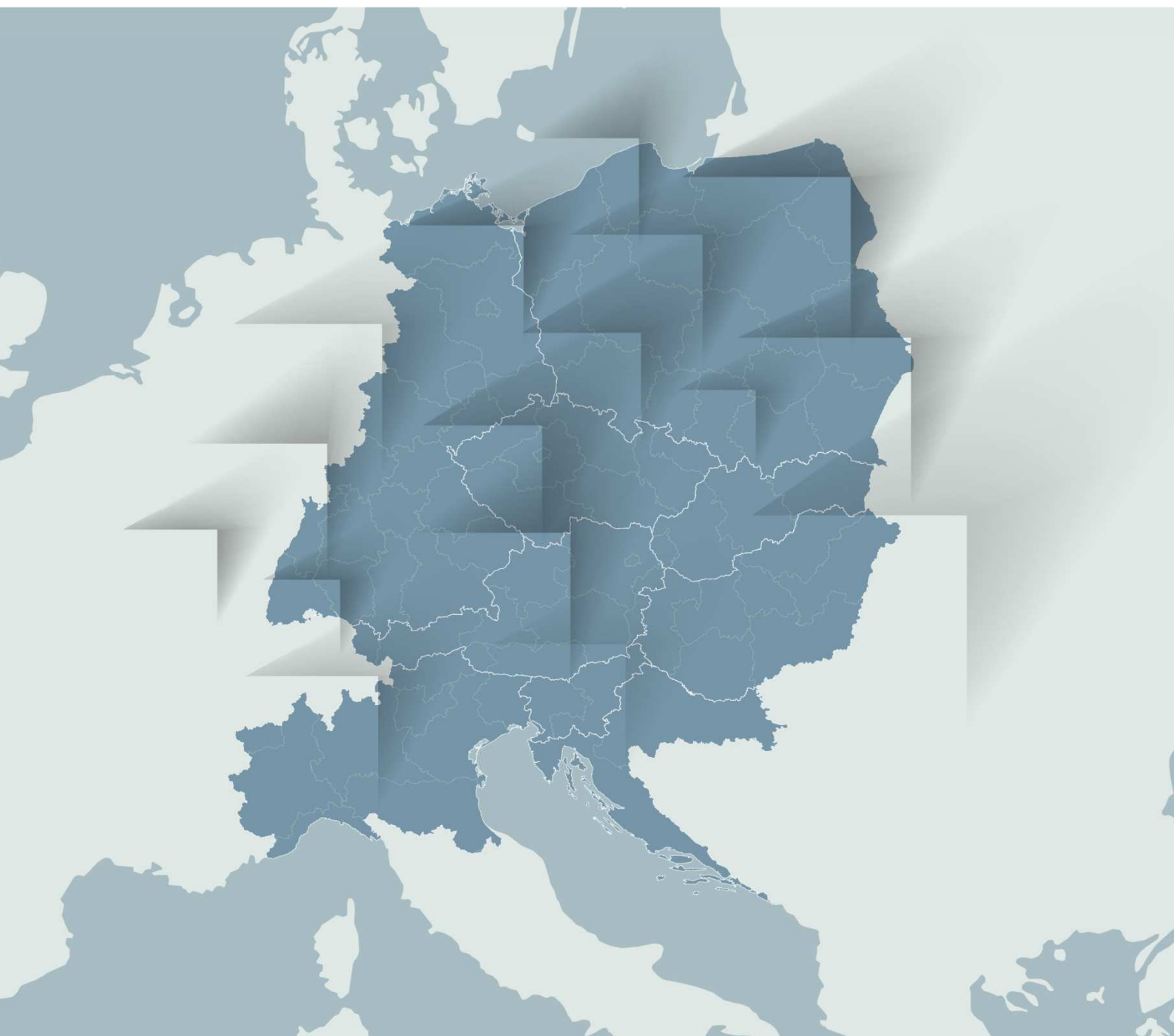


INTERREG CENTRAL EUROPE PROGRAMME 2021-2027

IP Version 3.1

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TEMPLATE FOR INTERREG PROGRAMMES¹

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¹ According to the Annex of the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments, 29.5.2018, COM(2018) 374 final, integrating the final outcomes of the trilogue negotiations on 11 December 2020.

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1. Joint programme strategy: main development challenges and policy responses

1.1. Programme area (not required for Interreg C programmes)

Reference: Article 17(4)(a), Article 17(9)(a)

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The Interreg CE programme area stretches across nine EU Member States. It covers all regions of Austria, Croatia, the Czech Republic, Hungary, Poland, Slovakia and Slovenia, and selected regions in Germany and Italy. Germany participates with Baden-Württemberg, Bayern, Berlin, Brandenburg, Mecklenburg-Vorpommern, Sachsen, Sachsen-Anhalt, Thüringen and the Braunschweig region within Niedersachsen. Italy participates with Piemonte, Valle d'Aosta, Liguria, Lombardia, Veneto, Friuli-Venezia Giulia, Emilia-Romagna and the autonomous provinces of Bolzano/Bozen and Trento.

The area consists of 81 NUTS-2 regions and is home to roughly a third of the EU population (148m inhabitants in 2019). It covers around 25% of the whole EU territory. There are seven cities with more than 1m inhabitants, i.e. Praha, Milano, München, Budapest, Warszawa, Wien and Berlin. Around 33% of people in the area live in bigger cities, 37% in intermediate regions, and 30% in rural areas.

Economically, the area is an industrial core of the EU. Its economy generates 30% of EU GDP and its industrial development is a key factor for the global competitiveness of the EU. However, it is characterised by structural differences between urban/industrialised areas and rural/peripheral areas.

The programme area is at the heart of Europe and connects its North and South and East and West. It provides a cultural bridge all the way from Scandinavia to the Mediterranean Sea. It also brings together countries from both sides of the former Iron Curtain, with all the socio-economic and political implications this conveys. Despite major progress, economic and social differences between 'Eastern' and 'Western' countries in central Europe are still visible.

Finally, the area is a highly functional one. It is marked by strong interactions and linkages regarding economies (e.g. trade), cooperation and governance structures (e.g. Visegrád group), the environment (e.g. the European Green Belt) and cultural and historical ties.

1.2. Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complementarity and synergies with other funding programmes and instruments, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

Reference: Article 17(4)(b), Article 17(9)(b)

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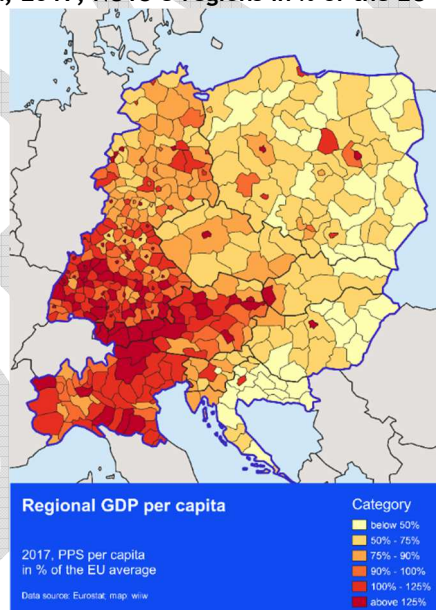
Maps & charts will be moved to an annex and only plain text will be inserted in SFC

Sustainable economic development

Three decades after the fall of the Iron Curtain **economic disparities** remain evident in central Europe despite strong growth in once centrally planned economies. In the 10 most developed NUTS-3 regions, average GDP per capita (at purchasing power standards) is about nine times higher than in the 10 least developed regions (see Figure 1). Gaps not only exist across countries but also between urban and rural regions.

Closing these gaps will require time and continuous political efforts that have become even more challenging through the COVID-19 pandemic and its negative socioeconomic effects (see dedicated COVID-19 section in this chapter).

Figure 1: Regional GDP per capita, 2017, NUTS-3 regions in % of the EU average



Source: Eurostat, map: wiiw

Central Europe is a **functional economic area** and a major industrial centre of the EU. Despite their economic disparities, central European countries are strongly linked to each other. They share **value chains** in many manufacturing industries such as the automotive industry. The ESPON CE-FLOWS targeted analysis (VVA et al., 2020) shows that the area is home to globally important **manufacturing hubs** in e.g. Lombardy, Upper Bavaria, and Stuttgart. Beyond these hubs, manufacturing plays a key role in most regions in the programme area. However, the degree of specialisation and regional interlinkages varies. In particular, manufacturing hubs in northern Italy, southern Germany and central Poland are highly specialised. These hubs add substantial economic value, feature very high

productivity levels and contribute to key value chains with their surrounding regions.

Keeping or further expanding this strong global position in the manufacturing industry is a major challenge. The 4th industrial revolution and EU-wide momentum for a **green and digitised economy** require a transition towards advanced technologies and a digitally skilled workforce. Value chains need to be reviewed, revised and newly created.

The combination of technological progress and global competition implies that governments, businesses and citizens have to adapt in order to harness the potential benefits and not fall behind. This affects **key business areas** that are highly relevant for central Europe such as manufacturing, but also other smart specialisation (S3) technology priority areas and policy sectors such as

- a) energy and environment;
- b) public health, medicine and life sciences;
- c) agro- and bio-economy;
- d) advanced materials and nanotechnology;
- e) transport and mobility;
- f) advanced manufacturing systems; or
- g) ICT and electronics.

Another sector affected is the **services sector**, especially knowledge intensive services (KIS) in:

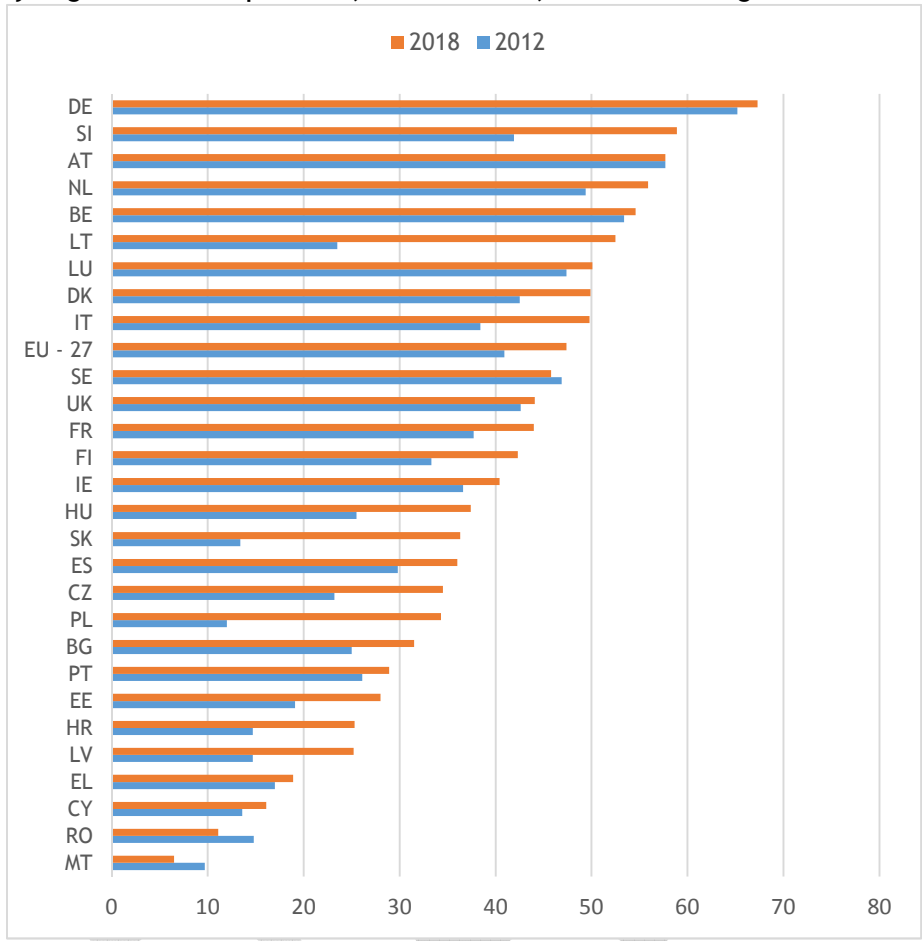
- a) high-tech services (telecommunications, computer programming);
- b) market services (legal activities, architectural and engineering activities);
- c) financial services; and
- d) other services (e.g. health and education).

This important sector remains less developed in central Europe compared to other EU countries and not only needs to be modernised but further expanded. Its share in total gross value added is for example around 29%, while the average in other EU regions is 32% (wiiw, 2020).

The challenge is to make use of local strengths, to incorporate them into S3 policies and expand existing or developing new economic activities. The **tourism industry** and the **creative and cultural industries** are positive examples. They are catalysts for using local knowledge to develop new activities. Tourism is well developed in coastal and mountainous areas of central Europe and important for local economies by providing up to 14% of total employment (based on 2017 NUTS-2 regional employment). In more remote rural regions, tourism and cultural industries offer an untapped economic potential, for example by combining sustainable tourism with local crafts. To develop such activities, policy needs to support local stakeholders to set up coordinated and sustainable tourism strategies.

The **European Green Deal and the Territorial Agenda 2030** highlight the ecological dimension of the economic transformation and emphasise the role of the **circular economy**. Even though circularity is increasing in central Europe, many territories are still lagging behind the EU average. Catching up will require major efforts especially in Croatia, Poland, Czech Republic, Slovakia and Hungary (Figure 2 - wiiw, 2020). Circular design and production and circular economy-related innovations and investments need to be supported. Change could also be achieved through fostering bio-economy, when supporting the economic development of rural areas.

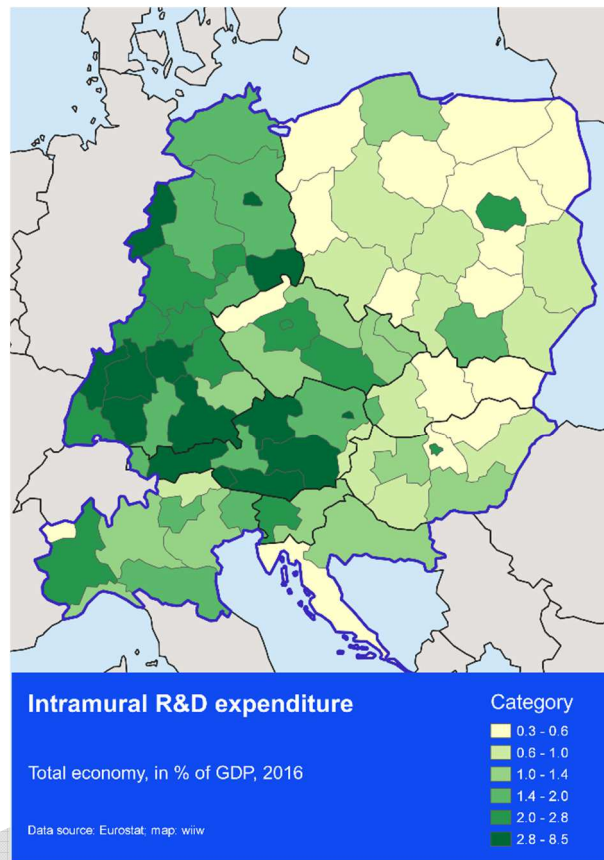
Figure 2: Recycling rate of municipal waste, 2012 and 2018, % of total waste generated



Notes: Data for Ireland for 2017.
Source: Eurostat

A central condition for the transformation to a digital and green economy is research and innovation. The ESPON CE-FLOWS targeted analysis (VVA et al., 2020) concludes that cooperation between areas with different levels of research and innovation capabilities is essential to improve **R&I potentials** overall. In central Europe, there are huge differences in this regard (wiiw, 2020). Only few regions primarily in Austria and Germany exceed the EU benchmark of 3% of GDP for R&I expenditure (Figure 3). R&I activities and related human capital are mostly concentrated in highly urbanised western regions of the programme area. In countries like Croatia, Czech Republic, Hungary, Poland or Slovakia this spatial clustering of R&I activities increased over time to the disadvantage of rural regions. R&I activities are also dominated by large companies, which account on average for 50-60% of commercial R&D expenditures.

Figure 3: Intramural R&D expenditure, total economy 2016, in % of GDP

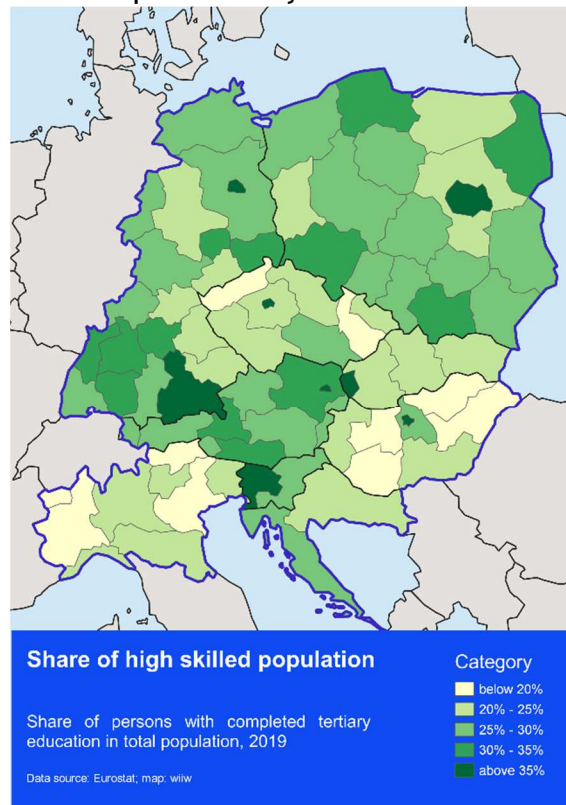


Source: Eurostat; Map: wiiw

To tackle R&I-related challenges, policy needs to support networks of different innovation actors in and across countries. Better **transfer of technology, policy learning and the sharing of best practices** is necessary to **improve innovation governance**. A focus should be on SMEs to enable them to take up innovative methods such as key enabling technologies and prototyping, or to get access to financing, e.g. via venture capital. Technology and innovation transfer are still too limited to urban areas, where universities and research institutions are main drivers (ESPON CE-FLOWS, VVA et al., 2020). It will be key to overcome the urban-rural divide and to establish **functional urban areas**, which physically connect urban cores with their (rural) hinterlands. Fields for cooperation are interregional partnerships along value chains, green economy and cross-sector cooperation.

Skills are also essential for a successful transition to a sustainable and inclusive high-employment economy. The skill supply in central Europe is suited to support this transition, with more than 80% of people having received upper secondary, post-secondary non-tertiary, and tertiary **education**, which is at least six percentage points higher than the EU average in 2019 (Eurostat). Nevertheless, highly skilled people are concentrated mainly in urban regions (Figure 4). Intermediate and rural regions have a high share of people who completed secondary education and that are typically the backbone of the manufacturing industry. This reinforces central Europe's need to connect urban and rural regions and tap their combined potential.

Figure 4: Share of population with completed tertiary education



Source: Eurostat; Map: wiiw

The ongoing transformation of labour markets and the cross-country division of labour has increased demand for work flexibility and decreased job stability. **Training and education** are needed to meet new skills requirements. However, rates in education and training vary from 2% in Polish, Slovak and Croatian regions to around 20% in other countries. Overall, participation in education and training is significantly higher in urban than in rural regions. In Eastern Slovakia, North-Eastern Hungary, Piedmont (IT), Severozápad (CZ) or Berlin (DE) this partly correlates with challenges concerning early leavers from education and training

Furthermore, **informal learning activities** play a role for the acquisition of entrepreneurial skills and soft skills. Participation in informal learning is generally above EU average levels in central Europe, except for Hungary, Germany and Poland. **Digital skills**, which are vital for smart specialisation processes (EC, 2018b) are also unevenly distributed. Poland, Hungary, Croatia and Italy experience a particularly high share of individuals without any computer experience, not least in rural regions.

Environment, energy and climate change

Given its rich natural heritage, biodiversity and variety of landscapes there are many environmental challenges in central Europe. These relate to climate change, a decline in biodiversity, green infrastructure, the need to reduce greenhouse gas emissions and environmental pollution. There is also the need to increase energy efficiency and the use of renewable energy.

Because of the many different ecosystems - from the coastal areas at the Mediterranean Sea and the Baltic Sea, to the mountainous Carpathian and Alpine areas and to the densely urbanised or highly rural areas - central Europe is subject to many **climate change**-related challenges.

As identified in the environmental report of the strategic environmental assessment (SEA - Integra, ZaVita, 2020), **heat extremes and heat waves** in central Europe have increased considerably and are projected to become even more frequent and longer lasting. A specific problem is the urban heat island effect, i.e. cities facing higher temperatures (up to 12° C) than their surroundings, with the consequences such as:

- a) increasing peak energy demand for cooling;
- b) air conditioning costs;
- c) air pollution and greenhouse gas emissions;
- d) heat-related health challenges for vulnerable groups; and
- e) reduction of water quality.

Furthermore, changing rainfall patterns in central Europe suggest two **extreme rainfall scenarios**. First, heavy rain events are projected to increase by 35% until 2070 and will lead to higher risks of frequent rain-related floods and flash floods in particular in north western and central western regions. At the same time, **decreased summer precipitation and meteorological droughts** are expected in southern Europe (EEA, 2019). Northern Italy, Croatia and Slovenia may be particularly affected by meteorological droughts especially during summer periods.

Accelerating and increasingly visible climate change requires ambitious **mitigation and adaptation actions** well integrated with other environmental policies and actions (Integra, ZaVita, 2020). There is the need to improve the capacities and knowledge of the policy and other sectors for increased **resilience of eco-systems** towards climate change impacts and **environmental risk management**. “Green” nature-based adaptation measures should be focused on, such as more resilient crop and tree species, which allow room for rivers to naturally flood onto floodplains and restoring wetlands.

Furthermore, the changing climate affects also a wide range of economic sectors and human activities, including agriculture, forestry, fisheries, water management, coastal and flood protection, energy, transport, tourism, construction, and human health and wellbeing). Adaptation policies and other environmental policies therefore need to be connected to **economic considerations**, such as sustainable tourism development, which includes the protection and conservation of historic buildings and cultural heritage sites.

Central Europe covers a **variety of biogeographical regions** such as the Pannonian, the Continental, the Alpine, the Carpathian and the Mediterranean regions (EEA EU Biogeographical Regions, 2016). These regions are highly differentiated and include large areas of forested and agricultural land, mountainous areas, watercourses, coasts with specific landscapes, the sea, plains, lakes and urbanised areas.

Many central European countries exceed EU averages for terrestrial protected area. In Croatia and Slovenia **Natura 2000 designations** are highest and cover over 35% of their land area. About 30% of Slovakia’s territory is under Natura 2000 protection, while in Hungary, Italy and Poland it is about 20%. Only Austria, Czech Republic and Germany score below EU averages with only 15% of land area under Natura 2000 (EEA, 2020). However, there is a lack of comprehensive information on how well Natura 2000 sites are managed (Integra, ZaVita, 2020).

Furthermore, central Europe has witnessed decreasing trends and ongoing **losses in biodiversity** due to increasing pressures from land use, pollution, natural resources extraction, climate change and invasive alien species (Integra, ZaVita, 2020). With the exception of Hungary, the ‘Common farmland bird index’ indicates for example that biodiversity dropped strongly in all central European countries between 2008 and 2018, while it stabilised in the EU on average in the same period (wiiw, 2020).

In line with the **new EU Biodiversity Strategy 2030** this trend needs to be reversed. Clear commitments and actions are needed to preserve beneficial **functions of the various ecosystems** such as climate regulation, food, fresh water, air quality, soil fertility, habitats as well as recreational and cultural services.

The provision of **green infrastructure** can provide many social, economic and environmental benefits. In line with the Territorial Agenda 2030, the greening of city roofs or walls could be

particularly valuable for cities with a low amount of green space, like Bratislava, Praha or Budapest. At a more general level, green infrastructure can contribute to mitigate effects of land take and soil sealing and to alleviating urban heat island effects. Making use of green infrastructure needs to be considered more widely as an alternative to grey infrastructure, i.e. single-purpose, built approaches. Integrated policies and upscaling of green infrastructure solutions is needed for **restoring natural capital** such as rivers, wetlands, contaminated sites etc.

Central Europe faces significant challenges regarding **environmental pollution** especially in more urbanised and industrialised regions. To a significant degree, these are located in structurally more developed regions. However, given the high degree of interconnectedness of river basins, forests and other environmental features, pollution produced in one region may be driving environmental impacts in another (VVA et al., 2020).

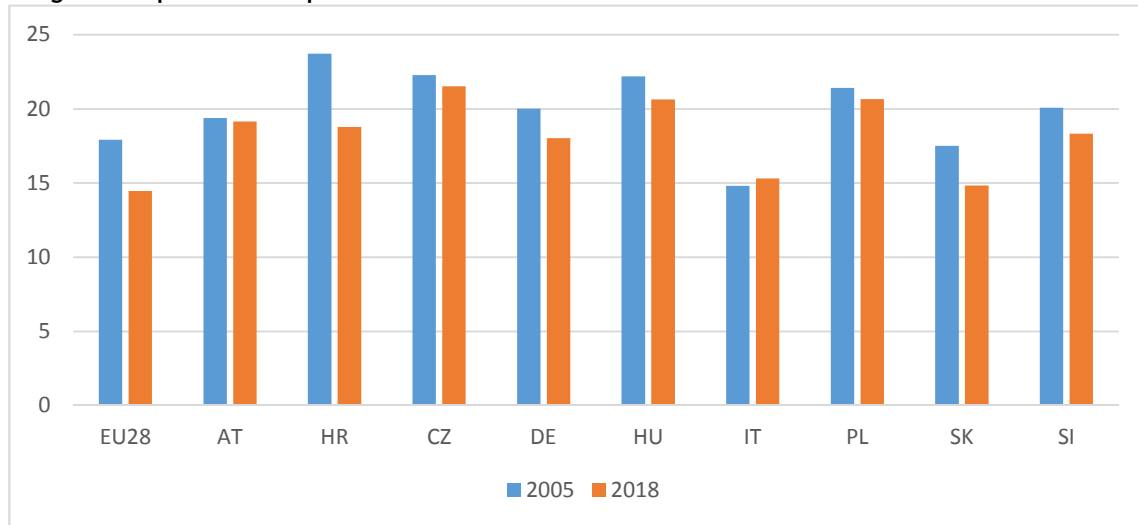
Low air quality and high concentrations of particles are an issue in central European cities. Central Europe is the area most heavily affected in Europe by particulate matter (PM_{2.5}) and nitrogen oxides (NO_x). Particularly high PM-concentrations were measured in Poland, Northern Italy and partly in Hungary. The burning of wood, coal and other solid fuels in domestic stoves, leads to locally or regionally high PM_{2.5} emissions. Strong air pollution and resulting human health related risks are also an issue for many cities in central Europe, such as Budapest and Bratislava or Košice.

Another major issue is **soil contamination** due to e.g. abandoned military, industrial and storage sites or agriculture. Most frequent contaminants include heavy metals and mineral oil. Remediation has begun but progress is slow so that there is the clear need for further rehabilitation measures and a reduction of soil sealing. Soil erosion remains a problem throughout many regions, even in regions with otherwise lower environmental degradation (VVA et al., 2020).

Water quality in central Europe is affected by nutrient enrichment, chemical pollution and altered habitats due to morphological changes. Better urban wastewater treatment and industrial pollution will deliver improvements in pollution control, but diffuse pollution is expected to remain problematic. It is likely that pressures from newly emerging pollutants and mixtures of chemicals will intensify (EEA, 2019). To reduce impacts on human health and ecosystems, there is a need for improved and integrated policies to reduce air, soil and water pollution, emissions in agriculture, industry, and households.

Energy efficiency and the reduction of greenhouse gas (GHG) emissions are particular challenges for central Europe. Between 2005 and 2018 final energy consumption (per unit of GDP) decreased in most, and energy intensity in all, programme countries (per unit of GDP) but average consumption is still considerably higher than the EU average (Eurostat). This is reflected in the final **energy consumption** per square metre in the residential sector. Even though it decreases in all central European countries, except for Italy, consumption in 2018 was still up to 47% higher than the EU average (Figure 5).

Figure 5: Final energy consumption per sqm in the residential sector, at normal climate, 2005 and 2018, in kg of oil equivalents / sqm



Source: DATA MAPPER for Energy Union Targets

https://ec.europa.eu/energy/en/atico_countrysheets/database?indicator=EE4&type=bar

Linked to energy efficiency is the challenge of reducing **GHG emissions**. EU countries in the eastern programme area still operate more GHG intensive economies than the EU average, despite their achievements in climate change mitigation following the demise of emission-heavy economies after the collapse of socialism. Poland and the Czech Republic are significantly below the average EU performance in both GHG emissions per GDP unit and GHG emissions per capita. The economy of Germany is also less GHG efficient than the EU average in both GDP and per capita indexes. Croatia, Slovakia and Slovenia generate higher than EU average GHG emissions per GDP unit but their GHG emissions per capita are better than the EU average. Austria faces the opposite situation: its per capita GHG emissions are higher than the EU average but it scores better in terms of GHG emissions per GDP unit. Within the region, only Italy performs better than EU averages on both indicators (Integra, ZaVita, 2020).

Despite the fact that all programme countries made progress in reducing their GHG emissions since 2000, policy needs to take further action in order to achieve EU energy efficiency targets. The **energy performance of buildings** needs to be improved including energy efficient heating and cooling solutions (e.g. smart buildings). Policies also need to address energy demand in all sectors, including transport, and consider synergies with challenges related to circular economy, e.g. by supporting the optimisation of industrial energy use and processes, and energy recovery processes.

Central Europe's carbon footprint could be reduced also by increasing **renewable energy** usage. The share of renewables in gross final energy consumption in 2018 differs across central Europe, from 13% in Czech Republic to 33,5% in Austria. Although some programme countries outperformed their self-defined 2020 renewable energy targets already in 2018, further policy efforts are needed to increase the uptake of renewable energy sources in all sectors. This includes the industry and the residential sector, e.g. by facilitating decentralised production and empowering renewable energy self-consumers and renewable energy communities.

Sustainable transport and connectivity

Central Europe connects Europe from east to west and from north to south. The area is closely linked to and home of many of the **main European transport corridors**. Seven of all nine TEN-T corridors cross at least two central European countries, i.e. the Baltic-Adriatic, Rhine-Danube, Orient-East-Med, Mediterranean, Scandinavian-Mediterranean, North Sea-Baltic and Rhine-Alpine corridor. The programme area thus connects some of the main European harbours like Hamburg or Trieste and hosts road, rail and waterways infrastructure for the free movement of goods and people within Europe. Hence, central Europe plays an important role in the physical integration in the EU.

The area is also heavily integrated in economic terms internally. The provision of sustainable transport infrastructure and services is essential for effective and inclusive functional relationships between programme countries and regions, as well as between urban and rural areas.

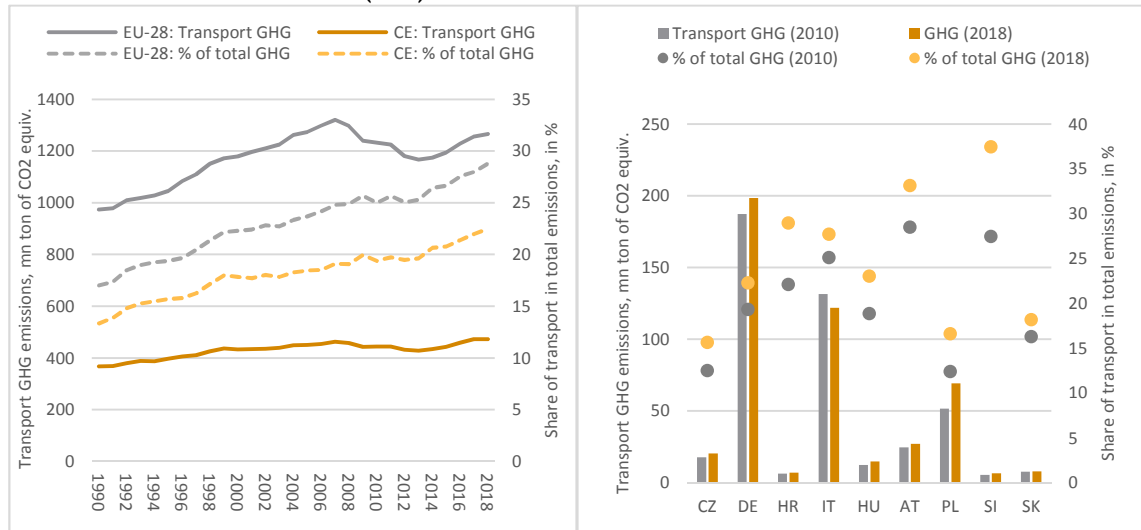
Rail accessibility varies strongly in the programme area. The ESPON CE-FLOWS targeted analysis (VVA et al., 2020) highlights that more populous regions in the western parts of central Europe have significantly better rail coverage. While connections between major urban hubs (and to a lower extent between minor urban centres) are usually ensured, the same cannot be said when it comes to peripheral areas. Here, accessibility is often a key issue and the periphery challenge of most border regions in central Europe continues. This results also in a significant bottleneck for **commuting patterns and labour mobility** because these regions generally feature lower rates of commuting, too. Overall, issues of **transport interoperability** and bottlenecks persist in central Europe and are particularly apparent at cross-border sections. Gaps in the cross-border passenger rail network are not necessarily caused by missing elements of infrastructure. In many cases there is a lack of cross-border passenger services even on operational railway infrastructure (EC, 2018).

Changing this requires a transport network and services, which ensures high **regional and local accessibility** and connects rural and urban areas. There is the need for policies to remove existing bottlenecks within and across countries that stem from missing trans-border links or services outside the core TEN-T network. This includes the need for supporting the integration of various transport modes and ensuring interoperability and adequate infrastructure capacities.

Another challenge is the shift to **intermodal and intelligent mobility and freight transport**. Before the COVID-19 pandemic with its dramatic but temporary reduction in transport flows, expectations were that the market share of combined rail-road transport in Europe will grow strongly, with strong repercussion on central Europe given its geographic location. To handle these transport flows, there is the need to establish efficient transnational, national and local traffic management systems, which should contribute to reducing traffic congestion and emissions and improving transport safety.

Furthermore, transport in the programme area is currently not **environmentally sustainable or climate neutral**. Between 2010 and 2018 the share of the transport sector in total GHG emissions increased in all programme countries, most significantly in Slovenia, Croatia and Poland (Figure 6). This means that increasing the sustainability of transport requires the shift from predominantly fossil fuel-based road transport to more sustainable modes. Since 2018, more than 65% of freight throughout central Europe has been transported via roads. Road transport is responsible for 72% of the transport sector's GHG emissions in CE (wiiw, 2020).

Figure 6: Greenhouse gas emissions attributable to the transport sector (million ton of CO2 equivalent) and its share in total emissions (in %)



Note: Data in these charts refer to the whole territories of DE and IT. Source: Statistical Pocketbook of the European Commission, DG MOVE (2018) based on information provided by the European Environment Agency (EEA) in June 2019; Diagrams: wiiw.

Sustainable, multimodal mobility is particularly important for urban areas, amongst other for reducing high levels of **air and noise pollution** in cities like Bratislava, Budapest, Praha and Warszawa. These cities have high rates of car ownership, which coincides with major problems related to traffic congestion and air pollution. In turn, medium and small cities in central Europe often lack an adequate provision of public transport opportunities. This leads again to an extensive use of cars as the main means of transport.

Changing transport patterns and **mobility behaviour** requires actions that address urban planning, safe cycling and walking paths, clean local public transport, introducing new delivery technologies such as drones, or car and bike sharing services. In addition, urban transport needs to be viewed in a **functional urban area** context that encourages cities to think beyond their borders and incorporate needs and mutual relationships with their hinterlands. This is particularly relevant for a smoother commuting.

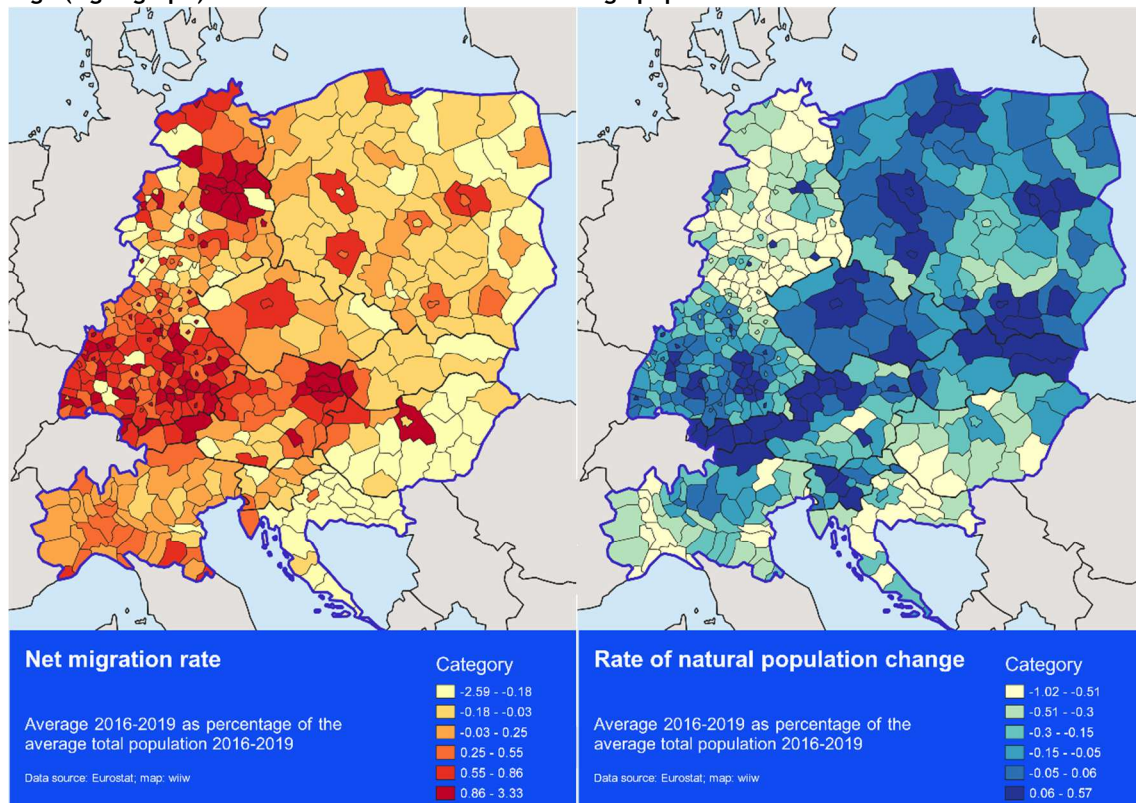
Horizontal challenges

Demographic change and equal opportunities

Large differences in prosperity and related outlooks in central Europe are a multidimensional phenomenon. Regional disparities concern income levels, job opportunities, innovation potential, connectivity, accessibility, employment opportunities or quality of life. The direct consequence are differences in **demographic trends**, caused by migration and natural population developments (ESPON, 2018). In central Europe, net migration rates differ greatly, with some regions suffering from large emigration flows, while others are faced with challenges caused by inflows.

This **migration pattern** has an east-west trajectory, with large net-emigration rates in Croatia, eastern Hungary and eastern Poland. Strong immigration, in turn, is recorded in Berlin, Bratislava and Vienna, around Budapest and most of southern Germany. In addition, central Europe faces a strong trend of urbanisation and sub-urbanisation, i.e. people leaving peripheral rural regions and moving to or close to larger cities (Figure 7).

Figure 7: Average yearly net migration rate (left graph) and average yearly rate of natural population change (right graph) 2016 - 2019 in % of the total average population 2016 - 2019



Source: Eurostat, Maps: wiiw

At the same time, **natural population developments**, i.e. the difference between the number of live births and deaths, are largely negative in central Europe. In over 75% of regions natural population rates decline, particularly in eastern Germany, southern Hungary, north-western Italy and Croatia.

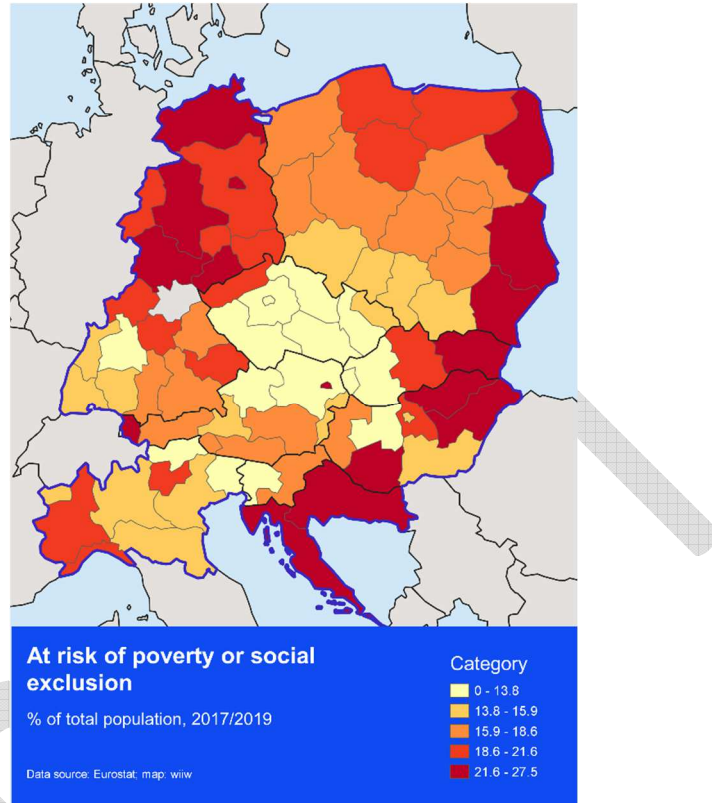
The combination of population decline and outward migration is a particular challenge for **rural regions**. Often it is young, well-educated people that leave, which erodes the productive basis and potential source of economic development of these regions. It also leads to their **shrinking and ageing**, because the population declines and the average age of people increases. This creates **social challenges** in form of **unequal opportunities** depending on the region a person lives in. In many cases, unemployment, poverty and material deprivation trigger a vicious circle and reduce the opportunities to take part in society.

This is a particular problem in less prosperous regions of the programme area with long-term **unemployment**, including eastern Germany and peripheral Polish regions, Slovakia or Croatia. Youth unemployment and involuntary part-time employment due to the lack of adequate full time jobs are also challenging some central European regions (wiiw, 2020). For example in Slovakia and Hungary, this is in particular true for women, where parenthood has a substantial negative impact on female employment, which points to difficulties in the **labour market integration of women**.

Differences in employment and training opportunities often translate into further social challenges such a **social exclusion** and an unequal access to public **services of general interest** (e.g. health care services). The risk of poverty and social exclusion remains an important issue in most programme countries, particularly in the rural regions of Croatia, Hungary, Poland and Slovakia. However, also comparably high-income areas like Vienna and Berlin have a high share of population with incomes

below the Austrian or German median income (Figure 8). This comes simultaneously with high rates of young people not in employment, education or training in regional clusters in Italy, Croatia, Hungary, the Czech Republic and Poland.

Figure 8: At risk of poverty or social exclusion 2018/2019, in % of total population



Source: Eurostat.
Note: AT, DE, SK - 2017.

The challenge for **social policies** is not only to treat negative consequences of lower levels of economic development but also to address their causes. Synergies with other policies need to be sought, which explicitly support economic and territorial development. This asks for example for integrated policies that address social innovation and (digital) skills development. Such policy actions need to involve local stakeholders from both the private and public sectors as well as citizens to work together to fulfil local needs and thereby exploit local knowledge. This is particularly important for rural regions.

Furthermore, policy needs to add a territorial component to European social policies by internalising the priority of a just Europe from the Territorial Agenda 2030. There is the need to strengthen local and regional **governance structures** and processes for improving working and living conditions. This could be supported by the creation of a polycentric network of urban and rural areas and considering functional (urban) areas, both within countries and across borders.

Digitalisation

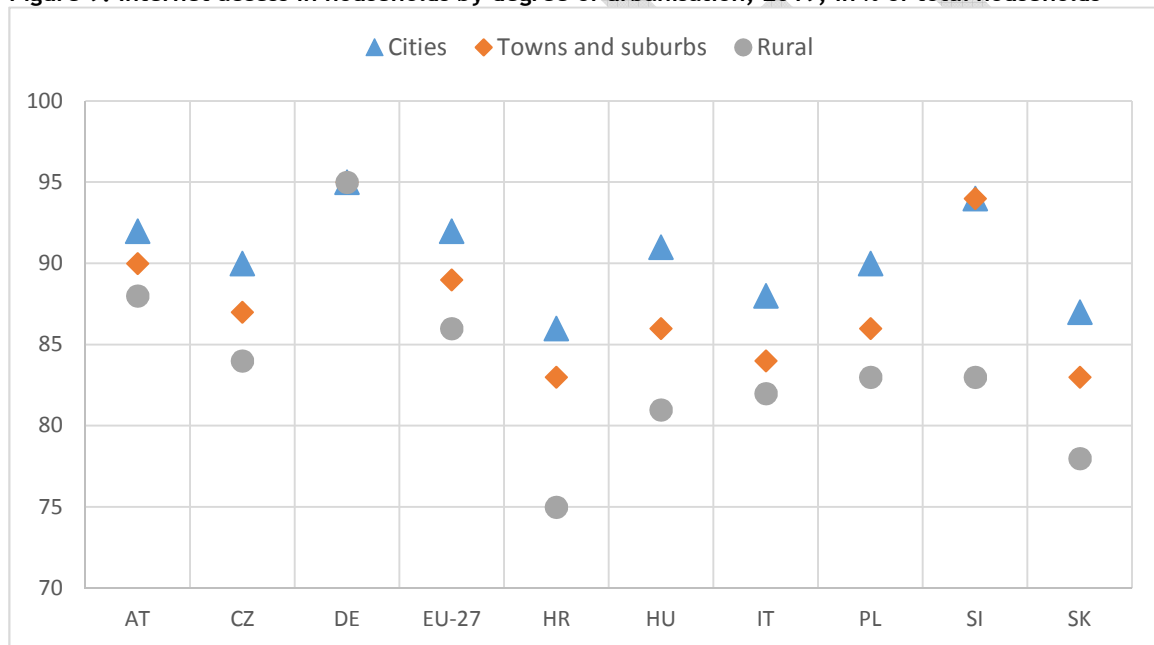
Digitalisation is one of the biggest changes to the global economic and social system since the industrial revolution. It changes the every-day lives of people, e.g. in health (e-health), education (e-learning), culture (e-entertainment), leisure and sports (e-sports), communication, mobility (self-driving vehicles), interactions with the government (e-government) and shopping (e-commerce). Digitalisation has a high growth potential but also brings challenges including the need for structural

adaptation of both firms and the labour force, for developing and/or adopting new technologies to stay competitive and for seizing innovative potentials to be at the forefront of **digital transformation**.

A digitalisation of the business sphere is key for central Europe given the strong role of and up- and downstream linkages of its manufacturing industries. The integration of digital technologies is a necessity to retain or expand their position on European and global markets and to provide jobs and incomes. Digitalisation is important for SMEs, especially in rural areas, to get access to new markets, and to develop their products and put them on a large marketplace.

Policies need to focus on improving the currently underdeveloped **digitalisation of businesses** in central Europe, which except for Austria and Germany is below the EU average (wiiw, 2020). A particular need is the support of SMEs to take up digital technologies because often the financial and knowledge capacities are limited. This includes improving **digital skills** as well as **digital connectivity**, especially in rural areas. Although 89% of all households in the programme area have access to the internet, there are sizeable differences across and within countries. With the exceptions of Austria, Germany and Slovenia (except for its rural areas), the digital accessibility of all programme countries is below EU average. Urban-rural differences exist in all countries, particularly in Croatia, Hungary, Slovenia and Slovakia (Figure 9).

Figure 9: Internet access in households by degree of urbanisation, 2019, in % of total households



Source: Eurostat; Diagram: wiiw

Outside the business sphere, digital technologies need to be supported and spread in order to improve citizens' lives. **Digital public services**, including e-government and e-health, are still less developed in central Europe. Actions to improve e-government and modernise public administration could focus on capacity building, developing cross-border digital public services or facilitating digital interactions between public authorities and the private sector. Such services may benefit people with limited access to physical public services and increase the overall efficiency of services provided by local, regional or national governments.

Digitalisation can also support central European cities to become **smart cities** that manage their resources, assets and services efficiently and in alignment with citizen needs. Hence, digitalisation policies will indirectly contribute to other policy needs, such as reducing pollution and GHG emissions

by efficiently managing transport flows, or providing public e-services e.g. in the health sector. Other areas that benefit citizens include e-culture, i.e. the digitalisation of cultural heritages and the media and news sector.

In a transnational context and to further strengthen the functionality of the programme regions, **cross-border digital connectivity** needs to be improved in close coordination with relevant programmes, which may include the introduction of common standards and increasing the trust in and the **cybersecurity** of cross-border digital systems.

Cooperation and governance

Central European countries and people share a **common identity** based on **cultural and historical ties** (wiiw, 2020). Some of these ties trace back to centuries of a common history, while others are founded in the recent history of sharing a common economic and political system and a common border draped by the Iron Curtain. Right from the fall of that borderline it was evident that the neighbouring countries shared many interests and challenges. To facilitate joint actions, the need for better **cooperation** is evident.

An early consequence of this was the establishment of the Central European Initiative (CEI) in 1989 that supported European integration through cooperation among its Member States and the EU, as well as with other interested public institutions, private and non-governmental organisations, and international and regional organisations. Two years later in 1991, the Visegrád Group (V4) - comprising of the Czech Republic, Hungary, Poland and Slovakia - was established. The backbone of this cooperation are mutual contacts at all levels: from the highest-level political summits to expert and diplomatic meetings that cover the activities of non-governmental associations, think-tanks and research bodies, cultural institutions and numerous networks of individuals. In recent years, institutionalised cooperation was also established through the Green Belt Initiative in 2014. It aims at harmonising human activities with nature and the environment and wants to increase opportunities for the socio-economic development of local communities along the former Iron Curtain. In 2015, the Commission Initiative on Central and South-Eastern European Energy Connectivity was launched. It aims to strengthen solidarity and enable a safer energy supply for citizens and businesses across the region in the fields of gas, electricity, renewables, and energy efficiency. Central European countries participating in this initiative include Austria, Croatia, Hungary, Italy, Slovakia and Slovenia. Further cooperation structures include the EURegions as well as 34 European Groupings for Territorial Cooperation (EGTC).

In addition to growing political and personal ties, central European countries established strong **functional relationships**, based on geographic proximity, historical and cultural similarities and a common economic perspective. These relationships include among others economic, industrial value chains and labour markets as well as mutual tourism or cross-border health services. Hence, in many ways, cooperation has always been central to the area.

Persisting challenges, like economic and social disparities, and the emergence of new challenges like digitalisation or the shift to a greener economy as foreseen by the European Green Deal, reinforce the need for cooperation in central Europe. The key challenge in view of cooperation is the coordination of different systems and levels of governance across and within countries. As demonstrated above, the economic and social challenges are multidimensional. To tackle them effectively, different institutions need to collaborate within and across countries. These reach from central government ministries to regional and local governments, to national and regional interest groups, businesses and citizens. There is a constant need for the policy level to support these coordination efforts and to strengthen **multi-level and multi-sectoral governance** in the area as highlighted by the Territorial Agenda 2030. This includes **integrated approaches** involving local and regional non-governmental stakeholders including citizens, which not only better address local needs but will also increase **trust** in and the **accountability** of governance.

COVID-19 pandemic effects

The outbreak of the COVID-19 pandemic was a major shock to central Europe as it was for the entire world. The **economy** declined strongly in all nine countries, particularly in Italy and Croatia, where GDP is expected to decline by more than 10% in 2020 (wiiw, 2020). **Unemployment** increased everywhere, although at least at the beginning of the pandemic most labour-shedding was avoided through furlough schemes and a reduction of working hours.

In many cases, people started to work from home, particularly in Austria, Germany and Italy, while in Hungary, Croatia and Slovakia a smaller share of the population took this option. The extent to which “**home office**” was applied depended amongst other also on digital connectivity, which is still very different in central Europe. Nevertheless, the pandemic-induced need for more digital services is an opportunity to explore new solutions, especially in the supply of e-solutions by the public sector.

The COVID-19 induced lock-downs had devastating effects on **tourism**, with tourism nights spent in the programme area dropping between 80% and 95% depending on country and region. Strongly hit regions included the coastal regions in the South and North of CE as well as the Alpine regions, all of which economically heavily depend on tourism.

The COVID-19 consequences for central Europe currently remain rather unclear. If the pandemic is longer lasting, described challenges will be overshadowed by **economic and social effects** of the pandemic. Particularly for central Europe, the effects on the functional relationships and cooperation in the public and private sphere will be detrimental. The pandemic has shown especially how quickly countries turn to national solutions when facing a global crisis. Especially during its first wave the flow of people, goods and services across borders was partly interrupted, since also some businesses stopped working.

However, a **coordinated approach** across European countries in general and Interreg CE countries seems more promising and obvious for addressing the challenges of this “borderless” pandemic. COVID-19 has shown that cooperation and coordination concepts are highly necessary, yet still largely missing (wiiw, 2020). In case the pandemic takes longer to be resolved, governments and public authorities need to find coordinated ways to deal with it, to ensure the free movement of people and goods within Europe, while at the same time offering the best possible protection against the virus.

Lessons learnt

In the programming period 2014-2020 Interreg CE supported 138 projects that cooperated on innovation, low carbon, environment and culture as well as transport topics. Experiences of these projects as well as knowledge gained in the 2007-2013 programming period provide a number of lessons learnt for this programme (wiiw, 2018).

The operational evaluation of Interreg CE 2014-2020 (Spatial Foresight, t33, 2019) confirmed that the programme generated a **high interest of stakeholders** and had a fairly even distribution of applicants in terms of country and institution coverage. Amongst others, this could be told from a high share of **private partners** (41%) in the projects and also a high share of **newcomers** (24%) to Interreg.

Capacity-building and policy learning is a major result of the projects. They improve capacities of local, regional and national administration and policy makers as well as of private businesses, especially SMEs. Their cooperation involved a critical mass of actors, who addressed joint challenges together. This allowed stakeholders to improve their knowledge as well as to develop and implement tools and strategies regarding innovation, energy, environmental, culture or transport related challenges.

Pilot actions have proven to be a successful way to implement and exchange experiences on state-of-the-art methods and technologies. They also allowed to test and consequently implement **new technologies and solutions**. Thereby, pilot actions had valuable demonstration effects, which contributed to their roll out and a significant **leverage of funds** in various projects.

More generally, the direct **involvement of stakeholders** such as policy makers on all governance levels or the business sector helped the projects to tailor their results according to specific **territorial needs**. It thus supported their efforts to further capitalise on project results, e.g. by rolling-out of solutions in the participating territories and beyond. As a result, **project results became more sustainable** and visible long after the projects were completed. This was also confirmed by a stakeholder survey conducted in the impact assessment of Interreg CE 2007-2013 (wiiw, 2018).

This assessment has also shown that Interreg CE can successfully:

- Reduce barriers between policy makers, the business and research sphere, local and regional administrations and planners, and other stakeholders both within countries and across borders;
- Ensure high sustainability of cooperation and the establishment of new cooperation;
- Improve the coordination of policy makers and local authorities, by setting up specific governance structures to tackle common problems;
- Increase public (and private) management capacities through the creation and exchange of knowledge fuelled by studies, the collection of best practice, pilot actions, trainings, etc.;
- Produce a considerable value added, by contributing both to wider EU strategies and policies as well as to economic, social and territorial development.

Complementarity and synergies (including contribution to macro-regional strategies)

The impact of transnational cooperation depends, amongst others, on the extent to which Interreg project results can be transferred to and scaled up by other, financially bigger European or national programmes and initiatives. Therefore, coordinating and cooperating with other funding instruments creates opportunities to capitalise on project outputs and results, and consequently to multiply their territorial impact.

Interreg CE aims to make use of synergies and complementarities with:

- a) other Interreg programmes;
- b) regional and national Cohesion Policy programmes relevant for CE regions; and
- c) EU-wide programmes, initiatives and funds, including Horizon 2020 and Horizon Europe, the LIFE programme, programmes funded under the Just Transition Fund (JTF), the Connecting Europe Facility (CEF), Creative Europe and the like.

The implementation of such synergies will happen throughout the programme lifecycle.

During **programming**, special attention was paid to six transnational Interreg programmes that partially overlap geographically with Interreg CE (Alpine Space, Adriatic-Ionian, Baltic Sea, Danube, Med, North Sea, North-West). When involving partners in the programming process, authorities of these programmes were addressed specifically (see also section 4). This allowed to discuss synergies and complementarities as well as to collect feedbacks on the Interreg CE draft intervention logic. More generally, the Interreg CE programming process benefited from the fact that some members of the programming committee (Working Group CE21+) are simultaneously involved in programming committees of other transnational Interreg programmes, thus facilitating exchanges of between committees.

Most synergies will be sought though during **programme implementation** along the following principles:

- **Overall**, when submitting project proposals, applicants will have to describe the coherence and complementarity with EU, national and regional programmes, within an ad-hoc section in the application form. This information will be subject to assessment.
- **Overlapping Interreg programmes**: continuous exchange of information with the concerned MAs/JSs, especially during project assessment and monitoring. This will allow to proactively promote synergies between projects and limit the risk of double financing. Furthermore, capitalisation actions set by the programme (e.g. targeted calls) will allow to activate synergies and complementarities between Interreg CE projects and projects funded by other Interreg programmes.
- **EU centrally managed programmes**: experiences with capitalisation of Interreg CE 2014-2020 results will support the capitalisation of Interreg CE 2021-2027 results in coordination with other EU programmes.
- **Other Cohesion Policy programmes**: coordination will be sought through National committees (or other mechanisms/bodies set by national rules) involving representatives of institutions participating in the implementation of national and regional programmes. Furthermore, adequate control arrangements and fraud-fight measures will allow to limit the risk of double financing.

Detailed procedures for the implementation of the above measures will be defined in the description of the programme management and control system as well as in the “Programme Manual” setting the rules for participation to Interreg CE.

Interreg CE also plays an important bridging function between the four **EU macro-regional strategies (MRS)**, namely the EUSDR, EUSALP, EUSAIR and EUSBSR. It is the only Interreg programme that shares parts of its cooperation area with all of them. Interreg CE therefore becomes a quasi-natural hub, with the potential to facilitate cooperation across the four MRS. The use of the geographical flexibility, as provided for in Article 22(1) of the Interreg Regulation, will allow to involve partners beyond the programme area, thus establishing links, and activating synergies within and across macro-regions and corridors.

This approach is further justified by the fact that, during the partner involvement process (see chapter 4) thematic fields and actions foreseen by the CE Programme were considered as highly important by stakeholders from the four MRS for implementing their respective MRS action plans.

Programme vision, mission and delivery principles

Programme vision and mission

The above territorial analysis indicates that central Europe is in a time of transition with regions and cities facing numerous challenges that know no borders and cannot be solved alone. The analysis clearly reinforces the relevance of the newly revised “Territorial Agenda 2030” (TA 2030), in which policy makers recognise that inequalities are growing between places and people and that unsustainable developments have reached a critical level.

The TA 2030 therefore calls for more concerted action at all geographical and governance levels, to ensure better perspectives for all people, communities and places in Europe. It urges policy makers to better understand and adequately address territorial impacts of sector policies in an integrated way, and demands that future actions need to contribute to sustainable development and to keeping Europe together.

Interreg CE addresses the most urgent common challenges at the heart of Europe in line with these

political demands. The programme vision is a united central Europe that cooperates - to become smarter, greener and better connected together. Based on shared needs and a common identity in an area long divided by the “Iron Curtain”, the programme aims for a trustful culture of cooperation beyond administrative borders.

The programme mission is to bring regions and cities together beyond borders to find fitting solutions for their citizens in a fair and equal way everywhere. It encourages and supports transnational cooperation to make regions more resilient to common challenges that know no borders and which cannot be solved alone. These challenges include among others economic transition processes, climate change, and the long-term socioeconomic consequences of the Covid-19 pandemic.

Based on shared needs and a common identity, the programme aims for a common culture of cooperation. Cooperation is central for cities and regions to become more resilient and attractive places to live and work in.

In practical terms, the programme brings together public organisations, the private sector and civil society. It finances transnational projects, which develop, test and implement solutions that are urgently needed to make central Europe more resilient and attractive. The programme supports these partnerships also with guidance and knowledge.

The **types of results** achieved by these projects can be classified as follows:

- Improved policy development, learning, and change;
- Increased knowledge and capacity, including the knowledge transfer and exchange;
- Better coordinated cooperation and enhanced governance at different levels;
- Reduced barriers;
- New or better services;
- Behavioural change;
- Leverage of public and private funds, including the preparation for follow-up investments.

Horizontal principles for the delivery

Cooperation actions that lead to the above types of results will all respect the horizontal principles of **equal opportunity, non-discrimination, gender equality and environmental sustainability** during project design and implementation.

In particular, all actions financed by the programme will follow an “**environmental sustainability by design**” approach. This implies that environmental or broader sustainability considerations including human health effects are no longer treated as “after-thoughts”. Instead, they are integrated from the beginning into all activities. Partnerships are strongly encouraged to identify and consider any potentially significant environmental and health issues during project design. Actions supported by the programme must not adversely affect the quality of the environment. Rather, they should ideally contribute to the regeneration of the environment and ecosystem functions and services, climate neutrality as well as the sustainable management and enhancement of cultural landscapes.

1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure

Reference: Article 17(4)(c)

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
<p>PO1 - A more competitive and smarter Europe by promoting innovative and smart economic transformation</p>	<p>(i) Developing and enhancing research and innovation capacities and the uptake of advanced technologies</p>	<p>Priority 1 - Cooperating for a smarter central Europe</p>	<p><u>Justification for the selection of PO1</u></p> <p>Central Europe is a key economic area in the EU with a robust industrial core. Long-lasting cooperation on trade, investment and industry issues have resulted in strong functional ties across the programme area.</p> <p>To remain competitive, territories have to manage the ongoing transition to a more digitalised, greener and more resilient economy. They have to achieve this in a socially inclusive and just way. This is in full alignment with the Territorial Agenda 2030 and its objective of “A just Europe”, which is aiming for a balanced territorial development.</p> <p><u>Justification for the selection of ERDF SO (i)</u></p> <p>A key challenge is that R&D activities and technology and innovation transfer show still substantial imbalances between eastern and western regions in central Europe and that they tend to be mostly limited to urban areas. Activities need to be further strengthened, diversified and adapted in line with new economic and societal challenges. Access to R&I results needs to be improved for innovation actors especially in territories lagging behind, such as peripheral and rural regions. Cooperation along value chains, green and digitised economy and cross-sector cooperation remain a critical need for many companies, in particular SMEs.</p> <p>Transnational cooperation offers a clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Supporting the transition towards a more resilient, digitalised and green economy • Improving access to R&I and enhancing technology transfer for SMEs, in particular in non-urban areas • Improving linkages among more and less advanced territories (e.g. innovation champions) and supporting their spill-over to surrounding territories

			<ul style="list-style-type: none"> • Fostering transnational industrial partnerships in order to establish sustainable value and supply chains • Facilitating the transformation of research results into marketable products <p>Form of support: grants</p>
<p>PO1 - A more competitive and smarter Europe by promoting innovative and smart economic transformation</p>	<p>(iv) Developing skills for smart specialisation, industrial transition and entrepreneurship</p>	<p>Priority 1 - Cooperating for a smarter central Europe</p>	<p><u>Justification for the selection of PO1</u> see above</p> <p><u>Justification for the selection of ERDF SO (iv)</u> For a successful transition to a more digitised and resource-efficient economy, including the shift towards Industry 4.0, it is essential to strengthen and improve the related skills and entrepreneurial competences of workers, employees and entrepreneurs in central Europe.</p> <p>Even though central Europe has a highly skilled work force that, among others, is an important backbone of the manufacturing industry, it is distributed in an unequal pattern. Skilled people are mainly concentrated in urban areas and less in intermediate and rural regions. In addition, several territories are lagging behind regarding novel technological and digitalisation as well as entrepreneurial skills.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Improving digital and green skills, especially of work forces in technology priority areas that are linked to regional smart specialisation strategies • Ensuring a just and equal access to learning and education possibilities across all territories • Fostering entrepreneurship and strengthening related skills • Counteracting the loss of skilled workforce due to outward migration and brain drain, especially in rural and peripheral areas • Facilitating the integration of marginalised groups into the labour market <p>Form of support: grants</p>
<p>PO2 - A greener, low-carbon transitioning towards a net</p>	<p>(i) Promoting energy efficiency and reducing</p>	<p>Priority 2 - Cooperating for a greener central Europe</p>	<p><u>Justification for the selection of PO2</u> Central Europe is an area rich in natural heritage resources and biodiversity. This represents an important location factor, which is however threatened</p>

<p>zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management</p>	<p>greenhouse gas emissions</p>		<p>by climate change, industrial activities and unsustainable consumption and mobility patterns.</p> <p>In line with the EU Green Deal, territories have to respond to the challenges of environmental degradation and climate change, by boosting the efficient use of resources, protecting and restoring biodiversity as well as cutting pollution.</p> <p><u>Justification for the selection of ERDF SO (i)</u></p> <p>One of the main challenges regarding the transition towards a low-carbon economy is related to climate change mitigation measures and increasing energy efficiency. Overall, energy consumption and GHG emissions in most central European countries are still beyond the EU average. Furthermore, in many regions there is still a high use of carbon-intensive energy sources and the transition towards the use of energy from renewable sources is slower than EU average. This puts at risk the aim of reaching EU climate neutrality goals by 2050.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Increasing energy efficiency and the use of renewable energy to reduce GHG emissions • Improving the energy performance of buildings • Fostering the uptake and roll-out of energy efficient technologies and solutions in all sectors • Strengthening policies for integrated low carbon planning • Fostering behavioural changes for reducing energy consumption <p>Form of support: grants</p>
<p>PO2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment,</p>	<p>(iv) Promoting climate change adaptation and disaster, risk prevention and disaster resilience, taking into account eco-system based approaches</p>	<p>Priority 2 - <i>Cooperating for a greener central Europe</i></p>	<p><u>Justification for the selection of PO2</u> see above</p> <p><u>Justification for the selection of ERDF SO (iv)</u></p> <p>Climate change is seriously affecting central Europe. Extreme weather events, such as heat waves or heavy rain events have already considerably increased over the last years. Even more frequent and severe floods, droughts etc. are expected. The changing climate is affecting a wide range of economic sectors and human activities as well as human health and well-being. This concerns, among others, heat-related challenges in urban areas which pose a particular risk for vulnerable groups.</p>

<p>the circular economy, climate change mitigation and adaptation and risk prevention and management</p>			<p>In order to increase the climate change resilience of the territories, there is the clear need for tailored adaptation actions and a better risk preparedness and management.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Increasing resilience of territories to climate change • Fostering integrated climate change adaption policies at local and region level • Enhancing the implementation of tailored climate change adaptation measures across sectors • Increasing risk awareness, preparedness and forecasting methods • Improve the coordination and cooperation in risk management between territories and beyond borders <p>Form of support: grants</p>
<p>PO2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management</p>	<p>(vi) Promoting the transition to a circular and resource efficient economy</p>	<p>Priority 2 - Cooperating for a greener central Europe</p>	<p><u>Justification for the selection of PO2</u> see above</p> <p><u>Justification for the selection of ERDF SO (vi)</u> Increasing resource efficiency, preventing waste generation and using waste as a resource are central for the transition to a circular economy. This is a key challenge for central Europe. It will have positive impacts not only on the environmental sustainability and carbon-neutrality but it is also a decisive factor for the competitiveness of national and regional economies.</p> <p>Even though the circular economy is growing in central Europe, overall it is still rather at a primary development stage. For example, there are large differences between countries in material consumption and recycling rates of municipal waste. This shows the clear necessity for further efforts in order to reach the relevant European targets (e.g. 65% recycling rate by 2035).</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Promoting circular economy policies at all territorial levels • Increasing resource efficiency and waste recycling across sectors

			<ul style="list-style-type: none"> • Strengthening circular value added chains and the deployment of resource efficient solutions and technologies • Inducing behavioural changes and stimulate the generation of new business models • Strengthening circular economy skills in the private and public sector <p>Form of support: grants</p>
<p>PO2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management</p>	<p>(vii) Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban environment areas, and reducing all forms of pollution</p>	<p>Priority 2 - Cooperating for a greener central Europe</p>	<p><u>Justification for the selection of PO2</u> see above</p> <p><u>Justification for the selection of ERDF SO (vii)</u> The pristine nature and rich natural heritage and biodiversity in central Europe represent important resources and location factors. This richness is also due to the large diversity of biogeographic regions, landscapes and eco-systems which can be found in central Europe, ranging from large areas of forested and agricultural land, to mountainous areas, watercourses, coasts, the sea, plains, lakes and urbanised areas. The central Europe area covers important eco-systems and ecological corridors that are stretching across borders (e.g. Green Belt).</p> <p>Yet, there is a continuous loss of biodiversity witnessed in central Europe due to land use changes, extraction of natural resources, climate change and invasive alien species. Unsustainable economic activities lead to pollutions of air, water and soil, which is especially high in the industrial areas of central Europe. This further leads to a deterioration of the ecosystem conditions, which will further reduce their ability to provide essential eco-system services.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Preventing biodiversity loss and ensuring ecological connectivity • Preserving and strengthening eco-systems services for the benefit of the population • Protecting natural resources and supporting their sustainable use • Reducing air, water and soil pollution • Expanding green infrastructure that connects habitats and ensure their recreational potential <p>Form of support: grants</p>

<p>PO2 -</p> <p>A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management</p>	<p>(viii) Promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy</p>	<p>Priority 2 - Cooperating for a greener central Europe</p>	<p><u>Justification for the selection of PO2</u></p> <p>see above</p> <p><u>Justification for the selection of ERDF SO (viii)</u></p> <p>Promoting and ensuring a more efficient and more sustainable urban mobility is a key challenge for central Europe. In fact, one third of the central European population lives in bigger cities and additional 37% in intermediate regions. Commuting patterns require the consideration of mobility flows at the level of functional urban areas, thus considering both urban cores and their hinterlands. Consequently improving urban mobility and at the same time reducing the negative externalities of transport, has a tremendous impact on a very large share of the central European population (e.g. health, quality of life) and its economy (e.g. traffic congestions).</p> <p>The greening of urban mobility significantly contributes to improving the air quality which is often low in central European cities. In addition, sustainable urban mobility is essential in view of successfully reducing the greenhouse gas emissions of central Europe territories.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Promoting sustainable and smart urban mobility solutions • Promoting multi-modal urban mobility approaches • Improving sustainable mobility planning at functional urban area level • Reducing transport related externalities in urban areas and greenhouse emissions • Improving the air quality in central European cities <p>Form of support: grants</p>
<p>PO3 -</p> <p>A more connected Europe by enhancing mobility and regional ICT connectivity</p>	<p>(iii) Developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-</p>	<p>Priority 3 - Cooperating for a better connected central Europe</p>	<p><u>Justification for the selection of PO3</u></p> <p>Central Europe is an important junction for European north-south and east-west connections beyond its own borders. Since centuries, many trade and transport routes cross the area on transnational rivers, roads and railways. This makes central Europe a hub for European key corridors to which many regions are physically or socio-economically connected. Connectivity between and within regions are important location factors ensuring the economic prosperity and cohesion of central Europe. In alignment with the “EU Green Deal”, there is the clear need for sustainable transport solutions. The CE Programme will not finance transport infrastructure, but it can significantly contribute to</p>

	border mobility		<p>these aims by building synergies with other (larger) funds and play a catalyst role in the preparation of larger investments.</p> <p><u>Justification for the selection of ERDF SO (iii)</u></p> <p>The main challenge for central Europe is to ensure a better accessibility and connectivity of its peripheral and cross-border areas. There is the clear need to better link them to the nodes of the TEN-T core network corridors (CNC), to remove bottlenecks and to bridge missing transport links. This is in line with the Territorial Agenda 2030 goals of a Just and Green Europe in terms of a balanced territorial development and sustainable connectivity of places.</p> <p>Transnational cooperation offers clear added value in addressing, among others, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Fostering better connections of rural and peripheral areas to the main transport corridors and nodes, focussing on public transport • Improving transport across borders and reducing barriers and bottlenecks, especially in peripheral areas • Promoting modal shift towards greener solutions • Strengthening logistic chains in rural and peripheral areas • Improving accessibility of and mobility in rural and peripheral areas to foster territorial cohesion and social inclusion <p>Form of support: grants</p>
<p>ISO 1: A better cooperation governance</p>	<p>6. Other actions to support better cooperation governance</p>	<p>Priority 4 - <i>Improving governance for cooperation in central Europe</i></p>	<p><u>Justification for the selection of ISO1</u></p> <p>Central Europe shares a common identity that is rooted in longstanding cultural and historical ties between its cities and regions. It is an intangible but crucial asset for addressing challenges in a cooperative approach.</p> <p>Central Europe, despite many functional ties, is rather heterogeneous in socio-economic and territorial terms. The area faces numerous challenges and barriers for regional development that do not stop at borders or administrative units.</p> <p><u>Justification for the selection of objective 6 “other actions to support better cooperation governance”</u></p> <p><i>The programme will address several ISO1 specific objectives, therefore objective (6) has been chosen.</i></p>

		<p>In line with the Territorial Agenda 2030 and the New Leipzig Charta, integrated policies and multi-level governance processes are crucial for strengthening regional development and cohesion beyond borders. This is in particular due for complex territorial challenges such as demographic change, digitisation, health or common crisis situations which affect central European regions in similar ways. They are best addressed by integrated and cross-sectoral approaches and require the provision of and equal access to public services.</p> <p>Transnational cooperation offers clear added value in addressing, among other, the following specific needs (for types and examples of actions please refer to section 2):</p> <ul style="list-style-type: none"> • Fostering place-based, integrated policy making, addressing complex societal challenges • Strengthening territories with functional links or historical ties • Reducing administrative and legal barriers to cooperation beyond administrative borders • Enhancing multi-level governance and strengthening citizen and stakeholder involvement • Supporting high-quality public services of general interest, equally for all citizens • Fostering digital governance and better digital public services <p>Form of support: grants</p>
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2. Priorities

Reference: Article 17(4)(d) and (e)

2.1. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

Priority 1: Cooperating for a smarter central Europe

2.1.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO1 -(i) Developing and enhancing research and innovation capacities and the uptake of advanced technologies

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

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

Text field [7000]

SO 1.1: Strengthening innovation capacities in central Europe

Territorial needs for central Europe

Innovation capacities bear high relevance for the future economic development of central Europe and its economic resilience. Economic transition challenges the strong position of central European regions in the secondary, manufacturing sector, which includes e.g. the automotive, textile, and food industries. Better innovation capacities will be central to adapt regions to the growing importance of the tertiary, services-oriented sector, which includes e.g. the cultural and creative industries, health, and tourism. In line with the EU Green Deal and Territorial Agenda 2030, it is important to balance economic, social and ecological aspects in all support activities.

Currently, regions in central Europe do not equally benefit from research and innovation (R&I). Knowledge and technology transfer thus remains a critical need especially for SMEs along transnational value chains. These SMEs are often local suppliers that do not operate on global markets like larger companies.

Tackling innovation-related challenges will help to reduce territorial disparities between regions that might otherwise lead to unequal opportunities and a social disintegration.

Transnational cooperation actions

In this SO, Interreg CE will support transnational cooperation to improve SME competitiveness. The aim is to improve policy learning, strengthen the capacities of innovation stakeholders and to increase collaboration in and between regional innovation systems. Possible cooperation actions include the development and implementation of strategies, action plans, tools, training, pilot

actions and related solutions. All actions should strive for better economic resilience of CE regions and respect greening and sustainability aspects.

Actions should push the uptake of novel technologies and solutions. They should foster cross-sector linkages by improving cooperation among innovation stakeholders with similar challenges. Actions should establish and strengthen regional and transnational central European structures (e.g. clusters, innovation networks) and value chains, which will reduce dependency on foreign suppliers. Cooperation of companies in interregional partnerships is in particular encouraged if these are part of value chains related to regional smart specialisation strategies.

More concretely, Interreg CE will fund actions in following fields (non-exhaustive list):

- Green economy, bio-economy
- Industry 4.0, robotisation, mechatronics, digital technologies, key enabling technologies
- Smart specialisation strategies
- Cultural and creative industries and tourism
- Health (care) innovation
- Silver economy
- Social innovation
- Technology and innovation transfer
- Interregional partnerships along value chains
- Innovative schemes for financing innovation

Examples of actions supported (non-exhaustive list):

- Improving capacities of and cooperation among innovation stakeholders at different governance levels (e.g. public, private, national, regional) to help SMEs to better integrate digitalisation in their sustainable transition to industry 4.0
- Exchanging good practices on green economy trends and standards and implementing pilot actions to support SMEs in taking these up
- Fostering technology and innovation transfer from research to business and new cooperation along value chains in order to support the roll out of innovative solutions
- Enhancing support services for SMEs and entrepreneurs to improve their access to research and technological innovations
- Strengthening transnational innovation networks and clusters and enhancing cooperation among innovation hubs in different territories
- Enabling cross-sectoral cooperation to help businesses (e.g. from traditional economic sectors, cultural and creative industries, tourism, health care or silver economy) to sustainably integrate digital technologies (e.g. artificial intelligence, cybersecurity, Internet of Things) into product and service development
- Improving collaboration along value chains of sustainable innovative products and services in line with smart specialisation strategies
- Enhancing transfer and upscaling of proven green solutions to open up business opportunities
- Developing and implementing transnational value chain concepts based on regional potentials and resources. Concepts should strengthen sustainability and reduce external dependency of

value generation (e.g. by strengthening regional competences for lost/new value creation or introducing short food supply chains). They should also help increase regional resilience to external impacts such as ruptures of supply chains

- Fostering innovation strategies to reduce the environmental footprint of production processes, e.g. by facilitating decentralised and demand-responsive production systems
- Reducing innovation gaps in non-urban areas by e.g. making villages smarter and improving access to innovation support services for rural businesses focused on smart specialisation and technology priority areas
- Strengthening linkages between the public and private sector and finance institutions to encourage the design and setup of structures and services that facilitate access to innovation financing
- Promoting innovative actions that make the economy more just and help the economic and social integration of disadvantaged population groups (e.g. handicapped persons, migrants, elderly, youth)

Actions that might involve genetic modifications have to be compliant with the *acquis communautaire* for genetic engineering, including provisions of the EU Biodiversity Strategy 2030.

Actions might benefit from coordination with other European funding instruments including Horizon Europe, the Interregional Innovation Investment (I3) initiative, ERDF mainstreaming programmes or national innovation funds. Actions should seek synergies to achieve higher and wider territorial impacts in central Europe, e.g. through the uptake of research results and their rolling-out in the regions. Actions could link up with InvestEU and the new Strategic Investment Facility, which aim at building stronger European value chains and economic resilience. This could support the mobilisation of future investments in next generation technologies (e.g. through preparation of follow up projects or regional knowledge exchanges on good practices in the use of these instruments).

Expected results

Transnational cooperation actions will result in strengthened innovation capacities. They will improve policy learning and implementation, encourage policy changes towards a green and digitalised economy in lagging regions and help these with catching up with front-runner regions. Actions will lead to improved framework conditions for innovation and foster the sustainable uptake of advanced technologies. Improved cross-sector cooperation, technology transfer and coordination will contribute to reducing innovation barriers, in particular for SMEs.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.1.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	SO 1.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
1	SO 1.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
1	SO 1.1	RCO 87	Organisations cooperating across borders	Organisation		
1	SO 1.1	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	SO 1.1	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
1	SO 1.1	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
1	SO 1.1	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.1.1.3 The main target groups

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

Text field [7000]

Target groups of funded actions include all public and private stakeholders and population groups that will be involved or positively affected by the actions. They should be stimulated to take up solutions that lead to an improved innovation eco-system. More concretely, target groups include both public and private actors of the quadruple innovation helix system such as enterprises including

creative industries and cultural heritage institutions and their employees (especially SMEs), cluster organisations, public authorities, regional development agencies, chambers of commerce and industry technology transfer institutions, NGOs, innovation agencies, technology and industrial parks, sectoral and business networks, business incubators, and financing institutions, education and training organisations, private and public research institutions, social networks.

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

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories. Actions should address territories with deficiencies in their innovation systems, who will benefit from exchanges with advanced regions and learn from them. In turn, cooperation should also improve connections among advanced territories (e.g. innovation champions - highly successful regions in a certain sector) and support their spill-over to surrounding territories in order to become more competitive on the global market. Even though innovation system stakeholders are mostly located in urban areas, needs of rural areas should also be addressed.

All possible actions need to consider the specific territorial characteristics of targeted areas.

2.1.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.1	8	
1	ERDF	SO 1.1	9	
1	ERDF	SO 1.1	10	

1	ERDF	SO 1.1	13	
1	ERDF	SO 1.1	15	
1	ERDF	SO 1.1	17	
1	ERDF	SO 1.1	18	
1	ERDF	SO 1.1	19	
1	ERDF	SO 1.1	20	
1	ERDF	SO 1.1	21	
1	ERDF	SO 1.1	22	
1	ERDF	SO 1.1	23	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.1	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.1	48	

2.1.2. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO1 - (iv) Developing skills for smart specialisation, industrial transition and entrepreneurship

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

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

Text field [7000]

SO 1.2: Strengthening skills for smart specialisation, industrial transition and entrepreneurship in central Europe

Territorial needs for central Europe

Central Europe relies on skilled workers and employees for sustaining its strong industrial and economic base. SMEs are the largest employers in central Europe. To meet their needs it is important to improve and modernise skills of people locally, especially in view of challenges like digitalisation the transition to Industry 4.0 and the green economy as highlighted in the EU Green Deal. Up-to-date skills are a pre-requisite for exploiting technological innovation and the potentials offered by smart specialisation in different sectors and technology priority areas (including the health sector, silver economy, culture, creative industries, tourism etc.). Skills are also key to encouraging entrepreneurship. Finally yet importantly, place-based improvements of the local employment situation are crucial for reducing urban-rural disparities. Overall, there is the need for a just transition process that is socially responsible and avoiding social as well as digital exclusion.

Transnational cooperation actions

Under this SO, Interreg CE will support transnational cooperation that improves knowledge and human skills encouraging the introduction and strengthening of sustainable and innovative products, services or processes especially by SMEs. Possible cooperation actions include the development and implementation of strategies, action plans, tools, trainings, pilot actions and related solutions. Cooperation can help adapting solutions for e.g. institutional learning, vocational training, lifelong learning, and e-learning to the specific needs, economic conditions and smart specialisation strategies of the targeted territories.

More concretely, the programme will fund actions in the following thematic fields (non-exhaustive list):

- Skills for Industry 4.0, digitalisation, green economy, bio-economy, silver economy (including health, cultural and creative industries, sustainable tourism)
- Capacity-building and institutional learning for smart specialisation
- Matching skills to labour market needs
- Competences for entrepreneurship
- Tackling demographic change, ageing society, brain-drain, regional (urban-rural) disparities of human capital

- Counterbalancing job loss due to automation and digitisation
- Social entrepreneurship and social innovation (including social work) leading to better social integration

Examples of actions supported (non-exhaustive list):

- Improving capacities and competences of policy makers and other stakeholders to develop forward looking approaches to adapt regional skills development to future labour market needs (especially to make more sustainable use of digitalisation in different sectors and to support the digital transition of SMEs)
- Fostering skills of employees and entrepreneurs to implement innovative and green economy business concepts
- Improving skills of the public and private sector as well as strengthening entrepreneurship for an improved management and valorisation of cultural heritage assets including sustainable tourism
- Developing and fostering knowledge hubs and innovative learning systems (e.g. transnational and cross-border learning labs, specialised learning platforms, open-access digital learning environments) contributing to the technology priority areas of regional smart specialisation strategies of the targeted regions
- Developing and implementing strategies and solutions that build on different business cultures and on all levels of education to improve entrepreneurial mind-sets and frameworks
- Developing support services for SMEs and entrepreneurs to improve their access to research and technological innovations
- Improving regional and local policies to help regions cope with demographic change related to labour market challenges (e.g. brain drain, ageing society, unemployment, migration), especially in rural and shrinking areas
- Developing and testing creative solutions for labour market adjustments (e.g. incentives, training, up-skilling, and counselling) in order to match labour market needs and counterbalance job losses due to automation and digitisation
- Strengthening capacities of the public and private sector for social innovation to ensure a just and socially inclusive economic transition (considering also novel solutions for silver economy and healthcare)
- Fostering competences of companies in view of social inclusion, social entrepreneurship and diversity management to improve the integration of vulnerable and disadvantaged groups (e.g. handicapped persons, elderly, unemployed, migrants, youth etc.) and better include human health aspects

Actions should seek synergies with initiatives funded by other EU instruments such as ESF+ and the Just Transition Fund (which partly focuses on skills development for vulnerable groups) as well as initiatives from national and regional funds.

Expected results

Transnational cooperation actions will build capacities of and empower public authorities, intermediate bodies and other institutions, to create framework conditions that help improve skills of employees and entrepreneurs in view of challenges like green economy, digitalisation and

industrial transition. This will result in policy learning for the delivery of new and better services such as trainings and will foster the successful implementation of regional smart specialisation strategies. The framework conditions will also have to be inclusive, to allow citizens from all territories to benefit from the transition process. Actions have to take into consideration the specific challenges of territorial disparities, demographic change and brain drain.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.1.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	SO 1.2	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
1	SO 1.2	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
1	SO 1.2	RCO 87	Organisations cooperating across borders	Organisation		
1	SO 1.2	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	SO 1.2	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	

1	SO 1.2	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
1	SO 1.2	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.1.2.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. More concretely, target groups include both public and private actors such as enterprises and their employees (especially in SMEs), (future) entrepreneurs, cluster organisations, public authorities, intermediaries, education and training organisations, private and public research institutions, regional development agencies, chambers of commerce, technology transfer institutions, NGOs, innovation agencies, business incubators, tourism operators, financing institutions, social partners and labour market-related institutions, associations representing specific groups (e.g. migrants, handicapped persons, unemployed). Target groups include also all population groups, which will benefit from improved skills development measures at regional and local level.

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

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories. Actions could address territories with deficiencies in skills development or labour market (e.g. peripheral and structurally weak regions, regions facing industrial decline, shrinking regions, brain drain affected regions) as well as more advanced regions. This will allow exchanges and learning from each other. In turn, cooperation will also allow advanced regions to further improve (digital and green) skills of their work force to become more competitive on the global market. For this, possible actions need to consider the specific territorial characteristics and smart specialisation strategies of the targeted regions.

2.1.2.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.2	10	
1	ERDF	SO 1.2	11	
1	ERDF	SO 1.2	12	
1	ERDF	SO 1.2	13	
1	ERDF	SO 1.2	15	
1	ERDF	SO 1.2	16	
1	ERDF	SO 1.2	17	
1	ERDF	SO 1.2	18	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.2	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	SO 1.2	48	

2.2. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

Priority 2: Cooperating for a greener central Europe

2.2.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

P02 - (i) Promoting energy efficiency measures and reducing greenhouse gas emissions

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

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

Text field [7000]

SO 2.1: Supporting the energy transition to a climate-neutral central Europe

Territorial needs for central Europe

Many regions of central Europe are still highly dependent on fossil fuels and their GHG emissions are above EU average. Significant regional disparities exist in view of energy efficiency performance as well as the use of renewable energies, making it difficult for them to meet EU energy targets and climate objectives of the European Green Deal. To become climate neutral by 2050, central Europe needs to transform its energy system. This is addressed by several climate-related policies, among others, the EU Hydrogen Strategy which promotes clean hydrogen production.

Energy efficiency improvements can also deliver clear economic benefits. Consequently, regions and cities need to increase efforts and improve policies to address energy-related matters in all sectors, including the industrial and residential sectors. Renewable energy production can also offer new development opportunities for rural and peripheral areas. Transnational cooperation aims to play a central role in supporting and coordinating the societal and economic transformation to climate-neutral regions and cities in central Europe.

Transnational cooperation actions

In this SO, Interreg CE will support transnational cooperation to increase energy efficiency, reduce energy consumption and develop framework conditions for the sustainable production and use of renewable energies across the programme area. Possible cooperation actions include the joint development and implementation of strategies and action plans, tools, trainings, pilot actions and related solutions. Actions should improve energy-related policies and capacities and help central European regions and cities to implement affordable sustainable energy solutions that fit their specific territorial settings.

Actions which are related to the promotion of renewable energy production should consider in particular their contribution to climate neutrality policies and potential environmental impacts

e.g. on biodiversity and Natura 2000 species and habitats, hydro-morphology, water-use, noise, vibrations and electromagnetic impacts as well as cultural landscape protection and regional specific concerns as addressed within relevant international conventions (e.g. Alpine Convention).

More concretely, the programme will fund actions to improve the situation in the following thematic fields (non-exhaustive list):

- Smart integration of carbon-neutral solutions across sectors
- Renewable energy sources
- Energy efficiency of buildings and public infrastructures
- Reduction of greenhouse gas emissions from industry and other sectors
- Energy planning at local and regional levels
- Energy demand management and behavioural change
- Financing schemes for energy efficiency and renewable energy investments
- Energy poverty

Examples of actions supported (non-exhaustive list):

- Supporting the development of coherent policy frameworks at local and regional level for the transition towards a climate-neutral economy and society in central Europe
- Improving capacities of relevant stakeholders and fostering the exchange of knowledge and good practices on climate change mitigation at local and regional levels, especially between regions with similar territorial characteristics regarding the practical implementation of climate action plans
- Supporting cost-effective measures and pilot actions that increase energy efficiency and improve the integration of sustainable renewable energy sources in different sectors (e.g. in the building and construction sector, industry, agriculture, forestry)
- Implementing pilot actions to test innovative and climate-neutral solutions through e.g. taking up and exploiting R&D results for heating and cooling of buildings (including cultural heritage buildings)
- Developing and implementing smart city and smart regions approaches to foster carbon-neutral societies and territories
- Pilot testing the production of decentralised renewable energy, and supporting the empowerment of renewables self-consumers and communities, especially in rural areas, considering, for example, the sustainable management of end-of-life solar panels
- Improving energy demand management and fostering behavioural changes of consumers for reducing energy consumption and a resource-efficient and sustainable use of energy
- Promoting the production and use of advanced biofuels, notably the second (produced from non-food crops, such as cellulosic biofuels and waste biomass) and third generation biofuels (algal biomass)
- Supporting policies and strategies to overcome barriers for deploying carbon capture, utilisation and storage solutions in order to reduce GHG emissions

- Developing and introducing new or improved incentive schemes that encourage the reduction of industrial GHG emissions on local and regional level and strengthen the sustainable usage of renewable energy sources (including hydrogen) and energy storage solutions
- Fostering the introduction of corporate climate change mitigation targets and embedding them into existing business management tools (e.g. analytics) and decision-making (e.g. product development)
- Mobilising investments, in particular private funds, to implement energy efficiency measures and make use of renewable energy sources in different sectors, including the industrial, service and residential sectors
- Fostering the collection of integrated data on energy management and the interoperability of data through digital technologies and the coordination of standards and regulatory aspects

Actions should seek synergies with other European instruments, in particular linked to the EU Green Deal. They should build on research results and innovative technologies developed in programmes like Horizon Europe, LIFE etc. and lever infrastructure investments through the private sector and EU financing instruments as e.g. national and regional ERDF programmes, the Just Transition Fund or the EIB.

Furthermore, actions should take into account action plans of macro-regional strategies as well as relevant EU and EC initiatives such as the Central and South Eastern Europe energy connectivity (CESEC), the Green City Accord and the Covenant of Mayors for Climate & Energy. It is also encouraged to participate in already existing regional cooperation fora for the Energy Union Governance and to join the energy dialogue on the optimisation of energy and climate policies.

Expected results

Transnational cooperation actions will result in increased capacities of central European regions and cities for implementing improved energy efficiency policies and measures within different sectors. Pilot actions will demonstrate the viability of energy efficiency solutions, which will lead to behavioural changes, reduce implementation barriers and lever further investment for their wide deployment within central Europe. This will ultimately result in lower GHG emissions on the path to carbon-neutrality and help to mitigate climate change.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
2	SO 2.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.1	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.1	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	SO 2.1	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
2	SO 2.1	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
2	SO 2.1	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.2.1.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions that lead to improved energy efficiency, an increased use of renewable energies and a more climate-neutral central Europe. More concretely, target groups include both public and private actors such as, policy makers and planners, energy agencies, operators and distributors, infrastructure providers and other local and regional energy actors, as well as different economic sectors including SMEs. Target groups include also all population groups, which will benefit from an improved regional and local energy performance.

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

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories, i.e. both urban and rural areas. Actions could address territories which show a lower performance in energy efficiency and renewable energy use, or which have deficiencies regarding climate-neutral actions as well as more advanced regions. This will allow exchanges and learning from each other. Cooperation will also allow the more advanced regions to strengthen further their energy performance.

All possible actions need to consider the specific territorial characteristics of targeted areas.

2.2.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.1	24	
2	ERDF	SO 2.1	25	
2	ERDF	SO 2.1	26	
2	ERDF	SO 2.1	28	
2	ERDF	SO 2.1	29	
2	ERDF	SO 2.1	30	
2	ERDF	SO 2.1	31	

2	ERDF	SO 2.1	32	
2	ERDF	SO 2.1	33	
2	ERDF	SO 2.1	34	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.1	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.1	48	

DRAFT

2.2.2. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO2 - (iv) Promoting climate change adaptation and disaster risk prevention and disaster resilience, taking into account eco-system based approaches

2.2.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

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

Text field [7000]

SO 2.2: Increasing the resilience to climate change risks in central Europe

Territorial needs for central Europe

Central Europe is facing significant challenges related to climate change. Extreme weather events like heat waves and heavy rainfalls are increasing considerably and lead to river flooding, landslides and more frequent heat and draught periods. In view of significant environmental, socio-economic and human health-related impacts, central European regions need to improve their resilience to climate change. According to the Joint Research Center (JRC) conceptual framework on resilience, it is defined as the ability to face shocks and persistent structural changes in such a way that societal well-being is preserved, without compromising the heritage for future generations (Manca, Benczur and Giovannini, 2017).

The impact of climate change varies substantially between different regions and sectors. Therefore, adaptation actions need to take into account specific territorial aspects. Measures have to be tailored at the local level in order to set up viable integrated solutions, which could then be replicated in other regions of the central Europe area having similar characteristics. There is a strong need to integrate climate change concerns into risk-based strategic planning and measures enhancing resilience. This relates to a wide variety of natural hazards such as urban heat, floods, urban floods, landslides, wild fires and droughts including water scarcity.

Transnational cooperation actions

In line with EU Green Deal objectives, under this SO Interreg CE will support transnational cooperation to enhance policy learning and regional capacities on climate resilience across the programme area. Actions should emphasise sustainable ecosystem-based solutions and approaches to climate change adaptation and consider potential infrastructure upgrades as a last resort option. If applicable, adaptation measures should avoid potential hydro-morphological impacts on water bodies. Possible cooperation actions include the development and implementation of strategies, action plans, tools, training, pilot actions and related solutions. Actions should address the challenges of the territories to alleviate environmental and socio-economic impacts of climate change and related risks, through the cooperative development of approaches. This will help central European regions and cities to implement climate change adaptation measures that are tailored to their specific territorial settings.

More concretely, the programme will fund actions in the following thematic fields (non-exhaustive list):

- Climate change resilience and adaptation measures

- Climate-proof landscape and urban planning
- Resilience to weather extremes and related hazards (rainfall events, floods, landslides, heat, draughts, water scarcity, wildfires etc.)
- Risk awareness, prevention and management
- Socio-economic and health-related impacts of climate change

Examples of actions supported (non-exhaustive list):

- Increasing awareness and information of policy makers about local and regional implications of climate change, in order to foster a better understanding and integration of climate change concerns into policy design and implementation
- Developing integrated strategies and solutions to improve central European capacities for preparing and adapting to climate change and its negative impacts on society, economy and the environment (e.g. by addressing different aspects of resilient eco-systems)
- Exchanging knowledge and good practices on eco-system based climate change adaptation measures and implementing pilot actions for restoration towards resilient eco-systems, e.g. rivers and wetlands, transnational connectivity of habitats, agro-forestry, biodiversity, landscapes, climate proofing, modelling and forecasting
- Developing and implementing integrated strategies and climate action plans that improve the risk awareness and resilience of central European cities and regions (e.g. regarding urban heat islands, flash floods, wildfires, greening)
- Testing integrated climate-adaptation solutions in pilot actions, which combine technological, ecological, social, cultural, governance and financial aspects. The pilot actions should build on good practices available at local, regional, national or European level
- Improving digital competences of and coordination among relevant stakeholders to manage climate-induced risks (e.g. by harmonizing and sharing data, forecasting and early warning systems, modelling, climate proofing)
- Increasing climate resilience of critical infrastructures and cultural/natural heritage sites through improved risk preparedness and risk management plans
- Integrating climate change aspects into water management strategies on local, regional and interregional level (considering e.g. water quality, flooding, rainwater management and water retention, water scarcity, drinking water supply including smart water pricing, ground water, forecasting)
- Sharing knowledge and developing solutions for climate proofing the agricultural and forestry sectors to increase their resilience towards e.g. droughts, outbreaks of pests
- Developing integrated strategies and solutions for strengthening eco-system services for human health and wellbeing in order to support social resilience and counteracting socio-economic impacts of climate change

Actions should seek synergies with European and national instruments, in particular related to the EU Green Deal. They should take into account available results from other programmes like Horizon Europe, LIFE etc. and contribute to lever investments from e.g. national and regional ERDF programmes, the Just Transition Fund.

Furthermore, actions should take into account existing initiatives to create added value on all levels (e.g. transnational adaptation strategies or action plans developed in the frame of macro-

regional strategies). Participation is also encouraged in well-established international initiatives such as Making Cities Resilient (UN Office for Disaster Risk Reduction) or 100 Resilient Cities (Rockefeller Foundation) which will contribute to increasing the visibility of the CE region in the climate change adaptation agenda.

Expected results

Transnational cooperation actions will result in increased capacities and policy learning to improve resilience and timely counteract unfavourable climate change impacts in central Europe. They will also improve the coordination of adaptation and risk prevention measures and lead to a broader deployment of novel solutions which have been tested and demonstrated in pilot actions. Actions are also expected to leverage funds for climate change adaptation and resilience measures throughout central Europe.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) target [200]
2	SO 2.2	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.2	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.2	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.2	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	SO 2.2	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
2	SO 2.2	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
2	SO 2.2	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.2.2.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions that improve the implementation of climate change resilience and adaptation measures in Interreg CE regions. More concretely, target groups include the public sector including local, regional and national authorities, policy makers, research institutions, infrastructure operators, regional development agencies, associations, special interest groups, rescue organisations, NGOs, education and training organisations, financing institutions) and the private sector. Target groups are also all population groups, which benefit from an improved climate change resilience at regional and local level.

2.2.2.4 Identification of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

Text field [7000]

Actions can be implemented throughout the programme area and in all types of territories (both urban and rural areas). Territories that are most vulnerable and affected by climate change impacts should however be in the focus. They will benefit most from exchanging with and learning from other regions with similar pressures.

All possible actions need to consider the specific territorial characteristics of targeted areas.

2.2.2.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.2	35	
2	ERDF	SO 2.2	36	
2	ERDF	SO 2.2	37	
2	ERDF	SO 2.2	38	
2	ERDF	SO 2.2	40	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.2	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.2	48	

2.2.3. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO2 - (vi) Promoting the transition to a circular and resource efficient economy

2.2.3.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

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

Text field [7000]

SO 2.3: Taking circular economy forward in central Europe

Territorial needs for central Europe

Circular economy is defined as an economy “where the value of products, materials and resources is maintained for as long as possible, and the generation of waste minimised” (EC, 2015). It is also understood as a development strategy that “entails economic growth without increasing consumption of resources, deeply transform production chains and consumption habits and redesign industrial systems at the system level” (EC, 2014, Annex I).

Both understandings are reflected in the new EU Circular Economy Action Plan (2020), which announces initiatives along the entire life cycle of products, targeting for example their design, promoting circular economy processes and fostering sustainable consumption. The concept has considerable potential for reducing environmental pressure and offers new, green business and job opportunities, thus bringing economic benefits for the regions.

Central Europe is moving closer to European targets for waste re-use and recycling but several of its regions are still lagging behind. For an overall more resource-efficient and competitive economy, it is necessary to further develop and scale up circular approaches that are tailored to the specific needs of urban and rural areas. Such transformation will require a policy framework for sustainable products, a re-arrangement of key value chains and material flows (including energy and water), an improved waste management as well as the creation of new business models.

Transnational cooperation actions

In this SO, Interreg CE will support transnational cooperation to increase the deployment of circular economy approaches across the programme area. This will contribute to strengthening regional added value, especially in rural and peripheral regions. Possible cooperation actions include the joint development and implementation of strategies, action plans, tools, trainings, pilot actions and related solutions. Actions should be in line with the EU Green Deal and the EU Circular Economy Action Plan and therefore improve product life cycles, promote circular economy processes and foster sustainable consumption (refuse; rethink; reduce; re-use; repair; refurbish; remanufacture; repurpose; recycle; recover). Transnational cooperation should push the transition to a circular economy by increasing knowledge, improving policy learning as well as practically testing good practices.

More concretely, the programme will fund actions in the following thematic fields (non-exhaustive list):

- Waste prevention and management, recycling and recovery of resources and raw materials
- Repair and re-use

- Circular economy value chains
- Clean production processes and closed loop systems
- Sustainable product design (e.g. eco-design) and product development processes
- Behavioural changes of producers, consumers, public buyers etc.

Examples of actions supported (non-exhaustive list):

- Increasing awareness of policy makers and stakeholders about environmental and economic opportunities of a circular economy and improving their capacity for the practical implementation of circular economy approaches
- Supporting policy frameworks for deploying and scaling up circular economy approaches, e.g. through developing and implementing integrated circular economy strategies and action plans at the local and regional levels
- Improving waste management policies and competences of the public and private sector, including the prevention, processing and recycling of communal (e.g. recovery of organic waste, including nutrients from municipal wastewater) and industrial waste
- Fostering approaches for limiting landfilling of all types of waste and retaining their value (as future resources) in the economic cycle
- Developing and testing solutions that support the recovery and reuse of raw materials (e.g. setting up local markets for secondary raw materials, creating transnational central European market places for recycling/up-cycling products)
- Pilot testing of repair, reuse and refurbish approaches in pilot actions that closely involve citizens
- Developing and putting into practice industrial symbiosis concepts at territorial level and fostering resource efficient economic networks and business ecosystems
- Setting up policy frameworks for sustainable products and supporting local and regional governance structures that encourage circularity, eco-innovation and eco-design approaches in the entire life cycle of products
- Exchanging knowledge and good practices on solutions for clean production processes that consider regenerative circular economy approaches in different sectors (such as electronics, construction and buildings, textiles, plastics, packaging, food, agriculture) and testing them in pilot actions
- Strengthening cooperation of actors along key value chains to reduce barriers for circular economy approaches (by considering also market- and globalisation-related aspects)
- Fostering and testing digital solutions for the circular economy including applications and services (such as product passports, resource mapping and consumer information)
- Fostering public-private cooperation to design financial instruments and sustainable business models that help the introduction of innovative circular economy solutions and cleaner production processes
- Developing and testing approaches that lead to behavioural changes and higher acceptance of more sustainable products and resource-efficient consumption and production patterns (e.g. integrated approaches for reducing food waste)

- Developing and testing approaches that enhance market demand for recycled materials and products (e.g. sustainable public procurement)

Actions in this SO should specifically aim at policy learning and a wide deployment and rollout of circular economy solutions in the CE territories. This is different from actions expected in SO 1.1, which might also contribute to a more circular economy, but more generally addressing R&I aspects to foster a greener and smarter economy.

Actions are particularly encouraged to seek synergies with national and EU instruments to take up innovative results and technologies (e.g. from Horizon Europe) and thematic existing networks and initiatives such as the Circular Plastic Alliance or the Bio-based Industries Consortium. Actions are also expected to contribute to the leverage of investments from e.g. national and regional ERDF programmes, the Joint Transition Fund.

Expected results

Transnational cooperation actions will result in increased capacities of central European public and private stakeholders to implement circular economy policies and to exploit innovative solutions in practice. Actions will lead to improved policy frameworks, changes in the production chain leading to more sustainable products and behavioural change of consumers. They will also help to reduce implementation barriers and lever investment for the deployment of circular economy measures both in the public and private sectors. Such integration and deployment of circular economy approaches, should address mainstream economic players and not only front-runners.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.3.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
2	SO 2.3	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.3	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		

2	SO 2.3	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.3	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	SO 2.3	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
2	SO 2.3	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
2	SO 2.3	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.2.3.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions leading to an improved circular economy framework and more sustainable and resource-efficient production processes. More concretely, target groups include both public and private actors at local, regional and national level, covering a wide range of different sectors and levels of governance such as policy makers, industry including SMEs, urban and rural planners, waste operators and facilities, infrastructure owners and operators as well as other organisations such as intermediaries, regional development and innovation agencies, environmental institutions, NGOs, financing institutions, education and training organisations as well as universities and research institutes. Target groups include all population groups including consumers, which will benefit from circular economy solutions.

2.2.3.4 Identification of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories, i.e. both urban and rural areas. Actions could address territories which are lagging behind regarding the deployment of circular economy solutions as well as more advanced regions. This will allow exchanges and learning from each other. Cooperation will also allow more advanced regions to strengthen further their resource efficiency.

All actions need to consider the specific territorial characteristics and needs of the targeted areas.

2.2.3.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.3	41	
2	ERDF	SO 2.3	42	
2	ERDF	SO 2.3	44	
2	ERDF	SO 2.3	45	
2	ERDF	SO 2.3	47	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.3	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.3	48	

2.2.4. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO2 - (vii) Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

2.2.4.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

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

Text field [7000]

SO 2.4: Safeguarding the environment in central Europe

Territorial needs for central Europe

Pressures such as land use, pollution, the extraction of natural resources, and invasive alien species increasingly endanger the rich variety of landscapes, natural assets, ecosystems and biodiversity in central Europe. Coordinated approaches are necessary to counteract this trend and to valorise and protect the environment as well as to ensure ecological connectivity, which is also one of the policy areas of the EU Green Deal and is highlighted in the EU Biodiversity Strategy for 2030. This requires integrated approaches for air, water and soil protection and to involve different sectors and stakeholders such as environmental and spatial planning authorities, water facilities, industry and tourism.

Transnational cooperation actions

Under this SO, Interreg CE will support transnational cooperation actions such as the development and implementation of strategies, action plans, tools, trainings, pilot actions and related solutions that protect nature more efficiently and make environmental management more sustainable. Actions should focus on the development and implementation of better environmental policies as well as on the joint development of approaches that are tailored to specific local conditions. Ecosystems that are stretching across borders (e.g. river basins, ecological corridors etc.) should benefit from transnational cooperation beyond already existing multilateral initiatives, such as the Green Belt Initiative.

More concretely, the programme will fund actions in following thematic fields (non-exhaustive list):

- Biodiversity conservation and recovery
- Protection of natural heritage, ecosystems and valuable areas incl. Natura 2000 sites
- Reduction of environmental pollution (air, water, soil, noise, light etc.) and their human health impacts
- Integrated environmental management and sustainable use of natural resources
- Sustainable land management and landscape planning that optimize human activities with biodiversity protection and enhancement measures
- Ecosystem services (e.g. production of food and water, clean air, recreational benefits)
- Restoration of degraded ecosystems

- Sustainable tourism and the valorisation of natural heritage

Examples of actions supported (non-exhaustive list):

- Improving policy frameworks for biodiversity and implementing strategies at local, regional and transnational level to conserve and restore ecosystems and to protect wildlife
- Improving skills and competences of stakeholders on all policy levels through the exchange of knowledge and best practices to foster the integrated management of natural resources such as air, water and soil
- Fostering the implementation of policies and strategies for the protection of cultural landscapes and integrating biodiversity protection interests into landscape management
- Linking green and blue infrastructures in a coordinated way to create and strengthen ecological corridors and protected sites at local, regional and transnational level, which will help to reduce landscape fragmentation and improve the transboundary connectivity of habitats
- Testing in pilot actions innovative technical solutions for the restoration of degraded ecosystems (e.g. rivers, high-diversity landscapes, forests) and upscaling these approaches at a wider territorial level
- Fostering and testing solutions to evaluate and enhance ecosystem services and to raise the awareness of policy makers on the local and regional value of ecosystems, considering also their function for improving public health and well-being through e.g. nature access, outdoor sports and recreation
- Strengthening the transnational coordination of environmental management and nature protection in the frame of multilateral cooperation initiatives and structures such as the Green Belt Initiative
- Developing transnational approaches to sustainable land use in order to prevent urban sprawl and testing through pilot actions novel approaches for the remediation and re-use of polluted brownfield sites as well as the regeneration of degraded peri-urban areas
- Promoting innovative solutions, considering also applicable regulatory arrangements and incentives, to avert soil degradation (including soil compaction) and enhance the soil properties, e.g. increasing the organic matter content of the soil
- Developing and testing integrated environmental action plans (e.g. on monitoring and reducing pollutants) on the local and regional level as a basis for pollution prevention and remediation measures
- Building capacities for an integrated management of water ecosystems (e.g. by harmonising the implementation of water management plans to improve transboundary water quality in transnational river basins, or by applying innovative water treatment technologies)
- Sharing good practices and applying innovative solutions that address, among others invasive alien species, and strengthen sustainable environmental management practices (e.g. for agriculture and forest management, lakes, pollinator-friendly management, sustainable food chains)
- Developing and implementing strategies and solutions for sustainable tourism that valorises central Europe's natural heritage (e.g. protected areas, wetlands, landscapes) through participatory approaches and that avoids usage conflicts

Actions should seek synergies with European and national instruments, in particular related to the EU Green Deal. They should take into account available results from other programmes like Horizon Europe, LIFE etc. and contribute to lever investments from e.g. national and regional ERDF programmes, the Just Transition Fund.

Furthermore, actions should take into account existing initiatives and institutionalised cooperation settings to create added value on all levels (e.g. European Green Belt Initiative, Environmental Conventions, Carpathian Convention, Alpine Convention) as well as relevant action plans of macro-regional strategies.

Expected results

Transnational cooperation actions will contribute to policy learning at all governance levels and improve capacities for better managing the cross-sectoral interdependence of ecosystems and biodiversity, as well as the socio-economic impacts of their deterioration. Transnational actions will help reducing policy gaps, in order to ensure a comprehensive and coherent policy framework for safeguarding and improving central Europe’s environment. The piloting of new solutions and the transfer of good practices will reduce barriers for implementation of environmental protection and rehabilitation measures. It will also unlock financial resources and lever additional funds for green infrastructure.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.4.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) target [200]
2	SO 2.4	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.4	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.4	RCO 87	Organisations cooperating across borders	Organisation		

2	SO 2.4	RCO 116	Jointly developed solutions	Solution		
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Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	SO 2.4	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
2	SO 2.4	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
2	SO 2.4	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.2.4.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations involved in or positively affected by the actions. As a result, they will improve the environmental management in central Europe. More concretely, target groups include both public and private actors covering a wide range of different sectors and levels of governance, such as regional and national public authorities, policy makers and planners, regional development agencies, enterprises including SMEs, associations, NGOs, financing institutions, education and training organisations, universities and research institutes and other organisations that are active in the environmental field. Target groups include also all population groups, which will benefit from an improved environmental management at regional and local level.

2.2.4.4 Identification of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories, i.e. both urban and rural areas. Territories with valuable natural assets and regions that are much affected by environmental pressures including mass-tourism or that have a significant potential for environmental rehabilitation (e.g. urban industrial areas, brownfields, degraded rivers) should however be in the focus. Furthermore, regions which are lagging behind regarding the implementation of environmental policies will profit most from knowledge exchanges with more advanced regions, which will in turn also be able to strengthen further their environmental management practices. For pushing implementation on local and regional level, place-based approaches should respect the specific territorial settings of the targeted areas.

2.2.4.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.4	39	
2	ERDF	SO 2.4	40	
2	ERDF	SO 2.4	41	
2	ERDF	SO 2.4	46	
2	ERDF	SO 2.4	48	
2	ERDF	SO 2.4	49	
2	ERDF	SO 2.4	50	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.4	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.4	48	

2.2.5. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO2 - (viii) Promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

2.2.5.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

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

Text field [7000]

SO 2.5: Greening urban mobility in central Europe

Territorial needs for central Europe

Reducing transport emissions is a crucial challenge for greening central Europe's economy and also a major goal of the EU Green Deal. In particular, urban mobility requires an integrated response. Smart and green solutions have to be introduced in functional urban areas (FUA), taking account of interactions between "urban cores" and their "hinterlands". In central Europe, many FUAs face similar challenges when greening their mobility. They need integrated approaches to address the vast diversity of territorial aspects (from e.g. energy demand, air pollution, congestion and urban logistics to public transport services, mobility behaviour and good governance) and to achieve net zero GHG emissions. In all this, digitalisation and novel technologies show significant potentials to help greening the future of urban mobility.

Transnational cooperation actions

Under this SO, Interreg CE will support transnational cooperation for the development and implementation of strategies, action plans, tools, trainings, pilot actions and related solutions that aim at better policy learning and increased capacities for sustainable urban mobility. Actions should foster an integrated and smart green mobility in FUAs by considering governance aspects and improving coordination among relevant stakeholders and policies. In line with the EU "Urban Mobility Package", actions should develop and deploy integrated strategies. They should also test and introduce new green approaches and technologies for delivering solutions for urban mobility challenges. Furthermore, actions should balance out disparities between territories that are less advanced and more advanced in terms of green urban mobility.

More concretely, the programme will fund actions to improve the situation in the following thematic fields (non-exhaustive list):

- Sustainable urban mobility planning
- Quality and efficiency of green, urban public transport services

- Smart traffic and mobility management, including commuting solutions
- Sustainable multimodal connections between urban and peri-urban areas
- Sustainable multimodal urban freight and logistic solutions (including the “last mile”)
- Reduction of greenhouse gases and other air pollutants from urban transport
- Accessibility of urban public transport for everyone, especially for elderly and frail people

Examples of actions supported (non-exhaustive list):

- Improving skills and capacities of urban planners and decision makers on integrated sustainable and green mobility planning at the level of functional urban areas
- Exchanging knowledge, experiences and good practices on smart traffic management to improve aspects such as parking, congestion, GHG and other transport-related emissions
- Testing and implementing solutions for harmonised and integrated ticketing, fostering efficient and broadly accepted public transport at the level of functional urban areas
- Testing and rolling out Mobility-as-a-Service (MaaS) solutions and other digital business models for sustainable urban mobility and smart logistic solutions
- Fostering and implementing integrated urban mobility concepts including e.g. zero-emission transport including cycling and monitoring strategies that contribute to improved air quality management for reducing exposure of the population to transport-related emissions (air and noise pollution) based on the applicable WHO guidelines and EU Directives
- Sharing experiences and approaches for management or use of end-of-life batteries in urban electro-mobility systems
- Designing and setting up better governance solutions for sustainable mobility at the level of FUAs, including e.g. the coordination of stakeholders on various governance levels to improve urban and peri-urban connectivity and green commuting solutions
- Testing and deploying green urban logistic solutions and testing new approaches for multimodal transport of goods at the level of FUAs (e.g. multi-modal hubs)
- Designing and deploying strategies to green the “last mile” of urban deliveries and logistics
- Triggering behavioural changes towards more sustainable urban mobility through innovative approaches (e.g. “pop-up” measures accompanied by digital campaigning)
- Developing and implementing strategies and action plans to improve barrier-free accessibility to public transport systems, especially for elderly and disabled people

Actions should seek synergies with EU instruments to take up innovative approaches and technologies such as from Horizon Europe and with existing networks and initiatives, e.g. CIVITAS, the European Platform on Sustainable Urban Mobility Plans. Actions are also expected to contribute to the leverage of investments from e.g. national and regional ERDF programmes, the Just Transition Fund.

The design of actions under this SO should consider in particular the following issues: reducing the need for transport, reducing or optimizing the transport flows, promoting least emission-intensive transport systems; and reducing the impacts of the transport systems on air and noise pollution, public health and cultural heritage.

Expected results

Transnational cooperation actions will result in improved capacities and policy learning at all governance levels for implementing multimodal sustainable mobility in functional urban areas. This will lead to greener urban mobility services, behavioural change and contribute to substantially reducing transport-related pollution and GHG emissions. Less congested central European cities will bring economic benefits and create public spaces for a higher quality of life for citizens. Finally, supported actions will unlock financial resources for scaling up developed solutions and help the deployment of innovative and green urban mobility technologies at a wider territorial level.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.5.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
2	SO 2.5	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.5	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.5	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.5	RCO 116	Jointly developed solutions	Solution		
2	SO 2.5	RCO 119	Projects supporting cooperation across borders to develop urban-rural linkages	Project		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
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2	SO 2.5	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
2	SO 2.5	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
2	SO 2.5	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.2.5.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. More concretely, target groups include both public and private actors such as public transport operators, local, regional and national public authorities, policy makers and planners, regional development agencies, infrastructure providers, mobility service providers, mobility interest groups, other local and regional transport actors, enterprises including SMEs, NGOs, financing institutions, education and training organisations as well as universities and research institutes. Target groups also include all population groups, which will benefit from improved, greener public transport systems in functional urban areas.

2.2.5.4 Identification of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

Text field [7000]

Actions can be implemented throughout the cooperation area. Functional urban areas with high emissions of CO₂ or air pollutants from the transport sector should however be in the focus. They will profit most from knowledge exchanges with regions which are more advanced in the deployment of low carbon urban mobility solutions. In turn, cooperation will also allow more advanced regions to improve further their implementation capacities for green urban mobility.

All possible actions need to consider the specific territorial characteristics of the targeted functional urban areas.

2.2.5.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.5	73	
2	ERDF	SO 2.5	74	
2	ERDF	SO 2.5	75	
2	ERDF	SO 2.5	76	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.5	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	SO 2.5	43	

2.3 Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

Priority 3: Cooperating for a better connected central Europe

2.3.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

PO3 - (iii) Developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility

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

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

Text field [7000]

SO 3.1: Improving transport connections of rural and peripheral regions in central Europe

Territorial needs for central Europe

The programme area is a central junction at the heart of Europe. Seven of the nine core network corridors (CNC) of the trans-European transport network (TEN-T) cross central Europe and it also connects the Baltic and the Mediterranean seas. This territorial setting has made central Europe since centuries an important hub for many trade and transport routes to which many regions are physically or socio-economically connected. A better accessibility throughout the entire area could strategically facilitate central Europe's participation in EU-wide and global trade and improve regional competitiveness.

However, for some regions, especially rural and peripheral regions including those that cross borders, the accessibility to the main transport corridors and nodes is still limited. There is the need to introduce sustainable and smart transport services to bridge missing connections and to remove bottlenecks in order to ensure good accessibility across central Europe. Furthermore, and in line with the EU Green Deal, transport emissions need to be reduced by 90% by 2050. This calls for smart and sustainable approaches to regional mobility, inter-modality as well as the introduction of IT-supported solutions for mobility management.

Transnational cooperation actions

Under this SO, Interreg CE will support transnational cooperation to improve the mobility in and accessibility of rural and peripheral regions, especially in view of their linkages to main EU transport corridors and nodes, and in particular regional economic centres. Sustainable solutions such as improved digital connectivity will also help to reduce transport-related pollution and greenhouse gas emissions and positively affect socioeconomic developments. Possible cooperation

actions include the joint development and implementation of strategies, action plans, tools, training, pilot actions and related solutions. Actions should improve transport-related policies and increase capacities for a coordinated, integrated planning of sustainable transport and mobility systems making use of digital solutions to the possible extent.

More concretely, the programme will fund actions in the following thematic fields (non-exhaustive list):

- Demand-responsive and flexible regional passenger transport
- Accessibility of rural and remote areas and their connectivity to main EU transport corridors
- Removal of transport barriers and bottlenecks across borders and beyond
- Strategic regional transport and spatial planning
- Multi-modal freight transport and logistic chains in rural and peripheral areas and connections to transport nodes

Examples of actions supported (non-exhaustive list):

- Developing and implementing integrated and multi-modal mobility strategies fostering effective and sustainable connections within rural and peripheral regions and their connection to the main transport nodes and corridors
- Designing and testing integrated, demand-responsive and sustainable transport solutions to better connect rural and peripheral areas to major transport nodes
- Identifying and supporting the removal of transport barriers and bottlenecks through e.g. improved cooperation among transport stakeholders and coordinated planning of strategic investment
- Improving the coordination between regional transport operators across borders (including e.g. the harmonisation and integration of ticketing information and services and the setting up of interregional partnerships of transport operators)
- Exchanging good practices and developing standards and sustainable solutions to improve regional mobility services in the public interest and to increase their resilience in times of crisis
- Developing and testing smart concepts for regional mobility (including e.g. digital solutions and traffic management systems)
- Improving the strategic and sustainable planning of freight transport and logistics to better align regional planning with central European value chains and TEN-T investments
- Improving transport management and navigation (including e.g. multi-modal logistics to better use existing waterway and rail transport infrastructure)
- Testing the optimisation of logistic chains in rural and peripheral areas through pilot actions based on innovative technological solutions (e.g. digitalisation)
- Developing and implementing green solutions for an efficient “last mile” transport of goods in peripheral, rural and sparsely populated areas

The design of actions under this SO should consider in particular the following issues: reducing the need for transport, reducing or optimizing the transport flows, promoting switching to least emission-intensive transport systems, reducing or optimizing fragmentation of habitats and reduce the impacts of the transport systems on air and noise pollution, public health; biodiversity and Natura 2000 species and habitats, landscape fragmentation, hydro-morphological impacts, land

take and cultural and archaeological heritage as well as relevant international conventions (e.g. Alpine Convention, Carpathian Convention).

Under this SO, the Interreg CE Programme will complement and act as a catalyst to lever further investment for large-scale transport infrastructure. Actions should therefore seek synergies and coordinate with other European instruments and national funds, including e.g. ERDF mainstream programmes, the CEF and the EIB financial instruments, Interreg cross-border programmes as well as consider relevant action plans of macro-regional strategies.

Expected results

Transnational cooperation actions will result in increased capacities of central European regions to develop and implement better sustainable transport and mobility services in rural and peripheral including cross-border areas. This will also improve the coordination between transport stakeholders and the access of regions to the main transport corridors and nodes. Pilot actions will demonstrate the feasibility of novel approaches. Investment preparation actions are expected to lever investment from other financing instruments, ultimately leading to a wide deployment of transport solutions across central Europe.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.3.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) [200]	target
3	SO 3.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan			
3	SO 3.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action			
3	SO 3.1	RCO 87	Organisations cooperating across borders	Organisation			
3	SO 3.1	RCO 116	Jointly developed solutions	Solution			

3	SO 3.1	RCO 119	Projects supporting cooperation across borders to develop urban-rural linkages	Project				
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Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	SO 3.1	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
3	SO 3.1	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
3	SO 3.1	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.3.1.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions for improved transport and mobility, and a better accessibility of peripheral regions. More concretely, target groups include both public and private actors covering a wide range of different sectors and levels of governance, such as local, regional and national public authorities and other institutions dealing with planning and managing transport services and networks, regional development agencies, enterprises, regional associations and innovation agencies, NGOs, financing institutions, education and training organisations, universities and research institutes. Target groups include also all population groups, which potentially benefit from improved regional passenger transport services (e.g. commuters, tourists).

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

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

Text field [7000]

Actions can be implemented throughout the programme area. They should however primarily address rural and peripheral regions including cross-border regions which are suffering from a low accessibility. They will profit most from knowledge exchanges with already well connected regions which in turn will also be able to further improve the sustainability of their regional mobility services.

All possible actions need to consider the specific territorial challenges and settings of the targeted areas.

2.3.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.1	63	
3	ERDF	SO 3.1	67	
3	ERDF	SO 3.1	68	
3	ERDF	SO 3.1	70	
3	ERDF	SO 3.1	78	
3	ERDF	SO 3.1	79	
3	ERDF	SO 3.1	80	
3	ERDF	SO 3.1	81	
3	ERDF	SO 3.1	82	
3	ERDF	SO 3.1	83	
3	ERDF	SO 3.1	84	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.1	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.1	48	

DRAFT

2.4 Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

Priority 4: Improving governance for cooperation in central Europe

2.4.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

Reference: Article 17(4)(e)

ISO 1 - A better cooperation governance

2.4.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

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

Text field [7000]

SO 4.1: Strengthening governance for integrated territorial development in central Europe

Territorial needs for central Europe

Central Europe is highly heterogeneous in both territorial and socioeconomic terms. An East-West divide is still recognisable along the former Iron Curtain and the area faces a multitude of complex challenges and barriers that do not stop at borders or administrative units and that hinder economic, social and territorial development. However, a common identity, rooted in strong historic and cultural ties, link central European regions closely together. This intangible “central European identity” is the starting point for addressing common opportunities and challenges together. In line with the Territorial Agenda 2030 and the New Leipzig Charta, integrated policies and multi-level governance processes are crucial for strengthening regional development and cohesion beyond borders. However, such integrated and place-based approaches are often not sufficiently enforced in central Europe. Consequently, disparities and gaps persist between thriving regions and less advanced ones. Better governance will help to change this. There is the particular need for exchanging good practices between actors of multi-level governance systems. It will lead to more spatially and socially equitable public services and ultimately increase territorial and social cohesion as well as promote the principle of equal opportunities across the programme area.

Transnational cooperation actions

Under this SO, Interreg CE will support transnational actions aimed at improving multi-sectoral governance processes on all territorial levels, in particular in view of complex challenges related to digitalisation, demographic change, public services of general interest (such as health, education, social services) and tourism including culture. Actions should follow a cross-sectoral approach and foster the horizontal and vertical cooperation of relevant actors of the public and, where appropriate, the private sector. Furthermore, actions should also strengthen capacities of public authorities to prepare integrated territorial development strategies.

Possible cooperation actions include the joint development and implementation of strategies, action plans, tools, training, pilot actions and related solutions. Actions should focus on improving governance processes by better integrating policy sectors, by building consensus among relevant institutions, by better involving citizens and other stakeholders and by making use of digital tools.

More concretely, the programme will fund actions in the following thematic fields (non-exhaustive list):

- Reduction of administrative barriers, better policymaking and cooperation beyond borders
- Participatory decision-making processes (e.g. citizen involvement)
- Multi-level and multi-sector governance among areas with functional ties beyond borders
- Integrated territorial development strategies, e.g. addressing demographic change, public services of general interest (such as health, education, social services) and tourism and culture
- Digital governance

Examples of actions supported (non-exhaustive list):

- Identifying and reducing barriers to cooperation in territories with functional ties (e.g. improving cooperation between stakeholders across administrative units and sectors to implement joint solutions)
- Exchange of experiences and building capacities of authorities to prepare territorially integrated initiatives such as Community-led local development (CLLD) strategies and Integrated territorial investments (ITI) by fostering cooperation between urban-rural partnerships or on sustainable urban development (SUD)
- Fostering and testing participatory governance models at local and regional level to increase participation of citizens in decision-making and to strengthen civic engagement and equal opportunities in public governance
- Exchanging knowledge and good practices on managing participatory approaches, including the testing of digital solutions for further rollout at territorial level
- Developing and implementing integrated development strategies for territories with functional ties addressing demographic change challenges and including high quality public services of general interest (such as health, education, social services)
- Developing and implementing integrated tourism strategies beyond borders, based on the shared central European identity and joint historical and cultural heritage
- Fostering new territorial governance models by e.g. a better integration of new biodiversity governance frameworks based on the 2030 EU Biodiversity Strategy (through, for example, more effective stakeholder dialogues)
- Strengthening cooperation and policy integration in cross-border and transnational territories with functional ties, especially across the former Iron Curtain, by establishing new or capitalising on existing structures for cooperation governance (e.g. EGTCs, EUREGIOs) as well as joint decision making processes and coordinated action plans
- Developing smart city and smart region strategies and supporting their integration into local and regional policies and governance systems

- Further strengthening digital governance solutions to create efficient public services that facilitate interaction between administrations and citizens and businesses (e.g. e-governance solutions, digital public services, e-participation)
- Testing, adapting and deploying smart digital services for better cooperation and coordination beyond administrative borders (e.g. in the health sector)

Actions should seek synergies with other European instruments and initiatives such as the ERDF mainstream programmes, the Rural Programmes (including LEADER) cross-border Interreg programmes, as well as existing transboundary and transnational governance structures (e.g. EGTCs and EUREGIOS). Actions should also take into account relevant international initiatives and platforms, which aim at better coordinating governance processes in specific thematic areas and in particular the EU macro-regional strategies.

Expected results

Transnational cooperation actions will result in improved capacities of public authorities and other stakeholders for implementing coordinated and cooperative territorial governance processes, based on policy learning and policy change. This will ultimately improve territorial and social cohesion and reduce development barriers. It will also contribute to achieving the priorities of the Territorial Agenda 2030 (e.g. a balanced Europe, functional regions and integration across borders). For citizens, it will concretely result in better public services.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.4.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
4	SO 4.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
4	SO 4.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		

4	SO 4.1	RCO 87	Organisations cooperating across borders	Organisation		
4	SO 4.1	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
4	SO 4.1	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
4	SO 4.1	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
4	SO 4.1	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

2.4.1.3 The main target groups

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

Text field [7000]

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be more capable to implement integrated governance processes at various territorial levels. More concretely, target groups include both public and private actors covering a wide range of different sectors and levels of governance, such as local, regional and national public authorities, policy makers, urban and spatial planners, operators, infrastructure providers, regional development agencies, EGTCs, social and health care institutions, service regulators, tourism operators, intermediaries, education and training organisations, international organisations and associations, enterprises including SMEs, NGOs, financing institutions, as well as universities and research institutes. Target groups include also all population groups, which will benefit from improved local and regional governance processes.

2.4.1.4 Identification of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories. Cooperation is particularly encouraged to improve governance structures and processes within and between territories that are sharing functional ties (e.g. metropolitan regions, adjacent or neighbouring cities and their rural hinterlands, cross-border regions). The exchanges of knowledge and experiences between more and less advanced regions will strengthen further their implementation capacities.

All possible actions need to consider the specific territorial settings and existing governance systems of targeted areas.

2.4.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	SO 4.1	(pending guidance from EC)	

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	SO 4.1	01	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	SO 4.1	48	

3. Financing plan

Chapter will be completed when the budget is available

Reference: Article 17(4)(g)

3.1 Financial appropriations by year

Reference: Article 17(4)(g)(i), Article 17(5)(a)-(d)

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
ERDF (territorial cooperation goal)								
IPA III CBC ²								
Neighbourhood CBC ³								
IPA III ⁴								
NDICI ⁵								
OCTP ⁶								
Interreg Funds ⁷								
Total								

3.2 Total financial appropriations by fund and national co-financing

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

² Interreg A,, external cross-border cooperation

³ Interreg A, external cross-border cooperation

⁴ Interreg B and C

⁵ Interreg B and C

⁶ Interreg C and D

⁷ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C

Table 8^o

PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+ (b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
						National public (c)	National private (d)			
	Priority 1	ERDF ⁸								
		IPA III CBC ⁹								
		Neighbourhood CBC ¹⁰								
		IPA III ¹¹								
		NDICI ¹²								
		OCTP Greenland ¹³								
		OCTP ¹⁴								
		Interreg Funds ¹⁵								
	Priority 2	(funds as above)								
	Total	All funds								
		ERDF								
		IPA III CBC								
		Neighbourhood CBC								
		IPA III								
		NDICI								
		OCTP Greenland								
		OCTP								
		Interreg Funds								
	Total	All funds								

⁸ When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.

⁹ Interreg A, external cross-border cooperation

¹⁰ Interreg A, external cross-border cooperation

¹¹ Interreg B and C

¹² Interreg B and C

¹³ Interreg B and C

¹⁴ Interreg C and D

¹⁵ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C

4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation

Reference: Article 17(4)(h)

Text field [10 000]

In line with regulatory requirements laid down in Article 6 of the CPR, the MA/JS of Interreg CENTRAL EUROPE has involved a broad range of relevant partners in preparing the new transnational cooperation programme for 2021-27.

When considering the involvement of partners, it is important to take into account also continuous measures taken on the national level. Qualified stakeholders and experts are regularly involved in all programming and implementing decisions through national committees or other mechanisms and bodies. Measures outlined in this chapter are therefore complementary to these well-established activities.

Altogether, the comprehensive Interreg CE partner involvement process added much value to the programming process by collecting feedback and inputs to:

- Define and validate transnational cooperation needs in view of key territorial challenges
- Define and validate strategic choices taken in view of thematic concentration
- Collect feedback on and ideas for possible actions and target groups to be supported
- Coordinate with neighbouring Interreg programmes and other territorial instruments
- Validate possible environmental impacts of the new programme

The partner involvement process was divided into three phases at different development stages of the new programme. Additional phases will follow later during programme implementation to ensure the programme's continuous relevance and increase its effectiveness and efficiency.

Across all involvement phases, a dedicated landing page was available on the programme website. It ensured that partners stayed informed about the programming process and that preparatory documents and involvement outcomes were published at www.interreg-central.eu/CE21-27.

Involvement phase 1: Territorial challenges and programme strategy

From autumn 2019 to spring 2020, the following transnational measures involved over 500 relevant partners from across central Europe in the development of the new programme:

- Survey on territorial needs and challenges (September to October 2019):
National committees and thematic experts were targeted with this survey to collect primarily quantitative data about thematic fields with the highest need for transnational cooperation. More than 300 replies were received from all nine programme countries.
- Participatory session at EU Regions Week (9 October 2019):
This session was organised in Brussels at the EU Week of Regions and Cities 2019. Thematic discussion groups were formed to collect ideas and opinions on all policy objectives and to brainstorm about more detailed inputs for the intervention logic. Outcomes of the session with around 50 participants were documented in mind maps and informed an expert report with policy recommendations for the WG CE21+.
- Strategy and consensus-building workshop (13 November 2019):
In addition to members of the Interreg CE programming committee, thematic experts from the national and regional levels were invited to discuss strategic preferences and to build

transnational consensus on policy choices. The workshop also collected initial inputs regarding potential thematic fields, actions and target audiences from around 50 participants. Outcomes of the debate informed an expert report with policy recommendations.

- Questionnaire to collect national feedbacks on strategy (March 2020):
This questionnaire addressed qualified national and regional stakeholders to collect national feedbacks on the draft programme strategy prior to a meeting of the Interreg CE programming committee.

Despite drastic event and travel restrictions due to the COVID-19 pandemic, Interreg CE was committed to take its involvement activities forward to collect more concrete ideas on thematic fields, transnational actions and target groups.

Involvement phase 2: Programme intervention logic

In June 2020, the programme launched a two-step consultation process, which built on thematic discussions and preliminary decisions taken by the WG CE21+ in May 2020. The aim was to collect feedback on an early draft version of the future programme, which already included a sketch of transnational programme priorities, specific objectives and topics that gave direction to the funding of cooperation actions in central Europe. Partners could also provide inputs and ideas on additional topics, transnational cooperation actions and target groups.

In a first step, a transnational survey invited stakeholders from across central Europe to provide feedback and inputs on the draft IP between 10 and 24 June 2020. 556 respondents from relevant national, regional and local stakeholders had participated to the survey. They ranked the relevance of transnational topics per programme specific objective and provided several qualitative inputs.

In a second step, a joint effort of the programme's national contact point (NCP) helped to further deepen dialogue with 490 public and private partners from across central Europe. In coordination with the MA/JS, consultation measures were organised in all countries in June, July and August, despite challenges posed by the COVID-19 pandemic.

National partner dialogues (NPDs) took place in online formats such as webinars and direct mailings. They helped to collect information on actions and target groups, to consolidate inputs from the survey and to gather additional qualitative feedback.

The two measures complemented each other in the following way:

- The survey collected quantitative feedback about the relevance of transnational topics per SO. In addition, respondents could include qualitative inputs on additional topics, potential transnational actions and target groups.
- NPDs collected and discussed qualitative inputs from national experts to complement primarily quantitative inputs received in the survey.

Outcomes of both the transnational survey and NPDs were documented in a comprehensive stakeholder involvement report and published on the programme website at www.interreg-central.eu/CE21-27. It provided an analytical overview of feedback and inputs received and was as such a valuable source of information for further fine-tuning the programme strategy and the programme intervention logic.

Involvement phase 3: Coordination with other Interreg programmes and EU cooperation instruments

In a final involvement phase, Interreg CE involved implementers of geographically overlapping and neighbouring Interreg programmes as well as EU macro-regional strategies (MRS) and European Groupings of Territorial Cooperation (EGTCs). The objectives were to:

- Raise awareness on the programme and its future priorities

- Collect additional inputs for the programme intervention logic
- Strengthen coordination and identify potential synergies with Interreg programmes and territorially relevant instruments

In October 2020, two surveys were launched to collect feedback from a qualified group of stakeholders at MRS and EGTCs. Interreg CE received replies from 25 thematic or national coordinators from all MRS (EUSALP, EUSAIR, EUSBSR, and EUSDR) and from six implementers of EGTCs located in central Europe. The programme's thematic fields and planned actions were all considered as highly important.

A dialogue-oriented approach was taken to involve the management of overlapping and neighbouring transnational Interreg programmes and Interreg Europe. In a focus group on 21 October 2020, these programmes exchanged on the programming state of play and their draft strategies and intervention logics. The group also looked into potential synergies and complementarities.

This involvement phase then concluded with an exchange with geographically overlapping cross-border Interreg programmes in the frame of the Interact online conference "Cooperation and synergies in Central and South Eastern Europe" on 3-4 November 2020. The event was dedicated to discussions on cooperation between programmes in central and southeast Europe, including their contributions to the local macro-regional strategies EUSDR, EUSAIR and EUSALP.

All outcomes of this involvement phase were documented in an updated, comprehensive stakeholder involvement report, which was published at www.interreg-central.eu/CE21-27.

Planned involvement during the implementation of Interreg CE 2021-27:

The continuous involvement of relevant partners in the implementation of the Interreg CENTRAL EUROPE Programme is envisioned for two reasons:

- To enhance ownership of the programme among partners, in order to make use of their knowledge and expertise and to increase transparency in decision-making processes
- To improve the coordination with other ESI Funds as well as with relevant funding instruments

While specific measures will be organised to involve specific audiences with more specific objectives, the continuous involvement of relevant partners in the Interreg CE monitoring committee (MC) will be secured primarily through national committees or similar mechanisms and bodies. Like in the programming phase, these represent platforms in which relevant national partners can voice their positions on strategic matters concerning the implementation of the programme.

During implementation, they support MC members in the execution of MC tasks, including the preparation of calls for proposals and programme progress reports as well as the monitoring and evaluation of the programme. They will be organised in compliance with applicable national requirements concerning their composition, functioning and management of obligations on data protection, confidentiality and conflict of interest.

Where relevant, national committees or similar mechanisms and bodies established in compliance with national rules, will strive for coordination with Cohesion Policy programmes and other national funding instruments, for example by inviting representatives of institutions participating in the implementation of relevant national and/or regional programmes.

The programme might also involve, upon invitation, relevant EU umbrella institutions and organisations, such as the Committee of the Regions, with an observer role in the MC.

5. Approach to communication and visibility for the Interreg programme (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)

Reference: Article 17(4)(i)

Text field [4 500]

Communication goes beyond transmission of information or awareness raising. It focuses also on creating communities, increasing ownership and deepening dialogue with partners to increase programme efficiency, effectiveness and sustainability.

Objectives and audiences

Communication is a management function that touches on all aspects of the programme life cycle. It influences what people know about the programme and how they think or act towards it. Based on programme and management objectives, communication objectives are the following:

Set-up phase

- Involve partners in defining calls and other interventions
- Increase knowledge of all programme bodies to better support stakeholders
- Strengthen commitment of all programme bodies to new processes and working culture

Application phase

- Raise awareness on calls among relevant applicants (including newcomers) in all territories
- Increase knowledge of applicants to submit better applications

Implementation phase

- Increase knowledge of beneficiaries to better implement projects
- Involve beneficiaries in Interreg CENTRAL EUROPE community for better peer-learning

Capitalisation phase

- Improve attitude of programme and project target groups towards (taking up) results

Annual work plans will further define detailed annual objectives.

Tactics, channels and messages

A close attachment to the established Interreg umbrella brand will increase visibility and aid synergies with other programmes. It will help to improve the attitude of people and their behaviour towards the programme due to the “*mere-exposure effect*”, by which people tend to develop a preference for things merely because they are familiar with them.

Based on consistent branding, main tactics will be “*cross-channel content marketing*” and campaigning. This practice integrates the use of multiple channels to flexibly connect to and engage with stakeholders. It combines digital and offline channels, often in a hybrid way. Channels will embrace essentially a web portal, direct mails and social media as well as print (incl. plaques), public events and meetings.

Transparency and reliable content will be crucial. Issues that the programme wants to communicate to reach an objective have to be broken down into messages. Messages will be rooted in the programme

narrative (see IP section 1). They will guide the development of thematic content in flexible formats, from text and data visualisations to videos, to fit various channels while maintaining coherence.

Regarding user experience, the programme will provide content in both browsable (interactive and personal) and structured formats (aggregated and searchable). Often, the approaches will be complementary as e.g. on the website: a list of operations will provide structured information, while multimedia storytelling features will allow for browsing.

The programme will also make use of community-based ambassador marketing. Using their local anchorage, project beneficiaries will reach out on (social) media to citizens and end-users with the community hashtag *#cooperationiscentral*.

Annual work plans will further define details on the implementation of channels, messages and content.

Monitoring and evaluation

The following outcome and result indicators will measure progress and achievements.

Set-up and application phase

- Outcome: Web traffic and conversions, social media engagement, event participation (statistics)
- Result: Applicant satisfaction with information & support provided by programme (survey)

Implementation phase

- Outcome: Web traffic and conversions, social media engagement, event participation (statistics)
- Result: Beneficiary satisfaction with information and support provided by programme and positive attitude towards the programme community (survey)

Capitalisation phase

- Outcome: Web traffic and conversions, social media engagement, event participation (statistics)
- Result: Satisfaction of stakeholders with programme results and impact (survey)

Annual work plans will further define indicators incl. baselines and targets.

Budget and resources

Communication is a horizontal management task coordinated by the programme's communication and capacity-building unit. Implementation will be supported by all programme bodies and the national contact point network in particular. The communication budget, excluding staff costs, will be at least 0.3 percent of the total programme budget.

Annual work plans will further define the budget and resources needed.

6. Indication of support to small-scale projects, including small projects within small project funds

Reference: Article 17(4)(new j), Article 24

Text field [7 000]

(Will be drafted according to further discussions in the programming Task Force as well as considering exchanges with other programmes and Interact)

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(7)(a)

Table 10

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	City of Vienna Department for European Affairs	Christiane Breznik	christiane.breznik@wien.gv.at
National authority (for programmes with participating third or partner countries, if appropriate)			
Audit authority	Federal Ministry of Agriculture, Regions and Tourism Department of ERDF Audits	Sonja Schneeweiss	Sonja.schneeweiss@bmlrt.gv.at
Group of auditors representatives			
Body to which the payments are to be made by the Commission	City of Vienna Department for European Affairs	Petra Wallner	petra.wallner@wien.gv.at

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b)

Text field [3 500]

In accordance with Article 17(7)(b) of the Interreg Regulation and considering the successful implementation of the two predecessor programmes in the 2007-2013 and 2014-2020 periods, the Managing Authority will ensure continuity of the Joint Secretariat by maintaining the basic structural and implementation arrangements already in place.

The Joint Secretariat will continue supporting and assisting:

- The Managing Authority and the Monitoring Committee in carrying out their functions.
- Applicants and beneficiaries in effectively participating in the programme.

The Joint Secretariat will be in Vienna and it will remain as part of EU-Förderagentur GmbH, a subsidiary body of the City of Vienna.

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

Reference: Article 17(7)(c)

Text field [10 500]

The arrangements related to irregularities and the apportionment of liabilities, in principle, will continue from the 2014-2020 programming period. In the eventuality that the managing authority suspects or is informed about an irregular use of granted funds, it shall undertake the necessary follow-up actions, such as suspending the reimbursement of the financing related to the lead partner (LP) or project partner (PP) as well as withdrawing or recovering the irregular amounts.

Without prejudice to the Member States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid in accordance with Article 63 (2) of the CPR, as stated in Article 52 (1) of the Interreg Regulation, the Managing Authority shall ensure that any amount paid as a result of an irregularity is recovered from the LP. The PPs shall then repay the LP any amounts unduly paid. In line with Article 52 (2) , the Managing Authority will not recover an amount unduly paid if it does not exceed EUR 250 ERDF (not including interest) paid to an operation in a given accounting year.

If the LP does not succeed in securing repayment from a PP or if the Managing Authority does not succeed in securing repayment from the LP, the Member State on whose territory the LP or PP concerned is located (in the case of an EGTC where it is registered), shall reimburse the Managing Authority the amount unduly paid to that PP in accordance with Article 52 (3) of the Interreg Regulation. The Managing Authority is responsible for reimbursing the amounts recovered to the general budget of the Union, in accordance with the apportionment of liabilities among the participating Member States as laid down below. The MA will reimburse the funds to the Union once the amounts are recovered from the LP/PP/Member State.

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

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

In accordance with Article 52 (4) of the Interreg Regulation, once the Member State has reimbursed the Managing Authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law.

Provisions concerning Article 52 (5) will be included at a later stage, in coordination with the participating Member States, other Interreg programmes and Interact.

As stated in Article 63 (11) of the CPR, irregularities shall be reported by the Member State in accordance with the implementing act to be adopted by the Commission whereby the reporting format will be set out. The Member State shall also inform the Managing Authority who will in turn inform the Audit Authority. Specific procedures in this respect will be part of the description of the programme management and control system to be established in accordance with Article 63 of the CPR.

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

- Each Member State bears liability for possible financial consequences of irregularities caused by LPs and PPs located on its territory.
- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific Member State, the liability shall be jointly borne by the Member States in proportion to the

ERDF claimed to the European Commission for the period which forms the basis for the financial correction.

Provisions concerning Technical Assistance will be included at a later stage, in coordination with the participating Member States, other Interreg programmes and Interact.

8. Use of unit costs, lump sums, flat rates and financing not linked to costs

Reference: Articles 88 and 89 CPR

Table 11: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 88 and 89	YES	NO
From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 88 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption programme will make use of financing not linked to costs according to Article 89 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDICES

- **Appendix 1: Map of the programme area**
- **Appendix 2: Union contribution based on unit costs, lump sums and flat rates**
- **Appendix 3: Union contribution based on financing not linked to costs**
- **Appendix 3a: List of planned operations of strategic importance with a timetable**

Appendix 2: Union contribution based on unit costs, lump sums and flat rates¹⁶

Template for submitting data for the consideration of the Commission

(Article 88 CPR)

Date of submitting the proposal	
Current version	

¹⁶ The Council's partial mandate changed the title of the appendix, linked to CPR Block 6. Without prejudice to further alignment on the outcome of the interinstitutional agreement on CPR Block 6.

A. Summary of the main elements

Priority	Fund	Estimated proportion of the total financial allocation within the priority to which the SCO will be applied in % (estimate)	Type(s) of operation		Corresponding indicator name(s)		Unit of measurement for the indicator	Type of SCO (standard scale of unit costs, lump sums or flat rates)	Corresponding standard scales of unit costs, lump sums or flat rates
			Code	Description	Code	Description			

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

Did the Managing Authority receive support from an external company to set out the simplified costs below?

If so, please specify which external company:

Types of operation:

1.1. Description of the operation type	
1.2 Specific objective(s) concerned	
1.3 Indicator name ¹⁷	
1.4 Unit of measurement for indicator	
1.5 Standard scale of unit cost, lump sum or flat rate	
1.6 Amount	
1.7 Categories of costs covered by unit cost, lump sum or flat rate	
1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N)	
1.9 Adjustment(s) method	
1.10 Verification of the achievement of the unit of measurement - describe what document(s) will be used to verify the achievement of the unit of measurement - describe what will be checked during management verifications (including on-the-spot), and by whom - describe what the arrangements are to collect and store the data/documents	
1.11 Possible perverse incentives or problems caused by this indicator, how they could be mitigated, and the estimated level of risk	
1.12 Total amount (national and EU) expected to be reimbursed	

¹⁷ Several complementary indicators (for instance one output indicator and one result indicator) are possible for one type of operation. In these cases, fields 1.3 to 1.11 should be filled in for each indicator.

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

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

2. Please specify why the proposed method and calculation is relevant to the type of operation:

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

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

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

** Justifications on the underlying data, the calculation methodology and resulting rate or amount and related assessment by the audit authority [(in points 1, 3 and 5)] are not required when the simplified cost options submitted in this Appendix are established at Union level [(other policies or through the DA referred to in Article 88(4)].*

Appendix 3: Union contribution based on financing not linked to costs

Template for submitting data for the consideration of the Commission

(Article 89 CPR)

Date of submitting the proposal	
Current version	

A. Summary of the main elements

Priority	Fund	The amount covered by the financing not linked to costs	Type(s) of operation	Conditions fulfilled/results to be achieved	Corresponding indicator name(s)		Unit measurement of the indicator	Envisaged reimbursement to the beneficiaries ¹⁸
					Code	Description		
The overall amount covered								

¹⁸ The Council partial mandate added this column in line with CPR Block 6. Without prejudice to further alignment on the outcome of the interinstitutional agreement on CPR Block 6.

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

Types of operation:

1.1. Description of the operation type			
1.2 Specific objective(s) concerned			
1.3 Conditions to be fulfilled or results to be achieved			
1.4 Deadline for fulfilment of conditions or results to be achieved			
1.5 Indicator definition for deliverables			
1.6 Unit of measurement for indicator for deliverables			
1.7 Intermediate deliverables (if applicable) triggering reimbursement by the Commission with schedule for reimbursements	Intermediate deliverables	Date	Amounts
1.8 Total amount (including EU and national funding)			
1.9 Adjustment(s) method			
1.10 Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables) - describe what document(s) will be used to verify the achievement of the result or condition - describe what will be checked during management verifications (including on-the-spot), and by whom - describe what arrangements there are to collect and store the data/documents			
1.10a Does the grant provided by Member State to beneficiaries take the form of financing not linked to costs? [Y/N] ¹⁹			
1.11 Arrangements to ensure the audit trail Please list the body(ies) responsible for these arrangements.			

¹⁹ The Council's partial mandate added point 1.10a, which was amended to improve clarity.

Appendix 3a: List of planned operations of strategic importance with a timetable - Article 17(4)

Text field [2 000]