



Applicant's manual

in the frame of the

INTERREG V-A SLOVAKIA-HUNGARY COOPERATION PROGRAMME

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Introduction

The Interreg V-A Slovakia-Hungary Cooperation Programme [Cooperation Programme] operates within the 2014-2020 European Union [EU] financial frameworks as the part of the 3rd objective of EU Cohesion Policy. Interreg programmes have the objective of promoting good neighbourly relations, of fostering stability, security and prosperity in the mutual interest of all countries concerned and of encouraging their harmonic, balanced and sustainable development.

The Interreg V-A Slovakia-Hungary Cooperation Programme document was approved by EC Decision C(2015) 6805 on 30 September 2015. The overall European Regional and Development Fund [ERDF] support for the implementation of the Cooperation Programme is 146 460 448 EUR. The Programme's specific aim is to make the Slovak-Hungarian border region more cohesive, environmentally friendly and competitive by sustainable use of natural and cultural heritage, improving accessibility, improving employment opportunities and supporting institutional and people to people cooperation. These themes are translated into four priority axes [PA].

The present call is the first round of a two-round selection procedure launched in the frame of the third priority axis – Promoting sustainable and quality employment and supporting labour mobility. The amount of the financial allocation for the PA3 and the present call is 34 608 080 EUR. The Monitoring Committee [MC] reserves the right to award different amount of the available funds. The call is open from 8th of September until 30th of November 2017.

The Managing Authority [MA] may modify the terms of the call by amendment at any time prior to the deadline for submission of applications. The amendments may not affect the eligibility and the evaluation criteria. In order to afford reasonable time for Applicants to fulfil the modified terms of the Call, the Managing Authority may extend the deadline for the submission of applications. If Applicants submitted the application before publishing an amendment Applicants cannot suffer disadvantage due to the modified terms of the conditions. The MA after consultation with the National Authority [NA] may decide to cancel the call for proposals procedure at any stage, but particularly if

- there have been irregularities in the procedure, in particular where these have prevented equal treatment;
- in exceptional circumstances or force majeure render the normal implementation of the planned actions impossible.

If the Call for proposals is cancelled information on cancellation will be published on the www.skhu.eu website. Any potential losses from cancellation are not entitled for compensation.

Applications approved by the Monitoring Committee in the first round of the selection procedure will be requested to submit project proposals for the second round of selection procedure. In the second round Applicants have to elaborate the approved project proposals in detail until the given deadline. The Call for proposals for the second round is expected to be launched in February of 2018. Rules and conditions of the second round will be published on the Programme's website in prior time before the deadline for the submission.

While the Call for proposals is open Info days will be held on the programme area. For further information or personal consultation please visit the Programme website or contact directly the Joint Secretariat [JS] or the nearest Info Point [IP].

1. Basic principles

Priorities and objectives

Mobility of cross-border labour force is mostly determined by the level of the unemployment rate, language shortages of the labour force and lack of infrastructural conditions. According to the analyses of the Programme document employment and labour force mobility can be improved by the:

- utilization of endogenous potentials;
- implementation of local initiatives and local employment strategies;
- better match between labour demand and supply;
- increasing of the cooperation level between small and medium sized enterprises and
- the qualification level of the labour force.

The third priority axis [PA3] of the Cooperation Programme – **Promoting sustainable and quality employment and supporting labour mobility** – focuses on the development of key conditions for improving labour mobility and puts emphasis on the integration of the cross-border labour market. PA3 fosters creation of employment opportunities based on *endogenous potentials* and improves the accessibility to job opportunities.

Similarly to economic activity, unemployment rate and long term unemployment rate shows significant regional differences along the programme area. The specific objective of the third priority axis is to **decrease employment inequalities among the regions with a view to improving the level of employment within the programming region**. According to this application creating working places or supporting labour mobility in less developed areas will be preferred during the selection procedure. As a result of the implemented projects the employment level of the less developed regions of the programming area is expected to grow, and the conditions of the cross-border commuting and accessibility to employment will be improved.

Endogenous development

PA3 fosters creation of employment opportunities based on *endogenous potentials*. Endogenous development is founded on the production of ‘social capability’ at the level of the community of institutions and firms that operate on local sphere. Endogenous potentials include various local resources like:

- location (*distance from specific resources, infrastructure or facilities, centre-periphery relations*);
- natural resources (*landscape, soil, water, climate, flora and fauna, clean environment, raw materials*);
- human resources (*creativity, motivation, education, special skills, knowledge*);
- social resources (*cooperation culture, identity, confidence, public relations*);
- institutional resources (*organization structure of the local economy, effectivity of local authorities, trade possibilities, institutional cooperation*);
- resources related to special goods (*special, traditional or innovative local goods*).

The aim of the PA3 is to stimulate regional development by the support of those organizations that are able to capitalize endogenous potentials of the target area and bring new sustainable employment possibilities.

Territorial Action Plan for Employment

The complexity of the specific objective determines comprehensive development plans which induce integrated projects including infrastructural elements and soft activities. **Since expected results require complex interventions, applicants - as a first step - are obliged to create complex development plan called Territorial action plan for employment [TAPE].**

First, each TAPE has to appoint its target area. The target area has to be geographically continuous and has to include territories of both member states. Applicants shall clearly identify territorial needs on the appointed area and answer these needs by proposing interrelated group of projects with an overall view to create new jobs and enhancing cross-border labour mobility. Each TAPE has to contain minimum three maximum eight project proposals that are in synergic or complementary relation. Projects proposals within the TAPE shall be designed in line with the list of eligible actions. Each project included into the TAPE has to be absolutely necessary for the overall success of the TAPE.

Each TAPE must serve the establishment of new working places and contribute to PA3's result indicator. Each project proposal within the TAPE has to contribute to at least one *Common and programme specific output indicator*. TAPes have to include minimum one project proposal that specifically contributes to common output indicator measuring *the increase of employment in supported enterprises*.

Application package

Before getting started, Applicants shall learn all supporting materials available on Programme website. The application package published for the present call contains the following documents:

Fill in guides and manuals

- Call for proposals [CFP]
- Applicant's manual [Manual]
- Annex I. of the Treaty
- 44/2016. (III.10.) Government Regulation in relation with state aid rules
- Visibility guide for projects
- How to write clearly

Documents of the selection procedure

- Methodology and selection criteria [Methodology]
- Quality assessment grid [QAG]
- Assessment guide [AG]

Application

- Application form 1 – TAPE Part I. [AF1]
- Application form 2 – TAPE Part II. [AF2]
- Template for Letters of intent

Fill in guides and manuals

The **Call for proposals** contains basic information about the call. **Applicant's manual** provides detailed description of Programme rules, conditions of the call and practical information about the TAPE or project development. *In the frame of the present call activities concerning products of the soil and of stock farming produced by primary agricultural production sector are not supported.* The list of agricultural products is set by the **"Annex I. of the Treaty"**. Staid aid rules shall be applied in line with the Hungarian Government regulation **44/2016. (III.10.) Government Regulation in relation with state aid rules** related to the funds provided by the European Territorial Cooperation Programmes for the 2014-2020 programme period. Applicants shall plan their communication expenditures in line with further communication tasks and mandatory visibility elements which are described in **Visibility guide for projects**. Applicants shall formulate their texts as simple as it is possible. Before filling in the application forms applicants shall read a short guide **How to write clearly**.

Documents of the selection procedure

The **"Methodology and selection criteria"** contains basic rules of the Programme's selection procedure. The **"Quality assessment grid"** and the **"Assessment guide"** allow applicants to improve their application through leaning the quality assessment criteria before the submission of their proposal.

Application

In the first round of the selection procedure applicants shall submit only a Territorial action plan for employment (*Application form - Part I. and Part II.*) and Letters of intent.

The Territorial action plan for employment shall be elaborated on two predefined document templates. The first part of the TAPE is a *Word* document (*.docx*) created to handle long textual parts. Applicant shall formulate text parts as simple as possible. Before starting to fill in Applicants shall read the document: "How to write clearly?" which presents useful writing ad phrasing technics that may help the assessors proper understanding. All fill in fields are red bordered and most of them are limited in characters. Applicants shall carefully think over each message and phrase the paragraphs according to the allowed amount of characters.

The second part is an *Excel* document (*.xlsx*) fitted for quantitative data as budgets, indicators or contact data overviews. In order to fill both parts appropriately Applicants shall follow tutorial information placed in application forms.

The TAPE has to be implemented by broad partnership of local actors operating on the target area coming from both member states. Members of this *Consortium* declare their true intent to fully cooperate and implement projects jointly in **Letters of intent. Letters have to be filled and signed by each Beneficiary and Associated partner separately.**

Applicants are allowed to submit further **supporting documents** (*preferably in electronic format*) which – according to their opinion – help the correct interpretation of the proposal (*e.g. map of the target area, summary of the preparation meetings, studies, photo documentations, description of new products etc.*).

2. List of eligible actions

The TAPE has to clearly identify territorial needs on the appointed area and answer these needs by proposing interrelated group of projects. Each TAPE has to include minimum 3 up to 8 project proposals. Each project proposal has to be designed in line with the list of eligible actions serving as guidelines for defining objectives and activities of the submitted project proposals. The proposed projects have to be in synergic or complementary relation. Project proposals which are not indispensable part of the TAPE will be not supported.



Synergy

In case of synergic relation the results or the added value of several projects shall be greater than the sum of the individual projects. In other words, synergy is interaction or cooperation of two or more projects to produce combined effects that are greater than the sum of their separate effects.

Complementarity

In case of complementarity reaching the expected results of a specific project is not possible without the implementation of other project within the TAPE.

Project proposals which have no remarkable synergic or complementary relationship with other proposals within the TAPE therefore are not or having any direct or indirect added value to employment or labour mobility objectives of the TAPE will not be supported. Each Key action or supplementary project has to be in synergic or complementarity relationship with minimum one other project within the TAPE.

Key actions

Each project proposal has to be designed in line with the list of eligible actions. The TAPE can include more different projects developed in line with the same eligible action. Eligible actions are divided into two groups. Projects directly creating new working places or enhancing the labour mobility shall be designed according to **key actions**. Each TAPE has to include at least one project proposal [**Key action project**] that is developed in line with one of the following key actions:

1) Development of local products and services creating new working places:

- development of local products¹ and services² built on endogenous potentials;

¹ Activities concerning products of the soil and of stock farming produced by primary agricultural production sector are not supported. Activities concerning processing of agricultural products are supported in case the final product is not considered as agricultural. The list of agricultural products is set by the Annex I. of the Treaty.

² Activities concerning hotel and accommodation services, restaurant and catering services, direct trade and commercial services are not supported in the frame of the Programme.

- improvement of public services on the field of education, health and social services providing better access to urban functions.

2) Improving cross-border labour mobility³:

- construction of cross-border roads, bridges and infrastructure for ferries⁴;
- development transport services supporting labour mobility⁵;
- development of accommodation facilities for commuting workers (e.g. hostels).

Supplementary actions

The TAPE can also include projects that are developed in line with supplementary actions **[Supplementary projects]**. **Supplementary projects shall** ensure or exceed the effectivity of key action projects. TAPE can include projects reflecting on the following supplementary actions:

1) Modernization and structural transformation of specific areas⁶

In the frame of the action renovation and modernization of specific areas contributing to structural transformation ensuring new ways of utilisation and sustainable development are supported.

2) Launching integrated cross-border employment initiatives:

- concluding cross-border employment pacts;
- facilitating employment of permanently unemployed persons;
- harmonization of labour demand and supply;
- promoting cross-border employment possibilities and labour-market cooperation initiatives;
- implementing of innovative employment projects;

3) Business services promoting employment:

- providing background employment services reducing administrative burdens;
- initiatives facilitating cross-border spread of business information;
- development of joint IT systems, networks to support cross-border employment;

4) Joint education and training programmes

- exploration and preparation of training needs, with the aim of determining the training directions necessary for the labour market;
- awareness raising among employers (*business associations, enterprises, in particular SMEs*) in the area of preventing and combating discrimination;
- common use of expert and consultancy services:
 - legal counselling for people experiencing discrimination in the labour market,

³ Cross-border labour mobility projects are supported in case of direct link between the project results and filling possible job vacancies.

⁴ Construction of cross-border roads, bridges and infrastructure for ferries with TEN-T relevance are not supported in Priority axis 3.

⁵ Public transport companies are not supported in PA3.

⁶ Specific areas are rust belts and declining industrial zones, poorly maintained or unused industrial or agricultural facilities, local entrepreneurial incentive spaces and facilities.

- monitoring and fighting against discrimination on the labour market,
- incentives for employers;

5) Other

Applicants are allowed to create project proposals that are not reflecting directly on proposed supplementary actions in case the objectives of the proposed projects are well founded and necessary to fulfil the specific objectives of the TAPE.

3. Partnership requirements

Consortium

The TAPE requires broad partnership of local actors from many sectors coming from both member states. **This partnership – called *Consortium*⁷ – may include maximum 24 beneficiaries and 8 associated partners.** All beneficiaries have to take direct responsibility for the preparation and management of the proposed project activities both from professional and financial point of view and may not act as intermediaries. **Each Consortium has to include minimum one enterprise as Beneficiary of a specific project proposal.** Beneficiaries and associated partners shall be experienced and their professional profile shall be in line with the role and activities described in the TAPE.

Project partnership

Members involved into the *Consortium* have to create individual *Project partnerships* which must fulfil the Programme's cross-border criteria one by one. The minimum requirement for *Project partnerships* is to have at least one Slovak and one Hungarian Beneficiary. This requirement is automatically fulfilled by the organisations operated in the form of European Groupings of Territorial Cooperation type of legal bodies. **The maximum amount of partners involved into one project proposal is 6 beneficiaries and 4 associated partners.** Any Beneficiary or Associated partner can be involved into more project proposals.

Cooperation criteria

During the creation of project partnerships members shall mind the minimum requirements of cooperation criteria. These criteria will be closely observed in the second round of the selection procedure.

The cooperation criteria are fulfilled in case the:

- project idea is jointly developed and planned by the Beneficiaries;
- the activities, outputs and results are jointly carried out by the Beneficiaries and
- each Beneficiary provides internal management and/or internal expert to support the project activities or at least 5% of project budget is invested at each Beneficiary.

⁷ The Consortium is a targeted association of all Beneficiaries and Associated partners to implement the TAPE. The Consortium does not have to be registered or founded legally.



Professional background

Beneficiaries must be linked professionally to projects must have major contribution and impact within the partnership. Beneficiary having no clear contribution and impact regarding the project objectives within the project partnership might be withdrawn during the second round of the selection procedure.

Beneficiaries

Lead Beneficiary

Beneficiaries involved into specific *project partnership* shall appoint one organization among themselves to act as Lead Beneficiary. The Lead Beneficiary shall meet the following requirements:

- lay down the arrangements with other partners in an 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;
- assume responsibility for ensuring implementation of the entire project;
- ensure that expenditure presented by all Beneficiaries has been incurred in implementing the operation and corresponds to the activities agreed between all the Beneficiaries.

Lead Beneficiary has to be nominated for each project and that particular organization will bear the responsibilities to represent the whole project towards the Managing Authority, Joint Secretariat, Certifying Authority, Audit Authority etc. The Managing Authority shall sign a Subsidy contract with the Lead Beneficiary setting out the conditions for support for the entire project. As a result the Lead Beneficiary is considered to be the organization that is legally responsible for the delivery of the project.

The general duties which fall onto the Lead Beneficiary include:

- submission of the Application form in the second round of selection process;
- compiling the financial claims and collecting the partners claims verified by the relevant body;
- submission of the Project reports;
- submission of the project's financial claims;
- receiving payment of the ERDF support and distributing it amongst the partners;
- recovering amounts paid in error to other partners in the project;
- ensuring the delivery of outputs stipulated in the approved Application form;
- ensuring that all Beneficiaries carry out activities in line with the approved application form;
- ensuring that all activities are carried out in line with the approved time plan;
- submission of Follow up reports after the closure of the project.

Cross-border beneficiary

All project partnerships must have eligible partners from both countries of the programme area. The minimum setup of the partnership is that the Lead Beneficiary has at least one cross-border partner which has seat on the other side of the border. In case there is more than one partner with registered seat in Slovakia, Slovak partners appoint one organization among themselves as Main cross-border

beneficiary. The role of the Main cross-border beneficiary is to conclude the National co-financing contract on behalf of all Slovak beneficiaries.

Associated partner

Associated partners are partners who do not contribute financially to the project but have an interest in its results. They effectively act as professional guarantee or observers. Partner benefitting from project results (e.g. receiving indirect support in a way of consultancy or training services or by as tenants of the renovated premises etc.) but does not willing to engage financially in the frame of the programme can act as an Associated partner. In this case the associated partner is allowed to ensure the fulfilment of mandatory indicators (e.g. creation of new working places) without financial engagement.

4. Eligible Applicants

Location criteria

Beneficiaries shall have their seats or a regional/local branch registered on the programme area. Organisations having their headquarters outside of the programme area but have registered branch within are also eligible in case the substantive part of project implementation will be carried out on the programme area. In this case the registered local branch office is acting in the partnership.

The programme area covers 13 NUTS III level eligible regions adjacent to the Slovak-Hungarian border. Two regions have no direct connection with the state border. Their interests are based on territorial proximity and border effect influences experienced. In Slovakia 5 self-governing regions and in Hungary 8 NUTS III level regions are eligible as set out in the following table:

Eligible regions

SK010	Bratislavský samosprávny kraj	HU221	Győr-Moson-Sopron megye
SK021	Trnavský samosprávny kraj	HU212	Komárom-Esztergom megye
SK023	Nitriansky samosprávny kraj	HU102	Pest megye
SK032	Banskobystrický samosprávny kraj	HU313	Nógrád megye
SK042	Košický samosprávny kraj	HU312	Heves megye
		HU311	Borsod-Abaúj-Zemplén megye
		HU323	Szabolcs-Szatmár-Bereg megye
		HU101	Budapest főváros

Eligible applicants by type

Eligible applicants can be local actors representing many sectors coming from both member states. In the first round of selection procedure applicants shall identify themselves in the following indicative list of eligible applicants:

- public institutions;
- state owned companies;
- universities and colleges;
- county or regional municipalities;
- municipalities,
- European groupings of territorial cooperation [EGTC];
- chambers;
- development agencies,
- local action groups;
- social partners;
- non-governmental organisations;
- private institutions serving public interests;
- social enterprises;
- micro⁸, small and medium sized enterprises.

Special requirements for enterprises

An enterprise is considered to be any entity engaged in an economic activity, irrespective of its legal form and the way in which they are financed (e.g. municipality, NGO etc.). 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.

The category of micro, small and medium-sized enterprises ('SMEs') is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million. Within the SME category, a micro-enterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

In PA3 only those enterprises are eligible which have closed minimum 2 fiscal years until the submission date of the application for the second round of selection procedure (approx. in February 2018).

⁸ Individual entrepreneurs are eligible as micro enterprises. Primary agricultural producers are not eligible.

Exclusion criteria

Applicants are eligible only if the following conditions are met:

- their legal personality is in accordance with the legislation of Slovakia and Hungary and are exclusively legal entities;
- they have fulfilled their obligations relating to the payment of social security contributions and/or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Managing Authority or those of the country where the contract is to be performed;
- they are not bankrupt or being wound up, are not having their affairs administered by the courts, have not entered into an agreement with creditors,
- have not suspended business activities, are not the subject of proceedings concerning those matters, or are not in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- they have not been convicted of an offence concerning their professional conduct by a judgement which has the force of 'res iudicata';
- they have not been guilty of grave professional misconduct proven by any means which the Managing Authority or the National Authority can justify;
- they have not been the subject of a judgement which has the force of 'res iudicata' for fraud, corruption, involvement in a criminal organisation or for any other illegal activity detrimental to the Community's financial interests;
- they are not subject to a conflict of interests connected to their participation in the present Call;
- they are not guilty of misrepresentation in supplying the information required by the MA/NA as a condition of participation in the Call or in failing to supply information;
- they have not attempted to obtain confidential information or to influence the Monitoring Committee or the MA/NA/JS during the assessment process of the current or a previous Call.

5. Structure of the TAPE

Analyses

In the first part of the TAPE applicants shall define the target area. **The target area has to be geographically continuous and has to include territories of both member states.** It should be large enough to 'offer sufficient critical mass in terms of human, financial and economic resources to support a viable development strategy', but, secondly, 'it shall also be sufficiently small in order to allow local interaction.' The territory should form a coherent unit in geographical, economic and social terms, taking into account the nature of the strategy. The shape of the target area rather shall be the right shape or size for dealing with challenges concerning the labour market or the problems facing certain clusters of economic activity than coherent from a physical point of view. As a result the area may not coincide with national administrative boundaries.

The analyses shall contain detailed description of the population, social and economic environment, the current status of employment and mobility, labour market and identification of endogenous potentials of the target area. **According to the analysis Applicants have to clearly identify territorial needs in field of employment and labour mobility.**

Mission

As a next step Applicants have to draw up the TAPE's overall and specific objectives. Please note that the Programme will support only TAPEs that are consistent with the relevant Specific objective and contribute to achievement of its expected results. If the TAPE objectives fall outside the scope of the Cooperation programme's Specific objective or the implementation of the TAPE carries significant risk regarding the implementation, feasibility or sustainability, the application cannot be financed by the Programme.

Territorial and sectorial integration

The TAPE should not be implemented as a standalone employment action plan. Applicants have to learn socio-economic development plans of counties that are involved into the TAPE's target area and develop their TAPE in line with the existing regional development plans.

In both member states several sectorial initiatives are in progress that are financed by mainstream programs, state budget resources, other community funds (*European Agricultural Fund for Rural Development and European Social Fund*) or other programmes financed by European Regional Development Fund supporting employment or mobility initiatives. In order to reach the maximum effectivity of the different initiatives applicants shall design the TAPE to integrate actions in field of employment and labour mobility financed by other resources.



Regional development plans can be downloaded from the Programme website. Applicants shall learn the relevant territorial strategies and identify the possible fields of the local integration.

Cross-border aspect

The TAPE must have clear cross-border aspect. It has to demonstrate the additional character of the cross-border approach compared to regional, national, interregional or transnational approaches. Applicants shall describe the cross-border impact and the cross-border approach of the TAPE as well.

Cross-border cooperation aims to tackle commonly similar challenges on both sides of the border and to jointly exploit the untapped endogenous potentials in border areas. In this manner applicants shall highlight the **cross-border impact** and the **cross-border approach** of the TAPE. In case of cross border impact applicants shall focus on *results* and have to describe why cross-border cooperation is needed to achieve the objectives, why the objectives cannot be efficiently reached on national, regional or local level and how the results can be utilized on both sides of the border. In case of cross-border approach applicants shall focus on *implementation* and have to describe how the joint development, management and implementation generate benefits for the stakeholders.

Expected results

Expected results are the answers for the identified development needs created according to the mission and specific objectives of the TAPE. Applicants shall list the processes which start out thanks to the action plan and the main outcomes that are created by TAPE as well. The expected results shall be measurable equipped with quantitative and qualitative parameters.

Sustainability

The cooperation programme aims at creating long-term conditions for strategic partnerships, running services and sustainable products quantified by output indicators. **Applicants shall describe concrete measures (including institutional structures, financial resources etc.) taken during and after project implementation to guarantee the durability of the project outputs and results for at least five years after project closure.**

Horizontal principles

PA3 aims at improving the employment conditions of the border area which necessitates the focusing on less developed regions and most disadvantaged people. According to the Cooperation Programme the involvement of people living in deep poverty and Roma, the long-term unemployed people or the tertiary educated unemployed people shall get preference. Applicants shall describe which of the above mentioned groups are targeted by the employment initiatives of the TAPE.

Project descriptions

Applicants have to describe the main parameters of each project proposal including the necessary financial, human and time resources presented in the next chapter.

6. Project descriptions

The TAPE is realized through interrelated group of projects. **The TAPE must contain Coordination and communication project and one Key action project mandatory. Other projects can be Key action or Supplementary projects as well. All together the TAPE has to include minimum 3 project proposals up to 8.**

6.1. Coordination and communication project (Project #1)

To ensure the successful implementation of the TAPE, members of the Consortium shall choose Beneficiaries responsible for the overall coordination and communication. This task shall be accomplished in separate project called Coordination and communication project [CCP]. The optimal composition of partners for the CCP is one Slovak and one Hungarian beneficiary. In case the CCP project is implemented by Beneficiaries who are not involved into any other Key action or Supplementary action project the eligible applicants are the followings:

- regional, county or local municipalities;
- European groupings of territorial cooperation;
- development agencies,
- local action groups.

In case the CCP project is implemented by Beneficiaries who implement also Key action or Supplementary action project any type of the eligible applicants can take the responsibility for the Coordination and communication. It is highly recommended for the Lead Beneficiary of the CCP [LB-CCP] to have relevant project management experience possibly with Interreg projects.

Coordination

The objective of the CCP is to set up and operate supportive management function for the implementation of the whole action plan. In the first round of selection procedure Beneficiaries of the CCP are responsible for:

- coordination of the Consortium;
- preparation of the TAPE;
- providing support for the first round project development;
- ensuring the overall consistency of the TAPE;
- submission of the Application;

In the second round of selection procedure CCP Beneficiaries are responsible for:

- coordination of the Consortium;
- providing support for the second round project development;
- development of the TAPE's communication plan;
- arranging the submission of the project proposals;

During the implementation and follow-up period CCP Beneficiaries are responsible for:

- coordination of the Consortium;
- ensuring the synergic and timely implementation of the TAPE's projects;
- organizing individual project meetings ensuring the smooth implementation of the TAPE;
- providing support for Beneficiaries during the contracting and implementation of the projects;

- providing risk and crisis management in case of implementation delay, project or partner withdrawal or indicator failure;
- submission of the follow-up reports for each project proposal.

Communication

The second objective of the CCP is to set up the appropriate team for the communication tasks. The TAPE and the projects as well must constantly communicate throughout the project life-cycle by using appropriate communication tools. Projects may use various forms and means of communication in order to disseminate/communicate the aims, outcomes and results of the projects to stakeholders, key decision-makers and the public in general.



Communication activities

In case of PA3 all communication activities regarding the overall communication of the TAPE and all project communication activities have to be integrated into the CCP. This means also that all communication expenditures concerning the TAPE and projects shall be arranged into the CCP project.

In the first round of selection procedure Beneficiaries of the CCP shall create the first draft of the communication plan for the whole TAPE including communication activities of each project proposals which shall be developed for the second round. Projects can use different kinds of information and publicity measures such as publications, photographs and audio-visual productions, promotional materials, adverts (paid articles or any kind of advertisements), whose costs must be planned previously. In order to ensure the publicity for projects the Programme introduced minimum requirements in means of communication. The minimum requirements in case of each project are the followings:

Temporary poster or billboard

Preparation of a poster or billboard for each Project partner during project implementation of the project is a must, as well as placing it at the entrance area of the Partners' headquarters/branch office or at each investments scene, where it is readily visible to the public.

Permanent plaque or billboard

Preparation of a permanent plaque or billboard for each Project partner at the end of the project placing it at the entrance area of the Partners' headquarters/branch office or at each investments scene, where it is readily visible to the public is must.

Website or banner

Providing detailed description to the public about the project on each Partner's website in form of articles and banners, where such website exists is expected.

Public project event

Organization of at least one public project event is a must during the project implementation. Applicants must take into consideration the bilingual characteristic of the programme and plan the cost of interpretation and technical equipment apart from the usual event costs.

Press conference and press release

Organization of one press conference at the beginning of the project and issuing at least two press releases within the project in three languages (Slovak, Hungarian and English) at the beginning and the end of the project (preferably connected with the opening and closing conferences).

For further information please consult the *Visibility guide for projects*.

6.2. Key action and supplementary projects (Project #2-7)

The TAPE must contain minimum one Key action project. Other projects can be Key action or Supplementary action projects as well. Applicants have to describe the main parameters of each project proposal including the necessary financial, human and time resources and introduce responsible stakeholders for the implementation. First, the Applicant shall describe the main challenges that the project is responding to, specify the project objectives, target groups, expected results, project activities and plan the sustainability of the results.

Once the objectives are clearly adjusted, project development shall continue with the planning of the project activities and resources required to produce the main outputs. Applicants shall also draw up the first draft of the budget of each project proposal and set the appropriate type and number of Common and specific output indicators. Applicants must bear the responsibility of maintenance of the built and/or developed infrastructure and all investments for at least 5 years after the completion of the project.

6.3. Timeframe

Applicants shall set the necessary timeframe to implement each project. The maximum duration of the implementation of the Key action or supplementary projects depends on selected actions:

Key action projects	Maximum project duration
Development of products and services	24 months
Improving cross-border labour mobility	24 months ⁹
Supplementary projects	Maximum project duration
Modernization and structural transformation	24 months
Integrated cross-border employment initiatives	16 months
Business services promoting employment	
Joint education and training programmes	
Other	

⁹ In case the project proposal include investment on cross-border roads, bridges and ferries the maximum duration can increased to 36 months.

After setting the duration for each project Applicants shall plan the schedule these projects to ensure the smooth but agile implementation of the TAPE. Starting the individual project implementation is possible right after the submission of the project proposals for the second round of selection process at own risk. Implementations of the approved projects have to finish until 31/12/2022 the latest. **Project shall be implemented parallel and/or sequentially.**



The Consortium has to plan the duration of the TAPE as short as possible but also carefully as the possibility for the prolongation of the TAPE is very limited. Duration of the Co-ordination and communication project shall be set according to the schedule of the proposed projects. Implementation of the CCP shall start parallel with the first project and ends when the last project is closed.

The maximum duration of the TAPE (*and the CCP as well*) is 48 months.

In line with the implementation framework of the Cooperation Programme, TAPes prepared to start the project implementation in 2018 will be awarded with additional scores. Applicants in this case have to undertake to start the implementation right after the approval of the Monitoring Committee regardless the contracting status of the implemented project.

7. Eligible expenditures

Applicants shall draw up preliminary budget for each project proposal in Application form – part 2. Applicants shall strive to prepare the budget as precise as possible. The budget must be planned in EUR. Expenditures subject to reimbursement must occur between¹⁰ the start and end date of the project indicated in the Subsidy contract which becomes the eligibility period of expenditures. Applicants are obliged to plan their expenditures according to the principle of sound financial management. The sound financial management builds on the following principles:

- The principle of **economy** requires that the resources used by the Beneficiary in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price;
- The principle of **efficiency** concerns the best relationship between the resources used and results achieved;
- The principle of **effectiveness** concerns the attainment of the Specific objectives set and the achievement of the intended results.

¹⁰ Except of Preparation costs.



Preliminary budgets of the individual project proposals can be modified during the second round of project development but increasing the total budget of the TAPE is not possible.

Eligible expenditures shall incur in the programme area. Limited portion of activities not exceeding 20% of overall project budget can be carried out outside the programme area in exceptional and fully justified cases, when the planned results of a project require some complementary operations outside the eligible area. The expenditures are divided into six cost categories. Expenditure categories introduced by the programme are the followings:

- staff costs;
- office and administrative expenditure;
- travel and accommodation costs;
- external expertise and services costs;
- equipment expenditure, and
- infrastructure and works.

In case project expenditures belonging either to cost category *Infrastructure and works* or *Equipment expenditure* exceed 50 000 EUR the project is considered to be investment.

Staff costs

Cost of salary and/or remuneration paid to persons employed by the Beneficiary institution for implementing the project. Staff can either be already employed by the Beneficiary or contracted specifically for the project.

Office and administration

Category office and administration covers operating and administrative expenses of the Beneficiary organisation necessary for the implementation of the project. Office and administration expenditure is reimbursed according to a flat rate of 15% of eligible direct staff costs.

Travel and accommodation

Travel and accommodation refers to expenditure on travel and accommodation costs of the Beneficiary organization's staff for missions necessary for the project implementation (e.g. participation in project meetings, project site visits, meetings with the programme bodies, seminars, conferences, etc.)

External expertise and services

External expertise and services are provided by a public or private body or a natural person outside of the partner organisation. The *External expertise and services* category covers costs paid on the basis of contracts or written agreements and against invoices or requests for reimbursement to external experts and service providers sub-contracted to carry out certain tasks or activities directly linked to the implementation of the project. Expenditure on external expertise and service costs shall be limited to the following elements:

- Studies and surveys;
- Training;

- Translation;
- IT systems and website development, modifications and updates;
- Promotion, communication, publicity or information;
- Financial management;
- Services related to the organisation and implementation of events or meetings;
- Participation in events;
- Legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services;
- Intellectual property rights;
- Travel and accommodation for external experts, speakers, chairpersons of meetings and service providers;
- Other specific expertise and services needed for the project.

Equipment

Equipment refers to the costs for the financing of equipment purchased or rented by a Beneficiary other than those covered by the cost category *Office and administration expenditure* and necessary for the implementation of the project. Expenditure on equipment shall be limited to the following elements:

- Office equipment;
- IT hardware and software (clear project relevance is necessary);
- Furniture and fittings;
- Laboratory equipment;
- Machines and instruments,
- Tools or devices;
- Vehicles (e.g. in duly justified cases special vehicles that contribute to the project goal achievement);
- Other specific equipment needed for the project.

Infrastructure and works

Expenditure for financing of works refers to costs incurred at the Beneficiary for the execution of infrastructure. Works expenditure may refer either to an object (e.g. building) that will be set up ex-novo or to the adaptation of an already existing infrastructure. Works expenditure shall be limited to the following elements:

- Construction of new buildings, works and infrastructure – these costs comprise expenditure related to construction activities.
- Reconstruction, renovation of buildings, works and infrastructure – these costs comprise expenditure related to works needed for the alteration, reconstruction, expansion of a used building.

Preparation costs

Preparation cost are not forming separate expenditure category according to the regulation, however these costs shall be eligible if the project has Infrastructure and works expenditures, and shall be introduced separately in the Application form. The eligibility period for preparation activities falls between 1st of January 2014 and the project start date defined in the Subsidy contract. Preparation cost is eligible under external expertise and services costs and limited to the following elements:

- Feasibility study,
- Building documentation,
- Building and other relevant permit needed for the realisation,
- Translation costs.

8. State aid rules

State aid is any public resource given selectively to undertakings engaged in economic activity that could potentially affect competition and trade between Member States. State aid can distort the market, which can result in lower competitiveness for businesses, less innovation or higher prices for consumers. The overall aim of the State aid rules is therefore to maintain a level playing field for free and fair competition in the market. Project is falling under state aid rule if

1. the relevant **Beneficiary is an undertaking** engaged in an economic activity, regardless of his legal status and the way in which they are financed;
2. the recipient of the aid exercises any activity of economic nature consisting in offering goods and/or services on a market and which could - at least in principle - be carried out by a **private operator for remuneration**;
3. the implemented project activity is **financed by public sources** (European, national, regional, local, other);
4. the aid constitutes an **economic advantage applied selectively** that the undertaking would not have received in the normal course of business. The selectivity criterion is also satisfied if the scheme applies to only part of the territory of a Member State (this is the case for all regional and sectorial aid schemes).
5. competition in a liberalised sector where there is - or could be - **competition is distorted** as the public grants gives financial advantage to an undertaking.

State aid can be given by complying approved EU mechanisms for state aid according to COMMISSION REGULATION (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (hereinafter referred to De Minimis Regulation) and REGULATIONS 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 (hereinafter referred to GBER).

Regarding the fact that the Interreg V-A Slovakia-Hungary Programme managed by the Prime Minister's Office in Hungary, 44/2016. (III. 10.) Government Regulation in relation with state aid rules related to the funds provided by the European Territorial Cooperation Programmes for the 2014-2020 programme period applies.¹¹

¹¹ The 44/2016. (III.10.) Government Regulation in relation with state aid rules related to the funds provided by the European Territorial Cooperation Programmes for the 2014-2020 programme period available in English translation as a part of the Application package.

De minimis aid

The *De minimis* mechanism is based on the Commission's view that small amounts of aid are unlikely to distort competition. The *De Minimis Regulation* allows small amounts of aid – up to 200.000 over 3 rolling years – to be given to an undertaking for a wide range of purposes. Each Beneficiary has 200.000 € de minimis frame per each Member State. If an Applicant gets 200.000 € De minimis aid from the Programme it increase the approved de minimis aid with 100.000 € of the Hungarian and with 100.000 € of the Slovakian de minimis frame of the Beneficiary. Applicants shall learn the detailed conditions of De minimis rule published by relevant authorities¹².

The general block exemption regulation

The General block exemption regulation (GBER) provides assistance for a range of aid measures considered not to unduly distort competition. Applicants shall learn the detailed conditions of Regional Investment Aid rule published by relevant authorities¹³. The list of agricultural products is set by the Annex I. of the Treaty. Applicable GBER categories in PA3 are the followings:

Regional Investment Aid – Article 14 of GBER

Regional aid is to promote the development of the less-favoured regions mainly by supporting initial investment. Eligible regions are designated in a regional aid map, where the standard of living is abnormally low or where there is serious underemployment or defined on the basis of national indicators proposed by the Member States.



Restricted sectors and activities

Regional aid cannot be given under GBER to steel sector, coal sector, energy generation, distribution, and infrastructure, synthetic fibres sector, shipbuilding, transport sector and related infrastructure.

Activities concerning products of the soil and of stock farming produced by primary agricultural production sector are not supported. Activities concerning processing of agricultural products are supported in case the final product is not considered as agricultural. List of agricultural products (*Annex I. of the Treaty*) can be downloaded as a part of the Application package.

¹² <http://tvi.kormany.hu/de-minimis>; <http://www.finance.gov.sk/Default.aspx?CatID=4458>

¹³ <http://tvi.kormany.hu/regionalis-tamogatasi-terkep>; <http://www.statnapomoc.sk/>

Assisted areas established according to Article 107(3)(a) of the Treaty and the maximum support in the eligible area:

- (0% - Budapest, Pest megye, Bratislava)
- 25% - Győr-Moson-Sopron megye, Trnavský samosprávny kraj, Nitriansky samosprávny kraj
- 35% - Banskobystrický samosprávny kraj, Košický samosprávny kraj, Komárom-Esztergom megye
- 50% - Nógrád megye, Heves megye, Borsod-Abaúj-Zemplén megye and Szabolcs-Szatmár-Bereg megye

In **assisted areas** fulfilling the conditions of Article 107(3)(c) of the Treaty the aid may be granted to SMEs for any form of initial investment. Assisted areas established according to Article 107(3)(c) of the Treaty and the maximum support:

- part of Pest megye¹⁴ with the rate of support of 35% or 20%

The aid beneficiary must provide a financial contribution of at least 25% of the eligible costs, either through its own resources or by external financing, in a form, which is free of any public support.

Investment aid for SMEs – Article 17 of GBER

The intensity of support can be raised by 10% point in the case of medium-sized enterprises and 20% point in the case of small enterprises.

Investment aid for local infrastructures - Article 56 of GBER

Investment aid for local infrastructures allows for the state to invest in infrastructure at a local level which contributes to improving the business and consumer environment and modernising and developing the industrial base. The eligible costs shall be the investment costs in tangible and intangible assets. The aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment.

9. Financial allocation

The maximum amount of the financial support for the TAPE is not specified. Applicants shall note that planned expenditures must be directly related to project activities that are necessary for the fulfilment of project objectives. The maximum contribution in case of the project proposals depends on eligible actions and the type of beneficiary:

¹⁴ <http://tvi.kormany.hu/regionalis-tamogatasi-terkep>

Key actions projects	Applicable state aid	Total project size
Development of products and services		
<i>Development of local products and services</i>	<i>De minimis aid Regional aid Investment aid to SMEs</i>	Not specified
<i>Improvement of public services on the field of education, health and social services providing better access to urban functions</i>	<i>Not relevant</i>	200.000 – 500.000 €
Improving cross-border labour mobility		
<i>Construction of cross-border roads, bridges and ferries</i>	<i>Not relevant</i>	Not specified ¹⁵
<i>Development cross-border transport services</i>	<i>De minimis aid Regional aid¹⁶ Investment aid to SMEs¹⁷</i>	Up to 1.000.000 €
<i>Development of accommodation facilities for commuting workers</i>	<i>Regional aid Investment aid to SMEs</i>	400.000 – 1.000.000 €
Supplementary projects	Applicable state aid	Total project size
Modernization and structural transformation of specific areas	<i>Aid for local infrastructures</i>	400.000 – 2.500.000 €
Employment initiatives Business services promoting employment Joint education and training programmes Other	<i>De minimis aid (if relevant)</i>	100.000 - 200.000 €
Communication and coordination project	<i>Not relevant</i>	Up to 6% of the total budget of the TAPE but not more than 75.000 €/year

¹⁵ Approximate cost for building 1 km of road is 1.400.000 € taking into account the big differences (geomorphological characteristics, presence of bridges, etc.) in the technical parameters of potential projects.

¹⁶ In case the transport services are developed and maintained by enterprises creating new working places providing transport services to employees as in kind contribution, Regional aid can be applied.

¹⁷ In case the transport services are developed by enterprises providing transport of passengers by aircraft, maritime transport, road, rail, or by inland waterway or freight transport services for hire or reward, Investment aid to SME's can be applied.

10. Source of finance

Each Beneficiary can receive maximum 85% of European Regional and Development Fund [ERDF] contribution. The ratio between the national co-financing and own contribution is set based on the legal form of the partner and the sector (public or private) they belong to. After the Beneficiary identifies his project regarding state aid rules, each Beneficiary has to choose the proper intensity of public resources according to the location and type of organisation¹⁸.

The contribution from public resources provided to all Beneficiaries is non-repayable grant. Funding will take the form of reimbursement to all Project partners. For Beneficiaries registered in Hungary the ERDF contribution of the contracted ERDF allocation of their project part and the national co-financing might be entitled for advance payment from national resources.

10.1. Projects not affected by state aid rule

Hungary

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations ¹⁹	100%	85%	15%	0%
Other organizations	95%	85%	10%	5%

Slovakia

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	100%	85%	15%	0%
Other public administration organizations	95%	85%	10%	5%
Higher territorial units and their budgetary and contributory organizations	95%	85%	10%	5%
Municipalities and their budgetary and contributory organizations	95%	85%	10%	5%
NGOs/NPOs	95%	85%	10%	5%
Private sector out of state aid schemes	90%	85%	5%	10%

¹⁸ The intensity of the public contribution for Applicants implementing state aid activities will be precisely set in the second round of selection procedure according to the State Aid assessment provided by the Managing authority.

¹⁹ Central Budgetary Organisation; Based on the definition of Act CXCV of 2011 on the state economy, Article 7 – a budgetary organisation is a legal entity established for the purpose of carrying out public functions defined by law or the deed of foundation. Central budgetary organisations - according to Act CXCV of 2011 on the state economy, Article 8 section (1) a) - are budgetary organisations established by the Government, the Parliament or the Minister. Central budgetary organisations belong to the central sub-system of the Hungarian state economy.

10.2. Projects affected by state aid rule

De minimis aid

Hungary

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	100%	85%	15%	0%
Other organizations	95%	85%	10%	5%
Micro and small sized enterprises	70%	70%	0%	30%
Medium sized enterprises	70%	70%	0%	30%

Slovakia

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	100%	85%	15%	0%
Other public administration organizations	95%	85%	10%	5%
Higher territorial units and their budgetary and contributory organizations	95%	85%	10%	5%
Municipalities and their budgetary and contributory organizations	95%	85%	10%	5%
NGOs/NPOs	95%	85%	10%	5%
Micro and small sized enterprises	70%	70%	0%	30%
Medium sized enterprises	70%	70%	0%	30%

***Regional investment aid (Article 14 of GBER)
and Investment aid to SMEs (Article 17 of GBER)***

Hungary

Budapest, Pest megye (parts out of regional aid)

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	0%	0%	0%	100%
Other organizations	0%	0%	0%	100%
Micro and small sized enterprises	20%	20%	0%	80%
Medium sized enterprises	10%	10%	0%	90%

Pest megye (parts with 20% of maximum support)

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	20%	5%	15%	80%
Other organizations	20%	10%	10%	80%
Micro and small sized enterprises	40%	40%	0%	60%
Medium sized enterprises	30%	30%	0%	70%

Győr-Moson-Sopron megye

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	25%	10%	15%	75%
Other organizations	25%	15%	10%	75%
Micro and small sized enterprises	45%	45%	0%	55%
Medium sized enterprises	35%	35%	0%	65%

Komárom-Esztergom megye, Pest megye (parts with 35% of maximum support)

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	35%	20%	15%	65%
Other organizations	35%	25%	10%	65%
Micro and small sized enterprises	55%	55%	0%	45%
Medium sized enterprises	45%	45%	0%	55%

Nógrád megye, Heves megye, Borsod-Abaúj-Zemplén megye, Szabolcs-Szatmár-Bereg megye

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	50%	35%	15%	50%
Other organizations	50%	40%	10%	50%
Micro and small sized enterprises	70%	70%	0%	30%
Medium sized enterprises	60%	60%	0%	40%

Slovakia**Bratislavský samosprávny kraj (out of regional aid)**

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	0%	0%	0%	100%
Other public administration organizations	0%	0%	0%	100%
Higher territorial units and their budgetary and contributory organizations	0%	0%	0%	100%
Municipalities and their budgetary and contributory organizations	0%	0%	0%	100%
NGOs/NPOs	0%	0%	0%	100%
Micro and small sized enterprises	20%	20%	0%	80%
Medium sized enterprises	10%	10%	0%	90%

Trnavský samosprávny kraj, Nitriansky samosprávny kraj

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	25%	25%	0%	75%
Other public administration organizations	25%	25%	0%	75%
Higher territorial units and their budgetary and contributory organizations	25%	25%	0%	75%
Municipalities and their budgetary and contributory organizations	25%	25%	0%	75%
NGOs/NPOs	25%	25%	0%	75%
Micro and small sized enterprises	45%	45%	0%	55%
Medium sized enterprises	35%	35%	0%	65%

Banskobystrický samosprávny kraj, Košický samosprávny kraj

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	35%	35%	0%	65%
Other public administration organizations	35%	35%	0%	65%
Higher territorial units and their budgetary and contributory organizations	35%	35%	0%	65%
Municipalities and their budgetary and contributory organizations	35%	35%	0%	65%
NGOs/NPOs	35%	35%	0%	65%
Micro and small sized enterprises	55%	55%	0%	45%
Medium sized enterprises	45%	45%	0%	55%

Aid for local infrastructure (Article 56 of GBER)

Hungary

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Central budgetary organizations	100%	85%	15%	0%
Other organizations	95%	85%	10%	5%
Micro and small sized enterprises	85%	85%	0%	15%
Medium sized enterprises	85%	85%	0%	15%

Slovakia

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	85%	85%	0%	15%
Other public administration organizations	85%	85%	0%	15%
Higher territorial units and their budgetary and contributory organizations	85%	85%	0%	15%
Municipalities and their budgetary and contributory organizations	85%	85%	0%	15%
NGOs/NPOs	85%	85%	0%	15%
Private sector out of state aid schemes	85%	85%	0%	15%
Micro and small sized enterprises	85%	85%	0%	15%
Medium sized enterprises	85%	85%	0%	15%

11. Indicators

As a result of the implemented TAPes employment level of the less developed regions of the programming area is expected to grow and conditions of the cross-border commuting and the accessibility to employment shall be improved. Results and output indicators are measured by result, common output and specific output indicators.

Result indicator

The result indicator is a measure of the impact the Programme has on its programme area. It is designed to measure the change which the Specific objective is aimed to bring about in the programme area. The result indicators allow also monitoring of progress of the programme throughout implementation and warn the stakeholders of the need for corrective action.

Each TAPE has to contribute to result indicator measuring the rate of employment²⁰ on the programme area (R310). The baseline value measured in year 2013 was 63,2% while the target value that the Programme wish to achieve in year 2023 is 65,2%. Applicants have to describe how their TAPE contributes to the fulfilment of this result indicator. Result indicators are measured at Programme level by Managing Authority.

Common and programme specific output indicators

Common and Programme specific output indicators are numerical measures of project achievements. Each key action and supplementary project have to choose at least one Common and Programme Specific Output Indicator that is most relevant for the project. Projects not contributing to any predefined output indicator cannot be supported. In case the project can contribute to more output indicators Beneficiaries shall describe and quantify all relevant indicators. Each output indicator have to be fulfilled until the end date of the project implementation and have to be sustained on the programme area minimum five years after the end date of the relevant project. Projects can choose from the following indicators:

CO01	Number of enterprises receiving support (pcs)
	Number of enterprises receiving support in any form from ERDF (whether the support represents state aid or not). Enterprise: Organisation producing products or services to satisfy market needs in order to reach profit. The legal form of enterprise may be various (self-employed persons, partnerships, etc.). Forms of the support contains the following subsets: <ul style="list-style-type: none"> • number of enterprises receiving grants (non-refundable direct financial support); • number of enterprises receiving financial support other than grants (non-grant type financial support); • number of enterprises receiving non-financial support (guidance, consultancy, enterprise incubators, etc.)

²⁰ The employment rate is calculated by dividing the number of persons aged 20 to 64 in employment by the total population of the same age group. The indicator is based on the EU Labour Force Survey. The survey covers the entire population living in private households and excludes those in collective households such as boarding houses, halls of residence and hospitals. Employed population consists of those persons who during the reference week did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent.

CO02	Number of enterprises receiving grants (pcs) Number of enterprises receiving support in forms of non-refundable direct financial support conditional only to completion of project (grants). <i>Subset of 'Number of enterprises receiving support'</i>
CO08	Employment increase in supported enterprises (FTE) Gross new working positions in supported enterprises (in CO01) in full time equivalents (FTE). Essentially a 'before-after' indicator which captures the part of the employment increase that is direct consequence of project completion. The positions need to be filled (vacant posts are not counted) and increase the total number of jobs in the enterprise. If total employment in the enterprise does not increase, the value is zero – it is regarded as realignment, not increase. Safeguarded etc. jobs are not included. Workers employed to implement the project are not counted.
CO13	Total length of newly built roads (km) Length of roads (in kilometres) constructed by the project where: <ul style="list-style-type: none"> • no road existed before or • as a consequence of project completion, the capacity and quality of the previously existing local/secondary road is significantly improved to reach a higher classification (e.g. national road or equivalent); in this case the road cannot be counted under indicator "Total length of reconstructed or upgraded roads".
CO39	Public or commercial buildings built or renovated in urban areas (m2) Size of renovated / newly developed public and commercial areas
CO44	Number of participants in joint local employment initiatives and joint training (person) Joint local employment initiatives are those supported under the investment priority set out in art. 7 (a) (i) of the ETC regulation. Participants are those who start in such initiatives. Managing authorities are encouraged to exclude double counting due to multiple participations.
O312	Number of women in joint local employment initiatives and joint trainings (person) Joint local employment initiatives are those supported under the investment priority set out in art. 7 (a) (i) of the ETC regulation. Participants are those who start in such initiatives. Managing authorities are encouraged to exclude double counting due to multiple participations.
O313	Number of participants from groups at risk of discrimination, including Roma in joint local employment initiatives and joint trainings (person) Joint local employment initiatives are those supported under the investment priority set out in art. 7 (a) (i) of the ETC regulation. Participants are those who start in such initiatives. Managing authorities are encouraged to exclude double counting due to multiple participations.
O314	Number of new business services promoting employment and consultancy services (pcs) Number of business services promoting employment and common use of expert and consultancy services

Special requirements

Each TAPE has to include minimum one project proposal that contributes to common output indicator - **CO08 - Employment increase in supported enterprises**. The indicator is fulfilled if the average value of the registered number of workplaces²¹ undertaken by the relevant project - *compared to the amount of the existing staff 12 months before the start date of the relevant project* - is reached. New workplaces have to be created and sustained on the target area of the TAPE.



Partners not willing to engage financially in the Programme may act as associated partners receiving indirect support in a way of consultancy or training services or by as tenants of the renovated premises etc. In these cases *associated partners* can ensure the fulfilment of the indicator CO08 without financial engagement.

The results of such projects - quantified by indicator fulfilled by *associated partners* - shall be also sustained at least for five years from the end date of the project. In such cases the legal responsibility regarding the sustainability of the project results is undertaken by the specific project's Lead Beneficiary.

The expected value of the Common output indicator - CO08 – is in close relation with the amount of the TAPE's total budget. Each TAPE shall contribute to the fulfilment of the CO08 as follows:

Total budget of the TAPE	The <u>minimum</u> amount of new workplaces (CO08) created by TAPE
under 1.000.000 €	2
1.000.001 € - 2.000.000 €	4
2.000.001 € - 3.000.000 €	6
3.000.001 € - 4.000.000 €	8
4.000.001 € - 5.000.000 €	10
5.000.001 € - 6.000.000 €	12
6.000.001 € - 7.000.000 €	14
7.000.001 € - 8.000.000 €	16
8.000.000 € - 9.000.000 €	18
above 9.000.000 €	20

²¹ Saving existing workplaces are not considered as newly created working places.

12. Submission procedure

Applicants must use the predefined application form templates available as a part of the Application package. The Lead Beneficiary of the CCP has to submit the following mandatory documents:

- Territorial action plan for employment – Part I.
- Territorial action plan for employment – Part II.
- Letters of intent

Both parts of the TAPE have to be filled in English on predefined application forms and have to be signed (and stamped) by the statutory representative of the Lead Beneficiary of the CCP. Any further supporting documents can be submitted (*preferably in electronic format*) which according to the opinion of the Lead Beneficiary help the correct interpretation of the proposal (*map of the target area, studies, photo documentations etc.*). Application shall be submitted in paper form in three originals and electronically on one pen-drive. The pen-drive shall contain the following documents:

- Territorial action plan for employment – Part I. in *.docx* file
- Signed Territorial action plan for employment – Part I. in *.pdf* file
- Territorial action plan for employment – Part II. In *.x/sx* file
- Signed Territorial action plan for employment – Part II. in *.pdf* file
- Signed Letters of intent in *.pdf* file

After the submission Applicants are not able to complete the Application. The submitted Application will not be the subject of any completion or amendment procedure. The Application shall be submitted by postal or courier service. Evidence of the timely submission will be constituted by the date of dispatch, the postmark or the date of the deposit slip. Personal delivery is not possible. Applications shall be submitted to the following address:

Interreg V-A Slovakia-Hungary Joint Secretariat

Széchenyi Programme Office Nonprofit Ltd.

1053 Budapest, Szép u. 2., IV. emelet, Hungary

The envelope containing the application have to be sealed and properly marked in such a way that includes all of the following information:

- full name and address of the Lead Beneficiary of the CCP,
- Identification code of call: SKHU/1703,
- Text: “Application form - Interreg V-A SKHU Cooperation Programme”.

Applicants by submitting the project proposal to the present Call duly consent to the fact that the Data Manager (Prime Minister's Office of Hungary) and the Technical Data Processor (Széchenyi Programme Office Nonprofit LLC) will manage all the personal data included in the application package and provided in the contracting or project implementation phase, in particular with regard to the data managed in the monitoring and information system. Hungarian Act CXII of 2011 on the Right to informational self-determination and on the freedom of information shall apply to the protection of personal data and to the disclosure of information of public interest. The data are managed upon the voluntary consent of the applicants according to Paragraph (1) of Article 5 of the above-mentioned Act.

13. Selection procedure

Aim of the selection procedure is to select TAPes which contribute most to the achievement of Programme priority objectives. First part of the selection process begins with receiving of the applications and finishes with the decision of the Monitoring Committee. The submitted applications will be included into the admissibility and quality assessment procedure. **The first round of the selection procedure ends with the decision of the Monitoring Committee stating the list of Applications (TAPes) including the list of relevant project proposals to be invited for the restricted Call for proposals serving as second round of the selection procedure.**

Admissibility assessment

The first condition that must be met by the Lead Beneficiary is that the **Application has to be submitted in a predefined form in paper format signed (and stamped) by relevant LB-CCP before the Call for proposal is closed.** In case the submitted application does not meet the admissibility criteria application is automatically rejected. Application can be submitted again under the same Call for proposals until the Call for Proposals is open. Applications fulfilling the admissibility criteria are forwarded into quality assessment process.

Quality assessment

Quality of each application is assessed against a set of criteria laid down in the Quality assessment grid. The evaluation grid of the quality assessment are available as part of the Application package. The quality assessment criteria are grouped into two categories. Main categories listed below are further divided into the sub-criteria with pre-defined justifications, scores and thresholds:

Strategic evaluation

- project environment and coherence
- relevance of the submitted proposal for the set objectives
- level of cross-border cooperation
- added value
- project partnership
- sustainability of project results

Operational evaluation

- feasibility of project activities
- management capacities
- requested financial resources
- project working schedule
- horizontal principles

Each Application can receive maximum of 100 points. In order to ensure the coherence of the assessment, each assessor is obliged to perform his assessment in line with the **Assessment guide** which is the Annex I. of the Quality assessment grid. Quality assessment is divided into three parts according to the competency of different stakeholders.

Objective assessment (Joint secretariat)

The first part of assessment is accomplished by the Joint Secretariat. Program managers examine primarily whether the specific objectives of the submitted application are in line with the specific objectives of the Priority axis. Secondly the Joint secretariat examines the basic operational criteria important for smooth implementation. The maximum points given by the Joint secretariat are 20 points. The final score is made up from the average of two individually accomplished assessments.

Territorial assessment (Territorial experts)

The second part of the assessment is performed by territorial experts delegated by counties and higher territorial units forming the programme area based on pre-defined criteria and declaration of impartiality and confidentiality. Assessors are examining territorial relevance, coherence with the local development plans and integration of the TAPE with local sectorial initiatives. Applications are assessed by those territorial experts who are relevant according to the TAPE's target area. The maximum points given by the territorial experts are 14 points. The final score is made up from the average of the individually accomplished assessments.

If the application in total receives less than 20 points after the first and second part of the quality assessment the third part of the quality assessment will not be accomplished and the application will be rejected.

Sectorial assessment (Sectorial experts)

Third part of the assessment is performed by sectorial expert selected via open Call for Assessors. Each application is evaluated by two sectorial experts. The maximum points given by sectorial experts are 66 points. The final score is made up from the average of two individually accomplished assessments. **Assessors may recommend to withdraw project proposals from the TAPE in case the proposed project has no remarkable synergic or complementary relationship with other projects or does not have any added value to employment or mobility objectives of the TAPE.**

Decision of the Monitoring Committee

After the third part of the quality assessment the Joint Secretariat unites the results of the assessments and prepares the ranking list of the submitted Applications. The ranking list of Applications (TAPE) includes the list of the relevant project proposals as well. MC members will be provided with the results of the evaluation process and assessment grids in due time prior to the MC meeting.

Monitoring Committee decides on approval of the Applications according to the ranking list of the Applications. Applications receiving all together 65% of the available score (65 points) or more are proposed for financing by taking into account the funds made available by the Monitoring Committee.

In order to ensure the principle of equal treatment, transparency and impartiality of the selection procedure Monitoring Committee approves Applications (*with the list of the relevant Project proposals*) according to the ranking list starting from highest scored Application in descending order by taking into account the funds to be committed by the Monitoring Committee. In case the applications receive

same total score and the availability of funds is not sufficient, the score of the relevance and cross-border cooperation evaluation criteria will be used to distinguish between applications.

In case the implementation of the TAPE presented in the Application form carries significant risk regarding the implementation, feasibility or sustainability the Application is not in line with the basic principles of the present Call therefore the Monitoring Committee may decide to not approve.

LB-CCPs of the approved Applications will be requested to submit the applications elaborating the approved project proposal in detail for the second round of selection procedure until the given deadline. Lead Beneficiary of the CCP may file a complaint against certain decisions of the programme implementing structures. The rules of filing and of handling complaints are defined in the Methodology and criteria for selecting operations for Call for proposals.