if the following criteria regarding their financial background are fulfilled at once:

Duration of operation

Enterprises must have the last two fiscal years closed.

Own equity

Enterprises cannot have their own equity lower than the half of the prescribed capital stock in the last fiscal year.

The Managing Authority reserves the right to ask for guarantees from SME beneficiaries and to determine the means of safeguarding the future claims for the contracting procedures. In addition, the Slovak National Authority reserves the right to ask for guarantees from Slovak SME beneficiaries based on the obligations stipulated in the Memorandum of Understanding signed between Hungary and Slovak Republic.

Cooperation criteria

All projects must be implemented in a partnership established by at least one Hungarian and one Slovak partner. Partners must fulfil at least in three cooperation criteria. Partners shall cooperate in the development and implementation of the projects. In addition, they shall cooperate in the staffing or the financing of projects, or in both as follows:

- **Joint development**
The criterion is fulfilled if the project idea is jointly developed and the Partner declaration is submitted as an Annex to the Application form by each Partner.
- **Joint implementation**
The criterion is fulfilled if each Partner is responsible for at least one core activity.
- **Joint staffing**
The criterion fulfilled if each Partner involve own employee as staff into the project implementation.
- **Joint financing**
The criterion is fulfilled if at least two Partners are financing their project part by the programme.

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Eligible activities

The project objectives must be clearly linked to the objectives of the Action 2.4.2. The tasks of the Partners must be grouped into 'Activities' that have common tangible outcomes. Applicants can upload and describe their activities in the following categories:

Initial activities

All activities that must be done before the core activities begin are considered initial. This includes the elaboration of the detailed technical documentation, the preparation of implementation studies, public tenders or obtaining the necessary permits.

Core activities

Activities serving to achieve the main outcomes of the project are considered core activities. These include activities such as the introduction of new services, construction and infrastructure works or the purchase of equipment. In case of the MCP project, activities related to marketing and capitalization measures are also considered as core activities.

Activities related to investment in infrastructure can only be carried out on land where the partner's property rights are guaranteed. Property rights may be guaranteed by ownership, land acquisition¹ or by permission to use or operate the property for an indefinite period or for at least 10 years from the end date of the project.

Promotional activities

Each partner is committed to promoting the visual identity of the European Union and the Programme and the funding from the European Regional Development Fund. These provisions are implemented as 'visibility measures', which are binding for each partner.

Each partner must communicate its objectives and results to stakeholders, decision-makers and the public. These commitments are implemented as 'communication measures', which are also binding for each partner. Visibility and communication measures may be planned and reimbursed jointly as part of the CCP project for each partner participating in a non-profit or for-profit development project. For more information, please refer to the project funding guidelines published as part of this call.

¹ Only in accordance with point (b) of Article 64(1) of Regulation (EU) 2021/1060

Eligible expenditures

Generally, expenditure is eligible for reimbursement if it is essential for the achievement of the project objectives and outputs and it would not be incurred if the project were not carried out. As a general rule, the expenditure can be reimbursed after it have been incurred and paid by the partner. Furthermore, the programme applies simplified cost option in certain cost categories.

The eligibility period starts on 1 January 2021. As a general rule, the latest possible date for payment of expenditure is 30 calendar days after the end date of the project. In the case, when the end date of project is fallen between 1 December 2029 and 31 December 2029, the payment of expenditures has to be made until 31 December 2029. When uploading the application into the Interreg+ application module one of the following flat rate options must be selected by each applicant:

CCP projects

Staff costs as real cost (Flat rate B)

In case of the CCP projects, staff costs have to be planned and reimbursed as real costs. This option has to be used when the Lead Partner/Partner have significant number of internal employees working on project (e.g. project managers, internal experts). In this case, all other expenses related to project implementation (except staff costs) are reimbursed as a single cost category on a flat rate basis.

The applicable flat rate at partner level is 40% based on Article 56 of 2021/1060 EC Regulation. (In this case all other costs (except staff costs) are covered within the same flat rate). The Lead Partner/Partner does not have to document that the expenditure related to project implementation (except staff costs) has been incurred and paid. Correctness of the applied 40% needs to be checked by controllers as well (mathematic check). Moreover, the deliverable outputs defined during the application (included in the Subsidy Contract) will be checked to ensure that they were implemented accordingly. (In case of no or insufficient results, cost cuts may be applicable.)

Other projects

Flat rate for projects with shared management (Flat rate C)

Other projects where the management duties are shared between the applicant and the CCP project staff costs have to be planned and reimbursed on a flat rate basis. The applicable flat rate is defined as the percentage of direct costs that includes the costs of external services, equipment, and cost of infrastructure and works. This means that all costs other than office and administrative costs and travel expenses are direct costs. The applicable rates at partner level are as follows:

- a) if the Partners direct costs are less than EUR 1,000,000, 10% of the direct costs, but not more than EUR 50,000;
- b) if the Partners direct costs are EUR 1,000,000 or more, 5% of the direct costs, but not more than EUR 75,000.²

² Due to the set ceilings, some partners will not receive exactly 10 or 5 % flat rate; however, the % fixed as the ratio of the ceiling amount and the planned direct costs also remains unchanged during the implementation period of the project parts.

For more information on eligible expenditures, please consult the Eligibility of expenditures published as part of this call.

Source of finance

The programme offers a non-repayable grant consisting of an EU contribution and national co-financing for the selected projects. The indicative ERDF budget of the TAPs is 4.000.000,00 EUR. However, applicants must take into account the financial framework of this call and be aware that the Monitoring Committee will endeavour to optimise the balance between quality, scope and number of projects selected. Furthermore, the following requirements shall be respected, during the planning of the action plan:

Actions	Total project size
Coordination and communication project	up to 6% of the sum of other projects' total budget
Non-profit development project	not limited
For-profit development project	not limited
Marketing and capitalization project	up to 6% of the sum of other projects' total budget

The projects are financed by the European Regional Development Fund, the central budgets of the Member States and the partners' own resources. The national co-financing rate of the partners depends on their legal form and location. The maximum EU contribution rate is 80% of the total budget. Please note that state aid rules must be respected and that in case state aid is relevant, the amount of aid granted may differ from the general model described below. As a main rule, the funding rates for eligible applicants are as follows:

Partners registered in Hungary

Type of beneficiary according to national legislation	EU contribution	National co-finance	Own contribution
Central state budgetary organisations	80%	20%	0%
Entirely state-owned companies	80%	20%	0%
Asset management foundation established by the state. Legal entity maintained by such a foundation.	80%	20%	0%
All other beneficiary type except small and medium sized enterprises	80%	15%	5%
Small and medium sized enterprises	80%	15%	5%

Partners registered in Slovakia

Type of beneficiary	EU contribution	National co-finance	Own contribution
Public authorities	80%	20%	0%
Public bodies governed by public law	80%	12%	8%
Non-profit organisations governed by private law	80%	12%	8%
SMEs or any partner receiving State aid or De minimis	80%	0%	20%

Applying state aid rules

Classification of the supported activities in terms of state aid

The aid measures in case of Specific objective 2.4. (Enhancing the role of culture and sustainable tourism in economic development) allows to implement different activities. Activities planned under project categories: Coordination and communication project, Non-profit development project and Marketing and capitalization project, do not qualify as state aid within the meaning of the TFEU Article 107 (1), because the supported activities can be organized in a non-commercial way, so in some cases these activities are not of an economic nature.

Activities planned under project category For-profit development projects, qualify as state aid within the meaning of the TFEU Article 107 (1), because the supported activities are organized in a commercial way, so these activities are of an economic nature.

As long as the aid measures according to the are considered State aid, the aid measures are granted only in line with the provisions of the Government Decree on the implementation of the cross-border Interreg programmes 2021-2027.

Project categories	Reference to the legal ground	Aid category
For-profit development project	Government Decree on the implementation of the cross-border Interreg programmes 2021-2027 Paragraph 73. Point 6	GBER 20 Aid for costs incurred by undertakings participating in European Territorial Cooperation project GBER 20a Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects GBER 53 Aid for culture and heritage conservation GBER 55 Aid for sport and multi-functional recreational infrastructures GBER 56 Investment aid for local infrastructures De minimis aid

The European Commission considers that public funding of a cultural or heritage conservation activity accessible to the general public free of charge fulfils a purely social and cultural purpose which is non-economic in nature. In the same vein, the fact that visitors of a cultural institution or participants in a cultural or heritage conservation activity, including nature conservation, open to the general public are required to pay a monetary contribution that only covers a fraction of the true costs (maximum 50%) does not alter the non-economic nature of that activity, as it cannot be considered genuine remuneration for the service provided. If the above conditions are met, the aid measures do not qualify as state aid according to the TFEU Article 107(1), since the supported activities do not qualify as economic activities within the meaning of the EU competition law.

Where development of tourism destinations activities (including cultural or heritage conservation and nature conservation) predominantly financed by visitor or user fees or by other commercial means (for example, commercial exhibitions, cinemas, commercial music performances and festivals and arts schools predominantly financed from tuition fees) should be qualified as economic in nature. Similarly, heritage conservation or cultural activities benefitting exclusively certain undertakings rather than the general public (for example, the restoration of a historical building used by a private company) should normally be qualified as economic in nature.

The notion of state aid

Funds granted by Interreg VI-A Hungary-Slovakia must comply with the state aid rules. According to the TFEU Article 107 (1) state aid is defined as *“any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market”*. In practical terms, state aid applies when all five criteria listed below are met:

- 1) The recipient of the aid is an “undertaking”, which is carrying out an economic activity in the context of the project.
- 2) The aid is granted by the State or through State resources and it is imputable to the State, which is always the case for any Interreg programme.
- 3) The aid gives an economic advantage (a benefit), which an undertaking would not have obtained under normal market conditions.
- 4) The aid is selectively favouring certain undertakings or the production of certain goods or provision of certain services.
- 5) The aid distorts or threatens to distort competition and affects trade within the European Union.

Apart from compliance with the aid specific rules, state aid can be granted in consideration of the Chapter I-II of the Commission Regulation (EU) 651/2014³ (hereinafter referred to as: “**GBER**”) and the Commission Regulation (EU) No 2023/2831⁴ (hereinafter referred to as: “**de minimis regulation**”). Comprehensive information on state aid can be found on the [DG Competition website of the European Commission](https://ec.europa.eu/competition-policy/state-aid/legislation/notion-aid_en), where also a guideline on the notion of state aid is available⁵. Also relevant national or regional authorities may be consulted to obtain more specific information on rules and limitations concerning state aid.

State Aid assessment

Submitted application forms undergo a specific “State aid assessment” focusing on the five criteria listed above. This is offered for the applicants as part of the application form in the Programme as a self-assessment, with particular attention to the assessment of the status as “undertaking” (Criterion 1) of the partners (i.e. the lead partner or any project partner) and of the existence of an economic advantage for the undertaking (Criterion 3). Please note, however, that the state aid evaluation is the responsibility of the Member State, and the assessment by the responsible national bodies may overrule the applicants’ self-assessment.

The results of the state aid assessment may lead to one or more of the following scenarios:

- 1) **No state aid relevance.** In this case, no contractual conditions are set on state aid.

³ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty Text with EEA relevance

⁴ Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid Text with EEA relevance

⁵ https://ec.europa.eu/competition-policy/state-aid/legislation/notion-aid_en

- 2) **Risk of state aid that can be removed.** In this case, the MC may approve the project with certain conditions that are included in the subsidy contract in order to eliminate the state aid risks (e.g. wide dissemination, also to competitors, of certain project outputs).
- 3) **Direct state aid granted to one or more partners.** In this case, the entire budget allocated to the concerned partner, that is, the direct beneficiary of the project.
- 4) **Indirect state aid granted to third parties** outside the project partnership. The direct beneficiary of the Programme does not gain advantage. The partner confers the advantage on the third party, therefore the state aid evaluation must be carried out in the relation between the direct beneficiary and the final beneficiary. A contractual condition setting a threshold to the aid granted to third parties is set.

During the implementation of the project, the MA/JS verifies that the concerned partners fulfil contractual conditions on state aid. Any amendment to the project might be restricted if its activities are assessed as state aid relevant. Furthermore, additional contractual conditions on state aid may be given to projects in case of project amendments assessed as state aid relevant. For partners receiving additional national public co-financing to their budgets, the aid granting shall comply with the cumulation and aid intensity rules.

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Common Provisions

Scope

- 1) This Call for proposal does not apply to:
 - a) - with the exception of the Aid for costs incurred by undertakings participating in European Territorial Cooperation project, Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects and De Minimis Aid; - any organisation which, at the time the aid was granted, has not yet fulfilled all its obligations to repay the aid resulting from the Commission's decisions ordering Hungary or Slovakia to recover the aid.
 - b) - with the exception of De minimis aid - undertakings in difficulty;
 - c) aid for production, processing, and marketing of fishery and aquaculture products as defined in Regulation (EU) No. 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organisation of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000 under Aid for culture and heritage conservation, Aid for sport and multifunctional recreational infrastructures, Investment aid for local infrastructures, and De Minimis Aid;
 - d) aid granted in the primary agricultural production sector under Aid for culture and heritage conservation, Aid for sport and multifunctional recreational infrastructures, Investment aid for local infrastructures, De Minimis Aid;
 - e) aid to an undertaking active in the processing and marketing of agricultural products, if:
 - i) the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or marketed by the undertakings concerned; or
 - ii) the aid is conditional on being partly or entirely passed on to primary producers;
 - f) aid to export-related activities, if directly linked to the quantities exported, to the establishment and operation of a distribution or to other current expenditure linked to the export activity;
 - g) aid if it is made conditional on the use of domestic goods instead of imported goods;
 - h) aid with conditions that result in a breach of EU law;
 - i) Aid for costs incurred by undertakings participating in European Territorial Cooperation project, Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects, Aid for culture and heritage conservation, Aid for sport and multifunctional recreational infrastructures and Investment aid for local infrastructures for uncompetitive coal mines, as covered by Council Decision 2010/787/EU.

Incentive effect

- 1) Aid granted under GBER – with the exception of Aid for costs incurred by undertakings participating in European Territorial Cooperation project, Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects, Aid for culture and heritage conservation – may be granted only if the beneficiary has submitted a written application for aid containing the mandatory content elements specified in GBER Article 6(2) before the start of the project.
- 2) Only De minimis aid within the meaning of De minimis Regulation may be granted for costs incurred before the submission of the application for aid.

Cumulation

- 1) In the case of identical or partly identical identifiable eligible costs, aid may be cumulated with other State aid from local, regional, national or Union sources, provided that it does not lead to the maximum aid intensity laid down in the block exemption regulations or in the Commission's approval decision being exceeded.
- 2) Aid may be cumulated with other State aid from local, regional, national or Union sources for different identifiable eligible costs.
- 3) The aid intensity of all aid received for a project, whether financed from Union, national, regional or local sources, shall not exceed the aid intensity or aid amount laid down in the applicable Union State aid rules.
- 4) Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects and De minimis aid that does not have identifiable eligible costs may be cumulated with any other State aid that has identifiable eligible costs. Aid with no identifiable eligible costs may be cumulated with any other State aid with no identifiable eligible costs up to the maximum overall funding ceiling laid down in the block exemption regulations and in the Commission's approval decision.

Aid intensity

In calculating the aid intensity all figures used shall be taken into account before deduction of taxes and duties. The aid paid in several instalments is discounted to the value at the date of the decision to grant aid, using the discount rate.

Miscellaneous

- 1) The beneficiary shall keep all documents and records relating to the aid for a period of 10 years from the date of the decision to grant the aid.
- 2) The aid measures in this Program only be granted in a transparent form, as direct grant.

Specific provisions

Aid for costs incurred by undertakings participating in European Territorial Cooperation project

- 1) In case of Aid for costs incurred by undertakings participating in European Territorial Cooperation projects covered by Regulation (EU) 2021/1059 the aid intensity shall not exceed the maximum co-financing rate provided for in Regulation (EU) 2021/1059 Art. 13 (1).
 - a. To the extent that they are linked to the cooperation project, the following costs, which shall have the meaning ascribed to them in Regulation (EU) 2021/1059, shall be eligible costs:
 - b. staff costs;
 - c. office and administrative costs;
 - d. travel and accommodation costs;
 - e. external expertise and services costs;
 - f. equipment costs;
 - g. costs for infrastructure and works.
- 2) Aid for costs incurred by undertakings participating in European Territorial Cooperation project cannot exceed EUR 2,2 million per undertaking, per project.

Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects

In case of Aid to undertakings for their participation in European Territorial Cooperation projects covered by Regulation (EU) 2021/1059 the total amount of aid granted to an undertaking per project shall not exceed EUR 22 000.

Aid for culture and heritage conservation

- 1) Aid for culture and heritage conservation may take the form of:
 - a) investment aid, including aid for the construction or upgrade of culture infrastructure;
 - b) operating aid.
- 2) The aid shall be granted for the following cultural purposes and activities:
 - a) museums, archives, libraries, artistic and cultural centres or spaces, theatres, cinemas, opera houses, concert halls, other live performance organisations, film heritage institutions and other similar artistic and cultural infrastructures, organisations and institutions;
 - b) tangible heritage including all forms of movable or immovable cultural heritage and archaeological sites, monuments, historical sites and buildings; natural heritage linked to cultural heritage or if formally recognized as cultural or natural heritage by the competent public authorities of an EU Member State;
 - c) intangible heritage in any form, including folklorist customs and crafts;
 - d) art or cultural events and performances, festivals, exhibitions and other similar cultural activities;
 - e) cultural and artistic education activities as well as promotion of the understanding of the importance of protection and promotion of the diversity of cultural expressions through educational and greater public awareness programs, including with the use of new technologies;
 - f) writing, editing, production, distribution, digitisation and publishing of music and literature, including translations. The maximum aid amount shall not exceed either the difference between the eligible costs and the project's discounted revenues or the 70 % of the eligible costs. The revenues shall be deducted from the eligible costs ex ante or through a clawback mechanism. The eligible costs shall be the costs for publishing of music and literature, including the authors' fees (copyright costs), translators' fees, editors' fees, other editorial costs (proofreading, correcting, reviewing), layout and pre-press costs and printing or e-publication costs.
- 3) For investment aid, the eligible costs shall be the investment costs in tangible and intangible assets, including:
 - a) costs for the construction, upgrade, acquisition, conservation or improvement of infrastructure, if at least 80 % of either the time or the space capacity per year is used for cultural purposes;
 - b) costs for the acquisition, including leasing, transfer of possession or physical relocation of cultural heritage;
 - c) costs for safeguarding, preservation, restoration and rehabilitation of tangible and intangible cultural heritage, including extra costs for storage under appropriate conditions, special tools, materials and costs for documentation, research, digitalisation and publication;
 - d) costs for improving the accessibility of cultural heritage to the public, including costs for digitisation and other new technologies, costs to improve accessibility for persons with special needs (in particular, ramps and lifts for disabled persons, braille indications and hands-on exhibits in

museums) and for promoting cultural diversity with respect to presentations, programmes and visitors;

- e) costs for cultural projects and activities, cooperation and exchange programmes and grants including costs for selection procedures, costs for promotion and costs incurred directly as a result of the project;
- 4) In case of the investment aid, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. The operating profit shall be deducted from the eligible costs *ex ante*, on the basis of reasonable projections, or through a claw-back mechanism. The operator of the infrastructure is allowed to keep a reasonable profit over the relevant period. Alternatively, for aid not exceeding EUR 2,2 million, the maximum amount of aid may be set at 80 % of eligible costs.

Investment aid for culture and heritage conservation cannot exceed EUR 165 million per project.

- 5) For operating aid, the eligible costs shall be the following:
- a) the cultural institution's or heritage site's costs linked to continuous or periodic activities including exhibitions, performances and events and similar cultural activities that occur in the ordinary course of business;
 - b) costs of cultural and artistic education activities as well as promotion of the understanding of the importance of protection and promotion of the diversity of cultural expressions through educational and greater public awareness programs, including with the use of new technologies;
 - c) costs of the improvement of public access to the cultural institution or heritage sites and activities including costs of digitisation and of use of new technologies as well as costs of improving accessibility for persons with disabilities;
 - d) operating costs directly relating to the cultural project or activity, such as rent or lease of real estate and cultural venues, travel expenses, materials and supplies directly related to the cultural project or activity, architectural structures for exhibitions and stage sets, loan, lease and depreciation of tools, software and equipment, costs for access rights to copyright works and other related intellectual property rights protected contents, costs for promotion and costs incurred directly as a result of the project or activity; depreciation charges and the costs of financing are only eligible if they have not been covered by investment aid;
 - e) costs for personnel working for the cultural institution or heritage site or for a project;
 - f) costs for advisory and support services provided by outside consultants and service providers, incurred directly as a result of the project.
- 6) In the case of the operating aid, the aid amount shall not exceed what is necessary to cover the operating losses and a reasonable profit over the relevant period. This shall be ensured *ex ante*, on the basis of reasonable projections, or through a clawback mechanism. Alternatively, for aid not exceeding EUR 2,2 million, the maximum amount of aid may be set at 80 % of eligible costs.

Operating aid for culture and heritage conservation cannot exceed EUR 82,5 million per undertaking per year.

- 7) Aid cannot be granted to press and magazines, whether they are published in print or electronically.

Aid for sport and multifunctional recreational infrastructures

- 1) Aid for sport and multifunctional recreational infrastructures may take the form of:
 - a) investment aid, including aid for the construction or upgrade of sport and multifunctional recreational infrastructure;
 - b) operating aid for sport infrastructure;
- 2) Sport infrastructure shall not be used exclusively by a single professional sport user. Use of the sport infrastructure by other professional or non-professional sport users shall annually account for at least 20 % of time capacity. If the infrastructure is used by several users simultaneously, corresponding fractions of time capacity usage shall be calculated.
- 3) Multifunctional recreational infrastructure shall consist of recreational facilities with a multi-functional character offering, in particular, cultural and recreational services with the exception of leisure parks and hotel facilities.
- 4) Access to the sport or multifunctional recreational infrastructures shall be open to several users and be granted on a transparent and non-discriminatory basis. Undertakings which have financed at least 30 % of the investment costs of the infrastructure may be granted preferential access under more favourable conditions, provided those conditions are made publicly available.
- 5) If sport infrastructure is used by professional sport clubs, the pricing conditions for its use are made publicly available.
- 6) Any concession or other entrustment to a third party to construct, upgrade and/or operate the sport or multifunctional recreational infrastructure shall be assigned on an open, transparent and non-discriminatory basis, having due regard to the applicable procurement rules.
- 7) For investment aid for sport and multifunctional recreational infrastructure the eligible costs shall be the investment costs in tangible and intangible assets.
- 8) In case of the investment aid for sport and multifunctional recreational infrastructure, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. The operating profit shall be deducted from the eligible costs ex ante, on the basis of reasonable projections, or through a claw-back mechanism. Alternatively, for aid not exceeding EUR 2,2 million, the maximum amount of aid may be set at 80 % of eligible costs.

Investment aid for sport and multifunctional recreational infrastructures cannot exceed EUR 33 million or the total costs of the project cannot exceed EUR 110 million.

- 9) For operating aid for sport infrastructure the eligible costs shall be the operating costs of the provision of services by the infrastructure. Those operating costs include costs such as personnel costs, materials, contracted services, communications, energy, maintenance, rent, administration, etc., but exclude depreciation charges and the costs of financing if these have been covered by investment aid.
- 10) In case of the operating aid for sport infrastructure, the aid amount shall not exceed the operating losses over the relevant period. This shall be ensured ex ante, on the basis of reasonable projections, or through a claw-back mechanism. Alternatively, for aid not exceeding EUR 2,2 million, the maximum amount of aid may be set at 80 % of eligible costs.

Operating aid for sport infrastructure cannot exceed EUR 2,2 million per infrastructure per year.

Investment aid for local infrastructures

- 1) Investment aid for local infrastructures finances the construction or upgrade of local infrastructures which concerns infrastructure that contribute at a local level to improving the business and consumer environment and modernising and developing the industrial base. Investment aid for local infrastructures shall not apply to aid for infrastructures that is covered by other sections of Chapter III of GBER with the exception of Section 1. Investment aid for local infrastructures shall also not apply to airport infrastructure and port infrastructure.
- 2) The infrastructure shall be made available to interested users on an open, transparent and non-discriminatory basis. The price charged for the use or the sale of the infrastructure shall correspond to market price.
- 3) Any concession or other entrustment to a third party to operate the infrastructure shall be assigned on an open, transparent and non-discriminatory basis, having due regard to the applicable procurement rules.
- 4) The eligible costs shall be the investment costs in tangible and intangible assets.
- 5) The aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. The operating profit shall be deducted from the eligible costs ex ante, on the basis of reasonable projections, or through a claw-back mechanism.
- 6) Dedicated infrastructure shall not be exempted.
- 7) Investment aid for local infrastructures cannot exceed EUR 11 million or the total costs exceeding EUR 22 million for the same infrastructure.

De Minimis Aid

- 1) The gross grant equivalent of de minimis aid granted on the basis of the Commission Regulation 2023/2831/EU (referred to as: De Minimis aid) to one and the same undertaking (“single undertaking”) in Hungary or in Slovakia in the current fiscal year and during the two preceding fiscal years may not exceed the threshold of EUR 300,000 taking into account the De Minimis Regulation Article 3(8) and (9).
- 2) With the exception of the provisions of the De minimis Regulation Article 1(2) an aid cannot be granted to an undertaking for the exceptions according to De minimis Regulation Article 1(1).
- 3) De minimis aid may be cumulated with the de minimis aid for undertakings providing services of general economic interest granted on the basis of the Commission Regulation (EU) No 360/2012 up to the threshold defined in the Commission Regulation 360/2012/EU. De minimis aid may be cumulated with other de minimis aid granted on the basis of other Commission Regulations on de minimis aid up to the threshold of EUR 300,000 and EUR 100,000 in the case of undertakings performing road freight transport for hire or reward.
- 4) De minimis aid shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount defined in a block exemption regulation or a decision adopted by the European Commission.
- 5) The beneficiary shall declare – taking into account the rules of the cumulation – on the gross grant equivalent of the de minimis aid granted in Hungary or Slovakia during the current fiscal year and the previous two fiscal years.

- 6) Please note that in Interreg an undertaking may receive de minimis aid from the Member State participating in the Programme.
- 7) The de minimis thresholds count per “single undertaking”. In case a project partner is part of a group, the entire group is therefore considered as one single undertaking and the de minimis threshold applies to the entire group. This could be for example the case of a company owning (or controlling) one or more companies, or the different departments of a university.

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Horizontal principles

All projects must be implemented in line with horizontal principles on sustainable development, climate resilience, equal opportunities and non-discrimination and equality between men and women.

Sustainable development

The EU and its Member States are committed to implementing the UN 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). The European Green Deal plays an important role in achieving some of these goals. The programme is in line with the EU Sustainable Development Strategy. As the focus is on capacity building, the supported actions should not have a significant negative impact on the environment and are fully compatible with the 'Do No Significant Harm' principle and the Programme's SEA report. These measures should be consistent with the principle of sustainable development. At project level, this means that all partners must demonstrate how their project is consistent with and contributes to sustainable development.

Climate resilience

Climate change is one of the biggest problems and challenges of our time. Stopping or at least mitigating these processes and preparing for the expected impacts and consequences is a major challenge for humanity. For all infrastructural investments planned for a period of at least 5 years it is mandatory requirement to be assessed in terms of climate resilience (see Regulation (EU) 2021/1060 and 2021/1059 of the European Parliament and of the Council). The mandatory climate change resilience assessment aims to identify projects that may have significant greenhouse gas emissions or are highly exposed to climate change.

In the preparation phase, Applicants shall use the "Guide for the Climate Change Resilience Assessment of Infrastructure Projects 2021-2027" document. It will help project planners to design additional measures into their project to ensure that the infrastructure created will continue to operate cost-effectively and fit for purpose in the long term, by considering the likely impacts of climate change and the risks they pose.

Equal opportunities and non-discrimination

The programme aims to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation at all stages of programme implementation and in particular in access to funding.

Beyond this focus, the programme takes up social inclusion as a cross-cutting issue, which means that all applicants must consider the needs of the different target groups at risk of such discrimination, and in particular the requirements to ensure accessibility for people with disabilities. Applicants must explain in their application form how their project respects and possibly even strengthens equal opportunities and non-discrimination.

Equality between women and men

The Programme shall strive to promote gender equality and prevent any discrimination based on gender at all stages of the implementation of the Programme and in particular in access to funding. The programme takes gender equality as a cross-cutting theme. This means that all applicants must explain in their application form how their project will address and possibly even strengthen gender equality.

Mandatory annexes

The mandatory annexes to the applications must be uploaded to the programme's online application system. The type and number of attachments varies for the different project types.

ANNEX I – Partners' declaration of honour

The partners' declaration of honour must be submitted by each partner on a predefined template published as part of this call. The template must be completed, signed by the legal representative of the applicant organisation, scanned and uploaded in the appropriate folder.

ANNEX II – Territorial action plan

The Territorial action plan must be submitted by the Lead applicant of the CCP project on a predefined template published as part of this call. The document must be submitted in two language versions in Hungarian and Slovak and uploaded in the relevant folder.

ANNEX III – Map of the target area

Map of the target area must be submitted by the Lead Applicant of the CCP project. The map has to clearly identify the boundaries of the target area and point the location of each project part. The map shall be equipped with the legend listing the participating organisations. The map shall be submitted in .pdf, .jpg or .png format.

ANNEX IV – Project part concept

Project description must be submitted by each partner on a predefined template published as part of this call. The document must be submitted in two language versions in Hungarian and Slovak and uploaded in the relevant folder.

ANNEX V – Business plan

Business plan must be submitted by each partner implementing project part of a For-profit development project on a predefined template published as part of this call. The document must be submitted in two language versions in Hungarian and Slovak and uploaded in the relevant folder.

ANNEX VI – Simplified technical documentation

Construction documents must be submitted by each partner making infrastructure investments that include the following:

- general technical description,
- cadastral map showing the affected properties with plot numbers, the location of the proposed structure and its surroundings,
- façade plans for all sides,
- floor plans for all levels with furniture indicated,
- 3D visualisation of the interior and exterior,
- photo documentation of the affected land and superstructure (interior and exterior), and
- detailed estimated budget of the planned construction works.

Documents can be prepared in national languages and has to be uploaded in the appropriate folder.

ANNEX VII – CV of the key expert(s)

Each partner must submit the CV of an internal or external expert who have in-depth knowledge of the topic addressed by the project and have provided expert advice on the appropriate development and

the future maintenance and use of the project results. CVs must be uploaded in national languages into the appropriate folder.

ANNEX VIII – De minimis declaration

De minimis declaration must be submitted by each partner on a predefined template published as part of this call. The template must be completed, signed by the legal representative of the applicant organisation, scanned and uploaded in the appropriate folder.

ANNEX IX – Test of undertaking in difficulty

Private entrepreneurs with double-entry bookkeeping and limited liability companies must submit the Test of undertaking in difficulty on a predefined template published as part of this call. The template must be completed, signed by the legal representative of the applicant organisation, scanned and uploaded in the appropriate folder.

ANNEX X – Financial reports

Private entrepreneurs with double-entry bookkeeping and limited liability companies must submit a financial report on the last two closed fiscal year. The document must be uploaded in the appropriate folder in the national languages.

Coordination and communication project

Mandatory annexes for the CPP projects are the following:

- ANNEX I – Partners' declaration of honour
- ANNEX II – Territorial action plan
- ANNEX III – Map of the target area
- ANNEX VII – CV of the key expert(s)
- ANNEX VIII – De minimis declaration

Non-profit development projects

Mandatory annexes for the NDP projects are the following:

- ANNEX I – Partners' declaration of honour
- ANNEX IV – Project part concept
- ANNEX VI – Simplified technical documentation
- ANNEX VII – CV of the key expert(s)
- ANNEX VIII – De minimis declaration

For-profit development projects

Mandatory annexes for the FDP projects are the following:

- ANNEX I – Partners' declaration of honour
- ANNEX V – Business plan
- ANNEX VI – Simplified technical documentation
- ANNEX VIII – De minimis declaration
- ANNEX IX – Test of undertaking in difficulty
- ANNEX X – Financial reports

Marketing and capitalization project

Mandatory annexes for the FDP projects are the following:

- ANNEX I – Partners' declaration of honour
- ANNEX IV – Project part concept

- ANNEX VI – CV of the key expert
- ANNEX VII – De minimis declaration

Submission procedure

Online application form

Application forms must be filled in in English and submitted online via the application module of the Interreg+ monitoring system. Applicants can access the online application module via the following link: <https://husk.interregplus.eu/21-27>

The Call is divided into two parts with different identification numbers. Lead applicants must submit their project proposals as follows:

HUSK/2401/01	Coordination and communication project
	Non-profit development project
HUSK/2401/02	For-profit development project
	Marketing and capitalization project

All applications must be submitted by the Lead Applicants until:
Friday, 20 December 2024, 15:00.

Professional support

CCP applicants are highly recommended to apply for a personal or online professional consultation before the submission by prior arrangement. The responsible manager can be contacted at the following e-mail addresses or phone numbers: Mr. Silvester Holop | szholop@skhu.eu | +36 30 835 8546

Applicants can contact the Interreg+ helpdesk at the following e-mail address:
iplussupport@szpi.hu

Set of documents

The documents relating to this Call for proposals can be downloaded individually or as a single compressed file from the programme's website. The complete set of documents consists of the following:

Ruling documents

- Methodology and criteria for selecting operations (EN)
- Assessment grids (EN)
- Subsidy contract template (EN)
- Partnership agreement template (EN)

Templates of annexes

- Annex I – Partner's declaration of honour (EN/HU/SK)
- Annex II – Territorial Action plan (HU/SK)
- Annex IV – Project part concept (HU/SK)
- Annex V(a) – Business plan (HU/SK)
- Annex V(b) – Cost and benefit analyses (EN)

- Annex VIII – De minimis declaration (HU/SK)
- Annex IX – Test of undertaking in difficulty (HU/SK)

Guides and manuals

- Eligibility of expenditures (EN/HU/SK)
- Guide for the Resilience Assessment of projects funded in Interreg VI-A Hungary-Slovakia Programme (EN)
- Guidelines on project promotion (EN/HU/SK)
- User manual to the Interreg+ Application Module (EN)

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Selection procedure

The assessment procedure of the one-round competitive calls is divided into several stages according to the complexity of the tasks and the competency of different experts:

Admissibility check

The admissibility check confirms whether applications have been submitted on time and in the prescribed form and whether all the required annexes have been attached to the application. If an application does not meet the formal criteria, Lead applicant is requested by email to complete the missing documents. Lead Applicants have 10 calendar days to complete the missing document. The completion procedure is repeated twice. If the application is not complete after the second completion round, the application will be rejected.

Eligibility check

The eligibility check confirms that each applicant is eligible under the relevant call for proposals and that all the activities described in the application form will be carried out in the programme area. The eligibility check also confirms that the partners will cooperate in development and implementation as well as in staffing or financing, or both. Finally, the evaluation confirms whether the predefined declaration of honour on the exclusion criteria has been signed by the statutory representative of the applying organisation.

Quality assessment

As a first step, the quality assessment of the CCP projects submitted for part HUSK/2401/01 is carried out. The CCP projects will be evaluated against the criteria listed in the quality assessment grids published as part of the Call for proposals defined for the HUSK/2401/01 part. These criteria include various questions aimed at covering all aspects of the CCP project and in particular the Territorial Action Plan document submitted as an annex to the CCP project. The evaluators will assess the fulfilment of each criterion on the basis of quantitative scores and textual justifications. For each criterion, scores between 0 and 5 can be assigned based on the comments of the evaluators. The criteria can be weighted according to their importance for the overall score. The total score can be between 0 and 100. The assessment is divided into three parts:

- a) strategic assessment (35 points),
- b) territorial assessment (15 points),
- c) sectoral assessment (50 points).

The final score is the sum of the average scores from each part of the quality assessment. Two thresholds for the minimum score are applied in the quality assessment. Firstly, if the submitted application does not reach the 60% of the maximum score in the strategic and territorial assessment, the application will not be forwarded to the sectoral assessment. Secondly, if the submitted application does not reach 65% of the maximum score in the quality assessment, the project will be rejected without consideration. Based on the results of the quality assessment and considering the programme allocation the Joint Secretariat prepares a ranking list of CCP projects grouped into the following categories:

- a) projects proposed for approval,
- b) projects proposed for approval with condition,
- c) projects proposed to be put on the reserve list,

- d) project proposed to be rejected due to insufficient funds,
- e) projects proposed to be rejected due to not reaching the minimum threshold of scores.

Once the ranking list of CCP projects has been drawn up, the quality assessment of the other projects submitted for part HUSK/2401/02 will begin. In the second-round sectoral assessors evaluate only projects that were associated with the CCP projects proposed for approval, approval with conditions or put on the reserve list. The projects will be evaluated against the criteria listed in the quality assessment grids published as part of the Call for proposals defined for the HUSK/2401/02 part. These criteria include various questions aimed at covering all important aspects of the projects. The sectoral assessors evaluate the fulfilment of each criterion on a qualitative basis, providing textual justifications and classify the applications into the following categories:

- a) projects proposed for approval,
- b) projects proposed for approval with condition,
- c) projects proposed for re-submission,
- d) projects proposed to be rejected due to qualitative reasons.

State aid check

The objective of the state aid check is to evaluate the conformity of the application with the relevant State aid rules.

For more information on quality assessment criteria, please consult the **Assessment grids HUSK/2401/01** and **Assessment grid HUSK/2401/02** and the **Methodology for selection of operations** published as part of this call.

Monitoring Committee decision

Based on the results of the quality assessment and the thresholds reached by the project proposals, the following decisions can be taken by the monitoring committee in accordance with its Rules of Procedure:

- a) projects approved,
- b) projects approved with conditions,
- c) projects proposed for re-submission,
- d) projects put on the reserve list,
- e) projects rejected due to insufficient funds,
- f) projects rejected due to not reaching the minimum threshold of scores,
- g) projects proposed to be rejected due to qualitative reasons.

After the decision of the Monitoring Committee, the Managing Authority informs the Lead Applicants of the outcome of the quality assessment and the decision of the Monitoring Committee.

Complaint procedure

A complaint can be filed against the decision as part of a fair and transparent procedure. Complaint can be filed against the funding decision regarding the project selection applied to the Lead Partner whose

- a) project application was not selected for programme financing during the project assessment or the selection process, or whose
- b) project application was approved for programme co-financing under conditions set by the Monitoring Committee if the disagreement on the conditions cannot be resolved during the contracting process between the Managing Authority and Lead Partner.

The complaint shall be written in English and can be lodged only against the following criteria:

- a) based on the selection criteria approved by the Monitoring Committee the outcomes of the eligibility or quality assessment of the project application do not correspond to the information provided by the Lead Partner during the project assessment and selection process; and/or
- b) the project assessment and selection process failed to comply with specific procedures laid down in the Call for proposals, Applicant's manual or any other guiding document that materially affected or could have materially affected the decision.

The complaint should be lodged in writing to the Joint Secretariat within 14 calendar days after the Lead Partner had been officially notified about the results of the project selection process or conditions set by the Monitoring Committee. The complaint should include:

- a) name and address of the Lead Partner;
- b) reference number of the application which is a subject of the complaint;
- c) clearly indicated reasons for the complaint, including listing of all elements of the assessment which are being complaint and/or failures;
- d) signature of the legal representative of the Lead Partner;
- e) any supporting documents.

For more information about the complaint procedure, please consult the **Methodology for selection of operations** published as part of this call.

Contracting procedure

The Subsidy contract setting out the conditions for the entire project is concluded between the Managing Authority and the Lead Partner. As a result, the Lead Partner is legally responsible for the delivery of the whole project. General tasks of the Lead Partner are specified in the Subsidy contract template published as part of the present Call.

Once the Lead Partners have been notified, each partner of a selected project will be invited to participate in the pre-contracting consultation. The aim of the consultation is to present the decision of the Monitoring Committee to the partners, including possible proposals for improvements, conditions or financial corrections. Programme managers of the JS discuss the project activities, expenditure and indicators with the partners and, in case of shortcomings, make proposals for project modification before contracting. The programme managers also revise the project budget and make proposals for reallocation between budget lines if the principles of sound financial management may be at risk.

For more information on the terms and conditions of the contract, please consult the template for the **Subsidy Contract** the **Partnership Agreement** published as part of this call.

Mandatory documents for contracting

For each project, the subsidy contract for the EU contribution can be signed if the following documents are submitted by all project partners:

Proof of eligibility

Foundation document

Each partner must submit a copy of the organisation's founding document according to its nature (e.g. founding letter, memorandum, articles of association, partnership agreement, etc.).

Certificate

Each partner must provide an authentic certificate of the organisation issued by the registering authority (e.g. ministry, court, tax office, etc.) not older than 30 days.

Specimen of signature

Each partner must submit the specimen of signature of the legally authorised representative(s) uploaded in the appropriate folder.

Declarations on SME qualification

Each SME Partner must submit an SME qualification statement on template provided by the JS. The declaration template must be downloaded, completed, printed and signed by the legal representative(s).

Confirmation of the Tax Authority

Each SME Partner registered in Slovakia must submit confirmation of the Tax Authority about no public debt or record in their database of organizations having no public debt.

Confirmation of the social insurance company

Each SME Partner registered in Slovakia must submit confirmation of the social insurance company about no due payment or record in their database of organizations having no due payment.

Confirmation of the health insurance company

Each SME Partner registered in Slovakia must submit confirmation of the health insurance companies about no due payment or record in their database of organizations having no due payment.

Proof of property ownership rights

Any partner making investments in infrastructure must provide one of the following documents for all parcels:

Property deed

If the Partner is the owner of the property, applicants must submit the property deed, which is not older than 90 days at the time of submission.

Long term permission to use or operate

In case the Partner does not own the property, the Partner shall submit

- permission to use or operate the property for an indefinite period or for at least 10 years after the end date of the project,
- declaration of consent of the current owner to the planned investment and
- property deed not older than 90 days at the time of submission.

Documents for the purchase

If the Partners are willing to purchase the property under the project, they must submit the following documents:

- letter of intent to sell or preliminary purchase agreement for the property,
- property deed not older than 90 days at the time of filing, and
- independent appraisal report not older than 90 days at the time of filing.

Detailed technical documentation

Depending on the type of building permit required, Partner implementing investment in infrastructure must submit the detailed technical documentation of the development.

Climate resilience assessment

For all infrastructural investments planned for a period of at least 5 years it is mandatory requirement to be assessed in terms of climate resilience (see Regulation (EU) 2021/1060 and 2021/1059 of the European Parliament and of the Council).

Permission to build or renovate

Depending on the type of building permit required, the Partner must submit one of the following documents:

Notification

If the investment requires only a notification to the competent authority, the Partner must submit the notification and the official declaration of the competent authority.

Building permission

If the investment requires a building permit issued by the competent building authority, the Partner must provide the copy of the official building permit.

Depending on the type of the project part, the Managing Authority or the Joint Secretariat may request further documents for the contracting procedure (e.g. long-term recovery and operational concept, 3D visualisation of the interior, exhibition concept, detailed marketing plan etc.). The MA may terminate the contracting procedure and withdraw from the subsidy contract if the partner is not able to submit the required documents in due time.

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Data protection and processing policy

The controller (hereafter: Data controller) of the data provided in the application is the Managing Authority and the Joint Secretariat. The Data controller processes personal data in accordance with the principles of good faith, fairness and transparency and subject to applicable law and the provisions of this Policy. The Data controller processes personal data only on the basis of the Data Protection and Data Processing Policy and for a specific purpose and does not go beyond that purpose.

If the Data controller intends to use personal data for a purpose other than the original purpose, the Data controller shall inform the data subject of that purpose and use and obtain the data subject's prior and explicit consent (unless there is another legal basis established by the GDPR), and the Data controller shall give the data subject the opportunity to defy the use of the personal data.

The Data controller does not control the personal data provided, the person who provided the personal data is responsible for its appropriateness. The Data controller does not disclose any Personal Data unless the Data controller is entitled and obliged to transfer or forward Personal Data available to the Data controller and duly stored by the Data controller to the competent authority, where the transfer and forwarding of Personal Data is stipulated by a law or a legally binding official order. The Data controller shall not be liable for any such transmission or its consequences.

The Data controller shall ensure the security of personal data, take all technical and organisational measures and establish procedural rules to ensure the protection of personal data collected, stored and processed and to prevent accidental loss, destruction, unauthorised access, use, unauthorised alteration and unauthorised disclosure.

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