

# **Annual Implementation Report**

## **on implementation of the Programme in the financial year 2016**

## PART A

### DATA REQUIRED EVERY YEAR ('LIGHT REPORTS') (Article 50(2) of Regulation (EU) No 1303/2013)

#### 1. IDENTIFICATION OF THE ANNUAL/FINAL IMPLEMENTATION REPORT

CCI	CCI 2014TC16I5CB003
Title	Annual Implementation Report
Version	1.0
Reporting year	2016
Date of approval of the report by the monitoring committee	28.6.2017.

#### 2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME (Article 50(2) of Regulation (EU) No 1303/2013 and Article 14(3)(a) of Regulation (EU) No 1299/2013)

*Key information on the implementation of the cooperation programme for the year concerned, including on financial instruments, with relation to the financial and indicator data.*

During 2016, the Managing Authority (MA) continued to carry out and coordinate the activities related to implementation of the Programme and setting up of the system structure that included: setting up of the management and control system, launching the 1<sup>st</sup> Call for proposals, coordinating evaluation of the submitted applications, preparing the evaluation plan, organizing the technical meetings with the National Authorities (NAs), employment of the Joint Secretariat (JS) staff, improving functionalities of the electronic monitoring system (eMS), and implementing Programme communication activities.

##### **Setting up the management and control system**

The MA continued with setting up of the management and control system and preparation of the Description of the Management and Control System and other related documents.

The MA submitted to the Audit Authority (AA) the first version of the designation package for examination of the compliance with the designation criteria set out in Annex XIII to CPR for the Programme on 18 November 2016.

The designation package submitted consisted of the Description of the Management and Control System and related annexes: Manual of Procedures of the Managing Authority, Manual of Procedures of the Joint Secretariat, Manual of Procedures of the Certifying Authority, Control Guidelines for IPA CBC Programmes, Description of National Control System in the Republic of Croatia, Description of National Control System in the Republic of Serbia, Manual for Managing Technical Assistance and Fraud Risk Assessment.

##### **Joint Monitoring Committee (JMC)**

There was one Joint Monitoring Committee meeting held in 2016: on 1 March 2016 in Novi Sad, Serbia, during which the Programme rules on eligibility of expenditures and Guidelines for Applicants for the 1<sup>st</sup> Call for Proposals were adopted.

There were also 5 JMC written procedures launched by the Managing Authority during 2016. The first one that was launched in May 2016 resulted in adoption of the Annual Implementation Report on implementation of the Programme in financial years 2014 and 2015 and the Citizen's summary - Annex 1 to the Annual Implementation Report. The second one, launched in July 2016, resulted in adoption of the Rules of Procedures of Joint Steering

Committee and Joint Steering Committee members and deputy members. The third was launched in August 2016 and resulted in approval and adoption of the Evaluation plan for the Programme. The fourth was launched in November 2016 and ended with approval of the nominated replacement of the Chairperson of the Joint Steering Committee (JSC) under the 1<sup>st</sup> Call for Proposals. Finally, the fifth was launched in December with the aim of examination and approval of the Technical Assistance budget and Annual work plan of the Joint Secretariat. That written procedure was completed by the adoption of the proposed documents in January 2017.

### **Technical meetings of MA and National Authorities**

During 2016, the MA held 3 technical meetings with the NAs in order to discuss and agree on the system set up and TA budget and to draft relevant documents for the Description of the Management and Control System.

The first one was held in Zagreb on 3 February 2016. The MA and NAs discussed Programme rules on eligibility of expenditures, Memorandum of Understanding, Descriptions of national control systems in Croatia and Serbia, Application Package and the Programme budget.

The second meeting was held in Novi Sad, Serbia, on 29 February 2016. The MA and NAs reached final agreements on open issues within Programme rules on eligibility of expenditures and Guidelines for Applicants, discussed and agreed on the RS NA TA budget and discussed the TA Agreement in detail.

The third meeting was held in Zagreb, Croatia, on 17 October 2016 where the participants discussed employment of JS staff, the TA budget, procedure for the signing of the MoU and applications submitted within the 1<sup>st</sup> Call for Proposals.

### **Human resources**

During 2016, there were no further employments in the MA.

The procurement procedure for employment of JS staff (Project Manager), launched in October 2015, was completed in March 2016. Another employment procedure (2 Financial Managers) was launched in October and completed in December 2016.

In total, the MA and JS staff members attended 17 different trainings/workshops/seminars during 2016.

### **Launching of the 1<sup>st</sup> Call for Proposals (CfP)**

At the beginning of 2016, the MA started to prepare the Application Package for the 1<sup>st</sup> CfP and to adjust the electronic monitoring system (eMS) for launching of the 1<sup>st</sup> CfP. Additionally, the eMS was tested and prepared for other relevant implementation phases: evaluation of project proposals, contracting, reporting, etc.

The 1<sup>st</sup> CfP was launched through the eMS on 15 March 2016.

Both phases of the assessment process (administrative compliance and eligibility check, and quality assessment) were done through the eMS. The evaluation and selected procedure of the project proposals was coordinated by the JSC. Two JSC meetings were held in 2016.

### **Communication activities**

In line with the Programme Communication Strategy and Annual Communication Plan for 2016, the MA implemented information and communication activities.

The Programme launching conference, marking the publication of the 1<sup>st</sup> Call for proposals and the beginning of the implementation of the Programme, was held on 16 March 2016 in Vukovar, Croatia. The conference was attended by more than 200 national, regional, local and other relevant stakeholders from both participating countries.

After the publication of the 1<sup>st</sup> CfP, the MA and JS organised 4 information sessions: in Novi Sad, Vukovar, Loznica and Osijek. The MA and JS staff presented the Programme, Guidelines for Applicants, eMS, project budget, details of the assessment and selection process and relevant technical information. The presentations provided at the information sessions were published on the Programme website.

Furthermore, during June 2016, the MA and JS organised 2 project clinics: in Novi Sad and Osijek. The aim of project clinics was to provide assistance to applicants whose project proposals were at the advanced level of preparation and need final assistance concerning the preparation of project design or project budget. On average, each information session and project clinic was attended by more than 70 participants.

The MA organized the European Cooperation Day celebrating the achievements of cross-border, transnational and interregional cooperation in the regions and countries throughout Europe in Skradin on 23 September 2016. The MA presented the achievements of both Interreg IPA Programmes.

The Managing Authority maintained the Programme website and social networks, and regularly posted about Programme's activities.

### 3. IMPLEMENTATION OF THE PRIORITY AXIS (Article 50(2) of Regulation (EU) No 1303/2013)

#### 3.1. Overview of the implementation

ID	Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
PA1	Improving the quality of public health and social services in the programme area	The 1 <sup>st</sup> Call for proposals was published on 15 March and closed on 30 June 2016.
PA2	Protecting the environment and biodiversity, improving risk prevention and promoting sustainable energy and energy efficiency	The amount allocated to the 1 <sup>st</sup> Call for Proposals was 15.009.809,00 EUR, out of which 12.758.338,00 EUR represents EU co-financing and 2.251.471,00 EUR represents national co-financing. In total 127 project proposals were received. The evaluation and selection procedure of project proposals was coordinated by the Joint Steering Committee set up by the JMC. There were two JSC meetings held in 2016, in September and November 2016.
PA3	Contributing to the development of tourism and preserving cultural and natural heritage	The assessment process was conducted in two steps: administrative compliance and eligibility check and quality assessment.
PA4	Enhancing competitiveness and developing business environment in the programme area	
PA5	Technical Assistance	<p>Technical assistance activities were implemented by the MA and other Programme bodies involved in the management of the Programme.</p> <p>Under Priority axis 5, the following actions were carried out during the reporting period:</p> <ul style="list-style-type: none"> <li>• JS supporting the MA and assisting the JMC in the implementation and day-to-day management of the Programme set up and management;</li> <li>• The 1<sup>st</sup> Call for proposals, including the development of guidance documents setting out the conditions for the support of operations prepared and published;</li> <li>• Procedures for the quality assessment, monitoring and control of operations implemented under the Programme, making use of experts where relevant and contributing to the reduction of administrative burden for beneficiaries set up and implemented;</li> <li>• The Programme evaluation plan drafted and adopted;</li> <li>• Computerised system (eMS) to record and store data on each operation necessary for the</li> </ul>



PA1	Number of elderly people and children assisted by social services provided through government bodies	Number	82,672	2014	76,885	0	The annual values are 0 since there are no selected and implemented operations in this reporting period.
PA2	Disaster response capability in the programme area	Percentage	42%	2015	89%	0	The annual values are 0 since there are no selected and implemented operations in this reporting period.
PA2	Energy consumption by public buildings in the programme area	kWh	119,982,318.29	2014	111,583,556.01	0	The annual values are 0 since there are no selected and implemented operations in this reporting period.
PA3	Number of overnights in the programme area	Number	1,037,837	2012	1,041,358	0	The annual values are 0 since there are no selected and implemented operations in this reporting period.
PA4	Range of cluster activities enhancing innovation, new technologies and ICT solutions	Number	13	April 2015	18	0	The annual values are 0 since there are no selected and implemented operations in this reporting period.
PA5	Technical Assistance	N/A	N/A	N/A	N/A	N/A	Not applicable for this priority axis.

*Table 2*

**Common and programme specific output indicators (by priority axis, investment priority); applies also to technical assistance priority axes**

	ID	Indicator (name of indicator)	Measure ment unit	Target value (2023)	CUMMU LATIVE VALUE	Observations (if necessary)
					2016	
	PA1	Number of persons related to improving health care	Number	412	0	The cumulative value is 0 since

		services and/or social care services trained				there are no selected and implemented operations in this reporting period.
		Number of jointly developed tools and services that enable better quality of social and health care	Number	7		
		Population covered with improved health services and/or social services and facilities	Number	100,000		
Selected operations [forecast provided by beneficiaries]					N/A	Not applicable since there are no selected operations in this reporting period.
Fully implemented operations [actual achievement]					N/A	
	PA2	Number of jointly developed and/or operated monitoring systems	Number	5	0	The cumulative value is 0 since there are no selected and implemented operations in this reporting period.
		Surface area of habitats supported in order to attain better conservation status	ha	800		
		Additional capacity of renewable energy production	MW	32		
Selected operations [forecast provided by beneficiaries]					N/A	Not applicable since there are no selected operations in this reporting period.
Fully					N/A	



implemented operations [actual achievement]						operations implemented in this reporting period.
	PA3	Number of joint tourism products developed and promoted	Number	13	0	The cumulative value is 0 since there are no selected and implemented operations in this reporting period.
		Number of tourism supporting facilities and/or tourism infrastructure developed or improved	Number	11		
		Number of persons educated in quality assurance, standardisation on cultural and natural heritage and destination management	Number	302		
		Increase in expected number of visitors to supported sites of cultural and natural heritage	Visits per year	per 1,000		
Selected operations [forecast provided by beneficiaries]					N/A	Not applicable since there are no selected operations in this reporting period.
Fully implemented operations [actual achievement]					N/A	Not applicable since there are no operations implemented in this reporting period.
	PA4	Number of cross-border clusters or networks or other collaborative schemes including entrepreneurs established or improved	Number	7	0	The cumulative value is 0 since there are no selected and implemented operations in this reporting period.
		Number of laboratories and/or competence centres jointly used by entrepreneurs developed or improved	Number	7		

		Number of innovative technologies, processes, products and services introduced by the enterprises in the programme area	Number	7		
		Number of enterprises cooperating with research institutions	Number	9		
Selected operations [forecast provided by beneficiaries]					N/A	Not applicable since there are no selected operations in this reporting period.
Fully implemented operations [actual achievement]					N/A	Not applicable since there are no operations implemented in this reporting period.
	5.1	Joint secretariat established	Number	1	0	The Joint Secretariat was established in May 2015, as reported in AIR for 2014 and 2015.
	5.2	Calls for proposals successfully launched and closed	Number		1	1 <sup>st</sup> Call for Proposals was launched on 15 March 2016 and closed on 30 June 2016.
	5.3	Operations approved following calls for proposals	Number		0	
	5.4	Periodic progress reports of operations monitored and paid	Number		0	
	5.5	Joint Monitoring Committee meetings held	Number	9	1	JMC meeting held on 1 March

						2016.
	5.6	On-the-spot visits carried out	Number		0	
	5.7	Programme communication strategy developed and implemented	Number	1	0	Programme communication strategy was developed and accepted by the JMC on 24 November 2015, as reported in AIR for 2014 and 2015.
	5.8	Independent programme evaluations implemented (ex-ante and during programme implementation)	Number	2	0	Ex-ante evaluation was implemented in period from July 2014 to May 2015, as reported in the AIR for 2014 and 2015.
	5.9	Programme e-Monitoring System developed, implemented and used	Number	1	1	The eMS, developed by the programme INTERACT, has been implemented and used by the Programme since October 2015, as reported in AIR for 2014 and 2015.
	5.10	Network of controllers established	Number	1	0	
	5.11	Audits on programme management and control system and on operations conducted	Number		0	
	5.12	Information documents addressed to applicants and beneficiaries	Number		25	There were 8 documents provided to the applicants and potential beneficiaries within the Application package for 1 <sup>st</sup> Call for Proposals, 2 offline templates as assistance in planning of project / application, 5 presentations given at the information sessions, 2

						presentations given at the project clinics, and 7 Q&A documents published on the Programme website. Additionally, Programme rules on eligibility of expenditures were provided to the beneficiaries along with the Application Package for the 1 <sup>st</sup> CfP.
	5.13	Consultation, information, training and exchange workshops for applicants and beneficiaries organised	Number		6	There were 4 information days for applicants organised in March and April, and 2 project clinics in June 2016.
	5.14	Studies, reports and surveys on strategic matters concerning the programme carried out	Number		0	
	5.15	Training and building capacity for programme management structure ensured	Number		17	Trainings/workshops/seminars attended by the MA and JS staff during 2016.
	5.16	Number of employees (Full Time Equivalents) whose salaries are co-financed by technical assistance	Number	12	6,33	100% salary for four employees, 50% salary for four employees and 33% salary for one employee are co-financed by technical assistance.
	5.17	Programme 2021-2027 prepared and related ex-ante evaluation and SEA conducted	Number		0	

### **3.3 Milestones and targets defined in the performance framework (Article 50(2) of Regulation (EU) No 1303/2013) — submitted in annual implementation reports from 2017 onwards**

*Reporting on financial indicators, key implementation steps, output and result indicators to act as milestones and targets for the performance framework (submitted starting with the report in 2017).*

As initially envisaged during the programming period, performance framework was not mandatory requirement for Interreg IPA CBC Programmes, therefore it was not introduced in the Cooperation Programme. Only as of the beginning of 2017, it was decided and communicated by the European Commission to the Managing Authority that the performance framework also needs to be introduced into Interreg IPA CBC Programmes. Therefore, the performance framework will be part of the CP as of 2017 and part of the reporting as of 2018.

### **3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)**

#### ***Table 4***

#### **Financial information at priority axis and programme level**

**as set out in Table 1 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 [Model for transmission of financial data] and table 16 of model for cooperation programmes under the European territorial cooperation goal**

Where applicable, the use of any contribution from third countries participating in the cooperation programme should be provided (for example IPA and ENI, Norway, Switzerland)

Priority axis	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d)	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e) (2)	For information	
				National Public funding (c)	National private funding (d) (1)			Contributions from third countries	EIB contributions
Priority axis 1	Total eligible cost	0	0	0		0	84,99%	N/A	N/A
Priority axis 2	Total eligible cost	0	0	0		0	84,99%	N/A	N/A
Priority axis 3	Total eligible cost	0	0	0		0	84,99%	N/A	N/A
Priority axis 4	Total eligible cost	0	0	0		0	84,99%	N/A	N/A
Priority axis 5	Total eligible cost	193.837,68	34.206,65	34.206,65		228.044,33	84,99%	N/A	N/A
Total	Total	193.837,68	34.206,65	34.206,65		228.044,33	84,99%	N/A	N/A

**Table 5**

**Breakdown of the cumulative financial data by category of intervention (Article 112(1) and (2) of Regulation (EU) No 1303/2013 and Article 5 of Regulation (EU) No 1304/2013)**

**(as set out in Table 2 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 [Model for transmission of financial data] and tables 6-9 of Model for cooperation programmes)**

Table 11: Dimension 1 Intervention field		
Priority axis	Code	Amount (EUR)
PA5	121 Preparation, implementation, monitoring and inspection	185.207,22
PA5	122 Evaluation and studies	0
PA5	123 Information and communication	42.837,11

<b>Table 12: Dimension 2 Form of finance</b>		
<b>Priority axis</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA5	01 Non-repayable grant	228.044,33

<b>Table 13: Dimension 3 Territory type</b>		
<b>Priority axis</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA 5	01 Large Urban areas (densely populated > 50 000 population)	228.044,33
PA 5	02 Small Urban areas (intermediate density > 5 000 population)	0
PA 5	03 Rural areas (thinly populated)	0
PA 5	04 Macro regional cooperation area	0

*Table 6*

**Cumulative cost of all or part of an operation implemented outside the Union part of the programme area**

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>The amount of ERDF support envisaged to be used for all or part of an operation implemented outside the Union part of the programme area based on selected operations (EUR)</b>	<b>Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 2/total amount allocated to the support from the ERDF at programme</b>	<b>Eligible expenditure of ERDF support incurred in all or part of an operation implemented outside the Union part of the programme area declared by the beneficiary to the managing authority (EUR)</b>	<b>Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 4/total amount allocated to the support from the ERDF at programme</b>

		level *100)		level *100)
All or part of an operation outside the Union part of the programme area <sup>(5)</sup>	N/A: There is no operation selected in this reporting period.	<type='P' input='G'>	N/A: There is no operation selected in this reporting period.	<type='P' input='G'>

#### 4. SYNTHESIS OF THE EVALUATIONS (Article 50(2) of Regulation (EU) No 1303/2013)

*Synthesis of the findings of all evaluations of the programme that have become available during the previous financial year, including the name and reference period of the evaluation reports used.*

There were no evaluations carried out in 2016.

#### 5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN (article 50(2) of Regulation (EU) No 1303/2013)

*(a) Issues which affect the performance of the programme and the measures taken*

<b>Issues which affect the performance of the Programme</b>	<b>Measures taken</b>
Using the new monitoring system (eMS) <ul style="list-style-type: none"> <li>- Electronic monitoring system is used in all phases of the Programme implementation</li> <li>- The system was not adapted to the Programme needs and specificities</li> <li>- The beneficiaries/Programme bodies were unfamiliar with the system and online submission of the project proposals</li> </ul>	The electronic monitoring system (eMS) was tested and adapted to the Programme specificities. The MA attended trainings and meetings of the working group for eMS. The MA provided guidelines, manuals and trainings to the beneficiaries and Programme bodies on the relevant parts implementation process in the eMS.
Insufficient interest for the Programme funding opportunities	The MA set up the Programme website and social media accounts in order to promote the Programme. Programme website contains the partner search forum to enable interested applicants to form project partnerships. The MA organized Launching Conference to mark the beginning of the Programme implementation and the publishing of the 1 <sup>st</sup> CfP. The conference was attended by more than 200 participants and covered by more than 15 different media. After the publication of the 1 <sup>st</sup> CfP, the MA and JS organised six information



	sessions and two project clinics to provide assistance to potential applicants.
<p>Designation procedure prolongation</p> <ul style="list-style-type: none"> <li>- harmonization of complex procedures between participating countries/Programme bodies</li> <li>- expected change in the legal status of Programme bodies (MA)</li> </ul>	<p>The MA coordinated setting up of the management and control system by organizing meetings with the National Authorities and other Programme bodies in order to discuss and agree on different Programme documents/guidelines.</p> <p>The MA in coordination with AA decided to prepare the DMCS and related annexes taking into account the present system structure before the process of changing the legal status of the MA is finalized.</p>

## **6. CITIZEN'S SUMMARY (Article 50(9) of Regulation (EU) No 1303/2013)**

*A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report*

A citizen's summary of the contents of the annual implementation report is Annex 1 to the annual implementation report and shall be published on the Programme website.

## **7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS (Article 46 of Regulation (EU) No 1303/2013)**

*Where the managing authority decided to use financial instruments it must send to the Commission a specific report covering the financial instruments operations as an annex to the annual implementation report*

N/A: Managing Authority did not decide to use financial instruments.

## **8. WHERE APPROPRIATE, PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS (Article 101(h) and Article 111(3) of Regulation (EU) No 1303/2013 and Article 14(3)(b) of Regulation (EU) No 1299/2013)**

N/A: Implementation of major project and joint action plans is not planned within the Programme.

## **PART B**

### **REPORTING SUBMITTED IN YEARS 2017, 2019 AND FINAL IMPLEMENTATION REPORT (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU) No 1299/2013)**

### **9. ASSESSMENT OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU) No 1299/2013)**

#### **9.1 Information in Part A and achieving the objectives of the programme (Article 50(4) of Regulation (EU) No 1303/2013)**

*FOR EACH PRIORITY AXIS — Assessment of the information provided above and progress towards achieving the objectives of the programme, including the contribution of the ERDF to changes in the value of result indicators, when evidence is available from evaluations*

There were no ex-ante conditionalities to be implemented after the adoption of the Cooperation Programme. In 2016, the key milestone achieved was the publication of the 1<sup>st</sup> Call for Project Proposals and the establishment of the management and control system together with the submission of the designation package to the Audit Authority. The evaluation and the assessment process of 127 received project proposals was carried out during the last quarter of 2016, with the contracting planned for the first half of 2017. There were no Programme evaluations carried out in 2016. Contribution to the ERDF to changes in the value of result indicators is not visible during this reporting period, the achievement of indicators will be more visible once the projects are contracted and implemented.

**9.2. Specific actions taken to promote equality between men and women and to promote non-discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 2, (d) of Regulation (EU) No 1299/2013)**

*An assessment of the implementation of specific actions to take into account the principles set out in Article 7 of Regulation (EU) No 1303/2013 on promotion of equality between men and women and non-discrimination, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of specific actions taken to promote equality between men and women and to promote non-discrimination, including accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the cooperation programme and operations*

The MA and JS staff has been selected on the basis of the equal opportunity and non-discrimination principle.

All operations will have to demonstrate in the application form how they intend to contribute to the equal opportunities and non-discrimination, either through operation staff or focus of the topic on equal opportunities and non-discrimination as defined in the Guidelines for Applicants.

**9.3. Sustainable development (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 2, (e) of Regulation (EU) No 1299/2013)**

*An assessment of the implementation of actions to take into account the principles set out in Article 8 of Regulation (EU) No 1303/2013 on sustainable development, including, where relevant, depending on the content and objectives of the cooperation programme, an overview of the actions taken to promote sustainable development in accordance with that Article*

The sustainable development is one of the key issues for the programme area as it is described in the Cooperation Programme (Section 6.1). This trilateral programme with its territory rich in natural and cultural resources has a vast potential to improve the cross border environmental and nature protection, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management and sustainable energy and energy efficiency.

The Programme's main principle is to support cross border cooperation actions and pilot projects in programme priority areas such as strengthening social and health care services, protecting and preserving environment and nature, improving risk prevention and promoting

the use of sustainable energy, strengthening and further developing tourism as well as sustainable use of cultural and natural heritage and increasing the competitiveness of the programme area.

In the Guidelines for Applicants it was explicitly stated that the Programme horizontal theme - Sustainable development, shall be observed by all Applicants in the development and implementation of their Applications (Operations) – by activities that relate to the biodiversity and environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, energy efficiency and renewable energy, green entrepreneurship, business focused on sustainable development, preventions of investments with considerable negative environmental and climate effects and overall sustainability.

#### **9.4. Reporting on support used for climate change objectives (Article 50(4) of Regulation (EU) No 1303/2013)**

*Figures calculated automatically by the SFC2014 based on categorisation data.*

*Optional: clarification on the given values*

#### **9.5 Role of partners in the implementation of the cooperation programme (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 1, (c) of Regulation (EU) No 1299/2013)**

*Assessment of the implementation of actions to take into account the role of partners referred to in Article 5 of Regulation (EU) No 1303/2013, including involvement of the partners in the implementation, monitoring and evaluation of the cooperation programme*

After the programming period, the role of partners continued in the form of the Joint Monitoring Committee (JMC). In 2016, there was one JMC meeting held and 5 JMC written procedures launched by the Managing Authority.

All JMC members have the possibility to access eMS and monitor the application and selection process of received project proposals during the 1<sup>st</sup> Call for Proposals.

The Managing Authority ensured that all JMC members involved in the preparation of Call of Proposals and implementation of the Programme are aware of their obligations related to data protection, confidentiality and conflict of interest, by signing the Declaration of confidentiality and impartiality.

### **10. OBLIGATORY INFORMATION AND ASSESSMENT ACCORDING TO ARTICLE 14(4), SUBPARAGRAPH 1 (a) AND (b), OF REGULATION (EU) No 1299/2013**

#### **10.1 Progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations**

There were no evaluations implemented in the reporting period. The Evaluation Plan was adopted in September 2016 by the JMC.

#### **10.2 The results of the information and publicity measures of the Funds carried out under the communication strategy**

During the reporting period, the main tools used in the communication activities were the recognisable Interreg visual identity, Programme website, eMS and Programme events. The Annual Communication Plan was prepared for 2016 identifying main communication activities.

Due to the fact that the 1<sup>st</sup> Call for Proposals was published in 2016, the main targeted groups were potential beneficiaries and stakeholders. 4 information sessions and 2 project

clinics were organised and attended by, on average, 70 persons per event. More than 400 persons in total were informed and trained.

There was one launching conference organised and attended by more than 200 national, regional, local and other relevant stakeholders from all three countries participating in the Programme. This all resulted in 127 applications submitted which requested 7 times more funds than the available for the 1<sup>st</sup> Call for Proposals. The eMS was used during the application process by the applicants.

The European Cooperation Day celebrating the achievements of cross-border, transnational and interregional cooperation in the regions and countries throughout Europe was organised and attended by approximately 70 people.

Abovementioned activities in the programming period contributed substantially to the achievement of the specific objectives 1.1. to ensure successful communication between the programme bodies in order to implement the Programme and Communication Strategy successfully, 1.2. to raise awareness about Cooperation Programme and its funding opportunities and 1.3. to support the beneficiaries during operation implementation in order to ensure successful implementation of operations.

## **11. ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME (Article 14(4), subparagraph 2 (a), (b), (c) and (f), of Regulation (EU) No 1299/2013)**

### **11.1 Progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the cooperation programme**

The territorial dimension played a crucial role in the design of the Programme, as many challenges have an important territorial dimension such as social inclusion, biodiversity protection, surface water management, flood risk management and tourism development. In order to effectively address the above indicated challenges, the Programme encourages the development of “territorially and thematically integrated” operations.

This was done by demonstrating added value to an operation by addressing complementary SOs and by targeting specific interventions which complete or contribute to a territorially larger initiative during the application and assessment and evaluation process of the 1<sup>st</sup> Call for Proposals.

### **11.2 Progress in implementation of actions to reinforce the capacity of authorities and beneficiaries to administer and to use the ERDF**

After the publication of the 1<sup>st</sup> Call for Proposals, the Managing Authority and Joint Secretariat organised information sessions in Novi Sad, Vukovar, Loznica and Osijek. The Managing Authority and Joint Secretariat staff presented the Cooperation Programme, Guidelines for Applicants, submission of applications through electronic Monitoring System (eMS), project budget, assessment and selection process and other technical information. The presentations given at the information session were uploaded on the Programme website.

Furthermore, the Managing Authority and Joint Secretariat organised project clinics in Novi Sad and Osijek during June 2016. The aim of project clinics was to provide assistance to applicants whose project proposals are at the advanced level of preparation and need final assistance concerning project design and/or preparation of project budget.

This was in total 6 events related to capacity building, attended by, on average, 70 persons per event, totalling in more than 400 persons receiving training on how to prepare and apply for the territorial cooperation funds as a part of the ERDF.

### 11.3 Contribution to macro-regional and sea basin strategies (where appropriate)

The Interreg IPA CBC Programme Croatia – Serbia 2014-2020 shares its programme area with the European Union Strategies for the Danube and Adriatic and Ionian Region. During the programming period, the Programme was harmonised with both abovementioned strategies, contributing to their goals. In the Guidelines for Applicants, it was clearly established that the applications contributing to the wider strategy on one or more policy levels (EU / macroregional / national / regional / local) would receive additional points (1 to 3) during the quality assessment. The Managing Authority attended several meetings and conferences related to the implementation of macroregional strategies.

### 11.4 Progress in the implementation of actions in the field of social innovation

N/A

## 12. FINANCIAL INFORMATION AT PRIORITY AXIS AND PROGRAMME LEVEL (Articles 21(2) and 22(7) of Regulation (EU) No 1303/2013)

*For the purpose of assessing progress towards the achievement of milestones and targets set for financial indicators in the years 2018 and 2023, table 4 of Part A of this Annex shall have the following two additional columns:*

13	14
<b>Data for the purpose of the performance review and performance framework</b>	
<b>Only for report submitted in 2019: Total eligible expenditure incurred and paid by beneficiaries and certified to the Commission by 31/12/2018 Article 21(2) of Regulation (EU) No 1303/2013</b>	<b>Only for final implementation report: Total eligible expenditure incurred and paid by beneficiaries by 31/12/2023 and certified to the Commission Article 22(7) of Regulation (EU) No 1303/2013</b>

N/A: this report is being submitted in 2017.