



**European Territorial Cooperation**

**ADRION**

**ADRIATIC IONIAN COOPERATION  
PROGRAMME  
2014-2020**

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## Acronyms

|                        |   |
|------------------------|---|
| <b>AA</b>              | Audit authority   |
| <b>ADRION</b>          | Adriatic and Ionian Programme 2014-2020                     |
| <b>EUSAIR FP</b>       | EUSAIR Facility Point                                       |
| <b>CA</b>              | Certifying authority  |
| <b>CP</b>              | Cooperation programme                                       |
| <b>CSG</b>             | Community Strategic Guidelines                              |
| <b>ENI</b>             | European Neighbourhood Instrument                           |
| <b>ERDF</b>            | European Regional Development Fund                          |
| <b>ETC</b>             | European territorial cooperation                            |
| <b>EUSAIR</b>          | European strategy for Adriatic and Ionian region            |
| <b>GAV</b>             | Growth Added Value  |
| <b>ICT</b>             | Information and Communication technologies                  |
| <b>IP</b>              | Investment priority   |
| <b>IPA</b>             | Instrument for Pre-Accession Assistance                     |
| <b>JS</b>              | Joint secretariat   |
| <b>MA</b>              | Managing authority  |
| <b>MC</b>              | Monitoring committee  |
| <b>NCP</b>             | National Contact Point                                      |
| <b>PA</b>              | Priority Axis   |
| <b>SEA</b>             | Strategic Environmental Assessment                          |
| <b>RIS3</b>            | Research and Innovation Strategies for Smart Specialisation |
| <b>SEE</b>             | South East Programme 2007-2013                              |
| <b>SME</b>             | Small and Medium sized Enterprises                          |
| <b>SO</b>              | Specific Objective  |
| <b>SWOT (analysis)</b> | Strength, Weaknesses, Opportunities and Threats             |
| <b>TA</b>              | Technical Assistance  |
| <b>TO</b>              | Thematic Objective  |

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## **SECTION 1. STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION**

*Reference: Article 27 (1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council, point (a) of Article 8(2) of Regulation (EU) No 1299/2013 of the European Parliament and of the Council and point (5) of Regulation (EU) No 1301/2013 of the European Parliament and of the Council*

### ***1.1.Strategy for the cooperation programme's contribution to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion***

#### ***1.1.1. Description of the cooperation programme's strategy for contributing to the delivery of the Union strategy for smart, sustainable and inclusive growth and for achieving economic, social and territorial cohesion***

The ADRION transnational programme, set up in the framework of the European Territorial Cooperation (ETC), one of the objectives of the cohesion policy, includes 31 regions from four (4) different EU Member States and four (4) IPA countries (hereinafter referred to as Partner States).

For the period 2014-2020, the overall programme budget amounts to EUR **117.917.379** including European Regional Development Fund (ERDF) (EUR 83.467.729), the Instrument for Pre-Accession Assistance (IPA II) (EUR 15.688.887) and national contributions (EUR **18.760.763**).

The overall objective of the ADRION programme is to act as a policy driver and governance innovator fostering European integration among Member and non-Member states, utilising the rich natural, cultural and human resources surrounding the Adriatic and Ionian seas and enhancing economic, social and territorial cohesion in the programme area.

This programme takes into consideration the experience of the 2007-2013 Operational Programmes (OPs) especially SEE and IPA Adriatic whose eligible areas overlap with that of ADRION. It also takes into account the results of the SEE in itinere evaluation and the overall programme achievements of the previous programming period.

Following the Commission decision drawing up the list of eligible regions and areas for the transnational strands of the ETC, the ADRION programme covers the following areas:

- a) The Member States:
  - IT Italy : 12 regions and 2 provinces
  - SI Slovenia: 2 regions
  - EL Greece: 13 regions
  - HR Croatia: 2 regions
- b) IPA countries
  - AL Albania
  - BA Bosnia and Herzegovina
  - ME Montenegro
  - RS Serbia

*Moreover, according to Article 20 of Regulation (EU) No 1299/2013, in the context of cooperation programmes and in duly justified cases, the Managing Authority may accept that part of an operation is implemented outside the Union part of the programme area, provided that the conditions of Article 20 of Regulation (EU) No 1299/2013 are satisfied.*

*The total amount allocated under the cooperation programme to operations located outside the Union part of the programme area shall not exceed 20 % of the support from the ERDF at programme level.*

#### ***1.1.1.1. Context of the programme***

The ADRION Transnational Programme embodies the broad policy framework channelling the development efforts on macro-regional and national levels. The drafting process was primarily conducted in line with the goals and priorities identified within multi thematic strategies on EU and macro-regional levels.

**The Europe 2020 Strategy**, as an instrument to coordinate the national and EU policy levels in order to produce and maintain European development, focuses on the three pillars of the concept of growth: smart, sustainable and inclusive. The mechanism needed to achieve the above-mentioned goals includes the National Reform Programmes, the objectives of which pursue the EU 2020 objectives at national level.

The **EUSAIR** ‘EU Strategy for the Adriatic-Ionian Region’ is described in two documents:

- (1) A Communication from the European Commission to the other EU institutions, and
- (2) An Action Plan, which complements the Communication (**presented by the EC on June 17<sup>th</sup> 2014 (SWD(2014) 190 final)**).

The strategy focuses on four (4) Pillars: **1. Blue growth, 2. Connecting the Region, 3. Environmental quality, 4. Sustainable tourism**. The Action Plan is one of the outputs of the Strategy. Its aim is to go from “words to actions” by identifying the concrete priorities for the macro-region. It is therefore structured so as to reflect the four pillars, as well as the topics selected under each pillar, including also an indicative list of eligible actions and project examples.

The structure of the EUSAIR governance will be defined, in order to identify and support actions and projects with a macro regional value. In the framework of the Action Plan, the governance structure shall identify the sources of financing, looking at the other funds available on the area (EU, national, regional and public, financial instruments, loan and private funds). ADRION shall support the governance and the implementation of EUSAIR mainly under TO11. The EUSAIR action plan mentions explicitly that the Strategy's coordination mechanism will be eligible for institutional and administrative support from the 2014-2020 Adriatic-Ionian transnational cooperation programme.

**The South-East Europe 2020 Strategy (SEE 2020)** was launched by the Partner countries in 2011, as recognition that close cooperation can accelerate the attainment of goals in key sectors. Inspired by the Europe 2020 Strategy, the SEE 2020 is pursuing similar objectives taking into account the regional specificities. The strategy provides important guidance for the candidate countries from Western Balkans, in achieving a higher degree of convergence with the goals of EU2020.

**The Macro-regional Strategy for the Alpine region (EUSALP)**, which is currently undergoing a consultation process, will be built upon three general action-oriented pillars:

1. To improve the competitiveness, prosperity and cohesion of the Alpine Region;
2. To ensure accessibility and connectivity for all the inhabitants of the Alpine Region;
3. To make the Alpine Region environmentally sustainable and attractive

In this general framework, three (3) thematic pillars have been identified:

Pillar 1. Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises.

Pillar 2. Connectivity for all: in search of a balanced territorial development through environmentally friendly mobility patterns, transport systems and communication services and infrastructures.

Pillar 3. Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources.

**The Danube Region Strategy (EUSDR)**, developed in 2010, addresses a wide range of issues which are divided among four (4) pillars and 11 priority areas. Its Action Plan and governance structure are meant to promote joint, coherent and mutually supportive actions that demonstrate immediate and visible benefits for the people, tackling joint challenges in the macro-region (or a significant part of it).

### **Strategic response by the programme to contribute to Europe 2020**

As noted earlier, in 2010, the European Union and its Member States launched the Europe 2020 strategy as a ten year roadmap. It constitutes an overall strategic framework putting forward three mutually reinforcing priorities (quantified by five EU headline targets):

- Smart growth: developing an economy based on knowledge and innovation
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion

The link of the ADRION cooperation programme to the Europe 2020 strategy goals is ensured by the definition of the Thematic Objectives (Article 9, Regulation (EU) No 1303/2013) and the requirement for thematic concentration (Art. 6, Regulation (EU) No 1299/2013). The Thematic Objectives are further broken down into Investment Priorities (Article 5, Regulation (EU) No 1301/2013) and Article 7 Regulation (EU) No 1299/2013) and specific objectives. Priority axes are set out to combine Investment Priorities covering one or more Thematic Objectives (in cases of a thematically coherent context).

The ADRION programme 2014-2020 includes a wide transnational area with more than 60 million inhabitants, and has distinct physical, environmental, socio-economic and cultural characteristics. Hence, it addresses all three dimensions of sustainability, including social, economic and environmental aspects but also institutional elements.

It will be structured in four (4) Priority Axes that aim to develop coordinated policies and actions in the programme area with a view to reinforcing the achievements of the Europe 2020 strategy towards smart, sustainable and inclusive growth.

Taking into account the potential role of the ADRION programme as a coordination mechanism for Instruments, its elaboration has been made in reference to Partnership

Agreements of EU Countries, National/Regional structural funds Operational Programmes, IPA II Multi-country and Country Strategy Papers and International Agreements concluded for the development of the Western Balkans (i.e. Treaty on Energy Community [http://www.energy-community.org/portal/page/portal/ENC\\_HOME](http://www.energy-community.org/portal/page/portal/ENC_HOME))

#### *1.1.1.2. Lessons from the past*

According to the 3rd Evaluation Report (November 2013) of the SEE Programme, the most important results of the programme are related to the established partnerships and exchanged experience (there is good progress with the common standards developed under all PAs). In addition there are signs of:

- Good dissemination of support to private sector in the area of innovation- there is already significant overachievement on the number of SMEs and private sector reached;
- Evidence of successfully implemented measures and services for environment protection, risk prevention and resource efficiency

In addition the evaluation of programme results (based on the completed projects under the 1<sup>st</sup> call) indicates a number of factors, which hamper the achievement of results and diminish expected contributions, such as:

- Difficulties to reach end-beneficiaries (all PAs except PA 2);
- Difficulties to collaborate with public administration (PA1);
- Difficulties to involve private sector (PA3);
- Difficulties to promote the outputs to the public administrations (PA3);

Lessons learnt from the Med Programme during the previous programming period 2007-2013, include difficulties in generating projects in specific intervention fields like transport, maritime safety and natural risks. On the other hand, activities related to innovation but also to environmental issues have been quite successful and play an important role in Axis 1 (TO1) and 3 (TO6) of the 2014-2020 programme.

When it comes to the lessons learnt from the IPA CBC Adriatic Programme, we can refer only to the first on-going evaluation report of 2011: according to the findings, the majority of the 33 approved projects (56%) aim at developing Common Tools, 25% share the objective of elaborating Common Strategies and Policies, while the remaining 19% aim at implementing Pilot Actions.

#### *1.1.1.3 Main findings and suggestion on the economic, territorial and social context of ADRION Area*

This section provides a description of the main findings on the ADRION area.

**Demography.** The Adriatic area is characterised by a strong imbalance in regional development (weak territorial cohesion), combined with ageing population and depopulation in mountain and rural areas. Internal migration is also an important issue in the area, and will thus be addressed both in terms of monitoring and cross-border management of the phenomenon.

**Economy and labour market.** All Partner States in the Programme have been affected by the global economic crisis.

Most of the EU Member States face significant economic problems and have limited public resources. These include:

- GDP and employment levels which have not yet returned to pre-crisis levels.
- Higher levels of unemployment, poverty and exclusion.
- Reduced household income, which depresses consumption and imports.
- Unprecedented levels of public debt and the need for fiscal consolidation.

Against this background, the future cohesion programmes shall put particular emphasis on growth-enhancing and job creating-investments. Only a stable and strong recovery can reduce the unemployment rates. This is why the European Commission is proposing to concentrate resources on a few, important areas such as employment (particularly for young people), training and education, social inclusion, innovation and SMEs, energy efficiency and a low-carbon economy and is open to expand it to ICT infrastructures and digital growth measures.

**Environment.** The ADRION area has an extraordinary environmental ecosystem, which is extremely delicate, and is subject to a range of pressures associated with agriculture, industries, port activities, especially on water quality and coastal areas, also affected by seasonal tourism and one-dimensional urbanisation that lead, among others, to loss of biodiversity and ecosystem fragmentation. Investments in environmental infrastructures, innovative technologies for the prevention of natural risks and the use of renewable energy sources are low. Moreover, the level of advancements on EU acquis of Partner Candidate Countries (PCCs) shows moderate progresses, underlining the need to strengthen institutional capacity, at all levels, to implement environmental legislations and policies aimed at fostering sustainable development and a more balanced use of natural resources.

- **Water.** Strategic actions should be undertaken at a cross-border/macro-regional level in order to promote balance between supply and demand, besides improving quality and efficiency of water services (reduction of water losses and increasing efficiency in agriculture). Moreover, the development and sustainable use of non-conventional water resources such as the re-use of treated wastewater should considerably be enhanced.
- **Waste.** Waste management shows a low level of sustainability as well. Further development of integrated waste management systems as well as support to research, innovation and technology transfer in relation to waste treatment and recycling are needed.
- **Integrated Coast Zone Management.** The Adriatic and Ionian coast is facing a huge urbanisation process and pressure produced by mechanical fishing and aquaculture. This has a significant environmental impact resulting in loss of biodiversity, ecosystem fragmentation, desertification, salt water intrusion, and congestion. The Integrated Coastal Zone Management at cross-border level needs to be strengthened, also by improving in a sustainable way the integration of coastal zone related policies with territorial socio-economic development. The strategic assessment of the coastal zone to increase coastal resilience and prevent negative impacts of natural hazards (floods, erosion, salt water intrusion) exacerbated by climate change should be promoted too.
- **Risk prevention.** Countries involved in the Programme have to cope with the lack of homogeneous and comparable data for spatial/territorial planning addressing risk prevention policies, strategies and plans. As a result, a suitable level investment to support cross-border application and testing of innovative

technologies for natural risks prevention and technological risks should be ensured.

- **Energy.** The share of energy from renewable sources (in % of gross final energy consumption) in the area is above average (about 24%), with IPA countries figuring higher shares, although the gap might be biased by slightly outdated data. 2012 saw a shift in the balance of renewable energy investment worldwide: the balance in overall investment changed from roughly a two-thirds-one-third split between developed and less developed economies to one that was much closer to 50:50. Within the ADRION area, the squeeze on subsidies in Italy triggered a fall in investments (-53% new investment in RE on 2011) and the recession slowed down the Slovenian financial support scheme started in 2002 and upgraded in 2009. Investment is needed to meet the renewables target but the challenge lies in investing into the right type of renewable. The same applies to Greece and to Croatia, as recently reported in the national plans adopted by the governments in 2013, together with the need to accelerate licensing of projects. In IPA Countries, the main Energy Efficiency (EE) and Renewable Energies (RE) financing facilities are provided by International Financial Institutions (IFIs) and the EU and are available as loans that can be accessed through local banks. Energy systems in the region are fragmented, most of the countries having small markets which may be less attractive for investors. Better coordination and increased energy trading could reduce investment requirements for electricity generation by roughly 10 % by 2020, according to the Power Generation Investment Study conducted for the World Bank (World Bank, 2007).

### *Topography and Land uses*

ADRION is characterised by extensive mountainous areas (Albania, Greece, Montenegro and Slovenia being some of the most mountainous areas in Europe). The topographic diversity within individual countries (calculation based on geographic form and elevation variation) and the area as a whole is very high; exceptions to the rule being Italy and Serbia with plains in the North/North Eastern and moderate mountain ranges in the South.

The area has a relative high degree of forest coverage (although percentages vary among various sources due to different methodologies used), which is however under threat. Agriculture is an important landscape determining factor, thus affecting biodiversity and attractiveness of the area. Even though, it is an important economic sector in many cases it is also a significant environmental pressure factor in areas like the Po valley in Italy, Vojvodina in Serbia or Central Macedonia and Thessaly in Greece due to the nutrient and pesticides discharges. Freshwater use varies considerable from 2% in Serbia to 89% in Greece; the variation should be considered in the light of agriculture importance in the economy (e.g. in Albania), the dependency of agriculture on irrigation and precipitation, but also the degree of specialisation and sophistication of the agricultural holdings (e.g. greenhouses and cotton in Italy and Greece). Indeed, regarding the abstraction of fresh surface water per capita in the programme area, the highest volumes were observed in Greece (521 m<sup>3</sup> in 2007) and Serbia (506 m<sup>3</sup> in 2011); while the lowest were recorded in Croatia (133 m<sup>3</sup> in 2011). The Member State with the highest fresh ground water abstraction per capita was also Greece (327 m<sup>3</sup> in 2007) (Source: Eurostat (2014) online data code: env\_wat\_abs).

While population density does not vary considerably (Italy and Montenegro being exceptions), there is much bigger variation within the countries themselves, such as

Greece (Athens and Thessaloniki), Italy (Lombardia, Veneto, Emilia-Romagna and Puglia) and Serbia (Belgrade). Smaller, more polycentric countries, like Bosnia and Herzegovina and Slovenia have a higher number of rural population and population living in smaller towns. These patterns have important implications both on the level of human pressure in specific areas but also in relation to the existence of un-fragmented habitats and natural areas.

The ADRION Partner States practice different **approaches in water management**. Besides the overall high water consumption, which is partially caused by low water prices and low collection rates, other problems in the water supply system include water shortages, especially in the coastal regions during the summer season, and insufficient level of coverage of the rural areas with public water supply systems (with poor water quality control for the waters from the rural water supply systems and other sources). Quality of drinking water is regularly monitored for the public water supply systems and the quality requirements are in line with WHO and EU standards. An additional problem is the lack of pre-treatment of industrial wastewater discharged into the public sewage systems, and a low level of residential connection to the sewerage especially in the remote areas.

In the field of **waste generation**, the area is characterized by lower waste levels than the EU28 but with rapidly rising per capita levels and overall poorly coordinated waste management mechanisms with limited recycling structures and a heavy reliance on (often uncontrolled) landfills.

There were considerable variations among the countries, both in the amount of waste generated in 2010 and the activities that contributed considerably to waste generation. The total amount of waste generated ranged between 3.158 thousand tons in Croatia and 158.628 thousand tons in Italy which is more than Greece, Croatia, Slovenia and Serbia together. Regarding waste generation by activity, construction accounted for the largest share of generated waste. The manufacturing industry accounted for the largest share of generated waste in Slovenia (29 %) and Croatia (20 %).

Considering waste management, recent studies have clustered countries into different performance levels:

- High performing countries that generally have met or exceeded EU waste legislation targets.
- Medium-performing/transitional countries (including Italy, Slovenia) are typically characterized by mid-level recycling, around 25-30%, and landfilling between 35-50%. Important changes have been made in Slovenia compared to pre-EU waste management practices but it is still under investigated whether and to what extent is to be supported by political, economic and infrastructural frameworks. For many of the medium-performing countries, a focus is needed on setting up the appropriate political, economic and infrastructure framework to avoid diverting waste from landfill to incineration instead of to recycling.
- Lower-performing/limited countries (including Greece) generally still have extremely high levels of landfilling, which is the lowest level of the waste hierarchy and therefore not in line with either the spirit or the letter of EU legislation. Recycling and composting levels also remain very low.

These lower-performing countries also often have no or only very weak schemes in place, whether to implement producer responsibility elements of the recycling directives

or household charging for waste collection, or to encourage treatment at the higher levels of the waste hierarchy through landfill and incineration taxes or levies.

**Accessibility<sup>1</sup>.** One of the main features characterizing the Programme's area is the imbalance in the development of infrastructures and modes of transport, both between the two banks of the Adriatic Sea and among Partner States, due to structural weaknesses, low level of maintenance and little investments in infrastructures. What is more, the lack of connections between coastal and inland areas leads to high pressure on coastal roads and bottlenecks. As a matter of fact, road transport is the most common mode of transportation for both goods and passengers throughout the area. Even sea-water transport has increased in Montenegro (+19%), Slovenia (+11%) and Croatia (+9%). Air transport of passengers has increased too, even though at different rates, while railways transport has decreased nearly in the whole cooperation area. The absence of data on inland-water transport underlines, once again, the lack of data and common indicators on infrastructures and transport services especially at a regional level.

Common data collection and processing methodology are required to monitor transport and accessibility conditions and eventually overcome discontinuities across borders, optimise current services and develop existing infrastructure into multimodal systems. In doing so, it is advisable to strengthen administrative capacity (especially in the areas of maritime, inland-water transport and logistics) and support regional investments in infrastructures, multimodal transport networks and transshipment facilities. The latter would even help the approximation of IPA Countries legislations to European standards including safety and market liberalisation.

- **Logistics efficiency and economic development**

Developing logistics chains is strictly connected to the international processes of economic integration since the logistics chains connect the production and distribution of goods through those transport systems able to guarantee reliable services.

Today the main trade exchange between the ADRION and the EU shows the Balkan countries being more active in manufacturing import against raw materials and agricultural and food export, with a clear unbalanced transport relation.

This is a detriment for the transport activities since the empty return impacts negatively on the final cost of goods on the market.

Better intermodal organization and equipment helps to reduce the transport costs and the environmental performances mainly referred to the road transport thanks to a rational use of the lorry fleets and a progressive improvement of operational standards by the existing vehicle in use, which are economically competitive at a loss of environmental performances.

At the same time the quality of the rail service is mainly addressed to satisfy the low value goods transport or those ones which do not require high commercial speed.

The EU economic integration process of the ADRION area can for sure stimulate a better development of the transport sector as long as the countries opting for EU integration will be able to reorganize their domestic transport systems in an efficient and competitive

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<sup>1</sup> More detailed information and data on accessibility in South east Europe was collected and elaborated by SEE Projects, and are available here [http://www.southeast-europe.net/en/achievements/outputs\\_library/](http://www.southeast-europe.net/en/achievements/outputs_library/). In particular see achievements and outputs of SEETAC project <http://www.seetac.eu/download/results.aspx> and SETA Project <http://www.seta-project.eu/index.php/start> and WATERMODE <http://www.watermode.eu/> and RAIL4SEE <http://rail4see.eu/downloads/deliverable/>



way. More in general the pure transport cost is not the way to be competitive on the EU transport market.

Looking at sustainable interventions related to the available resources, one may assume that intermodality in the ADRION area could benefit from increased efficiency of the intermodal nodes – ports, freight villages, goods yards – by intervening on their entrance bottlenecks, on the storage and parking areas, and the efficiency of the intermodal transfer technologies.

**Cultural Heritage.** Additionally to its rich biodiversity, the programme area represents one of the richest regions in Europe in terms of cultural diversity with distinct traditions, languages, religions and architectural monuments ranging from antiquity to modern times.

Cultural heritage is largely acknowledged in the Programme Area and there is a large number of sites under protection. There are 62 UNESCO World Heritage Sites in the area (55 Cultural, 5 natural and 2 mixed) covering a total of 347.000 hectares altogether creating a very attractive destination for tourism. 23 of them are in the Italian regions and 19 in Greece, 7 in Croatia, 4 in Serbia and the rest in the remaining countries.

Nevertheless the level of conditions, accessibility and presentation varies significantly among countries. In order to properly valorise these assets through tourism, further efforts are needed for improving the management of the sites both in terms of preservation and in development of sustainable methods of exploitation. The transnational programme can provide the optimal framework for coordination of such actions and can support the development of transnational strategies for jointly promoting the Region as a tourist destination.

The cultural diversity can represent a high potential for development; the coexistence of numerous ethnic, language and religious groups create the grounds for easier communication and more intensive collaboration. This is even more strengthened by the large number of migrants concentrated around major cities of the region. The specific milieu of multiculturalism represents a source for developing cultural creativity and boosting the creative industries, a dynamic sector which can increase the attractiveness of the region and contribute to more and better jobs in both culture and tourism.

**Tourism.** Being one of the most important sectors in the Adriatic-Ionian area, tourism has a firm relevance for growth both in Member States and in IPA Countries even though it is still concentrated in coastal resorts and characterized by high seasonality. In fact, the whole cooperation area has high potential for further development of cultural tourism in the main towns, most of which are UNESCO heritage, and of sustainable tourism related to environmental assets. Notwithstanding its great potential, tourism suffers from a number of weaknesses that should be addressed and of several risks generating negative impacts on the environment to be avoided or properly managed such as seasonal and mass tourism congestion. It is advisable to promote measures to integrate sustainable policies for the protection and enhancement of natural resources, landscape and cultural heritage in a framework of sustainable tourism development. Fostering institutional and public-private partnerships besides involving local communities could contribute to overcome the weak multi-level/multidimensional governance models for spatial and strategic planning and develop a more integrated and environmentally friendly framework.

The area has thousands of km of pristine beaches, over 10,000 islands (in Greece, Croatia, Italy) but also stunning mountain landscapes, important rivers (Danube, Po,

Axios, Ardas-Evros, with enormous potential for developing river tourism), a wide variety of spa resorts an thermal springs and above all several parks and protected areas. Also the cultural offer of the ADRION area is very important: hundred years of different dominations have inexorably influenced the culture and architecture of most of the regions of the area, which have extraordinary and, vibrant cities, medieval monasteries, arts, numerous archaeological sites and traditions. To underline this extensive heritage, the ADRION area boasts 62 sites inscribed on the UNESCO List, representing 16% of the European UNESCO sites.

A diverse eno-gastronomic and folk craft heritage is also part of the ADRION tourism resources. Most participating regions have a long culinary tradition and in some cases their typical products (agricultural and crafts) trigger important domestic tourism flows.

Unfortunately, the extraordinary environmental ecosystem and cultural heritage of the ADRION area suffer of two opposite and different problems: in some coastal spots, excessive pressure is applied by the same tourism settlements; in some other parts *minor* destinations, natural and cultural heritage is not yet enough enhanced, or sometimes is inaccessible (no public transport or inadequate road signs) or even closed to the public or lacks “light” infrastructures (signalled paths, info points, etc.). Furthermore, specialized services needed to satisfy not only organized vacationers (individuals) but also some specific market niches (active tourists) like hiking, trekking, horse-riding or biking are totally absent.

**Research and innovation.** The area is struggling towards building up efficient research and innovation systems. R&D intensity is overall growing (about 0.75% in Croatia, 2.47% in Slovenia, 1.25% in Italy, 0.60% in Greece and an average of 0.3% in IPA countries) but efforts are still needed to enhance R&D investment (particularly business investments, to build up capacities in key technology areas and to improve international competitiveness and trade by producing more technology-intensive goods oriented to both the domestic and foreign markets. Due to the need of opening markets to more competitive and innovative models, especially to face crisis’ effects, it is necessary to develop policies fostering research and innovation and give priority to investments in firms directly linked to R&I. Cooperation schemes between territorial institutions, business sector and universities, technological institutes, technological parks, research institutes need to be supported, while systemic cooperation between research and private/public companies should be reinforced. Supporting structures such as incubators and cluster systems have to improve technology cooperation and know-how between SMEs. Strengthening knowledge information society and the development of ICT can also contribute to meet development objectives related to research and innovation.

The key points from the analysis of R&I and SME performance indicators are as follows:

- With the exception of Slovenia, all ERDF ADRION countries allocate significantly lower **GDP shares to RTD (GERD)** in comparison to the EU average; similarly **business share in GERD** is less that EU average (again Slovenia is closer to EU standards); Similarly IPA countries have a very low GERD and BERD;
- **Patent applications** rates are low in Greece, Croatia, Serbia and Albania; Italy and Slovenia perform better but still much below EU standards;

- Greece and Croatia are below EU average levels with regards to the **employment in high- technology sectors**; Italy and especially Slovenia perform better (the latter above EU average);
- All ERDF ADRION countries present EU average indices relevant to **employment in knowledge- intensive services**;
- Slovenia's **SME competitiveness performance** is comparable to EU's average; Italy and Greece lag behind (the latter by far);
- Greece and Croatia present significantly lower **employment rates**; Italy and primarily Slovenia present EU average comparable rates; **unemployment rates** in Croatia and especially Greece are well above EU average;
- **Investments** in Greece are below EU average; Slovenia, Croatia and Italy perform better;
- Slovenia's workforce is directed towards **Industry, ICT and Financial services**; Italy and Croatia follow this pattern at a EU average level; Greece's workforce is less employed in these sectors;
- **Slovenia's regions** are characterized as "Advanced manufacturing regions" and "Technologically- advanced regions" and "Scientific regions";
- **Italy's ADRION eligible regions** have more diverse profiles (from "Low tech regions" to "Advanced manufacturing regions" and "Advanced services regions" and from "Research intensive regions" to "Regions with no specialization in knowledge activities");
- **Greece's regions** are characterized as "low tech"; "Regions with no specialization in knowledge activities" and "Non- interactive regions"; however some of them seem to be in the process of diversifying their production model ("Smart and creative diversification area").

## **EUSAIR GOVERNANCE**

Specific attention has been paid to the needs analysis delivered by the EC in the framework of the elaboration of the EUSAIR Strategy in terms of the governance system to be adopted for the EUSAIR implementation. The stakeholders' needs analysis<sup>2</sup> was based on the results of the public consultation and workshops organised since 2013. Some key findings are summarised here below:

- The role of **National coordinators** as "initiators" of operational actions should be reinforced;
- The **involvement of stakeholders** needs to be institutionalised in order to ensure subsidiarity to the Strategy. The creation of a permanent forum (virtual or physical) should be taken into account. This forum will serve as a collector of civil society needs and will put them to the attention of the decision-makers;

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<sup>2</sup> Studies to support the development of sea basin cooperation in the Mediterranean, Adriatic/Ionian and the Black Sea, CONTRACT NUMBER MARE/2012/07 - Ref. No 2, Report n.2, December 2013 (EUNETMAR).

- **Communication actions** need to be strengthened and should be a clear part of the overall governance. Communication should be addressed to increase the level of involvement of different all stakeholders, but also to duly promote the Strategy as a useful cooperation tool;
- Finally, from a general perspective and outside the scope of the EUSAIR governance, **coordination between all strategies** (especially macro-regional) should be envisaged.

*a) SWOT analysis of the ADRION area*

**Smart growth**

|   | <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>  |
|---|--|---|---|---|
| <b>Research, technological development and innovation</b> | <ul style="list-style-type: none"> <li>- Some regions leaders in R&amp;D - Some high skill industrial sectors (agriculture, agribusiness, chemicals, materials...)</li> <li>- Relatively well developed research facilities in some countries</li> <li>- Well developed innovative activities and practices in the area of cultural and creative industries</li> <li>- Good systems of product quality certification, good facilities and labs with international accreditation</li> </ul> | <ul style="list-style-type: none"> <li>- Low investment in R&amp;D</li> <li>- Low proportion of research personnel in companies</li> <li>- Low number of patent applications to be commercialised</li> <li>- Poor IP protection also in relation to academia and enterprises</li> <li>- Weak technology transfer activities and limited cooperation of science &amp; technology parks, incubators and clusters</li> <li>- Innovation models more based on diversification than breakthrough innovation</li> <li>- Full potential of culture and creative industries not yet realised</li> <li>- No specific regulations in the field of venture capital/private equity funds in some countries</li> <li>- Declining urban areas as poles for innovation</li> <li>- Low entrepreneurial skills and low knowledge about innovation</li> </ul> | <ul style="list-style-type: none"> <li>- Rising investments in R&amp;D</li> <li>- Slight increase of patent applications over the last years</li> <li>- R&amp;D specialisations in agribusiness, maritime and tourism...</li> <li>- Transfer research from universities/laboratories to private sector</li> <li>- Increasing skills in research through financial support and training opportunities in the field of enterprise creation, technology transfer, organizational and management innovation</li> <li>- A diverse and networked innovation community (clusters...science &amp; technology parks and incubators,)</li> <li>- Social and open innovation as potential</li> <li>- Research activities and innovative products in the area of sustainable building industry and creative industries</li> </ul> | <ul style="list-style-type: none"> <li>- Economy seriously affected by the economic and debt crisis</li> <li>- Increasing competition from southern and eastern countries</li> <li>- Dispersion of R&amp;D investments and absence of priorities</li> <li>- Migration of highly skilled work force</li> <li>- Significant differences among regions regarding R&amp;D potentials</li> </ul> |
| <b>Information and communication technologies</b>         | <ul style="list-style-type: none"> <li>- Widening coverage of high-speed broadband</li> <li>- Increasing use of ICT by</li> </ul>  | <ul style="list-style-type: none"> <li>- Limited access to broadband across the whole ADRION regions especially in peripheral areas</li> </ul>  | <ul style="list-style-type: none"> <li>- Development of high-speed broadband financed by other funds</li> </ul>   | <ul style="list-style-type: none"> <li>- Significant inequalities between regions and territories in term of ICT use</li> </ul>   |

|                                |   |   |  |  |
|--------------------------------|---|---|--|--|
|                                | individuals and businesses  | <ul style="list-style-type: none"> <li>- Lower ICT skills of individuals than in other EU regions</li> <li>- Limited offers and use of online public services</li> </ul>  | <ul style="list-style-type: none"> <li>- R&amp;D sectors specialised in ICT</li> <li>- Young generation highly IT-literate</li> <li>- The use of ICT as enabling sector and a means to involve the citizen in the quadruple helix model (eg. living labs)</li> </ul> |  |
| <b>Competitiveness of SMEs</b> | <ul style="list-style-type: none"> <li>- Appeal of the ADRION area which is essential for the tourism</li> <li>- Highly competitive regions</li> <li>- Positive results of policy support for businesses (business innovation and competitiveness)</li> </ul> | <ul style="list-style-type: none"> <li>- Strong influence of traditional business (low and medium technology sectors)</li> <li>- Incremental innovation producing limited added value in SMEs</li> <li>- Low productivity of business</li> <li>- A majority of SMEs poorly integrated in international networks</li> <li>- Wide regional disparities and regions with low competitiveness</li> <li>- Limited understanding of the importance of intellectual property</li> <li>Limited sectoral/cross-sectoral specialisations</li> </ul> | <ul style="list-style-type: none"> <li>- High business rate creation in some ADRION regions</li> <li>- Increasing clustering of SMEs</li> </ul>  | <ul style="list-style-type: none"> <li>- Serious recession in the majority of ADRION regions</li> <li>- Difficulties of businesses to access to finance</li> </ul> |

**Sustainable growth**

|   | <b>Strengths</b>   | <b>Weaknesses</b>  | <b>Opportunities</b>   | <b>Threats</b>  |
|---|--|--|--|---|
| <b>Low carbon economy and energy sector</b> | <ul style="list-style-type: none"> <li>- Favourable conditions for the production of renewable energy (climate, natural resources)</li> <li>- Increased awareness about the need for a shift towards a low carbon economy</li> </ul> | <ul style="list-style-type: none"> <li>- Green-house gas index much higher than the EU average</li> <li>- Insufficient development of renewable energy</li> <li>- Relatively high degree of energy dependence</li> <li>- Low energy efficiency compared to the EU average</li> </ul> | <ul style="list-style-type: none"> <li>- Development potential for renewable energy not fully exploited</li> <li>- ADRION countries committed to reduce GHG emissions</li> </ul> | <ul style="list-style-type: none"> <li>- Significant increase in the cost of low carbon energy</li> </ul> |

|  |   |  |  |   |
|--|---|--|--|---|
| <p><b>Climate change and risks</b></p>                                     | <ul style="list-style-type: none"> <li>- Existence of a European framework and national policies for the reduction of CO2 emissions</li> </ul>  | <ul style="list-style-type: none"> <li>- ADRION area strongly confronted to natural risks (floods, drought, fire, storms, earthquakes)</li> <li>- Low Climate Change Adaptation Capacity</li> <li>- Low interoperability of Civil Protection organisations</li> </ul>  | <ul style="list-style-type: none"> <li>- Increasing commitment to sustainable development</li> <li>-Emergence of low-cost effective technologies for risk early warning, communication and interoperability (e.g. remote sensing)</li> <li>- Increased engagement of civil society in risk management and emergency preparedness and response</li> </ul>   | <ul style="list-style-type: none"> <li>- Increased risk of natural disasters due to the mutually reinforcing effect of hazards (e.g. climate change, floods, drought, forest fires and erosion)</li> <li>- High costs involved in repairing the damage caused by natural disasters</li> </ul>   |
| <p><b>Protection of the environment, natural and cultural heritage</b></p> | <ul style="list-style-type: none"> <li>- Very rich environmental and cultural heritage (sea, mountains, forests, wetlands, cultural landscapes, ...)</li> <li>- Many protected areas (NATURA 2000, areas of ADRION and global (UNESCO) importance)</li> </ul>   | <ul style="list-style-type: none"> <li>- Degradation of fragile areas, landscapes, notably coastal areas, eutrophication and pollution of maritime areas</li> <li>- Growing households waste production</li> <li>- Waste recycling remains lower than the EU average</li> <li>- Urban growth and sprawl stressing natural and cultural heritage</li> </ul>   | <ul style="list-style-type: none"> <li>- Development environmental protection measures (protected areas, ...)</li> <li>- Shift from traditional waste processing towards cleaner methods</li> <li>- Increasing awareness especially among the younger population</li> <li>- High demand and prices might encourage re-use and renovation of existing building stock- Preservation/renovation and reuse should take precedence over new construction</li> </ul> | <ul style="list-style-type: none"> <li>- Risk of increasing environmental pollution due to increase in tourism and agriculture activities</li> <li>- Increasingly poorer air quality</li> <li>- Increasing scarcity of water resources</li> <li>- Increasing urban sprawl</li> <li>- Increasing cost of recycling and waste re-use methods due to complexity of products</li> <li>- Increased human use especially of the coastal and marine space for recreation, housing, transport and fishing/aquacultures</li> </ul> |
| <p><b>Transports</b></p>   | <ul style="list-style-type: none"> <li>- Good level of road infrastructures especially in the north-south direction in the EU countries whereas improvements are needed in the IPA countries</li> <li>- Large network of port cities even if only some of them well equipped to deal with the flow of passengers and goods</li> </ul> | <ul style="list-style-type: none"> <li>- High difference in terms of satisfactory accessibility, For IPA countries Low resources allocated for the development and maintenance of railway infrastructure</li> <li>- Geographical fragmentation and isolation of numerous territories (Islands, remote areas)</li> <li>- Badly managed urban development, notably in coastal areas relying on individual motorised traffic</li> </ul> | <ul style="list-style-type: none"> <li>- Good position of islands and ADRION regions as hubs for tourists and trade</li> <li>- Development of multimodal transport systems</li> <li>- Reinforcement of existing railway network</li> <li>- ICT tools for sustainable and efficient “real-time” multimodal</li> </ul>   | <ul style="list-style-type: none"> <li>- Lack of European coordination of the communication system</li> <li>- Fragmentation of the transport landscape depending on the EU accession process of the non MS</li> <li>- Dominance of the road-bound transport</li> </ul>  |

|  |   |  |           |  |
|--|---|--|-----------|--|
|  | - Strategic geographical location between East Europe, Mediterranean and Asia | - Lower density of the railway network than the EU average<br>- Low multimodal accessibility<br>- Insufficient development of coastal maritime traffic | transport |  |
|--|---|--|-----------|--|

**Inclusive growth**

|   | <b>Strengths</b>   | <b>Weaknesses</b>  | <b>Opportunities</b>   | <b>Threats</b>   |
|---|--|--|--|--|
| <b>Employment and labour mobility</b>             | - High level mobility of students<br>- High number of self-employed<br>- Culture of labour mobility        | - Low employment level, especially for youth and women<br>- High territorial disparities for unemployment levels<br>- High long term unemployment rate   | - simplified labour mobility within and between ADRION States<br>- opportunities offered by blue growth and tourism for local employment   | - Consequences of the financial crisis<br>- Strong increase of the unemployment rate with the economic crisis<br>- Drain of human resources, notably young people towards other EU countries   |
| <b>Social inclusion and fight against poverty</b> | - Traditional intergenerational solidarity<br>- Important role played by the social and solidarity economy | - A large percentage of the population at risk of poverty and social exclusion<br>- Retreat of state social security systems either due to the crisis (EL, IT) or due to a paradigm shift (especially non-Member States) | - increasing importance of emerging non-formal social networks<br>- emerging paradigm of social innovation and social society activation<br>- opportunities for endogenous development (blue and green growth and tourism) | - Alarming human and social effects of the crisis and disintegration of the social fabric<br>- Weakened social and family ties<br>- erecting of obstacles and barriers to the just participation to the exploitation of the opportunities (legal barriers, financial obstacles) which can lead to the accentuation of the disparities in the society |
| <b>Skills and education</b>                       | - Higher education culturally praised<br>- Full range of high quality and free training                    | - High level of early school leavers compared to the EU average<br>- Higher education institutes ranking rather low globally with a few  | - Progressive decrease in the rate of early school leavers<br>- Increasing recognition of the importance of skills assessment  | - Brain drain<br>- Poor disposition of SMEs to invest in vocational and dual training  |



|  |  |  |   |  |
|--|--|--|---|--|
|  | <ul style="list-style-type: none"><li>- Good choice of professional training</li><li>- Rich traditional knowledge and skills</li></ul> | <p>exceptions (e.g. Athens, Milano etc.)</p> <ul style="list-style-type: none"><li>- Mismatch between education supply and SMEs demand</li></ul> | <p>systems</p> <ul style="list-style-type: none"><li>- Skill training in traditional arts, crafts, music, and other specific/traditional products and services (intangible cultural heritage)</li></ul> |  |
|--|--|--|---|--|

## SUMMARY OF THE MAIN CHALLENGES AND NEEDS OF THE ADRION AREA

|                     | <b>Main challenges</b>   | <b>Main needs</b>  |
|---------------------|--|--|
| <b>Smart growth</b> | <ul style="list-style-type: none"> <li>- Catch-up with the EU average and achieve the EU 2020 Objectives</li> <li>- Pooling existing and planned research infrastructures into distributed partner facilities</li> <li>- Provide the transnational setting and facilitate the implementation of the EUSAIR action plan (innovation and research dimension is mainly related to Pillar 1 and 3)</li> <li>- Sustainably exploit the opportunities derived by the blue and green growth approaches related to the comparative advantages of the area</li> <li>- Development of ADRION innovation communities and chains in relation to the innovation status of each region (from “low tech” to “market leader especially in the context of new innovation areas and approaches;</li> <li>- Exploitation of the baseline provided by the RIS3 developed in the MS and identification of smart specialisation topics and synergies with the IPA countries</li> </ul> | <ul style="list-style-type: none"> <li>- Increased adoption of innovation and technologies by SMEs: tackling this need is in line with ADRION’s objective of promoting business investment in R&amp;I</li> <li>- Increased cooperation between research and industry; in line with ADRION’s objective of developing links and synergies between enterprises, research institutions and higher education; and supporting networking, science &amp; technology parks and incubators, clusters and open innovation</li> <li>- Need to focus on food security issues</li> <li>- Commercialisation/Utilisation of research (innovation); in line with ADRION’s objective of supporting product and service development as well as in line with RIS3; technological and applied research, pilot lines, early product validation actions</li> <li>- Development of smart specialisation strategies and examination of synergies among the various countries and regions; in line with ADRION’s objective on the use of RIS3 results</li> <li>- More emphasis on new innovation areas and approaches (Eco Innovation; Public Procurement for Innovation; Creative Industry; Service Industry and Social and Open Innovation, Procurement and Social Innovation); in line with ADRION’s objective to exploit social innovation, eco-innovation, public service applications and other new innovation support measures</li> <li>- Exchange of best practice of public administration technologies, in e-governance</li> <li>- Innovation management support (IP advise, tech- transfer, prototyping, demonstrators, etc.); in line with ADRION’s objective of supporting product and service development; technological and applied research, pilot lines, early product validation actions</li> <li>- Development of technology transfer activities in some countries of ADRION area as well as increasing the investment readiness of entrepreneurs</li> </ul> |
| <b>Sustainable</b>  | <ul style="list-style-type: none"> <li>- Bringing new topics in the agenda of the participating regions acting as</li> </ul>   | <ul style="list-style-type: none"> <li>- Need to turn towards a post fossil (biopolymer) and low carbon economy</li> </ul>   |

|                      |  |  |
|----------------------|--|--|
| <p><b>growth</b></p> | <p>a foresight and demonstration platform, thus increasing awareness, e.g. on the non-technical framework conditions for RES or the sustainable valorisation of the heritage</p> <ul style="list-style-type: none"> <li>- Identifying a common denominator for the exchange of experience in the first place e.g. related to the need to address human pressures on the environment in relation to the maritime ecosystems</li> <li>- Developing transnational tools in tackling concrete aspects at the programme area level where transnational cooperation is a multiplier of force e.g. related to environmental vulnerability, fragmentation of habitats and landscapes, risk management, land uses and resources consumption, etc</li> <li>- Introducing, testing and evaluating innovative concepts, e.g. on ecosystem services, blue and green growth in the praxis of development and cohesion policy, thus facilitating the achievement of EU standards and in general increasing good governance potentials also in the context of the EUSAIR</li> <li>- Supporting to diversify and to specialize territorial and accommodation offer</li> <li>- Raising the market trends knowledge and marketing ability of the local tourism SME's</li> <li>- Exploiting the potentials of natural and cultural heritage as a development asset</li> <li>- Better integration among tourism development planning and environmental management system</li> <li>- Optimizing the multimodal transport chain towards greener and safer transport dynamics and the efficiency of transport Infrastructures by the use of information systems and market-based incentives</li> <li>- Promoting the creation of logistic systems through the implementation of integrated, interconnected and homogeneous terminal networks for logistics</li> <li>- Tackling the weak interconnection between ports and inland intermodal and logistics nodes (intermodal: water-rail, rail-road)</li> </ul> | <p>allowing the four member states to further focus on the decoupling of their economies, while assisting the IPA countries to master the transition of their economies in that direction</p> <ul style="list-style-type: none"> <li>- Need to diversify the renewable energy resources potential and to enhance local approaches</li> <li>- Need to conciliate energy production with aims of protecting nature, landscape and biodiversity, with touristic interests and the various interests of local residents</li> <li>- Need to mobilise the cultural landscape and the richness of biodiversity as key assets of the area providing high quality of life and global attractiveness</li> <li>- Need to manage the high environmental vulnerability</li> <li>- Need to manage increased land and resources consumption</li> <li>- Need to integrate ecosystem services, blue and green growth principles in regional development planning and establish sustainable valorisation of natural and cultural assets as growth assets</li> <li>- Need to elaborate common indicators and statistics to measure tourism demand and offer</li> <li>- Need to share commons tools to measure environmental impact of tourism activities (water, soil, waste)</li> <li>- Need to strengthen administrative capacity especially in the areas of maritime, inland-water transport and logistics</li> <li>- Need to share methodologies for collecting data and common indicators to monitor transport and accessibility conditions</li> <li>- Need to simplify maritime transport procedures and to harmonize inland national transport legislations (border cross improvement)</li> <li>- Need to improve the port greening (monitoring system for the quality of emissions by shipping activities, adoption of common quality standards etc)</li> </ul> |
|----------------------|--|--|

|                                |  |   |
|--------------------------------|--|---|
|                                | <ul style="list-style-type: none"> <li>- Managing the Tourists seasonal peaks to avoid congestion by providing a more integrated mobility supply thanks to ICT – ITS innovative tools extended to the Adriatic region</li> </ul> <p>Reinforcing the interconnection among the ADRION airports</p>  |   |
| <p><b>Inclusive growth</b></p> | <ul style="list-style-type: none"> <li>- Anticipate consequences of demographic change on economy, employment and quality of life (aging population)</li> <li>- Acknowledge increasing difficulties for the socioeconomic inclusion of young people, in particular in time of crisis</li> <li>- Allowing all parts of society to participate in the exploitation of the opportunities and the allocation of the rewards</li> </ul> | <ul style="list-style-type: none"> <li>- Need to better promote social innovation in connection with key socioeconomic sectors (agro-food, tourism, energy, transports, culture, ...)</li> <li>- Need to better take into account socioeconomic issues and the needs of end users in the conception and implementation of sustainable development policies (environment, energy, transports)</li> </ul> |

### *1.1.1.5.Strategy of the transnational ADRION programme*

#### *a) Overall objective of the programme*

The overall programme strategy is formulated in direct response to the EU 2020 strategy of smart, sustainable and inclusive growth and its further revisions. Smart growth means improving the EU's performance in education, research/innovation and digital society. Sustainable growth means building a more competitive low-carbon economy that makes efficient, sustainable use of resources. Inclusive growth means raising Europe's employment rate – more and better jobs, especially for women, young people and older workers, helping people of all ages to raise the employment rate. Within the EU 2020 Strategy the EU has set ambitious objectives to be reached by 2020 in five main areas:

- Employment: 75% of the 20-64 year-olds to be employed;
- Research and development: 3% of the EU's GDP to be invested in R&D ;
- Climate change and energy sustainability: greenhouse gas emissions 20% (or even 30 percent, if the conditions are right) lower than 1990; 20% of energy from renewables, 20% increase in energy efficiency;
- Education: Reducing the rates of early school leavers below 10% and at least 40% of 30-34-year-olds completing third level education;
- Fighting poverty and social exclusion: at least 20 million fewer people in or at risk of poverty and social exclusion.

In order to reach the envisaged 2020 targets, all European regions must be actively involved. In this context, the Common Strategic Framework (CSF) of the EU cohesion policy (Article 10 and Annex I of the Common Provision Regulation (CPR)) provides the necessary investment framework and delivery system.

The overall objective of the ADRION programme is to act as a policy driver and governance innovator fostering the European integration among Member and non-Member states, utilising the rich natural, cultural and human resources surrounding the Adriatic and Ionian seas and enhancing economic, social and territorial cohesion in the programme area.

The European Commission in its ETC regulation defines in the preamble that “transnational cooperation should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities”.

For smart growth, the ADRION Programme will attach special attention to the promotion of innovation in a number of fields (e.g. Blue and Green growth, energy, transport, tourism), which outline important competitive advantages of the area. It will support partnerships in order to strengthen clusters, networks, economic sectors, value chains, and increase the interaction among stakeholders in the Partner States.

Concerning sustainable growth, taking into account the pressure observed in urban, lowlands and coastal Adriatic and Ionian areas, the ADRION Programme will seek to conciliate the demand and pressure of different uses, promote low input/low emissions activities, exploit in a sustainable way renewable resources, reduce the impact of human activities on natural resources, and improve the protection of maritime and terrestrial biodiversity and habitats. In these fields, specific attention will be paid to the coordination with EU national and regional programmes in order to use existing inputs and disseminate the results of ADRION projects. In that respect, partners of transnational projects will have to be aware of regional needs and propose ways to disseminate their results towards regional mainstream programmes. Key in this aspect is the preparation of

the ground through transnational actions, especially in areas where transnational cooperation is absolutely necessary, as is the case of semi-closed sea interventions. In this respect, Maritime Spatial Planning (MSP), Integrated Coastal Zone Management (ICZM), maritime safety, transport, energy or pollution of the Adriatic and Ionian Seas in conjunction to the EU Marine Strategy Framework Directive and the principles of UNEP MAP and the Barcelona Convention can play a significant role.

The ADRION Programme addresses inclusive growth through the valorisation of competitive advantages and the creation of employment opportunities along with the enhancement of connectivity options and the protection of public environmental goods.

Among the Seven Flagship Initiatives identified by the EU2020 Strategy, ADRION programme objectives will be aligned with the Innovation Union to improve framework conditions for research and innovation, to the Resource Efficient Europe: to help decouple economic growth from the use of resources.

Transnational cooperation is nevertheless characterised by some inherent challenges, which can be summarised as:

- Coverage of large areas with a high diversity of regions and often conflicting interests;
- Limited budgets in relation to the covered area, population and time frame, which often contradict the scope and objectives of cooperation initiatives;
- Delivering mainly intangible results.

In the case of ADRION, the programme has to address also the political dimension of the approximation and integration of the Western Balkans to the EU.

For these reasons, and because of the novelty of the programme, ADRION will:

- Focus on a limited number of Thematic Objectives,
- Give emphasis on the formation of partnerships supporting the integration of all Partner States,
- Fully optimise synergies and complementarities among selected Thematic Objectives, align them to the pillars of the EUSAIR and mobilise follow-up activities implemented under the ADRION label.

Furthermore, the territorial needs and challenges surrounding the transnational Programme Area will be taken into account.

The objective shall be to better identify development potential and bottlenecks in specific sectors (innovation, environment, tourism, accessibility and the interconnections among them) at transnational level, to support stakeholders promoting novel approaches and sharing knowledge.

#### *b) Type of contribution expected from the ADRION programme*

As a transnational programme, its main contribution will be to exchange and transfer experiences between regions, support transnational interventions and capacity building, and ensure that results are disseminated and used beyond project partners reaching a large number of end-users.

The programme will especially support the constitution of multilevel and intersectoral working teams and partnerships to overcome administrative and sectoral bottlenecks, with the involvement of citizens, and local/regional/ national/international bodies. At territorial level, a key issue will be to reduce conflicts of land use that constitute one

main aspect of sustainable development strategies (promotion of renewable energy, protection of natural and cultural heritage, reduction of carbon emissions, etc.).

Among the framework conditions for the implementation of actions, stakeholders must bear in mind that projects are not aimed to answer to the needs of a limited number of partners but to contribute to better living conditions in ADRION territories (economic activities, quality of the environment, safety, etc.), thus focusing more on activities and results.

From the action and output point of view, taking into account its strategy, the ADRION programme is mainly delivering:

- Networking structures;
- Joint management systems and cooperation agreements;
- Strategies and action plans;
- Methodologies and tools and
- Pilot actions.

As a transnational cooperation programme, the ADRION programme will neither support heavy investments, development of large infrastructures nor scientific and technology research as such. Investments in small scales facilities or infrastructures might be supported in duly justified cases in the case of pilot projects and territorial experiences. The ADRION programme shall support in particular intangible or “soft” actions which could potentially have a long term effect and which provide visibility to the programme (studies and research, networking, dissemination of knowledge and data, etc.).

Regarding implementation of actions, there is a clear distinction between “beneficiaries” and “target groups” or “end-users”. In the context of the Programme, beneficiaries are bodies and organisations, which will be directly involved in the projects funded by the programme and will be the ones to conceive, discuss and develop the deliverables described above. “Target groups” or “end-users” are bodies, groups and individuals who will use the outputs of the projects or will experience a change in their activities and lives because of the programme outputs.

### *c) Selected Thematic Objectives, Investment Priorities and Specific Objectives*

For each Thematic Objective (TO), a set of specific Investment Priorities (IP) is pre-defined reflecting the challenges ADRION regions are facing.

The cornerstone for the selection of the Thematic Objectives and Investment Priorities are:

- The diagnosis and needs identified for the ADRION region,
- The lessons learnt from the period 2007-2013,
- The application of thematic concentration on a small number of priorities as stipulated in the ETC regulation,
- The complementarity with the EUSAIR and other EU Macro-regional strategies, regional and thematic programmes,
- The specificities of transnational cooperation programmes.

**For the ADRION programme the following four (4) Thematic Objectives and five (5) Investment Priorities have been selected:**

### **Priority Axis 1: Innovative and Smart Region**

**Thematic Objective 1:** Strengthening research, technological development and innovation by:

**IP 1b:** Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation (...)

**SO 1.1:** *Support the development of a regional Innovation system for the Adriatic-Ionian area”*

### **Priority Axis 2: Sustainable region**

**Thematic Objective 6:** Preserving and protecting the environment and promoting resource efficiency by:

**IP 6c:** Conserving, protecting, promoting and developing natural and cultural heritage

**SO 2.1:** *Promote the sustainable valorisation and preservation of natural and cultural assets as growth assets in the Adriatic-Ionian area*

**IP 6d:** Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure

**SO 2.2:** *Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation and the safeguarding of ecosystem services in the Adriatic-Ionian area*

### **Priority Axis 3: Connected region**

**Thematic Objective 7:** Promoting sustainable transport and removing bottlenecks in key network infrastructures by:

**IP 7c:** Developing and improving environmental-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility

**SO 3.1:** *Enhance capacity for integrated transport and mobility services and multimodality in the Adriatic-Ionian area*

### **Priority Axis 4: "Supporting the governance of the EUSAIR"**

**Thematic Objective 11:** Enhancing institutional capacity of public authorities and stakeholders and efficient public administration [...]

**IP 11 [article. 7 (b) Regulation (EU) 1299/13]:** Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies

**SO 4.1:** *Facilitate the coordination and implementation of the EUSAIR by enhancing institutional capacity of public administrations and key stakeholders and by assisting the progress of implementation of joint priorities*

*Detailed information on the Specific Objectives is provided in Section 2.*



#### *d) Horizontal dimensions*

In addition to the thematic orientation, the ADRION programme addresses horizontal thematic aspects highlighted in EU regulations: sustainable development, equal opportunities and non-discrimination, equality between men and women. These horizontal principles are further developed in section 8 of the Cooperation Programme.

Furthermore, specific issues will be addressed in a cross-cutting way in the different Investment Priorities contributing to the overall objectives of the programme:

##### Information and Communication Technologies

The development of ICT products, services and applications constitute a relevant support for socioeconomic development, governance, networking, etc. As a tool, ICT can be used in a transversal way to reach the objectives of several Investment Priorities.

##### Social cohesion and social innovation

In different fields of intervention, attention will be paid to projects involving partners or taking measures that have positive effects on social cohesion. This is especially the case when involving social enterprises or when implementing actions aimed at improving the conditions of vulnerable groups (confronted with economic and social integration difficulties).

##### Data and knowledge management

Each project and each project partner must make available for the public the data used for the projects or generated by the project in order to enhance the dissemination of experiences and results. Projects are encouraged to deliver datasets in line with the “open data by default” principle to improve the diffusion and reuse of data between public institutions, partners and a wider public.

##### Territorial and eco-systemic approach

In each targeted territory (urban, coastal, islands and remote areas), projects will have to involve relevant stakeholders of sectors and institutions from the project intervention field. Approaches must be ‘integrated’ or ‘ecosystemic’, so that the result would not be isolated proposals working on limited aspects of tourism, energy or transports for example, but a coordination effort insisting on the contribution of these domains to the sustainable development of territories (taking into account available means, economic perspectives, on-going public policies, conflict of use, environmental constraints, etc.).

Partners will have to explore how to make relevant actors from environment protection, tourism, transport, etc. work together. With this approach, transnational cooperation will contribute to develop strategic planning aspects.

***1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities, having regard to the Common Strategic Framework, based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs, addressing, where appropriate, missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation***

**Table 1: A synthetic overview of the justification for the selection of Thematic Objectives and Investment Priorities**

| <b>Selected Thematic Objective</b>  | <b>Selected Investment Priority</b>  | <b>Justification for selection</b>   |
|---|--|--|
| <p><b>Thematic Objective 1</b><br/>Strengthening research, technological development and innovation (...)</p> | <p><b>Investment Priority 1b</b><br/>Promoting business investment in innovation and research and developing links and synergies between enterprises, research institutions and higher education (...)</p> | <ul style="list-style-type: none"> <li>• Need to improve innovation capacities, competitiveness and internationalisation of SMEs confronted with international competition in some key sectors such as tourism, agribusiness, creative industries, fisheries, energy</li> <li>• Need to improve innovation capacities through a more efficient joint use of research infrastructure and knowledge/competencies for better international cooperation between business, research and education</li> <li>• Need to improve cooperation between actors of the quadruple helix, especially between research and businesses enterprises, R&amp;D centres and higher education; and support networking, clusters and open innovation</li> <li>• Need to support new innovation areas and approaches (eco innovation; public procurement for innovation; creative industry; service industry and social innovation)</li> <li>• Development of smart specialisation strategies by the use of RIS3 results</li> <li>• Need to promote the Innovation management support (intellectual property advising, technology transfer, prototyping, demonstrators, etc.)</li> </ul> |
| <p><b>Thematic Objective 6</b><br/>Protecting the environment and promoting resource efficiency</p>           | <p><b>Investment Priority 6c</b><br/>Conserving, protecting, promoting and developing natural and cultural heritage</p>  | <ul style="list-style-type: none"> <li>• High cultural and environmental resources in ADRION regions threatened by human activities and environmental changes (especially climate change)</li> <li>• Full potential of natural and cultural heritage as development assets not exploited yet</li> </ul>  |

|  |  |  |
|--|--|--|
|  |  | <ul style="list-style-type: none"> <li>• High pressure of tourism activities and urbanisation, especially on coastal ADRION (sustainable tourism)</li> <li>• Increased pressure on water resources from a quantitative and qualitative point of view</li> </ul>  |
|  | <p><b>Investment Priority 6d</b><br/>Protecting and restoring biodiversity, soil protection and restoration and promoting ecosystem services including NATURA 2000 and green infrastructures</p>   | <ul style="list-style-type: none"> <li>• Pressure on the biodiversity and development of invasive species</li> <li>• Pressure on water quality with direct consequences on the biodiversity</li> <li>• Crucial role of the environment in the attractiveness and economic development of ADRION regions</li> <li>• Need to tackle environmental vulnerability, improve risk management capacity, support the optimal use of land and resource consumption etc.</li> </ul>  |
| <p><b>Thematic Objective 7</b><br/>Promoting sustainable transport and removing bottlenecks in key network infrastructures</p>       | <p>Investment Priority 7c<br/>Developing and improving environment-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility</p> | <ul style="list-style-type: none"> <li>• Need to reduce the environmental impact of transport by increasing multimodality and shift to more appropriate and environmental-friendly modes of transport</li> <li>• Need to improve the border cross point transit for all non EU borders where administrative and organization bottlenecks produce substantial delays in scheduling travel</li> <li>• Need to invest on ICT management for all freight transport activities</li> <li>• Need to enhance the water – rail intermodal platform both for maritime ports and inland waterway port</li> <li>• Need to reinforce the ICT application for making open and easier the access to info transport and implement all the intermodal opportunities for the passengers mobility</li> <li>• Use of renewable energies lower than the EU average</li> </ul> |
| <p><b>Thematic Objective 11</b><br/>Enhancing institutional capacity of public authorities and stakeholders and efficient public</p> | <p>Investment Priority 11[art. 7 (b) Reg. (EU) 1299/13]<br/>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration</p>  | <ul style="list-style-type: none"> <li>• Need to ensure a good governance of the EUSAIR</li> <li>• Need to put in place good and stable governance mechanisms and support to national coordinators</li> <li>• Need to ensure involvement of key stakeholders (national, regional, local) in capacity building for the strategy implementation</li> </ul>   |

|                |  |   |
|----------------|--|---|
| administration | by developing and coordinating macro-regional and sea-basin strategies | <ul style="list-style-type: none"> <li>• Need to strengthen the capacity for territorial analysis on the basis of solid data collection through a common platform</li> <li>• Need to support project ideas to become mature transnational projects, e.g via a common platform, which facilitates the design of new joint projects</li> <li>• Need for identification and coordination of all possible funding sources<sup>3</sup> for joint projects, as the stakeholders tend to lack knowledge about different funding sources</li> <li>• Need for coordination with other existing and future macro regional strategies</li> </ul> |
|----------------|--|---|

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<sup>3</sup>All ESIF programmes including ETC, Cohesion Fund, IPA, sectoral programmes of the EU (HORIZON 2020), LIFE, COSME, Connecting Europe Facility (CEF), national-regional programmes, international financing institutions (EIB, Western Balkan Investment Framework (WBIF) etc.), banks, private financiers, donors, etc.

## *1.2. Justification of the financial allocation*

The overall programme budget amounts to EUR **117.917.379** including European Regional Development Fund (ERDF) (EUR **83.467.729**), the Instrument for Pre-Accession Assistance (IPA II) (EUR 15.688.887) and national contributions (EUR **18.760.763**), as described in Section 3.

The financial allocation to the selected Thematic Objectives (TO) reflects:

- \* The estimated financial size of the projects foreseen in each priority axis based on the experience of the 2007-2013 period;
- \* The coherence with the needs of the Partner States;
- \* The opinions expressed during the consultation rounds and
- \* Last, but not least, the expression of the strategic choices of the ADRION stakeholders.

When estimating financial allocations per TO, an average budget of 2 million EUR per operation was assumed. The financial allocation per priority axis is as follows:

- Priority Axis 1 (TO 1): the planned budget allocation (Union funds) to Priority Axis 1 is EUR 19.831.323, corresponding to 20% of the total. The financial allocation to this priority is in line with the emphasis placed on innovation, technology transfer and entrepreneurship by all Partner States, the orientation of the EUSAIR and the consultations undertaken during the programming process.
- Priority Axis 2 (TO 6): the planned budget allocation (Union funds) to Priority Axis 2 is EUR 45.612.043, corresponding to 46% of the total. This financial allocation reflects the expected size of actions relating to the valorisation of cultural and natural heritage and the needs for increasing awareness, harmonising management approaches, facilitating knowledge transfer and fostering shared potentials and responsibilities in the field of environmental protection and risk management.
- Priority Axis 3 (TO 7): the planned budget allocation (Union funds) to Priority Axis 4 is EUR 17.848.191, corresponding to 18% of the total. The financial allocation to this priority is in line with the emphasis placed on connectivity, efficient and environmental friendly mobility and transport within all Partner States as a prerequisite for all EUSAIR pillars. It also reflects the relative low demand in this thematic orientation expressed both during the 2007-2013 period and the current programming consultations.
- Priority Axis 4 (TO 11): the planned budget allocation (Union funds) to Priority Axis 4 is EUR 9.915.662, corresponding to 10% of the total. It derives from the need to address governance challenges and development in the ADRION area by investing in multilevel and multi-country governance in the tasks, approaches, services and processes of public administrations and key stakeholders in the context of the implementation of the EUSAIR.

**Table 2: Overview of the investment strategy of the cooperation programme**

| Priority axis | ERDF support (EUR) | Proportion of the total Union support to the cooperation programme (by Fund) <sup>4</sup> |                        |                        | Thematic Objective <sup>5</sup>  | Investment priorities <sup>6</sup>  | Specific Objectives   | Result indicators corresponding to the Specific Objective   |
|---------------|--------------------|---|------------------------|------------------------|--|---|---|---|
|               |                    | ERDF  | ENI (where applicable) | IPA (where applicable) |  |   |   |   |
| 1.            | 16.693.546         | 20%   |                        | 20%                    | 1. Strengthening research, technological development and innovation            | <b>Investment Priority 1.b</b><br>Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education (...) | Support the development of a regional innovation system for the Adriatic-Ionian area  | Level of capacity of key innovation actors to be effectively involved in transnational actions for the development of a regional Innovation system                                    |
| 2.            | 38.395.155         | 46%   |                        | 46%                    | 6. Preserving and protecting the environment and promoting resource efficiency | <b>Investment Priority 6.c</b><br>Conserving, protecting, promoting and developing natural and cultural heritage  | Promote the sustainable valorisation and preservation of natural and cultural heritage as growth assets in the Adriatic-Ionian area | Level of capacity for the stakeholders in the fields of natural and cultural heritage protection and tourism to sustainably valorise natural and cultural heritage as a growth asset. |

<sup>4</sup> Presentation of the shares corresponding to ENI and IPA amounts depends on management option chosen.

<sup>5</sup> Title of the thematic objective, not applicable to technical assistance

<sup>6</sup> Title of the investment priority, not applicable to technical assistance

|           |            |     |  |     |  |  |   |   |
|-----------|------------|-----|--|-----|--|--|---|---|
|           |            |     |  |     |  | <b>Investment Priority 6.d</b><br>Protecting and restoring biodiversity and soil and promoting ecosystem services through Natura2000, and green infrastructures  | Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation, and the safeguarding of ecosystem services in the Adriatic-Ionian area   | Level of capacity of the involved organisations to operate transnational, providing service and management regarding environmental vulnerability, fragmentation, and the safeguarding of ecosystems' services |
| <b>3</b>  | 15.024.191 | 18% |  | 18% | 7. Promoting sustainable transport and removing bottlenecks in key network infrastructures | <b>Investment Priority 7.c</b><br>Developing and improving environmentally-friendly (including low-noise) and low-carbon transport systems, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility | Enhance capacity for integrated transport and mobility services and multimodality in the Adriatic-Ionian area   | Level of capacity of organisations in the field of transport and mobility to transnationally plan and implement sustainable and multimodal transport and mobility solutions                                   |
| <b>4.</b> | 8.346.773  | 10% |  | 10% | 11. Enhancing institutional capacity of public authorities and stakeholders (...)          | <b>Investment Priority art. 7 (b) Reg. 1299/13</b><br>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies   | Facilitate the coordination in implementing the EUSAIR by enhancing institutional capacity of public administrations and key stakeholders and by assisting the progress of implementation of joint priorities | The status of management capacities of National coordination level to effectively implement EUSAIR goals, targets and key actions   |

|                             |           |    |  |    |    |    |    |    |
|-----------------------------|-----------|----|--|----|----|----|----|----|
| <b>Technical Assistance</b> | 5.008.064 | 6% |  | 6% | NA | NA | Na | Na |
|-----------------------------|-----------|----|--|----|----|----|----|----|



**SECTION 2. PRIORITY AXES**

*(Reference: points (b) and (c) of Article 8(2) of Regulation (EU) No 1299/2013)*

**Section 2.A. Description of the priority axes other than technical assistance**

**2.A.1. Priority Axis 1**

| <b>ID</b>    | <b>PRIORITY AXIS 1</b>             |
|--------------|------------------------------------|
| <b>Title</b> | <b>INNOVATIVE AND SMART REGION</b> |
|              |                                    |

- The entire priority axis will be implemented solely through financial instruments
- The entire priority axis will be implemented solely through financial instruments set up at Union level
- The entire priority axis will be implemented through community-led local development

**2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective**

*Not applicable*

**2.A.3. Fund and calculation basis for the Union support**

|  |                       |
|--|-----------------------|
| <b>Fund</b>  | <b>ERDF+ IPA</b>      |
| <b>Calculation Basis</b> <i>(total eligible expenditure)</i> | <b>EUR 19.831.323</b> |

### 2.A.4. Investment priority 1.b

(Reference: points (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

#### INVESTMENT PRIORITY 1.b

*“Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies;”*

### 2.A.5. Specific objective 1.1

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

| ID                 | 1.1  |
|--------------------|--|
| Specific Objective | Support the development of a regional Innovation system for the Adriatic-Ionian area |

|                         |   |
|-------------------------|---|
| <b>Expected results</b> | <p>The ADRION area is characterised by low innovation performance (innovation models more based on diversification than breakthrough innovation), limited capacity of SMEs, inadequate cooperation among companies, research centres and public agencies, absence of support schemes and seed capital, obsolete technological applications, lack of focus on specific issues which can be of competitive advantage to the area (e.g. blue growth), limited sectoral/cross-sectoral specialisations, absence of high-value added services, inadequate understanding of the importance of intellectual property, etc.</p> <p>On the other hand there are a number of competitive and highly active research and innovation clusters, albeit with poor intraregional joint activities especially in the East-West Axis. A further strong point is the existence of Smart Specialisation Strategies (RIS3). These offer the possibility of thematic focus on the one side and the delivery of a process blueprint on the other, especially for the IPA countries. However innovation governance at transnational level remains weak.</p> <p>In the context of the above, the region has a series of common interest fields, where transnational cooperation can focus on, in order to develop a critical mass. Indicative areas are:</p> <ul style="list-style-type: none"> <li>• Traditional sectors, such as vessel construction, logistics and fisheries</li> <li>• Emerging sectors, such as blue technologies including maritime biotechnology and aquaculture, robotics, materials, monitoring of the sea, on green sea mobility, deep sea</li> </ul> |
|-------------------------|---|

|  |  |
|--|--|
|  | <p>resources, biosecurity and bio-technologies etc.</p> <ul style="list-style-type: none"> <li>• Environmental and energy technologies (“clean-tech” and “environ-tech”, RES, e-services)</li> <li>• Tourism, nature and cultural heritage (product and process innovations, sustainable tourist flow management, applications for potential and current visitors, creative industries, social innovation, traditional knowledge in skills)</li> <li>• E-governance and e-tools for management, procurement and services to the citizens</li> </ul> <p><b>The expected results can be seen in:</b></p> <ul style="list-style-type: none"> <li>• Common understanding among ADRION Partner States on the potential fields of transnational innovation actions and fostering diffusion and uptake of innovation</li> <li>• Enhancement of the competencies/skills of the stakeholders and involved parties</li> <li>• Improvement of the framework conditions (awareness and foresight, legal, economic aspects, innovation governance, organisational issues, policy solutions, technology impact assessments)</li> <li>• Mobilisation of stakeholders in the fields of research, innovation and utilisation in order to increase knowledge transfer between business, users, academia and administration actors (quadruple helix approach)</li> <li>• Identification of emerging market opportunities in relation to the programme area competitive advantages, the fields of the EUSAIR and the smart specialisation strategies of the regions in order to develop an ADRION ”critical mass”</li> <li>• Better coordinated innovation policies and strategies e.g at the RIS level</li> </ul> |
|--|--|

**Table 3: Programme specific result indicators** (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

One (if possible) and no more than two result indicators should be used for each specific objective.

| <b>ID</b> | <b>Result Indicator</b>  | <b>Measurement Unit</b> | <b>Baseline Value</b> | <b>Baseline Year</b> | <b>Target Value<sup>7</sup> (2023)</b><br><i>100 char. Max</i> | <b>Source of Data</b><br><i>200 char. max</i> | <b>Frequency of reporting</b><br><i>100 char. max</i> |
|-----------|--|-------------------------|-----------------------|----------------------|--|---|---|
| 1b.1      | Level of capacity of key innovation actors to be effectively involved in transnational actions for the development of a regional Innovation system | % of maximum possible   | 60,19%                | 2014                 | Increase   | Survey  | 2018, 2023  |

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<sup>7</sup> Target values can be qualitative or quantitative

## 2.A.6. Actions to be supported under the investment priority

### 2.A.6.1 A description of the type and examples of actions to be supported

Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

|   |  |
|---|--|
| <b>Investment Priority 1.b</b>  | <b><i>“Promoting business investment in R&amp;I, developing links and synergies between enterprises, research and development centres and the higher education sector (...)”</i></b> |
| <p><b>Indicative actions to be supported are:</b></p> <ul style="list-style-type: none"> <li>• Establishment of transnational innovation networks in order to visualise possible options for cooperation in the ADRION area, identify relevant sectors of common interest, map existing research and innovation resources, and secure coordination with the EUSAIR, regional and national RIS3 strategies, innovation governance initiatives and competence networks</li> <li>• Analysis of the framework conditions for innovation (legal, financial, administrative, technical, social, cultural and environmental) in order to define the “feasible domain” for innovation in the ADRION area</li> <li>• Development of framework structures related to the consultation on legal, intellectual property, technical and financial issues and provision of related services especially for SMEs (including start-ups, spin-offs, collaborations), such as the support for Identifying access schemes to financial engineering for proof of concept mechanisms for start-ups</li> <li>• Development of actions for raising competencies/skills of the stakeholders specially focusing on the involvement of partners from candidate and potential candidate countries including education and training concepts for the uptake and diffusion of innovation and circular knowledge management promoting the mobility of Researchers and PhD candidates in the ADRION region</li> <li>• Development of platforms for knowledge sharing (knowledge innovative communities, data clouds) and creation of functional networks of joint distributed research facilities</li> <li>• Development of transnational “quadruple helix” clusters in common interest fields addressing all stages of the innovation cycle, including idea generation, conception and prototyping, transfer, patenting, commercialization, etc.</li> <li>• Development of transnational models for the design, testing, up-scaling, comparison and evaluation of innovations (policies, tools, processes, actors, organisations and interfaces)</li> <li>• Development of transnationally designed products, services, investment models and funding support instruments of business support centres, chambers of commerce, public administration and financing institutions</li> <li>• Development of strategies, schemes and tools for improving creativity and innovative approaches in the whole spectrum of the society including education, social services health, volunteer organisations and social enterprises</li> <li>• Building up transnational networks for the transfer of knowledge among public</li> </ul> |  |

administration on technological solutions

**Target groups**

- General public;
- Those groups listed below under the caption “Indicative types of beneficiaries”;
- Financial Institutions, Banks;
- Enterprises, including SME.

**Indicative types of beneficiaries**

- Local public authorities;
- Regional public authorities;
- National public authorities;
- Agencies;
- International Organisations
- Research organisations;
- (Public) service providers;
- Higher education institutions;
- Education/training centres;
- Business support organisations;
- Interest groups including NGOs and cultural/citizen organisations.

*2.A.6.2. The guiding principles for the selection of operations*

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

|   |  |
|---|--|
| <b>Investment Priority 1.b</b>  | <b><i>“Promoting business investment in R&amp;I, developing links and synergies between enterprises, research and development centres and the higher education sector (...)”</i></b> |
| <p>The selection of projects will be carried out in accordance with Article 12 of the ETC regulation, following a standardised assessment procedure, the objectives of which include:</p> <ul style="list-style-type: none"> <li>- Assessment of the relevance of a project proposal;</li> <li>- Assessment of the feasibility of the proposed approach;</li> <li>- Definition of a transparent and objective basis for decision making on proposal rejection or approval;</li> <li>- Provision of a base for communication and improvement among Programme bodies and applicants.</li> </ul> <p>The assessment will be conducted using the following sets of criteria:</p> |  |
| <p><b>Strategic Assessment Criterion</b></p> <p><b>This criterion shall examine:</b></p>  |  |

- The relevance, coherence and contribution of each project proposal to the ADRION Programme Objectives and especially the relevant Specific Objective addressed;
- The contribution to the envisaged results per Investment Priority;
- The soundness of the concept and demonstration of the need for the proposed intervention in its thematic and territorial context;
- The added value of transnational cooperation and
- The proposed partnership relevance to the above.

### **Operational Assessment Criterion**

#### **This criterion shall examine:**

- The adequacy of the management provisions in terms of structures, procedures and competences;
- The quality and effectiveness of communication provisions;
- The quality of the Work Plan in relation to clarity and coherence of the operational objectives, activities and means, feasibility, efficiency of the project and its results, potential for uptake and embedment into operative procedures of the partners involved;
- The adequacy of the budget provisions to guarantee the project implementation and generate value for money.

### **Coherence to Horizontal Principles Criterion**

This criterion shall examine the extent to which projects have integrated within their intervention logic:

1. PA1 Horizontal principles such as promotion of energy, resource efficiency, consideration of the principles of open innovation;
2. ADRION cross-cutting dimensions as defined in Section 1 of the CP; equal opportunities and non-discrimination, equality between men and women, social cohesion and social innovation, data and knowledge management, use of ICT, territorial and eco-systemic approach;
3. Thematic Proximity to the EUSAIR and uptake potential in the entire area.

The above elements should not be considered as a “check list”, but should rather encourage projects to proactively develop their project ideas within the logic of the Programme.

These three criteria are presented in the order of importance for the project. The Strategic Assessment Criterion examines the relevance of the project proposal; hence it retains absolute primacy over the other two criteria. The Operational Assessment Criterion ensures the successful delivery of results; hence it is enjoying a larger weight than the Coherence to Horizontal Principles Criterion, which is basically oriented towards integration of a “relevant and feasible” proposal into the ADRION logic.

The detailed assessment criteria will be laid down and made available to potential applicants in the programme related manual.

Preparatory costs will be eligible under the PA 1 funds.

### 2.A.6.3. The planned use of financial instruments

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

|   |  |
|---|--|
| <b>Investment Priority 1.b</b>  | <b><i>“Promoting business investment in R&amp;I, developing links and synergies between enterprises, research and development centres and the higher education sector (...)”</i></b> |
| Planned use of financial instruments  |  |
| The opportunity of the elaboration and implementation of financial instruments will be discussed during the implementation of the programme |  |

### 2.A.6.4. Planned use of major projects

*Not applicable*



**2.A.6.5. Output indicators***(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 4: Common and programme specific output indicators** *(by investment priority)*

| <b>ID</b>       | <b>Output Indicator</b>   | <b>Measurement unit</b> | <b>Target value (2023)</b> | <b>Source of data</b><br><i>200 char. Max.</i> | <b>Frequency of reporting</b><br><i>100 char. Max.</i> |
|-----------------|---|-------------------------|----------------------------|--|--|
| <b>COI_1</b>    | Number of enterprises cooperating with research institutions                                      | Enterprises (Number)    | 1000                       | Monitoring                                     | Annually   |
| <b>OI_1b1_1</b> | Number of supported transnational cooperation networks and clusters                               | Number                  | 8                          | Monitoring/Project progress reports            | Annually   |
| <b>OI_1b1_2</b> | Number of strategies and action plans developed by transnational innovation networks and clusters | Number                  | 12                         | Monitoring/Project progress reports            | Annually   |

**2.A.7. Performance framework**

**Table 5: Performance framework of the priority axis**

| Priority axis | Indicator Type (key implementation step, financial, output or, where appropriate, result indicator) | ID        | Indicator or key implementation step  | Measurement unit, where appropriate | Milestone for 2018 | Final target (2023) | Source of data                        | Explanation of the relevance of the indicator, where appropriate |
|---------------|---|-----------|---|-------------------------------------|--------------------|---------------------|---------------------------------------|--|
| 1             | Financial   |           | Financial   | EUR                                 | 7%                 | 100%                | Monitoring                            |  |
| 1             | Output  | OI_1b.1_2 | Number of strategies and action plans developed by transnational innovation networks and clusters | Number                              | 3                  | 12                  | Monitoring / Project progress reports |  |

*2.A.1. Priority Axis 2*

|              |                           |
|--------------|---------------------------|
| <b>ID</b>    | <b>PRIORITY AXIS 2</b>    |
| <b>Title</b> | <b>Sustainable Region</b> |

- The entire priority axis will be implemented solely through financial instruments
- The entire priority axis will be implemented solely through financial instruments set up at Union level
- The entire priority axis will be implemented through community-led local development

*2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective*

*Not applicable*

*2.A.3. Fund and calculation basis for the Union support*

|             |                  |
|-------------|------------------|
| <b>Fund</b> | <b>ERDF+ IPA</b> |
|-------------|------------------|

|  |                       |
|--|-----------------------|
| <b>Calculation Basis</b> ( <i>total eligible expenditure</i> ) | <b>EUR 45.612.043</b> |
|--|-----------------------|

2.A.4. Investment Priority 4c

**INVESTMENT PRIORITY 6.c****Conserving, protecting, promoting and developing natural and cultural heritage***2.A.5. Specific objective 2.1*

| <b>ID</b>   | <b>2.1</b>  |
|---|---|
| <b>Specific Objective</b>                         | <b>Promote the sustainable valorisation and preservation of natural and cultural heritage as growth assets in the <i>Adriatic-Ionian area</i></b>   |
| <b>Expected results</b><br><i>3500 char. max.</i> | <p>The ADRION area combines the heritage of some of the brightest civilisations of history and boasts a diverse setting of landscapes and natural elements (Adriatic, Ionian and Aegean Seas, Alps, islands, Danube plain etc.). The combination of the rich cultural and natural diversity makes the area unique and a globally attractive place.</p> <p>The right balance between conservation/protection and advancement is one of the main challenges. Nature and cultural heritage is a major component of the area’s tourism assets. The UN World Tourism Organisation research demonstrates that interest in the environment, culture and heritage is a primary motivation for more than 50% of travel. Therefore, mobilising the cultural landscape and the richness of nature is key for creating a distinct Programme area “brand name”.</p> <p>The proper concept to this end is sustainable valorisation, in other words, integration of apparent or hidden resources (natural stocks, cultural habits, implicit knowledge, and existing qualifications) in the added value chain without jeopardizing or destroying the given natural, social and cultural capital.</p> <p>A pivotal element in this respect is tourism, since tourism is using the cultural and natural heritage as an output, tourism is one of the main, fast-growing economic activities and GDP contributor. However, its potential in the area is not fully exploited. Few tourism actors in the area adhere to a sustainable tourism model based on innovative, high-quality tourism products and services with light ecological footprint.</p> <p>Cultural and natural heritage in the area is at risk due to:</p> <ul style="list-style-type: none"> <li>• Increased human use especially of the coastal and marine space for recreation, housing, transport and fishing/aquacultures</li> <li>• Unsustainable dominating tourism paradigms</li> <li>• Increased consumption of resources and energy by residents and visitors leading to emissions, waste, discharges etc. in a far greater load than the area can absorb</li> </ul> |

|  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>• Increasing urban sprawl and, last but not least,</li><li>• Climate change impacts.</li></ul> <p><b>The expected results are:</b></p> <ul style="list-style-type: none"><li>• Common understanding among ADRION’s Partner States on the potential fields of transnational cooperation in tourism and consensus-building on the content of sustainable valorisation and tourism under an ADRION brand</li><li>• Enhancement of the competencies/skills of relevant stakeholders parties in the fields of sustainable valorisation and tourism</li><li>• Enhancement of the “body of knowledge” through transnational research, pilots, tools and experimentation</li><li>• Development of a distinct transnational identity and raising the awareness on common heritage in the Adriatic-Ionian area as an orientation framework for individual actions</li><li>• Improved involvement of tourism stakeholders, visitors and the society for the development of jointly agreed utilisation approaches</li><li>• Preserved natural and cultural heritage and valorised within the Programme area brand name</li><li>• Diversification of tourism products along topic, season, target group and environmental and social impact.</li></ul> |
|--|---|

**Table 3: Programme specific result indicators** (by specific objective)

One (if possible) and no more than two result indicators should be used for each specific objective.

| ID   | Result Indicator  | Measurement Unit      | Baseline Value | Baseline Year | Target Value <sup>8</sup> (2023) | Source of Data<br><i>200 char. max</i> | Frequency of reporting<br><i>100 char. max</i> |
|------|---|-----------------------|----------------|---------------|----------------------------------|--|--|
| 6c.1 | Level of capacity for the stakeholders in the fields of natural and cultural heritage protection and tourism to sustainably valorise natural and cultural heritage as a growth asset. | % of maximum possible | 67,5%          | 2014          | Increase                         | Survey                                 | 2018, 2023                                     |

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<sup>8</sup> Target values can be qualitative or quantitative.

## 2.A.6. Actions to be supported under the investment priority

### 2.A.6.1. A description of the type and examples of actions to be supported

| Investment Priority 6.c  | Conserving, protecting, promoting and developing natural and cultural heritage |
|--|--|
| <p><b>Indicative Actions to be supported are:</b></p> <ul style="list-style-type: none"> <li>• Creation of transnational networks and working groups for the definition of the principles of ADRION’s sustainable cultural/natural and tourism valorisation as well as the development of an ADRION brand name;</li> <li>• Creation of transnational networks and working groups for the identification of challenges and trends in the tourism sector including marketing, management of increased tourism flows, including joint analysis of tourism, trends and their potential impact, joint access to new tourism markets, business opportunities and dissemination of new technologies and know-how;</li> <li>• Development of actions for raising competencies/skills cultural heritage preservation on sustainable tourism and tourism management of the stakeholders specially focusing on the involvement of actors from small tourism locations and facilities;</li> <li>• Formulation of implementation strategies, set up and testing of clusters and models to better preserve, capitalize and innovate cultural and natural heritage and either combine them with tourism or maintain them for their intrinsic value by enterprises, research institutions, NGOs and local population using exchange of experiences, mutual learning and pilot activities;</li> <li>• Building up of transnational networks and working groups and development of tools and pilots to monitor, evaluate and mitigate the environmental and social pressures and impacts and the risks for and by tourism;</li> <li>• Set up, test and implementation of negotiation, mediation, participation and conflict resolution models in the context of tourism, culture preservation, local needs and economic growth in the context of cultural and natural heritage, especially for land uses in coastal zones;</li> <li>• Organisation of knowledge transfer, exchange of good practice examples, networking and development of innovations concerning also the immaterial cultural heritage and related to the creative industries;</li> <li>• Development of distinct and diversified tourism products such as transnational thematic tourism clusters and routes (e.g. monasteries routes, ancient heritage, wine routes, Adriatic-Ionian area routes etc.); seasonal variations of tourism offer (e.g. off season arrivals for spring and autumn tourism for elder groups also in the context of climate change); offers for special interest groups (e.g. sailing, diving, mountaineering, history hobbyists, attracting visitors to inland destinations etc.); use of IT applications to generate interest on the heritage and Adriatic-Ionian Region; development of an integrated and coordinated approach to heritage and cultural tourism;</li> <li>• Development of sustainable tourism models focusing on low carbon, low ecological footprint, “slow food”, involvement of young people and volunteers and other alternative offerings in line with the natural and cultural heritage in</li> </ul> |  |

line with the ADRION brand;

- Small scale investments and demonstration projects for the provision of innovative services and products in the touristic sector, for specific forms of tourism, like cultural tourism, thematic tourism, elder citizens’ services, etc.

**Target groups**

- General public;
- Groups listed under the caption “Indicative types of beneficiaries”;
- Enterprises, including SMEs.

**Indicative types of beneficiaries**

- Public authorities;
- International Organisations
- Agencies;
- Research institutions;
- Higher education institutions;
- Schools, Education/training centres;
- Tourism and/or cultural public or private organisations (incl. SMEs);
- Business support organisations;
- Interest groups including NGOs and cultural/citizen associations

**2.A.6.2. The guiding principles for the selection of operations**

*(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)*

| <b>Investment Priority 6.c</b>  | <b>Conserving, protecting, promoting and developing natural and cultural heritage</b> |
|---|---|
| <p>The selection of projects will be carried out in accordance with Article 12 of the ETC regulation, following a standardised assessment procedure, the objectives of which include:</p> <ul style="list-style-type: none"> <li>- Assessment of the relevance of a project proposal;</li> <li>- Assessment of the feasibility of the proposed approach;</li> <li>- Definition of a transparent and objective basis for decision making on proposal rejection or approval;</li> <li>- Provision of a base for communication and improvement among Programme bodies and applicants.</li> </ul> <p>The assessment will be conducted using the following sets of criteria:</p> <p><b>Strategic Assessment Criterion:</b></p> <p><b>This criterion shall examine:</b></p> <ul style="list-style-type: none"> <li>- The relevance, coherence and contribution of each project proposal to the ADRION Programme Objectives and especially the relevant Specific Objective addressed;</li> <li>- The contribution to the envisaged results per Investment Priority;</li> </ul> |   |

- The soundness of the concept and demonstration of the need for the proposed intervention in its thematic and territorial context;
- The added value of transnational cooperation and
- The proposed partnership relevance to the above.

### **Operational Assessment Criterion**

#### **This criterion shall examine:**

- The adequacy of the management provisions in terms of structures, procedures and competences;
- The quality and effectiveness of communication provisions;
- The quality of the Work Plan in relation to clarity and coherence of the operational objectives, activities and means, feasibility, efficiency of the project and its results, potential for uptake and embedment into operative procedures of the partners involved;
- The adequacy of the budget provisions to guarantee the project implementation and generate value for money.

### **Coherence to Horizontal Principles Criterion**

This criterion shall examine the extent to which projects have integrated within their intervention logic:

1. PA 2 Horizontal principles, such as promotion of energy and resource efficiency and consideration of the principles of open access to innovation benefits and reproducibility;
2. ADRION cross-cutting dimensions as defined in Section 1 of the CP; equal opportunities and non-discrimination, equality between men and women, social cohesion and social innovation, data and knowledge management, use of ICT, territorial and eco-systemic approach;
3. Thematic Proximity to the EUSAIR and uptake potential in the entire area.

The above elements should not be considered as a “check list”, but should rather encourage projects to proactively develop their project ideas within the logic of the Programme.

These three criteria are presented in the order of importance for the project. The Strategic Assessment Criterion examines the relevance of the project proposal; hence it retains absolute primacy over the other two criteria. The Operational Assessment Criterion ensures the successful delivery of results; hence it is enjoying a larger weight than the Coherence to Horizontal Principles Criterion, which is basically oriented towards integration of a “relevant and feasible” proposal into the ADRION logic.

The detailed assessment criteria will be laid down and made available to potential applicants in the programme related manual.

Preparatory cost will be eligible under the PA 2 funds.



### 2.A.6.3. The planned use of financial instruments

|   |   |
|---|---|
| <b>Investment Priority 6.c</b>  | <b>Conserving, protecting, promoting and developing natural and cultural heritage</b> |
| Planned use of financial instruments  |   |
| The opportunity of the elaboration and implementation of financial instruments will be debated during the implementation of the programme |   |

### 2.A.6.4 Planned use of major projects

*Not applicable*

### 2.A.6.5. Output indicators

**Table 4: Common and programme specific output indicators** (by investment priority)

| <b>ID</b>        | <b>Output Indicator</b>   | <b>Measurement unit</b> | <b>Target value (2023)</b> | <b>Source of data</b><br><i>200 char.</i> | <b>Frequency of reporting</b><br><i>100 char.</i> |
|------------------|---|-------------------------|----------------------------|---|---|
| <b>OI_6c.1_1</b> | Number of supported transnational cooperation networks  | Number                  | 20                         | Monitoring/Project progress reports       | Annually  |
| <b>OI_6c.1_2</b> | Number of strategies and action plans developed in the field of natural and cultural heritage and tourism | Number                  | 30                         | Monitoring/Project progress reports       | Annually  |
| <b>OI_6c.1_3</b> | Number of small scale investments and demonstration projects  | Number                  | 10                         | Monitoring/Project progress reports       | Annually  |

### 2.A.4. Investment priority 6d

#### INVESTMENT PRIORITY 6.d

*“Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure”*

### 2.A.5. Specific objective 2.2.

|                           |   |
|---------------------------|---|
| <b>ID</b>                 | <b>2.2</b>  |
| <b>Specific Objective</b> | Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation, and the safeguarding of ecosystem services in the Adriatic Ionian area |

|                         |  |
|-------------------------|--|
| <b>Expected results</b> | <p>ADRION countries are rich in biodiversity and have a dense network of protected areas, albeit with different potential and conservation. ADRION’s key feature is the semi-enclosed sea in its core. Thus it is vulnerable to pollution, since the waters are not exchanged frequently.</p> <p>Recognized environmental risks related to climate change mainly include droughts and floods. There is a manifold need to tackle and manage preservation and fragmentation challenges, risks and climate change adaptation, as well as integrating Ecosystem Services, Blue and Green Growth principles in regional development planning.</p> <p>Hence topography and geography contribute to high environmental vulnerability, which is already strongly affected by two mutually reinforcing threats: anthropic pressure and global climate change.</p> <p>Vulnerability combined with low climate change adaptation capacities, low interoperability of civil protection organisations and practices, such as in the waste sector and construction, increase the level of risk.</p> <p>Ecosystem services are fundamental for both the living conditions of the resident population and for the tourism sector as “intermediate input” in that they are part of the “tourism offer”. Furthermore, they are fully part of the natural and cultural heritage. Hence interventions under IP 6d should respect and integrate two aspects:</p> <ul style="list-style-type: none"> <li>• Dynamic protection and risk management (protection, preservation and connectivity of “ecosystems”); and</li> <li>• Sustainable use and risk prevention (integration of ecosystem services).</li> </ul> <p><b>The expected results are:</b></p> <ul style="list-style-type: none"> <li>• Common understanding among ADRION Partner States for the need of transnational cooperation in the fields of environmental protection, ecosystem services and climate change adaptation</li> <li>• Enhancement of the competencies/skills of the stakeholders and involved parties</li> </ul> |
|-------------------------|--|

|  |  |
|--|--|
|  | <ul style="list-style-type: none"><li>• Increased availability of data and information for delivering evidence-based responses through interoperability and systematic monitoring</li><li>• Increased transnational cooperation, exchange and communication among authorities and civil society organisations</li><li>• Harmonised infrastructures, management structures and hazard/risk response mechanisms</li><li>• Increased number of “state of the art” management and planning tools</li></ul> |
|--|--|

**Table 3: Programme specific result indicators** *(by specific objective)*

*One (if possible) and no more than two result indicators should be used for each specific objective. The need for more indicators should be exceptional*

| <b>ID</b>        | <b>Result Indicator</b>   | <b>Measurement Unit</b> | <b>Baseline Value</b> | <b>Baseline Year</b> | <b>Target Value<sup>9</sup> (2023)</b><br><i>100 char.</i> | <b>Source of Data</b><br><i>200 char.</i> | <b>Frequency of reporting</b><br><i>100 char.</i> |
|------------------|---|-------------------------|-----------------------|----------------------|--|---|---|
| IP 6.d<br>SO 2.2 | Level of capacity of the involved organisations to operate transnational, providing service and management regarding environmental vulnerability, fragmentation, and the safeguarding of ecosystems' services | % of maximum possible   | 77%                   | 2014                 | Increase   | Survey                                    | 2018, 2023  |

---

<sup>9</sup> Target values can be qualitative or quantitative.

## 2.A.6. Actions to be supported under the investment priority

### 2.A.6.1. A description of the type and examples of actions to be supported

|  |   |
|--|---|
| Investment Priority 6.d  | <i>“Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure”</i> |
| <p><b>Indicative Actions to be supported are:</b></p> <ul style="list-style-type: none"> <li>• Establishment of transnational frameworks and platforms for the interoperability of existing databases, promotion of data availability, observatory functions and the integration of management approaches (hazard and risk assessment, planning methodologies, management plans, sustainability and adaptation assessments etc.);</li> <li>• Development of implementation strategies, models and testing of pilot activities and transnational, regional and intercommunity cooperation of risk management (risk assessment, risk communication, risk managing measures and hazard prevention) and climate change adaptation in terrestrial and aquatic environments;</li> <li>• Implementation of research and evaluation activities through the development of a common monitoring and assessment reference framework and the deployment of advanced tools for mapping, diagnosing, protecting and managing terrestrial and maritime landscapes and habitats including awareness-raising and environmental education;</li> <li>• Establishment of transnational networks and working groups for increasing marine knowledge in order to ensure a sound basis for the implementation of the Marine Framework Strategy Directive, including Deep Sea Resources Monitoring &amp; Surveillance and Management and Mapping of threats to coastal and marine biodiversity;</li> <li>• Creation of transnational networks and working groups for the development of transnational Special Spatial Plans (e.g. on RES, on tourism, on agriculture and forestry), Maritime Spatial Planning, Multiannual Fishery Management Plans and Integrated Coastal Zone Management Plans and Procedures;</li> <li>• Establishment of transnational networks and working groups for the development of transnational terrestrial and maritime protected areas and habitats and integration thereof in the tourism product of the ADRION area;</li> <li>• Development of transnational systems, procedures and early warning systems for identifying, managing and preventing localised and diffusing pollution from various sources (oil spills from maritime transport and marine litter in general, coastal industries and discharges, accidents, nitrates from agriculture, organic load from aquaculture, noise, light- and wastewater-pollution from tourism hotspots, landfills, soil contamination etc.);</li> <li>• Development of transnational systems, procedures and early warning systems for forecasting, managing and preventing natural and manmade hazards (forest fires, sea and river floods, industrial accidents, droughts, storms, algal blooms, earthquakes erosion and etc.);</li> <li>• Formation of transnational frameworks and platforms for the harmonisation and enforcement of national laws and EU legislation (e.g. implementation of the EU Flood directive (2007/60), with special attention on coastal urban areas and transboundary issues, the joint contingency planning and coordinated emergency response and</li> </ul> |   |

interoperability of civil protection mechanisms and organisations;

- Establishment of transnational frameworks and platforms for the exchange of best practices, the experimentation and piloting with new innovative and integrated approaches (e.g. integrated and sustainable management of protected areas with cultural heritage as a powerful asset for inclusive economic development) approaches and the evaluation of existing and perspective methods and procedures in order to develop an ADRION environmental protection knowledge base and promotion of the topics in the society and especially among the youth.

**Target groups**

- General public;
- Groups listed under the caption “Indicative types of beneficiaries”;
- Enterprises, including SME.

**Indicative types of beneficiaries**

- Public authorities;
- Agencies;
- Natural Heritage & Green Infrastructure management organisations
- Higher education institutions;
- Schools & Education/training centres;
- Business support organisations;
- Interest groups including NGOs and environmental/citizen associations.

*2.A.6.2. The guiding principles for the selection of operations*

|   |  |
|---|--|
| <p><b>Investment Priority 6.d</b></p>   | <p><i>“Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure”</i></p> |
| <p>The selection of projects will be carried out in accordance with Article 12 of the ETC regulation, following a standardised assessment procedure, the objectives of which include:</p> <ul style="list-style-type: none"> <li>- Assessment of the relevance of a project proposal;</li> <li>- Assessment of the feasibility of the proposed approach;</li> <li>- Definition of a transparent and objective basis for decision making on proposal rejection or approval;</li> <li>- Provision of a base for communication and improvement among Programme bodies and applicants.</li> </ul> <p>The assessment will be conducted using the following sets of criteria:</p> <p><b>Strategic Assessment Criterion:</b></p> <p><b>This criterion shall examine:</b></p> <ul style="list-style-type: none"> <li>- The relevance, coherence and contribution of each project proposal to the ADRION Programme Objectives and especially the relevant Specific Objective addressed;</li> <li>- The contribution to the envisaged results per Investment Priority;</li> </ul> |  |

- The soundness of the concept and demonstration of the need for the proposed intervention in its thematic and territorial context;
- The added value of transnational cooperation and
- The proposed partnership relevance to the above.

### **Operational Assessment Criterion**

#### **This criterion shall examine:**

- The adequacy of the management provisions in terms of structures, procedures and competences;
- The quality and effectiveness of communication provisions;
- The quality of the Work Plan in relation to clarity and coherence of the operational objectives, activities and means, feasibility, efficiency of the project and its results, potential for uptake and embedment into operative procedures of the partners involved;
- The adequacy of the budget provisions to guarantee the project implementation and generate value for money.

### **Coherence to Horizontal Principles Criterion**

This criterion shall examine the extent to which projects have integrated within their intervention logic:

- PA 2 horizontal principles, such as promotion of energy and resource efficiency and consideration of the principles of open access to innovation benefits and reproducibility;
- ADRION cross-cutting dimensions as defined in Section 1 of the CP; equal opportunities and non-discrimination, equality between men and women, social cohesion and social innovation, data and knowledge management, use of ICT, territorial and eco-systemic approach;
- Thematic Proximity to the EUSAIR and uptake potential in the entire area.

The above elements should not be considered as a “check list”, but should rather encourage projects to proactively develop their project ideas within the logic of the Programme.

These three criteria are presented in the order of importance for the project. The Strategic Assessment Criterion examines the relevance of the project proposal; hence it retains absolute primacy over the other two criteria. The Operational Assessment Criterion ensures the successful delivery of results; hence it is enjoying a larger weight than the Coherence to Horizontal Principles Criterion, which is basically oriented towards integration of a “relevant and feasible” proposal into the ADRION logic.

The detailed assessment criteria will be laid down and made available to potential applicants in the programme related manual.

Preparatory cost will be eligible under the PA 2 funds

### 2.A.6.3. Planned use of financial instruments

|   |  |
|---|--|
| <b>Investment Priority 6.d</b>  | <b><i>“Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure”</i></b> |
| Planned use of financial instruments  |  |
| The opportunity of the elaboration and implementation of financial instruments will be debated during the implementation of the programme |  |

### 2.A.6.4. Planned use of major projects

*Not applicable*

### 2.A.6.5. Output indicators

**Table 4: Common and programme specific output indicators** *(by investment priority)*

| <b>ID</b>       | <b>Output Indicator</b>  | <b>Measurement unit</b> | <b>Target value (2023)</b> | <b>Source of data</b><br><i>200 char.</i> | <b>Frequency of reporting</b><br><i>100 char.</i> |
|-----------------|--|-------------------------|----------------------------|---|---|
| <b>OI_6d1_1</b> | Number of supported transnational cooperation networks                                   | Number                  | 20                         | Monitoring/Project progress reports       | Annually  |
| <b>OI_6d1_2</b> | Number of strategies and action plans developed in the field of environmental protection | Number                  | 15                         | Monitoring/Project progress reports       | Annually  |



## 2.A.7. Performance framework

Table 13: Performance framework of the priority axis

| Priority axis | Indicator Type (key implementation step, financial, output or, where appropriate, result indicator) | ID        | Indicator or key implementation step  | Measurement unit, where appropriate | Milestone for 2018 | Final target (2023) | Source of data                          | Explanation of the relevance of the indicator, where appropriate |
|---------------|---|-----------|---|-------------------------------------|--------------------|---------------------|---|--|
| 2             | Financial   |           | Financial   | EUR                                 | 7%                 | 100%                | Monitoring                              |  |
| 2             | Output  | OI_6c.1_2 | Number of strategies and action plans developed in the field of natural and cultural heritage and tourism | Number                              | 4                  | 30                  | Monitoring/<br>Project progress reports |  |
| 2             | Output  | OI_6d.1_2 | Number of strategies and action plans developed in the field of environmental protection                  | Number                              | 2                  | 15                  | Monitoring/<br>Project progress reports |  |

**2.A.1. Priority Axis 3**

|              |                         |
|--------------|-------------------------|
| <b>ID</b>    | <b>PRIORITY AXIS 3</b>  |
| <b>Title</b> | <b>Connected Region</b> |

- The entire priority axis will be implemented solely through financial instruments
- The entire priority axis will be implemented solely through financial instruments set up at Union level
- The entire priority axis will be implemented through community-led local development

**2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective**

*Not applicable*

**2.A.3. Fund and calculation basis for the Union support**

|  |                       |
|--|-----------------------|
| <b>Fund</b>  | <b>ERDF+ IPA</b>      |
| <b>Calculation Basis</b> ( <i>total eligible expenditure</i> ) | <b>EUR 17.848.191</b> |

**2.A.4. Investment priority 7c**

|  |
|--|
| <b>INVESTMENT PRIORITY 7.c</b>   |
| <i>Developing and improving environment-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility</i> |

**2.A.5. Specific objective 3.1.**

|                           |  |
|---------------------------|--|
| <b>ID</b>                 | <b>3.1</b>   |
| <b>Specific Objective</b> | <b>Enhance capacity for integrated transport and mobility services and multimodality in the Adriatic-Ionian area</b> |

|                         |   |
|-------------------------|---|
| <b>Expected results</b> | The area is characterised by the dominance of road transport on land bound routes and the large number of smaller and bigger ports at the coast line. The connections to the hinterland are poor with many bottlenecks on multimodal connections, while coordination is also inadequate. This is evident by the maritime traffic congestion at ports and the border waiting times, as the number of visitors and the volume |
|-------------------------|---|

|  |   |
|--|---|
|  | <p>of container transport are increasing in the area.</p> <p>Density of railway network is lower than the EU average. Railroad connections are also more developed in the periphery of the programme area (on the Italian Peninsula and on the North South Direction from Slovenia to Greece), whereas the centre of the area is poorly served, especially in the East-West direction.</p> <p>Some constraints are dictated by geography and can be hardly overcome; others are rather a consequence of the spatial interactions and planning decisions of the past. Thus, fragmentation and isolation of many areas is evident.</p> <p>The lack of efficient multimodal networks (road, rail air, water transport) as well as low connectivity and mobility of peripheral areas can be addressed by improving the strategic transport management. Waterway transport plays a key role in this respect, especially since it has a relatively low environmental impact, thus the creation of an efficient multimodal transport system in the region may become a driving force in support for its sustainable development. Besides the call for optimisation of individual modes of transport (i.e. making them more environmentally-friendly, safe and energy efficient), there is need for efficient multi-modal freight transport and logistics chains, surveillance and coordination and substantial investments in order to meet technological, industrial, safety, security, environmental and climate change challenges.</p> <p><b>The expected results are:</b></p> <ul style="list-style-type: none"> <li>• Common understanding among ADRION Partner States of the “status quo” and the potential in the Adriatic Ionian area for multimodal, environmental-friendly and low carbon transport and mobility infrastructures and services</li> <li>• Enhancement of the competencies/skills of the stakeholders and involved parties</li> <li>• Increase in the implementation options for multimodal, environmental-friendly and low carbon transport and mobility infrastructures and services</li> <li>• Enhanced involvement of tourism actors, residents and economic operators for investment in multimodal, environmental-friendly and low carbon transport and mobility infrastructures and services</li> <li>• Harmonised and/or joint infrastructures, tools and management structures</li> <li>• Enhancement of the maturity and coordination of investments in multimodal, environmental-friendly and low carbon transport and mobility infrastructures and services.</li> </ul> |
|--|---|

**Table 3: Programme specific result indicators** (by specific objective)

One (if possible) and no more than two result indicators should be used for each specific objective. The need for more indicators should be exceptional

| ID   | Result Indicator  | Measurement Unit      | Baseline Value | Baseline Year | Target Value <sup>10</sup> (2023)<br><i>100 char.</i> | Source of Data<br><i>200 char.</i> | Frequency of reporting<br><i>100 char.</i> |
|------|---|-----------------------|----------------|---------------|---|------------------------------------|--|
| 7c.1 | Level of capacity of organisations in the field of transport and mobility to transnationally plan and implement sustainable and multimodal transport and mobility solutions | % of maximum possible | 66,6%          | 2014          | Increase  | Survey                             | 2018, 2023                                 |

---

<sup>10</sup> Target values can be qualitative or quantitative.

## 2.A.6. Actions to be supported under the investment priority

### 2.A.6.1. A description of the type and examples of actions to be supported

|   |   |
|---|---|
| <b>Investment Priority 7.c</b>  | <i>Developing and improving environment-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility”</i> |
| <p><b>Indicative Actions to be supported are:</b></p> <ul style="list-style-type: none"> <li>• Set up of transnational frameworks, platforms and networks for the identification of existing potentials and obstacles in the fields of integrated transport and mobility services and multimodality (mapping of resources, studies, pilots and strategies, market demand e.g. for freight routes, prerequisites and “soft” factors for implementation and the monitoring of the outcomes of integrated transport and mobility services and multimodality nodes);</li> <li>• Development of joint approaches and instruments in the field of maritime transport, such as a modern ship reporting system in the Adriatic Sea (Common Adriatic-Ionian Vessel Traffic Monitoring and Information System ADRIREP), motorways of the sea, and related port infrastructures and ITS (Intelligent Transport System);</li> <li>• Building up of networks and working groups for the standardisation of legal requirements, technical specifications and capacity building in the field of planning and environmental impact assessment of intermodal transport investments and related operation and logistics services along with related communication activities;</li> <li>• Establishment of networks and working groups on issues related to the design, coordination and operation of integrated environmental-friendly and low carbon transport and mobility services and multimodality structures especially in metropolises, functional urban areas and in areas under land use pressure (e.g. coasts);</li> <li>• Support the transfer and uptake of existing local/regional solutions and instruments; capitalisation of on-going technological innovations for a more sustainable organisation of environmental-friendly - low carbon transport and mobility services and multimodality nodes, as well as new technologies applications;</li> <li>• Study, design and testing of operational, technological and funding models for the preparation of infrastructure investments for environmental-friendly and low carbon transport and mobility services and multimodality;</li> <li>• Development of transnational platforms for the coordination of environmental-friendly and low carbon transport and mobility services and infrastructures taking into account the possibilities offered by modern technologies, the environmental and seasonal constraints and the synergies of the demand by tourism, resident population and economic operators.</li> </ul> <p><b>Target groups</b></p> <ul style="list-style-type: none"> <li>• General public;</li> <li>• Enterprises, including SME;</li> <li>• Those groups listed under the caption “Indicative types of beneficiaries”.</li> </ul> |   |

**Indicative types of beneficiaries**

- Local Authorities;
- Regional Authorities;
- National Authorities;
- Agencies;
- Infrastructure and (public) service providers;
- Research & Engineering Institutions;
- Higher education institutions;
- Business support organisations;
- Interest groups including NGOs and citizen associations.

*2.A.6.2. The guiding principles for the selection of operations*

|  |   |
|--|---|
| <b>Investment Priority 7.c</b>   | <i>Developing and improving environment-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility”</i> |
| <p>The selection of projects will be carried out in accordance with Article 12 of the ETC regulation, following a standardised assessment procedure, the objectives of which include:</p> <ul style="list-style-type: none"> <li>- Assessment of the relevance of a project proposal;</li> <li>- Assessment of the feasibility of the proposed approach;</li> <li>- Definition of a transparent and objective basis for decision making on proposal rejection or approval;</li> <li>- Provision of a base for communication and improvement among Programme bodies and applicants.</li> </ul> <p>The assessment will be conducted using the following sets of criteria:</p> <p><b>Strategic Assessment Criterion:</b></p> <p><b>This criterion shall examine:</b></p> <ul style="list-style-type: none"> <li>- The relevance, coherence and contribution of each project proposal to the ADRION Programme Objectives and especially the relevant Specific Objective addressed;</li> <li>- The contribution to the envisaged results per Investment Priority;</li> <li>- The soundness of the concept and demonstration of the need for the proposed intervention in its thematic and territorial context;</li> <li>- The added value of transnational cooperation and</li> <li>- The proposed partnership relevance to the above.</li> </ul> <p><b>Operational Assessment Criterion</b></p> <p><b>This criterion shall examine:</b></p> <ul style="list-style-type: none"> <li>- The adequacy of the management provisions in terms of structures, procedures and</li> </ul> |   |

competences;

- The quality and effectiveness of communication provisions;
- The quality of the Work Plan in relation to clarity and coherence of the operational objectives, activities and means, feasibility, efficiency of the project and its results, potential for uptake and embedment into operative procedures of the partners involved;
- The adequacy of the budget provisions to guarantee the project implementation and generate value for money.

### **Coherence to Horizontal Principles Criterion**

This criterion shall examine the extent to which projects have integrated within their intervention logic:

1. PA 3 **Horizontal** principles, such as promotion of energy and resource efficiency and consideration of the principles of open access to innovation benefits and reproducibility;
2. ADRION cross-cutting dimensions as defined in Section 1 of the CP; equal opportunities and non-discrimination, equality between men and women, social cohesion and social innovation, data and knowledge management, use of ICT, territorial and eco-systemic approach
3. Thematic Proximity to the EUSAIR and uptake potential in the entire area.

The above elements should not be considered as a “check list”, but should rather encourage projects to proactively develop their project ideas within the logic of the Programme.

These three criteria are presented in the order of importance for the project. The Strategic Assessment Criterion examines the relevance of the project proposal; hence it retains absolute primacy over the other two criteria. The Operational Assessment Criterion ensures the successful delivery of results; hence it is enjoying a larger weight than the Coherence to Horizontal Principles Criterion, which is basically oriented towards integration of a “relevant and feasible” proposal into the ADRION logic.

The detailed assessment criteria will be laid down and made available to potential applicants in the programme related manual.

Preparatory cost will be eligible under the PA 3 funds.

### 2.A.6.3. Planned use of financial instruments

|   |   |
|---|---|
| <b>Investment Priority 7.c</b>  | <b><i>“Developing and improving environment-friendly (including low-noise) and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility”</i></b> |
| Planned use of financial instruments  |   |
| The opportunity of the elaboration and implementation of financial instruments will be debated during the implementation of the programme |   |

### 2.A.6.4. Planned use of major projects

*Not applicable*

### 2.A.6.5. Output indicators

**Table 4: Common and programme specific output indicators** *(by investment priority)*

| <b>ID</b>        | <b>Output Indicator</b>  | <b>Measurement unit</b> | <b>Target value (2023)</b> | <b>Source of data</b><br><i>200 char.</i> | <b>Frequency of reporting</b><br><i>100 char.</i> |
|------------------|--|-------------------------|----------------------------|---|---|
| <b>OL_7c.1_1</b> | Number of supported transnational cooperation networks in the field of environment-friendly and low-carbon transport systems | Number                  | 6                          | Monitoring/Project progress reports       | Annually  |
| <b>OL_7c.1_2</b> | Number of strategies and action plans developed in the field of environment-friendly and low-carbon transport systems        | Number                  | 12                         | Monitoring/Project progress reports       | Annually  |



## 2.A.7. Performance framework

Table 13: Performance framework of the priority axis

| Priority axis | Indicator Type (key implementation step, financial, output or, where appropriate, result indicator) | ID        | Indicator or key implementation step  | Measurement unit, where appropriate | Milestone for 2018 | Final target (2023) | Source of data                          | Explanation of the relevance of the indicator, where appropriate |
|---------------|---|-----------|---|-------------------------------------|--------------------|---------------------|---|--|
| 3             | Financial   |           | Financial   | EUR                                 | 7%                 | 100%                | Monitoring                              |  |
| 3             | Output  | OI_7c.1_2 | Number of strategies and action plans developed in the field of environment-friendly and low-carbon transport systems | Number                              | 2                  | 12                  | Monitoring/<br>Project progress reports |  |

**2.A.1 Priority Axis 4**

| ID           | PRIORITY AXIS 4                                |
|--------------|--|
| <b>Title</b> | <b>Supporting the governance of the EUSAIR</b> |
|              |  |

- The entire priority axis will be implemented solely through financial instruments
- The entire priority axis will be implemented solely through financial instruments set up at Union level
- The entire priority axis will be implemented through community-led local development

**2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective**

*Not applicable*

**2.A.3. Fund and calculation basis for the Union support**

|  |                      |
|--|----------------------|
| <b>Fund</b>  | <b>ERDF+ IPA</b>     |
| <b>Calculation Basis</b> ( <i>total eligible expenditure</i> ) | <b>EUR 9.915.662</b> |

**2.A.4. Investment priority 11**

| INVESTMENT PRIORITY 11  |
|---|
| <b>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies[article. 7 (b) Regulation (EU) 1299/13]</b> |

**2.A.5. Specific objective 4.1.**

| ID                        | 4.1   |
|---------------------------|---|
| <b>Specific Objective</b> | <b>SO 4.1:</b> Facilitate the coordination and implementation of the EUSAIR by enhancing the institutional capacity of public administrations and key stakeholders and by assisting the progress of implementation of joint priorities. |
|                           |   |

|   |   |
|---|---|
| <p><b>Expected results</b><br/><i>3500 char. max.</i></p> | <p>To respond in a coordinated way to the development needs of the Adriatic Ionian Region is a key challenge for all Partner States due to the heterogeneity of individual administrative and institutional capacities, the different political structures and governance systems. However, the countries and regions in this area, despite their distinct levels of development, needs and institutional capacities, share common history and have common growth potentials, such as land-sea connections, exceptional rich cultural and natural heritage and biodiversity. Therefore, in order to facilitate the implementation of the EUSAIR a strategic project will be set up within the Transnational Adriatic Ionian Programme under Thematic objective 11 aiming at supporting good and stable governance mechanisms and facilitating the implementation of the EUSAIR Action Plan through networking, coordination and assistance mechanisms. These objectives will be achieved only if the countries and regions, come together and committedly join forces also in the perspective of future EU enlargement . To fully exploit the potential offered by the EUSAIR, it is paramount to ensure adequate support to key governance EUSAIR actors and heterogeneous stakeholders (local, regional, national, EU, economic and social actors, civil society, etc.) and to facilitate the process of coordination between different programmes and funds in the Adriatic Ionian Region as a whole and in each Partner State in particular.</p> <p><b>The expected result is:</b></p> <ul style="list-style-type: none"> <li>• Built up capacity of governance actors and stakeholders to implement EUSAIR.</li> </ul> |
|---|---|

**Table 3: Programme specific result indicators** (by specific objective)

One (if possible) and no more than two result indicators should be used for each specific objective. The need for more indicators should be exceptional

| <b>ID</b>                     | <b>Result Indicator</b>   | <b>Measurement Unit</b> | <b>Baseline Value</b>                              | <b>Baseline Year</b> | <b>Target Value<sup>11</sup> (2023)</b><br><i>100 char. max</i> | <b>Source of Data</b><br><i>200 char. max</i>          | <b>Frequency of reporting</b><br><i>100 char. max</i> |
|-------------------------------|---|-------------------------|--|----------------------|---|--|---|
| <b>IP 11</b><br><b>SO 4.1</b> | The status of management capacities of national coordination level to effectively implement EUSAIR goals, targets and key actions | Semi-quantitative scale | Zero level (0,00)*<br>Established through a survey | 2015                 | Improvement (qualitative target)                                | Survey (questionnaire) among the national coordinators | 2017<br>2019<br>2023                                  |

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<sup>11</sup> Target values can be qualitative or quantitative.

## 2.A.6. Actions to be supported under the investment priority

### 2.A.6.1. Description of the type and examples of actions to be supported

|  |   |
|--|---|
| <b>Investment Priority 11</b>  | <b>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies[article. 7 (b) Regulation (EU) 1299/13]</b> |
| <p>The EUSAIR governance structure is responsible for the management and the implementation of the Strategy. The countries involved in the EUSAIR take their share of responsibility for implementation and coordination of the Strategy.</p> <p>The aim of this PA is to establish an operational tool for the EUSAIR governance: the tool will be the Facility Point based in coastal region of Slovenia and its network of Liaison points in Partner States - relying on existing structures - since the capacity should be built at the level of each country as well of the whole area.</p> <p>Within this framework, one Action is envisaged which is:</p> <ul style="list-style-type: none"> <li>- Operational support to the key EUSAIR governance actors and stakeholders in their respective roles.</li> </ul> <p>This action may include indicative activities such as:</p> <ul style="list-style-type: none"> <li>- Assisting the governing board and thematic steering groups in their day to day roles</li> <li>- Facilitating the development and functioning of the stakeholders platform;</li> <li>- Ensuring communication, information, visibility, awareness raising;</li> <li>- Facilitating policy debates and sharing of experiences;</li> <li>- Supporting of the building of the knowledge base;</li> <li>- Supporting the preparation of strategic macro-regional projects in coordination with the Steering groups;</li> <li>- Facilitating a dialogue with bodies in charge of implementation of programmes/financial instruments on alignment of funding for implementation of the Pillar projects.</li> </ul> <p>The details of this action will be further defined in the elaboration of the strategic project related to the establishment of the EUSAIR Facility Point.</p> <p><b>target groups</b></p> <ul style="list-style-type: none"> <li>• EUSAIR governance and management structures;</li> <li>• EUSAIR stakeholders.</li> </ul> <p><b>Indicative type of beneficiaries</b></p> <ul style="list-style-type: none"> <li>• Public authorities.</li> </ul> |   |

### 2.A.6.2. The guiding principles for the selection of operations

|   |   |
|---|---|
| <b>Investment Priority 11</b>   | <b>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies[article. 7 (b) Regulation (EU) 1299/13]</b> |
| <p>The Working Group set up from the Task Force for drafting PA4/TO 11 under the Slovenian coordination shall draft the strategic project proposal, which will be submitted to the MC for approval without publishing a call for proposals.</p> <p><b>The project proposal shall ensure the</b> relevance, coherence and contribution to the SO addressed the contribution to the envisaged results and reflects the needs of the EUSAIR governance structures.</p> <p>Preparation costs for project are eligible from the Priority axis 4 funds.</p> |   |

### 2.A.6.3. Planned use of financial instruments

Where applicable

|                                      |   |
|--------------------------------------|---|
| <b>Investment Priority 11</b>        | <b>Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by developing and coordinating macro-regional and sea-basin strategies[article. 7 (b) Regulation (EU) 1299/13]</b> |
| Planned use of financial instruments | Not applicable  |
|                                      |   |

### 2.A.6.4. Planned use of major projects

*Not applicable*

### 2.A.6.5. Output indicators

**Table 4: Common and programme specific output indicators (by investment priority)**

| <b>ID</b>                     | <b>Output Indicator</b>  | <b>Measurement unit</b>                                | <b>Target value (2023)</b> | <b>Source of data</b><br><i>200 char. max.</i> | <b>Frequency of reporting</b><br><i>100 char. max.</i> |
|-------------------------------|--|--|----------------------------|--|--|
| <b>IP 11</b><br><i>SO 4.1</i> | No of events and meeting of the governance structures to facilitate implementation of the EUSAIR targets | Number events and meeting of the governance structures | 120                        | Progress reports                               | Annual   |

**Table 5: Performance framework of the priority axis**

| Priority axis | Indicator Type (key implementation step, financial, output or, where appropriate, result indicator) | ID           | Indicator or key implementation step   | Measurement unit, where appropriate | Milestone for 2018 | Final target (2023) | Source of data      | Explanation of the relevance of the indicator, where appropriate |
|---------------|---|--------------|--|-------------------------------------|--------------------|---------------------|---------------------|--|
| 4             | Financial   | OI_IP 11 4.1 | Financial  | EUR                                 | 7%                 | 100%                | Monitoring          |  |
|               |   | OI_IP 11 4.1 | No of events and meeting of the governance structures to facilitate implementation of the EUSAIR targets | Number                              | 32                 | 120                 | NC progress reports |  |

### 2.A.8. Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

**Tables 6-9: Categories of intervention**

| <b>Table 6: Dimension 1: Intervention field</b> |   |              |
|---|---|--------------|
| Priority Axis                                   | Code  | € amount     |
| <b>1</b>  | 60 Research and innovation activities in public research centres and centres of competence including networking   | 1.983.132,32 |
|   | 62 Technology transfer and university-enterprise cooperation primarily benefiting SMEs  | 3.966.264,64 |
|   | 63 Cluster support and business networks primarily benefiting SMEs  | 5.949.396,96 |
|   | 65 Research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on the low carbon economy and on resilience to climate change | 1.983.132,32 |
|   | 67 SME business development, support to entrepreneurship and incubation (including support to spin  | 5.949.396,96 |

|   |  |               |
|---|--|---------------|
|   | offs and spin outs)  |               |
| 2 | 91 Development and promotion of the tourism potential of natural areas   | 6.841.806,50  |
|   | 94 Protection, development and promotion of public cultural heritage assets  | 6.841.806,50  |
|   | 95 Development and promotion of public cultural and heritage services  | 9.122.408,67  |
|   | 21 Water management and drinking water conservation (including river basin management, water supply, specific climate change adaptation measures, district and consumer metering, charging systems and leak reduction)                               | 4.561.204,34  |
|   | 85 Protection and enhancement of biodiversity, nature protection and green infrastructure  | 4.561.204,34  |
|   | 86 Protection, restoration and sustainable use of Natura 2000 sites  | 4.561.204,34  |
|   | 87 Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures | 9.122.408,67  |
| 3 | 036 Multimodal transport   | 8.924.095,44  |
| 3 | 44 Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring control and information systems)   | 10.498.935,81 |
| 4 | 119 Investment in institutional capacity and in the efficiency of public administrations and public services at the national, regional and local levels with a view to reforms, better regulation and good governance                                | 9.915.662,00  |
| 5 | 121 Preparation, implementation, monitoring and inspection   | 1.983.132,32  |



|   |                                   |              |
|---|-----------------------------------|--------------|
| 5 | 122 Evaluation and studies        | 1.983.132,32 |
| 5 | 123 Information and Communication | 1.983.132,32 |

**Table 7: Dimension 2: Form of Finance**

| Priority Axis | Code                   | € amount   |
|---------------|------------------------|------------|
| 1             | 01 Non-repayable grant | 19.831.323 |
| 2             | 01 Non-repayable grant | 45.612.043 |
| 3             | 01 Non-repayable grant | 17.848.191 |
| 4             | 01 Non-repayable grant | 9.915.662  |
| 5             | 01 Non-repayable grant | 5.949.397  |

**Table 8: Dimension 3: Territory type**

| Priority Axis | Code   | € amount      |
|---------------|--|---------------|
| 1             | 01 Large Urban areas (densely populated > 50 000 population)   | 17.848.190,88 |
|               | 02 Small Urban areas (intermediate density > 5 000 population) | 1.983.132,32  |
| 2             | 01 Large Urban areas (densely populated > 50 000 population)   | 13.683.613,01 |
|               | 02 Small Urban areas (intermediate density > 5 000 population) | 22.806.021,68 |
|               | 03 Rural areas (thinly populated)                              | 9.122.408,67  |
| 3             | 01 Large Urban areas (densely populated > 50 000 population)   | 17.848.190,88 |
| 4             | 04 Macro-regional strategies                                   | 9.915.661,60  |
| 5             | 07 Not applicable  | 5.949.396,96  |

| <b>Table 9: Dimension 6: Territorial delivery mechanisms</b> |                   |                 |
|--|-------------------|-----------------|
| <b>Priority Axis</b>   | <b>Code</b>       | <b>€ amount</b> |
| <b>1</b>   | 07 Not applicable | 19.831.323      |
| <b>2</b>   | 07 Not applicable | 45.612.043      |
| <b>3</b>   | 07 Not applicable | 17.848.191      |
| <b>4</b>   | 07 Not applicable | 9.915.662       |
| <b>5</b>   | 07 Not applicable | 5.949.397       |

#### **2.A.9. A summary of the planned use of technical assistance**

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

| <b>PRIORITY AXIS</b> | <b>TECHNICAL ASSISTANCE</b>  |
|----------------------|--|
|                      | There is no action limited to improving the implementation capacity of one specific Priority Axis. Actions of technical assistance concern all Priority Axes and are developed in section 2.B. |

#### **Section 2.B. Description of the priority axis for technical assistance**

##### **2.B.1. Priority Axis 5**

| <b>ID</b>    | <b>PRIORITY AXIS 5</b>      |
|--------------|-----------------------------|
| <b>Title</b> | <b>Technical Assistance</b> |

##### **2.B.2. Fund and calculation basis for Union support**

| <b>Fund</b>   | <b>ERDF +IPA</b>     |
|---|----------------------|
| <b>Calculation Basis</b><br>(total eligible expenditure ) | <b>EUR 5.949.397</b> |

**2.B.3. Specific objectives and expected results***(Reference: points (c)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)***Specific Objective** *(repeated for each specific objective)*

|                           |  |
|---------------------------|--|
| <b>ID</b>                 | <b>5.1</b>   |
| <b>Specific objective</b> | <b><i>To increase in efficiency and effectiveness the management and implementation of the cooperation programme</i></b> |

|                         |  |
|-------------------------|--|
| <b>Expected results</b> | <p>A sound management of the cooperation programme is the pre-condition for its effective implementation. The result expected within this specific objective is thus directly linked to the need of ensuring an adequate management and control environment of the programme, as described in Section 5.3, ensuring that all programme implementation steps (including the launch of calls, contracting, monitoring of operations and programme achievements, reimbursement of expenditure, etc.) are timely and properly executed.</p> <p><u>Main change sought</u></p> <p>The ADRION programme is a new transnational cooperation programme which nonetheless can refer to a wide range of experiences and lessons learnt from transnational and cross-border cooperation programme implemented in the EU programming period 2007-2013 and, respectively, the Med, the South East Europe and the IPA CBC Adriatic programmes.</p> <p>In particular, the evaluation of the South East Programme 2007-2013 observed that administrative burden in the framework of implementation could be reduced.</p> <p>Accordingly, the change driven by the ADRION programme mainly refers to further improving and streamlining administrative procedures for a faster and more efficient implementation of the programme and an improvement of the support to beneficiaries so that they can apply in better conditions and submit more targeted and better quality projects.</p> |
|-------------------------|--|

|                           |   |
|---------------------------|---|
| <b>ID</b>                 | <b>5.2</b>  |
| <b>Specific objective</b> | <b><i>To improve the support to applicants and beneficiaries and to strengthen the involvement of relevant partners in the programme implementation</i></b> |

|                         |   |
|-------------------------|---|
| <b>Expected results</b> | Besides a sound programme management, the capacity of applicants and beneficiaries to participate in the programme, as well |
|-------------------------|---|

|  |   |
|--|---|
|  | <p>as the direct involvement of relevant partners, in accordance with the multi-level governance approach, as defined in Article 5 of the CPR (i.e. competent national, regional and local bodies representing public institutions at all relevant level, socio-economic bodies and the civil society), are key aspects of its successful implementation.</p> <p>In the implementation of SEE Programme, strategic calls proved to be successful in engaging core stakeholders. Strategic projects set up a more complex procedure for identifying relevant programme topics that have been narrowed down with the support of the programme national authorities and stakeholders and had more stricter eligibility rules in terms of objectives/results and beneficiaries.</p> <p><u>Main change sought</u></p> <p>In the framework of this specific objective, the programme will address the need to build capacity of applicants and beneficiaries to participate in operations and to reach effective results aimed at improving policies and strategies and/or investments on long term.</p> <p>The main change sought is an improvement of the quality of projects, which implies less numerous applications better corresponding to the requirements of the programme.</p> <p>This change will require an adaptation of calls for proposals (targeted calls, strategic calls...), simplified procedures and more targeted support to the applicants and to the beneficiaries (training on preparation of applications as well as on project management, mobilisation of the joint secretariat (JS), also through individual consultation, information, animation, mobilisation of national contact points).</p> <p>Accordingly, two main results are envisaged:</p> <ul style="list-style-type: none"> <li>- Increased capacity of applicants and beneficiary to participate in the programme;</li> <li>- Strengthened involvement of relevant partners in programme implementation.</li> </ul> |
|--|---|

**2.B.4. Result indicators**

*Not relevant as the Union support to technical assistance in the Adriatic-Ionian cooperation programme does not exceed 15 million euros*

**2.B.5. Actions to be supported and their expected contribution to the specific objective**

**2.B.5.1. A description of actions to be supported and their expected contribution to the specific objectives**

*(Reference: point (c)(iii) of Article 8(2) of Regulation (EU) No 1299/2013*

|  |                             |
|--|-----------------------------|
| <b>Priority Axis 5</b>   | <b>Technical Assistance</b> |
| <b>Types and examples of actions and expected contribution to the Specific Objectives:</b> |                             |

The following list of possible actions is only an indicative list and can be completed with other relevant actions contributing to the specific objective's goals.

**Specific Objective 5.1: Actions to increase in efficiency and effectiveness the management and implementation of the cooperation programme**

In line with Article 59 of the Regulation (EU) 1303/2013 (CPR), actions within Specific Objective 5.1 target the preparation, management, monitoring, evaluation, information and communication, networking, control and audit tasks of the programme. Moreover, actions referring to this Specific Objective also address the reduction of the administrative burden for beneficiaries.

Indicative actions supported under Specific Objective 5.1 are listed below and refer to principles and tasks described in Sections 5.3 and 7:

- Setting up and managing of a joint secretariat supporting the MA//CA and assisting the MC (monitoring committee) and, where necessary, the AA (audit authority) and the GoA (Group of Auditors) in the implementation and day-to-day management of the programme;
- Preparing and implementing calls for proposals, including the development of guidance documents setting out the conditions for the support of operations;
- Setting-up and implementing procedures for the quality assessment, monitoring and control of operations implemented under the cooperation programme, also making use of external experts where necessary, and contributing to the reduction of administrative burden for beneficiaries;
- Collecting data concerning the progress of the programme in achieving its objectives, as well as financial data and data relating to indicators and milestones, and reporting to the monitoring committee and the European Commission;
- Drafting and implementing the programme communication strategy, including the setting up and implementation of information and communication measures and tools in line with Article 115 of the Regulation (EU) 1303/2013 (CPR);
- Drafting and implementing the programme evaluation plan and follow-up of findings of independent programme evaluations;
- Setting-up, running and maintenance of a computerised system to record and store data on each operation necessary for monitoring, evaluation, financial management, verification and audit, in compliance with the applicable electronic data exchange requirements and contributing to the reduction of administrative burden for beneficiaries;
- Setting-up a network of national first level controllers, coordinated by the MA/Joint secretariat, with the purpose of exchanging information and best practices at transnational level;
- Setting up and execution of audits on the programme management and control system and on operations;
- Training for Programme bodies Participation to international conferences.

**Specific Objective 5.2: Actions to improve the support to applicants and beneficiaries and to strengthen the involvement of relevant partners in the programme implementation**

In line with Article 59 of the Regulation (EU) 1303/2013 (CPR), actions within Specific Objective 5.2 target the reinforcement of capacity of applicants and beneficiaries to apply for and to use the funds as well as the involvement of relevant

partners, including the exchange of good practices among partners.

Indicative actions supported within Specific Objective 5.2 are listed below and they refer to principles and tasks described in Sections 5.

- Drafting of information documents for applicants and beneficiaries to guide them in the preparation of applications and the implementation, evaluation, control and communication of approved operations;
- Organising consultation, information, training and exchange events to strengthen the capacity of applicants to develop applications directly contributing to the programme Specific Objectives and expected results;
- Organising trainings on specific implementation issues such as project and financial management, reporting, control, audit, communication and networking to strengthen the capacity of beneficiaries to implement approved operations;
- Organising monitoring visit to running projects performed by the JS aimed at carrying out, whenever needed, quality assessment of outputs/results, with the possibility to ask for improvements;
- Developing information and exchange tools (e.g. analytical documents, bilateral meetings, targeted events, etc.) and organisation of transnational and national events to strengthen the involvement of relevant partners in the implementation of the programme (also including authorities involved in the development or implementation of macro-regional strategies, joint legal bodies operating in the area (EGTCs,...) and umbrella organisations at EU/transnational level);
- Coordinating a network of national contact points selected or nominated according to jointly established criteria;
- Executing studies, reports and surveys on strategic matters concerning the programme that can contribute to the sustainability and take up of results and achievements into policies, strategies, investments or that are of public interest, making use of experts when necessary;

Preparation costs for project are eligible from the Priority axis 5 funds.

Technical Assistance actions shall be implemented by all authorities involved in the management of the Programme, listed in Section 5.3.

### 2.B.5.2. Output indicators

(Reference: point (c)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

**Table 11: Output indicators** (by priority axis)

| <b>ID</b> | <b>Indicator</b>                                     | <b>Measurement unit</b> | <b>Target value (2023)</b><br><i>(optional)</i> | <b>Source of data</b>         |
|-----------|--|-------------------------|---|-------------------------------|
|           | Calls for proposals successfully launched and closed | No.                     | 2   | Observation                   |
|           | Operations approved following calls for              | No.                     | 40  | Programme e-Monitoring System |

|  |   |     |     |  |
|--|---|-----|-----|--|
|  | proposals   |     |     |  |
|  | Periodic progress reports of operations monitored and paid  | No. | 300 | Programme e-Monitoring System          |
|  | Programme communication strategy developed and implemented  | No. | 1   | Observation<br>Programme Annual Report |
|  | Independent programme evaluations implemented (ex-ante and during programme implementation)           | No. | 2   | Observation                            |
|  | Programme e-Monitoring System developed and implemented   | No. | 1   | Observation                            |
|  | Network of national controllers established   | No. | 1   | Observation                            |
|  | Audits on programme management and control system and on operations                                   | No. | --  | Programme e-Monitoring System          |
|  | Consultation, information, training and exchange workshops for applicants and beneficiaries organised | No. | --  | Observation                            |
|  | Established National Contact Points   | No. | 8   | Observation                            |

### 2.B.6. Categories of intervention

Corresponding categories of intervention based on a nomenclature adopted by the Commission, and an indicative breakdown of the Union support

**Table 12-14: Categories of intervention**

| <b>Table 12: Dimension 1: Intervention field</b> |  |                 |
|--|--|-----------------|
| <b>Priority Axis</b>                             | <b>Code</b>  | <b>€ amount</b> |
| <b>5</b>   | 121: Preparation, implementation monitoring and inspection | 5.332.083       |
| <b>5</b>   | 122: Evaluation and studies                                | 129.619         |
| <b>5</b>   | 123: Information and communication                         | 667.722         |

| <b>Table 13: Dimension 2: Form of finance</b> |             |                 |
|---|-------------|-----------------|
| <b>Priority Axis</b>                          | <b>Code</b> | <b>€ amount</b> |

|          |                         |                  |
|----------|-------------------------|------------------|
| <b>5</b> | 01: Non-repayable grant | <b>5.949.397</b> |
|----------|-------------------------|------------------|

**Table 14: Dimension 2: Territory type**

| <b>Priority Axis</b> | <b>Code</b>        | <b>€ amount</b>  |
|----------------------|--------------------|------------------|
| <b>5</b>             | 07: Not applicable | <b>5.949.397</b> |



**SECTION 3. THE FINANCING PLAN***(Reference: point (d) of Article 8(2) of Regulation (EU) No 1299/2013)***3.1. Financial appropriation from ERDF and IPA***(Reference: point (d)(i) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 15**

|   | <b>2014</b>      | <b>2015</b>      | <b>2016</b>       | <b>2017</b>       | <b>2018</b>       | <b>2019</b>       | <b>2020</b>       | <b>Total</b>      |
|---|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>ERDF</b>                                     | <b>4.140.064</b> | <b>6.045.053</b> | <b>8.632.718</b>  | <b>15.685.599</b> | <b>15.999.313</b> | <b>16.319.298</b> | <b>16.645.684</b> | <b>83.467.729</b> |
| <b>IPA amounts</b><br><i>(where applicable)</i> | <b>778.181</b>   | <b>1.136.249</b> | <b>1.622.636</b>  | <b>2.948.320</b>  | <b>3.007.287</b>  | <b>3.067.432</b>  | <b>3.128.782</b>  | <b>15.688.887</b> |
| <b>ENI amounts</b><br><i>(where applicable)</i> |                  |                  |                   |                   |                   |                   |                   |                   |
| <b>Total</b>                                    | <b>4.918.245</b> | <b>7.181.302</b> | <b>10.255.354</b> | <b>18.633.919</b> | <b>19.006.600</b> | <b>19.386.730</b> | <b>19.774.466</b> | <b>99.156.616</b> |

### 3.2.A. Total financial appropriation from the ERDF + IPA

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

**Table 16: Financing plan**

| Priority axis   | Fund  | Basis for the calculation of the Union support | Union support (a) | National counterpart<br>(b) = (c) + (d) | Indicative breakdown of the national counterpart |                                  | Total funding<br>(e) = (a) + (b) (2) | Co-financing rate<br>(f) = (a)/(e) | For information                    |                   |
|-----------------|---|--|-------------------|---|--|----------------------------------|--------------------------------------|------------------------------------|------------------------------------|-------------------|
|                 |   |  |                   |   | National Public funding (c)                      | National private funding (1) (d) |                                      |                                    | Contributions from third countries | EIB contributions |
| Priority axis 1 | ERDF (possibly incl. amounts transferred from IPA and ENI)    |  | <b>16.693.546</b> | <b>2.945.920</b>                        | <b>2.356.736</b>                                 | <b>589.184</b>                   | <b>19.639.466</b>                    | <b>85%</b>                         |                                    |                   |
|                 | IPA   |  | <b>3.137.777</b>  | <b>553.725</b>                          | <b>442.980</b>                                   | <b>110.745</b>                   | <b>3.691.503</b>                     | <b>85%</b>                         |                                    |                   |
| Priority axis 2 | ERDF (possibly incl. amounts transferred from IPA and ENI)[1] |  | <b>38.395.155</b> | <b>6.775.616</b>                        | <b>6.098.054</b>                                 | <b>677.562</b>                   | <b>45.170.771</b>                    | <b>85%</b>                         |                                    |                   |
|                 | IPA   |  | <b>7.216.888</b>  | <b>1.273.568</b>                        | <b>1.146.212</b>                                 | <b>127.357</b>                   | <b>8.490.456</b>                     | <b>85%</b>                         |                                    |                   |

|                 |   |  |                   |                   |                   |                  |                    |               |
|-----------------|---|--|-------------------|-------------------|-------------------|------------------|--------------------|---------------|
| Priority axis 3 | ERDF (possibly incl. amounts transferred from IPA and ENI)[2] |  | <b>15.024.191</b> | <b>2.651.328</b>  | <b>2.121.062</b>  | <b>530.266</b>   | <b>17.675.519</b>  | <b>85%</b>    |
|                 | IPA   |  | <b>2.824.000</b>  | <b>498.353</b>    | <b>398.682</b>    | <b>99.671</b>    | <b>3.322.353</b>   | <b>85%</b>    |
| Priority axis 4 | ERDF (possibly incl. amounts transferred from IPA and ENI)[3] |  | <b>8.346.773</b>  | <b>1.472.960</b>  | <b>1.472.960</b>  |                  | <b>9.819.733</b>   | <b>85%</b>    |
|                 | IPA   |  | <b>1.568.889</b>  | <b>276.863</b>    | <b>276.863</b>    |                  | <b>1.845.751</b>   | <b>85%</b>    |
| Priority axis 5 | ERDF (possibly incl. amounts transferred from IPA and ENI)    |  | <b>5.008.064</b>  | <b>2.146.313</b>  | <b>2.146.313</b>  |                  | <b>7.154.377</b>   | <b>70%</b>    |
|                 | IPA   |  | <b>941.333</b>    | <b>166.118</b>    | <b>166.118</b>    |                  | <b>1.107.451</b>   | <b>85%</b>    |
| Total           | ERDF  |  | <b>83.467.729</b> | <b>15.992.136</b> | <b>14.195.125</b> | <b>1.797.011</b> | <b>99.459.865</b>  | <b>83,92%</b> |
|                 | IPA   |  | <b>15.688.887</b> | <b>2.768.627</b>  | <b>2.430.855</b>  | <b>337.773</b>   | <b>18.457.514</b>  | <b>85%</b>    |
| Total           | Total all Funds   |  | <b>99.156.616</b> | <b>18.760.763</b> | <b>16.625.980</b> | <b>2.134.784</b> | <b>117.917.379</b> | <b>84,09%</b> |

**3.2.B. Breakdown by priority axis and thematic objective***(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)***Table 17**

| <b>Priority axis</b> | <b>Thematic objective</b> | <b>Union support</b> | <b>National counterpart</b> | <b>Total funding</b> |
|----------------------|---------------------------|----------------------|-----------------------------|----------------------|
| Priority axis 1      | Thematic Objective 1      | 19.831.323           | 3.499.645                   | 23.330.968           |
| Priority axis 2      | Thematic Objective 6      | 45.612.043           | 8.049.184                   | 53.661.227           |
| Priority axis 3      | Thematic Objective 7      | 17.848.191           | 3.149.681                   | 20.997.872           |
| Priority axis 4      | Thematic Objective 11     | 9.915.662            | 1.749.823                   | 11.665.484           |
| Priority axis 5*     | Technical assistance      | 5.949.397            | 2.312.431                   | 8.261.828            |
| <b>TOTAL</b>         |                           | <b>99.156.616</b>    | <b>18.760.763</b>           | <b>117.917.379</b>   |

\* The possibility to increase the IPA II beneficiaries Countries share from 6% (EUR 941.333) up to 10% (EUR 1.568.889) for a total allocation to the PA of 9.002.701 EUR instead of 8.214.401 EUR will be explored with the EC during the negotiation phase.

**Table 18: The indicative amount of support to be used for climate change objectives**

*This table is generated automatically by SFC2014 based on categorisation tables included under each of the priority axes s.)*

*(Reference: Article 27(6) of Regulation (EU) No 1303/2013) <sup>12</sup>*

| <b>Priority axis</b> | <b>Indicative amount of support to be used for climate change objectives (EUR)</b> | <b>Proportion of the total allocation to the programme (%)</b> |
|----------------------|--|--|
| Priority axis 1      | 1,983,132.32   | 2.00%  |
| Priority axis 2      | 14,595,853.88  | 14.72%   |
| Priority axis 3      | 7,769,212.50   | 7.84 %   |
| Total                | 24.348.198,70  | 24,56%   |

---

<sup>12</sup> This table is generated automatically based on tables on categories of intervention included under each of the priority axes .

## SECTION 4. INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

(Reference: Article 8(3) of Regulation (EU) No 1299/2013)

The programme strategy addresses territorial challenges shared across the cooperation area and leverages its development potentials. The programme strategy reflects the transnationally shared challenges, needs and potentials that can be effectively tackled through cooperation. The consistency and complementarity of the strategy with national Partnership Agreements (PAs) and the Strategy Country papers of IPA countries has been verified, aiming for coordination with programmes of the “Investment for Growth and Jobs” goal. The national PAs recognise the three (3) Thematic Objectives selected for the ADRION Programme as highly relevant, with some PAs putting specific emphasis on the role of ETC in these thematic fields. The programme strategy promotes smart, sustainable and inclusive growth through an integrated approach combining thematic and territorial dimensions in the design of the priority axes, as summarised below. Consequently, supported operations will have to reflect this integrated territorial approach.

- Priority 1 (TO 1): Economic strength is unevenly distributed in the area, with R&D investments concentrated on few growth poles (mostly capital regions and agglomerations) and peripheral areas/regions with low competitiveness and brain drain. In particular, latter regions face weak linkages between actors of the innovation systems. The priority tackles the regional disparities by strengthening these linkages within and between regions by supporting the innovation networks and clusters and by counteracting brain drain and social exclusion.
- Priority 2 (TO 6): Natural and cultural heritage are regional development factors that are at risk of deterioration (e.g. through fragmentation of habitats, biodiversity loss, pollution) and unsustainable use. Land use conflicts, the decline of urban environment and urban sprawl are also observed. The priority tackles these issues by improving capacities for integrated management approaches, thereby fostering the sustainable use of natural and cultural heritage and resources as well as an improved quality of the urban environment.
- Priority 3 (TO 7): The area is characterised by highly accessible core regions and peripheral regions with limited connections. Disparities in the quality of public transport services can be observed and have also negative environmental and social impacts. The priority tackles these issues by improving coordination of passenger transport systems within regions and across borders by better connecting peripheral regions to national and European transport networks and by improving coordination among freight transport stakeholders for multimodal environmentally-friendly freight solutions.
- Priority Axis 4 (TO11): This priority axis will act only at governance level to facilitate the EUSAIR implementation and it is consequently not related to a specific territorial challenge. Nevertheless, the support will be provided to the key implementers of the strategy and will benefit the involved territories by improving their institutional capacity to tackle territorial issues.

### 1.3. *Community-led local development*

*Not relevant*

### 1.4. *Integrated actions for sustainable urban development*

(Reference: point (b) of Article 8(3) of Regulation (EU) No 1299/2013)

No specific urban areas have been identified to implement sustainable urban development. Partners of all urban areas located in regions eligible to the ADRION programme can participate to ADRION projects following the recommendations provided in the different priority axes and in the calls for projects.

#### ***4.3. Integrated Territorial Investment (ITI)***

*(Reference: point (c) of Article 8(3) of Regulation (EU) No 1299/2013)*

Though the focus on urban areas or other specific areas is considered as important by the programme Partner States, the system of Integrated Territorial Investment is not fully appropriate for transnational cooperation for the following reasons:

- The ADRION programme is not investment oriented even if it could support the preparation of large investments;
- It would necessitate the identification of specific intervention areas in the overall ADRION area which is too complex and time consuming for the preparation of a transnational CP;
- Selected areas would cover only part of eligible regions or eligible countries;
- ITI must be implemented by bodies supported by at least two different countries. The setting up of such bodies would be quite challenging at transnational level, especially because the average transnational partnership is composed of 10-12 partners coming from several different countries.

For this reason, and taking into account the fact that integrated territorial development is considered in a cross-cutting way in each priority axis, the programme will not use Integrated Territorial Investments for 2014-2020.

#### ***4.4. Contribution of planned interventions towards macro-regional and sea basin strategies***

*(Reference: point (d) of Article 8(3) of Regulation (EU) No 1299/2013)*

The programme strategy addresses territorial challenges shared across the regions of the cooperation area and leverages their development potentials.

The programme strategy has been developed with the contribution of stakeholders, expert research and the preparatory work for the definition of the EUSAIR Action Plan (SWD(2014) 190 final). Needs and challenges identified have been filtered through the feasibility filter of the transnational cooperation programme and the funds available within the ADRION programme.

Coherence with the Partnership Agreements and the Enlargement Strategy for Member and Non Member States respectively has been verified aiming at the coordination with the mainstream ERDF and IPA II interventions; the focused thematic orientation of the ADRION reflects the overall consensus of thematic priorities in the Partner States, namely innovation, environment, accessibility and, last but not least, governance.

The ADRION strategy is aligned with Europe 2020 promoting smart, sustainable and inclusive growth through an integrated approach combining thematic and territorial dimensions in the three thematic priority axes (PA1, PA2 and PA3). PA4 is oriented towards the EUSAIR and is thus an expression of integrated territorial development per se. Projects implemented with the support of the ADRION cooperation programme have to adhere to integrated territorial development too.

PA1 (TO1) focuses on innovation and aims to promote the unique competitive advantages of the Programme Area in order to enhance competitiveness and boost the creation of new jobs. As the territorial analysis demonstrated, the ADRION area is struggling toward building up efficient research and innovation systems, despite the existence of innovation poles in its periphery (Italy, Greece and Slovenia). R&D intensity is overall growing (about 0.75% in Croatia, 2.47% in Slovenia, 1.25% in Italy, 0.60% in Greece and an average of 0.3% in IPA countries) but efforts are still needed. For this reason, this Axis shall grant specific attention to blue growth and all the activities having strong links with the sea (such as marine and environmental industries, energy, tourism, culture connectivity).

PA2 (TO6) is acknowledging the rich natural and cultural heritage of the ADRION area both as a growth asset for tourism but also as a value per se. The ADRION programme tries to conciliate the different interests of tourists, residents and economic operators, by promoting sustainable tourism, valorisation of the heritage and last but not least environmental protection as a condition sine qua non for the sustainability of tourism and heritage utilisation. The approach directly addresses the territorial dimension both as a chance for rural and less developed areas to grow, but also as a platform of the debate of spatial uses in the congested and much sought coastal zones.

PA3 (TO7) is containing a territorial dimension per se by addressing connectivity in the context of the disparities in space between West and East but also across the dominating Adriatic and Ionian seas in the core of the ADRION area. The Programme is focusing on multimodality, logistics and environmental friendly and low carbon transport and mobility, contributing thus to the conciliation of the different uses and needs among regions and users.

*4.4 Where Member States and regions participate in macro-regional and sea basin strategies, the contribution of planned interventions towards such strategies, subject to*



*the needs of the programme area as identified by the relevant Member States and taking into account, where applicable, strategically important projects identified in the respective strategies.*

The ADRION Programme is covered by a dedicated EU Macro-Regional Strategy (MRS), the EUSAIR and is partially congruent with the EUDRS (which is long-established and relatively mature) and the “EU Strategy for the Alpine Region” EUSALP, which is currently under development. Due to its geographical coverage, the ADRION can potentially play an important role in exploiting synergies among MRS (and especially the EUDRS due to the similarities in the composition of the member states and the opportunity to draw from lessons learnt), therefore actively contributing to territorial integration beyond the macro-regional level.

The design of the ADRION strategy has been closely aligned to the pillars of the EUSAIR and in particular:

- PA1 on innovation addresses directly Pillar I on Blue Growth but also encompasses elements of the other three Pillars;
- PA2 on natural and cultural heritage and biodiversity addresses directly Pillar IV on Sustainable Tourism through IP6c, and also Pillar III on Environmental Quality through IP6d;
- PA3 on sustainable transport and mobility addresses directly Pillar II on connecting the Region and indirectly Pillar III through the promotion of environmental friendly low carbon transport and also Pillar IV as a prerequisite for tourism;
- PA4 is focusing directly on the governance aspects of the EUSAIR, thus acting as an umbrella to all four pillars.

ADRION also demonstrates close links with EUSDR namely:

- ADRION PA1 is related to EUSDR PA02, PA08 and PA9;
- ADRION PA2 is related to EUSDR PA02, PA03, PA04, PA05 and PA06
- ADRION PA3 is related to EUSDR PAA1A and PA01B;
- ADRION PA4 is related to EUSDR PA10.

With regard to EUSALP, an adoption and an action plan are expected for mid-2015, following the invitation of the European Commission by the European Council in December 2013. The EUSALP will be based on three key thematic pillars:

- Pillar 1. Fostering sustainable growth and promoting innovation in the Alps: from theory to practice, from research centres to enterprises which bears great resemblance to ADRION PA1;
- Pillar 2. Connectivity for all: in search of a balanced territorial development through environmentally friendly mobility patterns, transport systems and communication services and infrastructures which bears great resemblance to ADRION PA1 and PA3;
- Pillar 3. Ensuring sustainability in the Alpine Region: preserving the Alpine heritage and promoting a sustainable use of natural and cultural resources which bears great resemblance to ADRION PA2.

The ADRION Programme aims to closely monitor the development under those two MRS and activate PA4 for the utilisation of synergies.

**SECTION 5: IMPLEMENTING PROVISIONS FOR THE COOPERATION PROGRAMME***(Reference: Article 8(4) of Regulation (EU) No 1299/2013)***5.1. Relevant authorities and bodies***(Reference: Article 8(4) of Regulation (EU) No 1299/2013)***Table 21: Programme authorities***(Reference: point (a)(i) of Article 8(4) of Regulation (EU) No 1299/2013)*

| <b>Authority/Body</b>       | <b>Name of the Authority/Body and Department or Unit</b>  | <b>Head of the Authority/Body</b>                      |
|-----------------------------|---|--|
| <b>Managing authority</b>   | Regione Emilia-Romagna<br>Direzione Generale,<br>Programmazione territoriale e<br>negoziata. Intese. Relazioni<br>internazionali ed europee<br><br><i>(General Directorate, Territorial<br/>and negotiated planning.<br/>Agreements. European and<br/>International Relationships)</i><br><br>Italy | (Pro-tempore General<br>Director)<br><br>Enrico Cocchi |
| <b>Certifying authority</b> | The functions of CA will be<br>taken over by MA   | The functions of CA<br>will be taken over by<br>MA     |
| <b>Audit authority</b>      | Agrea<br><br><i>(Agency of the Emilia-Romagna<br/>Region)</i><br><br>Italy  | (Pro-tempore Director)<br><br>Nicodemo Spatari         |

The body to which payments will be made by the Commission is:

*(Reference: point (b) of Article 8(4) of Regulation (EU) No 1299/2013)*

|  |  |
|--|--|
| <input checked="" type="checkbox"/> the managing authority |  |
| <input type="checkbox"/> the certifying authority          |  |

**Table n. 22: Body or bodies carrying out control and audit tasks***(Reference: point (a)(ii) and (iii) of Article 8(4) of Regulation (EU) No 1299/2013)*

| <b>Authority/Body</b>                                       | <b>Name of the Authority/Body and Department or Unit</b>   | <b>Head of the Authority/Body</b>  |
|---|--|--|
| <b>Body or bodies designated to carry out control tasks</b> | Each EU-MS will designate the body or person responsible for carrying out verifications in relation to | The designated responsible body will be indicated in the management and control system description to be |

|  |   |   |
|--|---|---|
|  | <p>beneficiaries on its territory (the controllers), as defined in Article 125 (4) (a) of Regulation (EU) N.1303/2013 (CPR) and Article 23 (4) of Regulation (EU) N. 1299/2013 (ETC).</p> <p>Each IPA II beneficiaries States shall designate the body or person responsible for carrying out the verifications.</p>  | <p>adopted after the approval of the CP/or in the MoU.</p>  |
| <p><b>Body or bodies designated to carry out audit tasks</b></p> | <p>The audit authority will be assisted by a group of auditors (GoA).</p> <p>Each Partner State will designate the body or person responsible for carrying out the audit tasks provided for in Article 127 of Regulation (EU) N. 1303/2013.</p> <p>Each Partner States shall be responsible for audits carried out in its territory.</p> <p>An external audit company will be contracted to carry out audits on the proper functioning of the management and control systems and on appropriate sample of operations.</p> | <p>The designated responsible body will be indicated in the management and control system description to be adopted after the approval of the CP/or in the MoU.</p> |

## **5.2. Procedure for setting up the Joint secretariat**

(Reference: point (a)(iv) of Article 8(4) of Regulation (EU) No 1299/2013)

The joint secretariat (JS) is set up after consultation with the Partner States under the responsibility of the managing authority.

JS shall be hosted in Ervet SpA, an in-house body of Emilia-Romagna Region, and will be located in Bologna.

It shall assist the managing authority (including in its function of certifying authority), the monitoring committee and, where appropriate, the audit authority and the group of auditors in carrying out their respective duties. It will also provide information to all potential beneficiaries on the ADRION funding opportunities and will assist beneficiaries in the implementation of selected operations.

The managing authority will initiate the selection procedure for the JS staff recruitment through an open competition, taking into consideration the approved terms of reference.

Contracting procedures with the selected candidates will be implemented according to the related Italian law and will ensure an equal treatment of all JS staff. These recruitments are open to candidates from any EU Member State and from any Partner State participating in the ADRION programme.

The principles of equal opportunity and non-discrimination between males and females shall be taken into consideration in the recruitment of the joint secretariat staff.

## **5.3. Summary description of the management and control arrangements**

(Reference: point (a)(v) of Article 8(4) of Regulation (EU) No 1299/2013)

This following section describes the implementation structure of the ADRION Programme 2014-2020 and, specifically, bodies acting as managing authority (MA)/ certifying authority (CA), audit authority (AA) and joint secretariat (JS). It also defines the tasks of each of the involved body, including the monitoring committee (MC) and describes the relations between the different bodies in the various processes necessary for the Programme implementation.

The programme language is English.

Italy, Croatia, Greece, Slovenia, Albania, Bosnia and Herzegovina, Montenegro and Serbia, which are the Partner States in the ADRION Programme, established a shared management system to manage, coordinate and supervise the implementation of the programme.

The management of this Programme follows the management structure applicable to a Structural Funds Programme. As regarding IPA II Partner States, it shall apply the Article 9 (3) of the Regulation (EU) of the European Parliament and of the Council No 231/2014, which explicitly refers to the Regulation (EU) No 1299/2013 (ETC). As a result, general principles for management and control arrangements are specified in the article 72 of the EU Common Provisions Regulation (CPR).

### **5.3.1. Joint implementation structure and division of tasks between the different bodies**

### *Monitoring committee (MC)*

The main function of the MC are specified in the Article 49 and Article 110 of Regulation (EU) N.1303/2013

In accordance with Article 47 of Regulation (EU) N. 1303/2013, the Partner States participating in the Programme, in agreement with the managing authority, will set up a monitoring committee (MC) within three months from the date of the notification of the Commission's decision approving the cooperation programme.

Members of the MC will represent the Partner States participating in the Programme on policy and administrative level and ensure a transparent approach.

#### *Composition of the Monitoring committee*

The composition of the MC of the Cooperation Programme, according to the article 48 (1) of Regulation (EU) N. 1303/2013, is agreed by the Partner States participating in the cooperation programme. Each Partner States shall be equally represented and complying with the partnership principle in managing, monitoring and evaluating the operations in all stages of programme implementation.

The monitoring committee shall be chaired by a representative of the Partner States or by the managing authority. A principle of rotation will be applied.

The MC is made up of:

- up to two representatives per each Partner State at the appropriate governance level;
- A European Commission's representative shall participate in an advisory capacity;
- The MA/CA shall participate in an advisory capacity;
- The JS undertakes the secretarial support to the MC and shall participate in an advisory capacity;
- The Audit authority can participate as an independent observer;
- The EUSAIR FP and network of national contact points may participate in the MC meetings with an observer status;
- If the EIB contributes to the Programme, it may participate in the work of the monitoring committee in an advisory capacity;
- Transnational economic and social partners and transnational non-governmental organisations may participate in an advisory capacity according to the code of Conduct Partnership.

As a principle, decisions by the MC shall be taken by consensus whereby each Partner State shall have one vote. The monitoring committee shall draw up and adopt its rules of procedure.

The MC shall meet at least once a year. Decisions may also be taken through written procedure.

#### *Role and tasks of the monitoring committee (MC)*

The MC, in accordance with Article 49 of the Regulation (EU) N. 1303/2013, shall review the implementation of the Programme and progress towards achieving its objectives, and more specifically, it will carry out the functions listed in Article 110 of the Regulation (EU) N. 1303/2013.

The monitoring committee will also adopt the methodology, criteria for selection of projects and eligibility rules before the launch of each call for proposals. The MC will validate the management and control system description that will form the basis for the designation of the programme authorities according to Article 124 (2) of Regulation (EU) N. 1303/2013 (CPR). It will select the projects financed by the cooperation programme in line with Article 12 of Regulation (EU) N. 1299/2013 (ETC).

Decisions of the monitoring committee will be free from bias and must not be influenced by any partial personal or organisational interests of any individual members of the monitoring committee.

### ***Managing authority with additional functions of certifying authority (MA/CA)***

*General principles for management and control arrangements are specified in the article 72 of the Regulation (EU) N. 1303/2013 (CPR).*

The managing authority ***with additional functions of certifying authority*** (MA/CA), assisted by the joint secretariat, shall be responsible for managing and implementing the ADRION cooperation programme in accordance with the principle of sound financial management. It carries out the functions described in Article 125 of the Regulation (EU) N. 1303/2013 (CPR) and Article 23 of Regulation (EU) N. 1299/2013 (ETC).

In particular, the managing authority is in charge of the transmission of information and data to the monitoring committee and to the European Commission, including financial data and data relating to indicators and milestones as well as data relating to the progress of the cooperation programme in achieving its objectives and results.

The managing authority shall act for the benefit of the whole cooperation programme.

In line with its coordination role, the managing authority shall do its best to ensure that all programme bodies interact in a smooth way.

The managing authority shall act, in implementation of its tasks, in full accordance with Italian institutional, legal and financial provisions.

The managing authority, after consultation with all the Partner States, will set up the joint secretariat as provided for in chapter 5.3 d.

The MA/CA, according to the Article 24 of Regulation (EU) N.1299/2014 (ETC), shall carry out the functions envisaged in Article 126 of Regulation (EU) N. 1303/2014 (CPR).

In particular, the MA/CA is responsible for drawing up and submitting to the Commission payment applications and certifying that these result from reliable accounting systems, are based on verifiable supporting documents and have been subject to verifications by the managing authority before being sent to the Commission.

The MA/CA is also responsible for drawing up the annual accounts, certifying the completeness, accuracy and veracity of the annual accounts and that the expenditure entered in the accounts complies with applicable EU and national rules and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the cooperation programme and complying with EU and national rules.

### ***Audit authority***

The audit authority (AA) will carry out its functions in accordance with Articles 123, 124, 127 and 128 of the CPR and Articles 21 and 25 of the ETC Regulation.

The audit authority ensures that audits are carried out on the proper functioning of management and control system of the cooperation programme and on an appropriate

sample of operations on the basis of the declared expenditure. It draws up an audit opinion on the annual accounts for the preceding accounting year and an annual control report setting out findings of the audits carried out during the preceding accounting year.

The audit authority shall within eight months of adoption of the operational programme, prepare an audit strategy of performance and audits. The audit strategy shall set out the audit methodology, the sampling method for audits on projects and the planning of audits in relation to the current accounting year and the two subsequent accounting years.

In line with Article 25(2) of the ETC regulation, the AA will be assisted by a group of auditors (GoA) comprising of representatives from responsible bodies of each Partner States participating in the cooperation programme carrying out the above listed duties detailed in Article 127 of the of Regulation (EU) N. 1303/2013 (CPR). The representatives have to be independent from the MC members, the controllers designated according to Article 23(4) of Regulation (EU) N. 1299/2013 (ETC) and any operation's activities and finances. The GoA will be set up within three months of the decision approving the programme at the latest. It will draw up its own rules of procedure and will be chaired by the AA.

Where audits and controls are carried out by a body other than the AA, the AA shall ensure that such bodies have the necessary functional independence. The decision on the body carrying out the system audits and the checks on expenditure will be taken by the AA in cooperation with the GoA during the process of designing the audit strategy of the programme.

Each Partner State shall be responsible for the audits carried out on its territory.

The AA shall in the implementation of its tasks, act in full accordance with Italian institutional, legal and financial provisions.

### *Joint secretariat*

According to article 23 of ETC Regulation, the **joint secretariat** assists the managing authority, with additional functions of certifying authority and the MC, in carrying out their functions. The joint secretariat provides information to potential beneficiaries about funding opportunities under the ADRION programme and assists beneficiaries in the implementation of operations. It sets up and maintains contacts with lead partners and their partnerships.

More specifically, the joint secretariat ensures at transnational level coordination, follow-up and promotion activities and provides technical support for the preparation of meetings and events at the programme and projects level (monitoring committees, transnational conferences and transnational working groups, lead partners seminars, other specific thematic meetings).

The joint secretariat facilitates, assesses and ensures that project selection is equitable and transparent. It collects financial, physical and statistical data that is needed for programme monitoring as well as for the interim and final appraisals. It verifies payment claims in sight of payment to lead partners.

The annual work plans and reports of the JS have to be approved by the MC. The set-up and functioning of JS, including its activities, shall be funded from the TA budget in line with MA/JS work plans and reports to be approved by the MC annually prior validation of the MA.

### *National contact points (NCPs)*

Each Partner State will set up and manage an ADRION national contact point whose main task is to represent the programme in the concerned country. The national contact

points shall complement the activities of the joint secretariat in the Partner States, and may carry out, in cooperation with the latter, other specific activities at national level. The joint secretariat shall coordinate the network of ADRION national contact Points.

The main mandatory tasks of the Adriatic-Ionian national contact points are:

- To assist the JS in the implementation process;
- To contribute to information and publicity actions within the respective country;
- To support the national committees or corresponding national procedures in fulfilling their transnational tasks;
- To serve as a contact point for project applicants, partners and stakeholders at national level by providing assistance for the project generation.

### *5.3.2. Responsibilities of Partner States*

Partner States retain three main responsibilities in the ADRION programme:

- As national authorities they nominate representatives of the MC and ensure a national contact point (NCP) in order to contribute to the general animation and coordination of the programme in their territory and bear financial responsibilities in line with what is established under 5.4;
- As national controllers they are responsible for the verification of expenditure of beneficiaries located in their territory at the appropriate governance level;
- As members of the GoA they participate in audit activities and are responsible for audits carried out in their territory.

All Partner States agree to apply the partnership principle as laid down in Article 5 of the Regulation (EU) N. 1303/2013 (CPR) and to cooperate for the optimal management and control of the programme and for the benefit of the whole cooperation programme.

The Partner States may lay down in writing rules governing their relations with the MA and AA, the relations between such authorities, and the relations of such authorities with the European Commission.

The Partner States of the ADRION programme will ensure that the implementing authorities will be provided with all necessary and legally allowed information to carry out their responsibilities.

### *5.3.3. Organisation of the assessment and selection of operations*

Project applications can be submitted following direct awarding procedure or calls for proposals whose terms of reference will be published on the ADRION website. Support and guidance to applicants on types of operations as well as on application and implementation procedures) will be given through call-specific information documents as well as events and trainings carried out by the MA and JS in cooperation with the NCPs. Details of the selection procedure will also be made available to all applicants through the programme manual. The applications submitted will be made available to the members of the monitoring committee.

A set of eligibility criteria including antifraud measures will be defined to ensure the accomplishment of formal requirements of submitted applications and approved by the monitoring committee. The set of eligibility criteria will include also the transnationality of partnership (involving beneficiaries from at least three Partner States, at least one of which shall be from a Member State).



The JS checks the applications against the eligibility criteria. Proposals that are not eligible are rejected by the decision of the MC.

### *Selection criteria*

Selection criteria are meant to relate to the quality of an application and will be applied to those applications that have passed the eligibility check. Selection criteria are designed to assess the compliance of applications with regard to strategic and operational aspects as laid down in Section 2 under the heading “Guiding principles for the selection of operations”.

The JS undertakes the quality assessment of applications assisted by external assessors if appropriate, and the MA submits the assessment to the MC for its decision.

The evaluation and assessment of applications by the JS, and the project selection made by the MC, is done on the basis of objective criteria specified in the evaluation and assessment grids as approved by the monitoring committee and explained in the manual of the Adriatic-Ionian cooperation programme.

The evaluation criteria will be defined with the aim to maximise the result-oriented approach to be applied by the ADRION programme for projects able to deliver concrete and visible outputs and results, in response to well identified challenges affecting the programme area and addressing development needs in an integrated manner.

All projects receiving funds have to meet the following quality requirements:

- Transnational relevance;
- Partnership relevance;
- Concrete and measurable results;
- Durable outputs and results;
- Coherent approach;
- Sound project communication strategy and tools;
- Effective management;
- Sound budget.

The MC proceeds to the selection of projects. The MA informs in writing and according to e-cohesion principle each applicant about the results of the selection process. The results shall be also spread by internet as established in art.115 (2) of Regulation (EU) N. 1303/2013 ( CPR).

### **Resolution of complaints**

The procedures set in place for the resolution of complaints are differentiated according to the object of the complaint.

Complaints related to assessment and selection:

- Project lead applicants will be informed in writing about the reasons why an application was not eligible or approved. Any complaint related to the assessment shall be submitted by the lead applicant to the MA/JS that, in collaboration with the MC, will examine and provide its position regarding the merit of the complaint. The MC may also set up a task force or a sub-committee to deal with complaints.

Complaints related to decisions made by the MA/JS during project implementation:

- Any complaints in relation to decisions made by the MA/JS during project implementation on the basis of the subsidy contract or MC decisions shall be submitted by the project lead partner to the MA/JS that will examine and provide an answer (in collaboration with the MC if necessary).

Complaints related to the national control system:

- Project lead partners or partners that have complaints related to the national control system set up in accordance with Article 23(4) of the of Regulation (EU) N. 1299/2013 (ETC) , can file a complaint to the national control coordination body of the relevant MS following national procedures set in place in accordance with Article 74(3) of Regulation (EU) N. 1303/2013 (CPR).

Further information on the procedure for the submission of complaints will be laid down in the relevant programme documents communicated to applicants and beneficiaries.

### **Contracting procedures**

Following the decision of the MC to approve applications recommended for funding following the technical quality assessment performed by the MA/JS, the MA and the lead partner sign individual Subsidy Contract for each project. The contract includes also IPA funding allocated to the operation.

Non availability of IPA funds has no consequences on the approval of ERDF partners in the same project; the project would be implemented by ERDF partners without the IPA partners, if affected by the mentioned non availability of funds.

The MA will use a standard template for the subsidy contract approved by the MC which is developed in compliance with the applicable laws of the Republic of Italy and the principles of the institution hosting the MA.

The subsidy contract is addressed to the Lead partner, appointed by the partnership, in accordance to Article 13 of the of Regulation (EU) N. 1299/2013 (ETC), and is signed by the legal representative of the lead partner institution and by the MA.

The subsidy contract lays down all the necessary implementing arrangements for an operation.

The approved application documents, including the final approved application form and the communication of the approval decision by the MC will form an integral part of the subsidy contract.

#### ***5.3.4. Arrangement for management verification and related quality controls***

In the framework of financial management and control, Partner States shall ensure that their management and control systems are set up in accordance with the provisions stated in EU regulations and that the systems function effectively and properly.

Each Partner State participating in the cooperation programme verifies that the co-financed products and services have been delivered and that expenditure declared by the beneficiaries has been paid and that it complies with applicable Union and national law, the cooperation programme and the conditions for support to the operation (Art. 25(4) of Regulation (EU) N. 1299/2013 (ETC)).

Each Partner State shall designate the body or person responsible for carrying out such verifications in relation to beneficiaries on its territory (“controllers”) and shall also be responsible for verifications carried out in its territory.

For Adriatic-Ionian programme, such verifications are carried out by the controllers designated according to each Partner State’s control system (centralised or decentralised).

Each Partner State shall also ensure that the expenditure of a beneficiary can be verified within a period of three months from the submission of the documents by the beneficiary concerned.

The MA shall ensure that the expenditure of each beneficiary participating to an operation has been verified by a designated controller.

In order to simplify administrative procedure and improve the management of the programme, the MA will promote harmonisation and coordination activities through the adoption of common standard levels and coordination activities between the national control systems by establishing, through the support of the joint secretariat, a network of bodies/authorities in charge of the first level control.

Following these verifications, the JS receives from each project the regular progress report compiled by the lead partner including a payment claim according to pre-defined deadlines.

The JS perform all the necessary checks in order to ensure the existence of the project and its compliance with the approved application according to the requirements set forth in the subsidy contract. Moreover, the MA checks the accuracy of payment claims and determines the amount of contribution to be paid in relation to the total amount of verified and certified expenses; the MA, in its additional functions of CA, validates the payment claim and adopts all the necessary measures in case of irregularities or frauds.

The effective functioning of the control system set in place by each Partner State, shall be verified through different types of controls and according to the principle of proportionality.

### *Reimbursement from the managing authority to the lead partners*

In accordance with Article 13 of the Regulation (EU) 1299/2013, for each operation, project partners shall appoint a lead partner. The lead partner shall assume overall responsibility for the application and implementation of the entire operation, including the handling of Union funds.

National co-financing for operations must be provided by the project partners according to their respective national mechanisms. All operations have to be pre-financed by the project partners.

The MC may give the mandate to MA to explore the option of a pre-financing mechanism for projects.

Expenditures of all partners have to be validated by authorised national controllers.

The lead partner collects the certificates of all project partners issued by their controllers and includes these in the above mentioned periodic activity and financial progress reports to the MA/JS. In these documents, the lead partner reports on progress achieved by the project partnership and on related eligible and validated expenditures.

Based on checks of the reports undertaken by the JS and in accordance with Article 21(2) of the Regulation (EU) 1299/2013 the ETC Regulation and Article 132 of Regulation (EU) N. 1303/2013 (CPR), the MA shall ensure payments to the lead partner who is

responsible for transferring the Union contribution to the partners participating in the operation.

In accordance with Article 80 of the of Regulation (EU) N. 1303/2013 (CPR) and with Article 28 of Regulation (EU) N. 1299/2013 (ETC), amounts set out in the programme submitted by Member States and statements of expenditure shall be denominated in Euro. All payments to lead partners will be made in Euro.

#### ***5.3.5. Contribution of the Partner States to the financing of technical assistance***

On programme level, the TA is jointly financed by the Partner States in the programme. In accordance with Article 17 of of Regulation (EU) N. 1299/2013 (ETC), TA is financed by a maximum of 6% of the total ERDF amounts; IPA amounts are also allocated to the programme and co-financed by the Partner States with the same threshold of 6%. Details on the TA budget are laid out in Section 3.

Each Partner State shall transfer its national co-financing share for TA to the account of the MA. National co-financing of the TA budget is provided as advance payment starting at the latest with 2015 on an annual basis in proportion to the individual share of total ERDF and IPA funding of the Partner States.

A report on the payment situation shall be given by the MA to the MC on a regular basis. Use of interest raised by Union funds (after deduction of charges for transnational transactions) and ex-ante national contributions bank accounts, will be subject to a MC decision.

Further technical and financial details will be laid out in the TA Manual.

#### ***5.3.6. Information and communication***

In line with Articles 115 and 116 of Regulation (EU) N. 1303/2013 (CPR), a communication strategy will be drafted and submitted to the MC no later than 6 months after the adoption of the programme to ensure transparency towards and information of relevant partners and stakeholders.

The strategy will define specific communication objectives, target audiences, messages as well as tactics and tools to support the achievement of wider programme goals. It will take into account detailed rules concerning information and communication measures as laid down in Article 115 and Annex XII of Regulation (EU) N. 1303/2013 (CPR). The strategy will be valid for the whole programming period, complemented by annual work plans.

The programme and all projects communication activities shall comply with a coordinated branding introduced on a voluntary basis by ETC programmes for the 2014-2020 period.

The overall responsibility for communications rests with the MA together with the JS. However, at national and regional levels, the NCP plays a crucial role in complementing transnational and European activities. Approved operations play in addition a key role in communicating project achievements on all levels.

The Partner States shall support the MA to ensure effective application of the information and publicity requirements by taking appropriate steps to disseminate information and provide publicity within their territory.

### *5.3.7. Programme evaluation*

The programme has been subject to an ex-ante evaluation of independent evaluators with the aim to improve programme quality and to optimise the allocation of budget resources. The recommendations of this evaluation have been taken into account during the drafting of this programme.

In accordance with Article 56 and 114 of Regulation (EU) N. 1303/2013 (CPR),, the MA will draw up an evaluation plan which will be approved by the MC in line with provisions as laid down in Article 110(2)(c) of Regulation (EU) N. 1303/2013 (CPR),. In accordance with Article 56 of the CPR, evaluations will be carried out to assess the effectiveness, efficiency and impact of the programme. During the programming period, evaluation will assess how support from the funds has contributed to the objectives for each priority axis and also the territorial coverage of the programme area. All evaluations, recommendations and follow-up actions will be examined and approved by the MC.

In compliance with Article 57 of the of Regulation (EU) N. 1303/2013 (CPR),, the ex-post evaluation lies in the responsibility of the European Commission together with the Member States.

### *5.3.8. Computerised exchange of data*

As stipulated in Articles 74 and 112 of the of Regulation (EU) N. 1303/2013 (CPR),, data exchange with the EC will be carried out electronically.

The e-MS shall provide data and information needed to fulfil management, monitoring and evaluation requirements.

In accordance with Article 122 of Regulation (EU) N. 1303/2013 (CPR),, the ADRION Programme will ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and the MA/CA and AA can be carried out by means of an electronic data exchange system.

The Adrion MA will ensure all the efforts to achieve a full Programme digitalization also according to the development of IPA regulations on this administrative matter.

The eMS will comply with the following aspects:

- Data integrity and confidentiality
- Authentication of the sender within the meaning of Directive 1999/93/EC4108
- Storage in compliance with retention rules defined in Article 140 of Regulation (EU) N. 1303/2013 (CPR), Secure transfer of data
- Availability during and outside standard office hours (except for technical maintenance activities)
- Accessibility by the e-MSs and the beneficiaries either directly or via an interface for automatic synchronisation and recording of data with national, regional and local computer management systems
- Protection of privacy of personal data for individuals and commercial confidentiality for legal entities

- In order to transfer data to the EC, the administration system of the e-MS shall facilitate interoperability with the Union frameworks as required by Article 122(3) of Regulation (EU) N. 1303/2013 (CPR),.

The computer system used shall meet accepted security and reliability standards. Accepted procedures that ensure reliability of the accounting, monitoring and financial reporting information in computerised form will be implemented.

#### ***5.4. Apportionment of liabilities among the Partner States in case of financial corrections imposed by the managing authority or the Commission***

##### ***Recovery of payments from beneficiaries***

The recommendations and corrective measures might result from any type of control implemented (checks by the managing/certifying authority, by the Member States and Partner States, system and operation audits, audits by the European Commission and by the European Court of Auditors).

Without prejudice to the Partner States' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid according to Article 122 (2) of Regulation (EU) N. 1303/2013 (CPR), the managing authority shall ensure that any amount paid out as a result of an irregularity is recovered from the project via the lead partner. According to Article 27 of Regulation (EU) N.1299/2013 (ETC), the project partners shall repay the lead partner any amounts unduly paid.

The managing authority shall also recover funds from the lead partner (and the lead partner from the project partners) following a termination of the subsidy contract in full or in part based on the conditions defined in the subsidy contract.

If the lead beneficiary does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead beneficiary despite all measures taken, the Participating State on whose territory the project partner concerned is located shall reimburse the managing authority any amounts unduly paid to that beneficiary, according to the Article 27 (3) of Regulation (EU) N.1299/2013 (ETC).

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 Partner States (please, see below). The managing authority will reimburse the funds to the Union once the amounts are recovered from the LP/PP/Partner State.

Details on the procedure will be included in the description of the management and control system to be established in accordance with Article 72 of Regulation (EU) N. 1303/2013 (CPR).

In parallel to/after reimbursement of the irrecoverable amount by the Partner State to the managing authority, the Partner State holds the right to secure repayment from the project partner located on its territory, if necessary through legal action.

For this purpose the managing authority and the lead partner shall assign their rights arising from the subsidy contract and the partnership agreement to the Participating State concerned (ERDF Partner as well as IPA II beneficiary Partner).

In the case of irregularities discovered by the European Court of Auditors or by the European Commission, which result in certain expenditures being considered ineligible and in a financial correction being the subject of a EC decision on the basis of Articles 144 to 147 of Regulation (EU) N. 1303/2013 (CPR), the financial consequences for the

Partner States are laid down in the section “liabilities and irregularities” below. Any related exchange of correspondence between the EC and the Member and Partner State will be copied to the managing authority /joint secretariat. The latter will inform the audit authority and the group of auditors.

### ***Apportionment of liabilities among the Partner States***

The Partner States will bear liability in connection with the use of the programme ERDF and IPA funding as follows:

- For project-related expenditure granted to project partners located on its territory, liability will be born individually by each participating State;
- In case of a systemic irregularity or financial correction (the latter decided by the European Commission), the Partner States will bear the financial consequences in proportion to the relevant irregularity detected on the respective participating State territory. Where the systemic irregularity or financial correction cannot be linked to a specific participating State territory, the Partner States will be responsible in proportion to the ERDF/IPA II contribution paid to the respective national project partners involved.
- For technical assistance expenditure incurred by the MA, the liability related to administrative irregularities shall be borne by the MA.

If the MA/CA, joint secretariat or any Partner State becomes aware of irregularities, it shall without any delay inform the liable Partner States or MA in its additional functions of CA. The latter will ensure the transmission of information to the AA/GoA, where relevant.

In compliance with Article 122 of Regulation (EU) N. 1303/2013 (CPR), each Partner State is responsible for reporting irregularity committed by beneficiaries located on its territory to the EC and at the same time to the MA. If the Partner State does not comply with its duties arising from these provisions, the MA is entitled to suspend payments to all project partners located on the territory of this Partner State.

The Financing agreement with IPA II beneficiary Countries shall clearly state that each beneficiary country hosting a project partner shall be responsible for preventing, detecting, making decisions on and correcting irregularities made by public private as well as private partners.

### ***5.5. Use of the Euro***

*(Reference: Article 28 of Regulation (EU) No 1299/2013)*

In accordance with Article 28 of Regulation (EU) No 1299/2013 [ETC], and by way of derogation from Article 133 of Regulation (EU) No 1303/2013 [CPR], expenditure incurred in a currency other than the Euro shall be converted into Euro by the beneficiaries – using the monthly accounting exchange rate of the EC in the month during which expenditure was submitted for verification to the managing authority or the controller. The conversion shall be verified by the controller in the Partner State in which the beneficiary is located.

### ***5.6. Involvement of partners***

*(Reference: point (c) of Article 8(4) of Regulation (EU) No 1299/2013)*

*Actions taken to involve the partners in the preparation of the cooperation programme, and the role of those partners in the preparation and implementation of the cooperation programme, including their involvement in the monitoring committee (regional and local authorities, competent urban and other public authorities, economic and social partners, relevant bodies*

*representing civil society (including environmental partners), non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination).*

### ***5.6.1. Summary of the process of the preparation of the cooperation programme***

The cooperation programme has been elaborated following the code of conduct of the European Commission.

In August 2013 the EC, in order to ensure the coherence with the forthcoming EUSAIR, decided to re-define the geographic scope of the South East Gateway programme so as to geographically match it with the strategy: the new Adriatic-Ionian Programme area was adapted to the 8 countries of the Strategy.

The CP preparation process lasted about one year starting in August 2013. The Task Force was reorganised and refocused on the Adriatic-Ionian programme, which is composed of the 8 countries of the forthcoming macro-regional strategy.

The re-adjusted Task Force adopted internal rules of procedure setting up the mission, the decision making process and the composition of the Task Force.

In order to ensure a general coherence of the CP contents with the European regulatory framework, the indicative time plan of the programming process was constantly updated taking into account the evolution of draft EU regulations and the consultation processes.

The Task Force launched a call for applications towards institutions willing to act as the future MA: the procedure was closed in May 2014 with the appointment of the Emilia Romagna Region as the future MA of the CP ADRION 2014-2020.

The TF decided to contract some external experts for the execution of specialised tasks related to the CP preparation such as the moderation and drafting process of the CP, the ex-ante and the strategic environmental evaluation.

The Task Force set-up a restricted working group mandated to accompany the preparation of the Priority Axis 4 focused on TO11 addressing the support to the governance and implementation of EUSAIR under the coordination of Slovenia. Its members have been appointed by the Partner States, as well as by MA, EC desk officer and Interact as external observers.

A total number of 8 TF meetings took place during all the preparation process.

### ***5.6.2. Description of the involvement of the partners***

The aim of the process was to validate strategic choices (thematic concentration) for the ADRION programme and to collect additional inputs and suggestions as well as ideas on potential transnational actions to be supported. For the preparation of the ADRION programme, partners have been involved through a consultation launched on the programme level.

The ADRION programme launched on its website its own public online consultation on the programme priorities between the 27<sup>th</sup> June and 17<sup>th</sup> of July 2014 whose results have been presented to the Task Force on July 21<sup>st</sup> in Bologna.

In the framework of the programming process the Task Force organised also two transnational thematic events in Italy (Ancona – 3<sup>rd</sup> September) and Croatia (Split – 5<sup>th</sup> September) aimed at collecting inputs from the public about their expectation from ADRION programme and the possible additional results and actions for a fine-tuning of the programme strategy. The thematic workshops have been organized in one plenary



and 3 working parallel sessions will focus on the priority axis of the programme (Innovative and Smart Region, Sustainable Region, Connected Region).

Based on the mailing list used for the online consultation, 2611 people received the invitation with the agenda and a registration form (both the documents were also available on the SEE programme website). More than 200 stakeholders attended the 2 events (142 in Italy and 66 in Croatia).

The participants represented a balanced a mix of backgrounds, i.e. from academia, local authorities, development agencies and privates. The participants were active and contributed opinions and ideas to all components of the programme. These inputs have been translated in concrete revision of the draft version of the cooperation programme and mainly focused on:

- The needs of the programme area,
- The additional thematic areas to be included as focus of the Priority axis,
- Some suggestions for improving the Programme management and implementation.

All the presentations both of the plenary sessions and the working groups as well as the list of participants were published on the SEE Programme website ([www.southeast-europe.net](http://www.southeast-europe.net)).

Between July and October 2014 the consultation of the Environment Authority and of the Partner States concerning the impact of the programme on the environment has also been achieved.

### **Selection of partners**

The consultation within the ADRION Programme has followed the “General principles and minimum standards for consultation of interested parties by the Commission” (“Towards a reinforced culture of consultation and dialogue – General principles and minimum standards for consultation of interested parties by the Commission”. Brussels, 11.12.2002 COM(2002) 704 final). Thus the Programme has ensured that the principles of openness and accountability, effectiveness and coherence have been applied when consulting its stakeholders.

There were four types of stakeholders to be consulted:

- (a) stakeholders included in the national/regional lists provided by Partner States;
- (b) SEE and IPA CBC Adriatic project partners;
- (c) Programme’s target groups having a possibility to connect to the websites (programme, regions, state);
- (d) Key implementers of the EUSAIR governance structure.

The notification about the survey was sent out by e-mail to 2611 addresses.

### **List of partners involved in the consultation process**

The survey has been launched on July 2<sup>nd</sup> until 18<sup>th</sup> of July (16 days) through an online tool provided by the drafting team.

The invitation was sent to 2611 stakeholders. The mailing list has been based upon both the inputs received from the TF members, on the SEE database and on the online registration.

The response rate was normal considering a rather short timeframe: 322 recipients answered the survey, which is about 12 %. The respondents/population ratio of the eligible regions confirms the overall balance within the eligible area in terms of participation.

When it comes to participation rates per category of respondents (table 2), 31% are from research and education bodies, 23% from central/regional PA, 14% from local public authorities, 13% from development agencies/NGOs, 8% from chambers, unions and associations, 7% are undertaking profit oriented and finally 4% represent respondents from outside the Programme area.

The overall balance of return rate per category ensures that data can be fairly compared but the high percentage of Central/Regional PA (TO6) and Research and education institutions (TO1) has certainly influenced the ranking of the TOs and IPs.

### **Action taken to facilitate the participation of partners**

The ADRION programme informed partners about the launch of the consultation process on the SEE website and national authorities informed through their own institutional websites relevant bodies, authorities and partners in their respective country.

The stakeholders included in the lists provided by the Partner States, the project partners, the subscribers of the ADRION newsletter and the programme's bodies have been invited to answer the survey via an e-mail. The email included a short explanatory note and the link to the programme website for access to the consultation. Several reminders were sent during the consultation period.

### **Main added value of the partnership in the preparation of the cooperation programme**

In the preparation of the cooperation programme, the main added value of partners has been to provide detailed information on priorities and coherent eligible actions at territorial level for a wide range of institutions and bodies. It helped to highlight priorities and to rank issues to be taken into account in the strategy of the programme.

Partners also helped to better identify types of actions and actions that should be supported within each Investment Priority. This was necessary to propose operational and need-based types of actions able to generate concrete and measurable results.

### **Main results of the consultation with partners**

The ranking of Thematic Objectives is overall in line with the pre-selection made by the Task Force, TO1 (research), TO6 (environment), which is considered more than highly relevant for the ADRION area, followed by TO10 (education) and TO7 (transport) which are ranked 3<sup>rd</sup> and 4<sup>th</sup>.

TO4 (low-carbon) is positioned as 7<sup>th</sup> objective but it is even so considered more than relevant by the respondents. It should be noted that, although TO9 (social inclusion) is the last ranked, the spread between the top and the bottom of the list is about 5% as no Thematic Objective is deemed as scarcely relevant or useless.

TO11 (governance) ranked 5<sup>th</sup>, regarding the proposed actions few themes have been identified such as “improvement of administrative and governance capacity” or “strengthening of thematic clusters role” and “enhancing the multilevel governance” for a total of 16 specific inputs, whilst attention to “training and education” (TO11) on capacity building is felt important by stakeholders.

As for Investment Priorities (IPs) preferences, the results per category are overall consistent with the choices made through the question related to the choice of TOs:

TO1 - Research: IP 1.a and 1.b: apart from respondents from the category “other”, innovation is ranked first by all, research and education and development agencies/NGOs in particular. The spread between the two Investment Priorities is limited (8% on average).

TO4 – Low carbon: IP 4.c and 4.e: Results are a little bit more varied. Efficiency is ranked first compared to the urban Investment Priority, but a few differences are detected among the categories of respondents as profit-oriented respondents considered, on average, the urban investment priority as more relevant than the efficiency one and for respondents outside the programme area the two Investment Priorities are equally relevant.

TO6 – Environment IP 6.c, 6.d and 6.e: Respondents equally lean on the heritage and biodiversity Investment Priorities, while urban environment is ranked second. Local PA, research and education and chambers, unions and associations privileged the heritage IP while central/regional PA, development agencies/NGOs, profit-oriented and other respondents rather selected the biodiversity priority. Urban investment priority is never ranked first among the three available choices but local PA and research and education bodies classed it second soon after the heritage priority.

TO 7 – transport: the Investment Priority related to TO7 7.c is deemed more than highly relevant by almost all the categories of respondents apart from those from central/regional authorities and research and education area, which consider it relevant.

Overall, the top three (3) Investment Priority list was composed by

- IP 1.b innovation (TO1),
- IP 1.a infrastructure (TO1)
- IP 7.c transport (TO7) although the single priority under TO7 might partially bias the ranking as a single choice was available.

Based on the consultation results, the Task Force agreed to focus the programme strategy on only 3 TOs and to include some of the intervention areas covered by the TO4 (Low-carbon such as the energy efficiency) as one potential Horizontal focus under PA1 and PA3.

The improvement of administrative and governance capacity, even if specifically addressed by the TO11, will be considered as a cross-cutting theme for all the PAs as TO10.

#### ***5.6.2. Description of the involvement of partners in the implementation of the cooperation programme and involvement in the monitoring committee***

The involvement of relevant partners in the implementation of the ADRION programme will be organised for two reasons:

- To enhance ownership of the programme among the partners, in order to make use of the knowledge and expertise of these partners and to increase transparency in decision-making processes;
- To improve the coordination with other ESI and IPA II Funds as well as with relevant funding instruments under the umbrella of the Common Strategic Framework (CSF) and macro-regional strategies.

Due to the large area covered by the programme the participation of relevant partners in the programme MC - according to Articles 5(2) and 47 of the CPR - will be organised through national coordination committees or other mechanisms/bodies as provided for by the respective national rules) preparing and supporting the 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.

## SECTION 6. COORDINATION

### *6.1. Coordination with the other ESI Funds (ERDF, ESF, Cohesion Fund, EAFRD, EMFF), particularly in relation to programmes under the Investment for Growth and Jobs Goal*

In compliance with Article 10 and Annex I of the CPR, coordination and use of synergies with other European Structural and Investment (ESI) Funds as well as with other relevant Union policies, strategies and instruments, including those in the framework of the Union's External Action Member States, have to be pursued. This section gives an overview on the principles followed for implementing the ADRION Programme in a complementary and coordinated manner with the relevant instruments and funds in accordance with the principles of subsidiarity and proportionality

For the elaboration of the ADRION programme, the choice of Thematic Objectives, Investment Priorities and Specific Objectives took into account the priorities highlighted in the Partnership Agreements of the MS and the Strategy Country paper for IPA countries involved in the programme as well as the main challenges pinpointed in the regional and national programmes of Investment for Growth and Jobs.

ETC programmes have great potential for facilitating the implementation of national and regional programmes supported by the ERDF, ESF, Cohesion Fund, EAFRD and EMFF by allowing stakeholders to tackle common challenges and needs beyond administrative borders. Coordination and complementarity with other ESI funds is fundamental, especially in terms of investment planning and preparation which can be accomplished at regional and local levels based on operations supported by the ADRION Programme.

The ADRION Programme will seek coordination through the following measures:

- Applicants proposing actions with a focus on investment preparation will have to explain how to link to other national and regional programmes of the Investments for Growth and Jobs goal supported by the ERDF and ESF as well as with the Cohesion Fund, EAFRD (in particular with reference to the Leader initiative) and EMFF programmes;
- National coordination committees (or other mechanisms/bodies as provided by national rules) supporting the MC members (as described in Section 5.6) will involve representatives of institutions participating in the implementation of national and regional programmes supported by the ESI funds, seeking (to the possible extent) to achieve coordination at all stages of the programme lifetime;
- The MA and the JS in cooperation with the ADRION network of national contact points will communicate outputs and results of ADRION operations through relevant tools and measures implemented both at the transnational and national levels as defined in the programme communication strategy.

Regarding coordination with other ESI funds, special attention will be given to the possibility of synergies with other programmes of the European Territorial Cooperation (ETC) objective. In this regard, the ADRION Programme will seek exchanges with the

managing authorities of other geographically overlapping ETC programmes. Efficient coordination with these neighbouring transnational programmes shall be accomplished through the:

- Exchange of information during the assessment of applications in order to detect and to avoid potential overlapping and duplications, as well as to activate synergies between complementary operations being implemented in different cooperation areas;
- Exchange of information during the monitoring of the implementation of approved operations, in order to set up cross-fertilisation actions (including events and trainings for beneficiaries) which allow the unfolding of synergies between operations that tackle same challenges and address shared needs of stakeholders located in different cooperation areas;
- Use of the geographical flexibility, as provided for in Article 20(2) of the ETC Regulation that allows to develop transnational operations with a geographical scope going beyond the programme area, thus establishing links, creating opportunities and promoting sustainable development within and across areas sharing common features (e.g. corridors and macro regions).

## ***6.2. Coordination with other Union instruments (HORIZON 2020, LIFE , the Connecting Europe Facility, COSME, Erasmus for All, Asylum and Migration Fund, Programme for Social Change and Innovation etc.)***

Coordination between ETC programmes and other Union instruments has the potential to raise the impact of Union policies at national and regional level supporting local, regional and national investments that effectively contribute to the Europe 2020 strategy. This potential is particularly visible in the following thematic areas addressed by the ADRION Programme:

- Research, innovation and entrepreneurship, where transnational cooperation operations can prepare and increase capacity of regional innovation systems, paving the way to excellence in research and innovation and thereby preparing a fertile seedbed for HORIZON 2020 and COSME. At the same time this will also contribute to the effective implementation of the national and/or regional strategic policy frameworks for research and innovation in the context of smart specialisation strategies;
- Environment protection and climate change, where transnational cooperation operations can build capacity and improve the readiness of regions to develop and apply innovative solutions for environment protection and management, resource efficiency and climate change mitigation and adaptation, thus complementing actions of LIFE and HORIZON 2020;
- Transport, where transnational cooperation operations can stimulate investment in regional connectivity, closing gaps that are affecting remote regions when accessing the TEN-T corridors and, therefore, complementing the actions of the Connecting Europe Facility.

The ADRION programme will seek coordination through the following measures:

- When submitting proposals, applicants will have to describe the coherence and complementarity with other Union instruments of relevance for the topics addressed by the proposals. Evidence of the added value brought by transnational cooperation will have to be demonstrated in particular with regard to HORIZON 2020, COSME,

LIFE, the Connecting Europe Facility, Creative Europe and Erasmus for all. The coherence with the above mentioned Instruments to be described by the applicants shall be also based on the multi-annual and annual work programmes as well as guidelines developed within these instruments;

- Exchanges with and advice from the Commission services and other European and national institutions involved in the management of Union instruments will be sought by the MA and JS in order to exchange good practice and to jointly spread information targeting common relevant stakeholders. A particular potential to activate synergies is seen with the Commission's thematic DGs (especially in the fields of R&D, SME development and entrepreneurship, Tourism, Environment, Energy) and with European agencies;
- Communication tools and measures will be set in place by the MA and the JS in cooperation with the network of national contact points to allow for communicating outputs and results achieved by ADRION operations in order to make them available to thematic stakeholders addressed by Union instruments. Where applicable, national points of contact of EU programmes (e.g. LIFE, HORIZON 2020, etc.) will be directly involved in national and transnational information events organised by the Programme;
- Furthermore, the Western Balkan Investment Framework can be a further financial instrument that can be involved in the coordination;
- The EUSAIR Facility Point to be set up under the PA4 Supporting the governance of the EUSAIR will play a key role in collecting data, sharing knowledge and networking all the potential funding instruments acting in the ADRION Programme area.

### ***6.3. Coordination with CEF, ENI, IPA and EDF***

In order to strengthen its transnational dimension and improve the cooperation with other programmes like, Balkan Med, Med, Danube involving IPA II beneficiaries Countries will take into account the objectives and results of these programmes when implementing its capitalisation activities, strategic projects and in self-evaluation.

The EUSAIR Facility Point to be set up under the PA4 Supporting the governance of the EUSAIR will play a key role in collecting data, sharing knowledge and networking all the potential funding instruments acting in the ADRION Programme area. The ADRION Programme will seek coordination with ENI CBC MED and Alpine Space if relevant for some of the eligible area.

The ADRION Programme will seek coordination through the following measures:

- The EUSAIR Facility Point and its network of liaison points will make available outputs and results achieved by the funded projects to national and local stakeholders involved in IPA and ENI initiatives;
- Managing authorities and joint secretariats of IPA and ENI CBC programmes will be addressed by the ADRION programme improving exchanges of information on applications and approved operations, in order to activate synergies between complementary operations being implemented at the EU external borders.

#### ***6.4. Coordination with relevant national funding instruments that contribute to the same or similar objectives as the cooperation programme or complement its interventions***

Transnational operations supported by the ADRION programme have the potential to improve the implementation of national, regional and local policies.

The ADRION programme will seek coordination with relevant national funding instruments by setting up the following measures:

- When submitting proposals, applicants will have to describe the coherence and complementarity with national policies and funding instruments, within the application form, giving evidence of the added value brought by transnational cooperation;
- National coordination committees (or other mechanisms/bodies as provided by national rules) supporting the monitoring committee members will, to the possible extent, include representatives of institutions involved in setting-up and/or implementing national, regional and local funding instruments to guarantee mutual information especially about outputs and results of transnational operations that could support the effective implementation of national, regional and local policies and funding instruments.

The EUSAIR Facility Point to be set up under the PA4 Supporting the governance of the EUSAIR will play a key role in collecting data, sharing knowledge and networking all the potential funding instruments acting in the ADRION Programme area.

#### ***6.5. Coordination with EIB***

Transnational cooperation can contribute to making results of operations ready for benefitting of instruments of the European Investment Bank (EIB), both in terms of technical preparation and execution of large-scale investment (i.e. make them “bankable”). Synergies can be activated especially in the following thematic areas addressed by the ADRION Programme:

- Infrastructure, where the EIB instrument “Joint Assistance to Support Projects in European Regions” (JASPERS) can support the realisation of large scale investments prepared by cooperation projects especially in the transport and environment sectors
- Energy, where the EIB instrument “European Local ENergy Assistance” (ELENA) can bring forward the achievements of cooperation projects preparing large energy efficiency and renewable energy projects at local and regional level

In addition to investment preparation, synergies can be activated in the field of entrepreneurship, where transnational cooperation operations can ease the access to the EIB instrument “Joint European Resources for Micro to Medium Enterprises” (JEREMIE) through knowledge and capacity building of entrepreneurs and public institutions.

Furthermore, the Western Balkan Investment Framework can be a further financial instrument to be involved in the coordination.

Coordination with EIB will be especially sought by the ADRION Programme under the task of the EUSAIR FP described in section 2 for PA4 through the following measures:

- Ad hoc information for beneficiaries on opportunities offered by the EIB for the follow-up of outputs and results of operations into large-scale investments;

- One-to-one support to operations identifying the most promising outputs and results, suitable to be continued with the support of EIB, helping them in the early stages of contacting and exchanging information with EIB offices.

## **SECTION 7 REDUCTION OF THE ADMINISTRATIVE BURDEN FOR BENEFICIARIES**

*(Reference: point (b) of Article 8(5) of Regulation (EU) No 1299/2013<sup>17</sup> and Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013<sup>18</sup> a summary of the assessment of the administrative burden for beneficiaries and, where necessary, the actions planned accompanied by an indicative timeframe to reduce administrative burden*

### **7.1. Assessment of the administrative burden**

A light set of rules and simple administration procedures are pre-conditions for an effective programme driving the expected changes in the Adriatic Ionian area. This makes the reduction of administrative burden a key target.

Management and control requirements applicable to structural funds call for a careful handling of the public spending processes and therefore a good balance between simplification and control has to be achieved by:

- Learning from experiences made in previous programming period from all the other ETC programmes;
- Making use to the possible extent of simplified cost options available for the 2014-2020 period (if accepted and applied by national controllers);
- Making use of the harmonised implementation tools (HIT) developed by the INTERACT Programme in cooperation with ETC programmes in order to simplify and streamline programme implementation.

Actions planned to reduce administrative burden will primarily build on the implementation of a system for data exchange fully in line with e-cohesion requirements described in Section 5. They shall cover all phases of the project cycle as described below.

### **7.2. Main actions planned to achieve a reduction in administrative burden**

#### **Formal eligibility of applications**

The formal/administrative eligibility requirements for applications rendered a significant share of applications (about 20%) submitted to the ETC Programme 2007-2013 as ineligible.

Simplification of the submission procedure could considerably reduce the percentage of ineligible applications due to formal/administrative reasons, and therefore increase the efficiency of the process. This could be achieved with the integration of guiding information within the application form guiding information, which was previously provided in separate documents. In addition, the submission of applications and accompanying documents can be made electronically, with signed hardcopies be provided only when an application is proposed for funding. The application form template will build on the HIT template, thus making its use easier for applicants that find similar application forms in different ETC programmes.

#### **Harmonised eligibility rules and budget lines**

In the 2007-2013 programming period one of the main causes of high administrative



burden on the beneficiaries was the lack of harmonised eligibility rules and budget line definitions.

In the 2014-2020 programme, period a pre-defined set of budget lines will be introduced for all ETC programmes in accordance with the regulatory package (cf. Article 18(1) of the ETC Regulation).

- Staff costs;
- Office and administrative expenditure (indirect costs);
- Travel and accommodation costs;
- External expertise and services costs;
- Equipment expenditure (including investments).

In defining programme rules, special attention will be paid to “staff costs” as well as “office and administrative expenditure”, for which several simplification options are available.

Moreover, Article 18(3) of the ETC Regulation determines a new hierarchy of eligibility rules, with programme rules specifying what is not defined at EU level and national rules specifying only what is not covered by EU or programme rules.

Taking into account the experience of the 2007-2013 programming period, sound financial management requires that all the national first level control systems use the common implementation templates and the simplified elements in the calculation of costs.

The bodies responsible for the first level control in the different Partner States hold regular coordination meetings regarding the implementation of the common eligibility rules, the simplified cost options and the harmonised tools. These meetings are held to improve the quality of the checks and to reduce the possible discrepancies in the application of the shared rules.

### *Improved monitoring project implementation*

According to the other ETC programme 2007-2013 analysis, a number of shortcomings in the monitoring and reporting system were noted:

- The lack of a pre-defined reporting system from project partners to their lead partners, which sometimes (especially for less experienced lead partners) resulted in extended timeframes needed for drafting reports;
- The analysis of all outputs (including minor ones) of operations performed by the MA resulted in a high burden for beneficiaries, prolonging the time needed for analysing reports and the subsequent reimbursement;
- The indicators used for monitoring progresses of operations, which were difficult to understand and to be interpreted.

On the basis of past experience and in light of the fact that the “result-oriented” approach characterising the 2014-2020 programmes calls for an even closer attention to monitoring thematic achievements of operations, the programme intends to build a system for monitoring progress of operations with possible improvements through following actions:

- To make use to the possible extent of the harmonised progress report (i.e. harmonised implementing tools) template on a web-based system, in order to

allow multiple users;

- To focus the analysis of outputs on main outputs of operations, with the analysis of minor outputs (e.g. meeting agendas) to be shifted mainly to national controllers;
- To limit to the possible extent the number and complexity of indicators used for reporting on the progress of operations;
- To organise ad-hoc training for beneficiaries on reporting of operations, control and audit.

Actions for streamlining the monitoring of progress of operations will be introduced from the very beginning of the programme implementation, possibly at the time of approving operations submitted within the first call for proposals.

## **SECTION 8. HORIZONTAL PRINCIPLES**

*(Reference : Article 8(7) of Regulation (EU) No 1299/2013)*

### ***8.1 Sustainable development***

Sustainable development is both recalled in the name of priority axis 2 and integrated as a horizontal principle in the cooperation programme. It will be respected during the entire programme cycle (programming, implementation, monitoring and evaluation). “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCDE, WCED) will be the basic definition that will be used enlarging the point of view from purely environmental to a more wide approach, including social intra and inter generation equity, cultural heritage aspects as well as economic efficiency. The Programme activities will be correlated with the UN - Sustainable Development Goals (coming after the Millennium Development Goals in 2015) and a monitoring system will be set up.

The Strategic Environmental assessment (SEA) and the Ex-ante evaluation provided inputs to ensure that the ADRION programme respect the principle of sustainable development. The programme aims at improving and harmonising environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management systems across the partner’s countries. The fight against the consequences of climate change, the reduction of the impact of human activities on the environment and the protection of ecosystems and biodiversity are supported by Investment Priorities 6.c and 6.d.

Furthermore, in a transversal way, beneficiaries are asked to promote eco-innovations aiming to make a more sustainable use of natural resources under all Priority Axes. More precisely, beneficiaries are requested to describe in their project proposals the efforts they will undertake to reduce the project’s ‘carbon footprint’. The programme bodies (MC, MA, JS, NCP) will also address this issue in relation to the implementation of their tasks.

In line with the principle of sustainable development, projects applications shall be evaluated using the following criteria:

- Projects which have a positive effect on the environment or which conserve, enhance or rehabilitate existing endowments will be preferred to those that are neutral from this perspective;
- Projects that have a potentially harmful effect on the environment will be excluded;
- Actions designed to raise environmental awareness and compliance both within the economic and administrative sectors, and among the general public, including acknowledgement that a high level of environmental performance can provide a long term competitive advantage, will be supported.

As guidance for the project evaluation process, the following aspects will be considered:

- Contribution to efficiency in the use of resources (e.g. energy efficiency, renewable energy use, reduction of greenhouse gas (GHG) emissions, efficient water supply, waste-water treatment and water reuse, sustainable

land use, waste management and recycling etc.);

- Contribution to the development of green infrastructures;
- Contribution to sustainable integrated urban and regional development;
- Contribution to better awareness for the adaptation to climate change and risk prevention;
- Promotion of employment opportunities, education, training and support services in the context of environment protection and sustainable development.

In application forms, a special chapter shall be dedicated to sustainable development criteria. Project proposals with measurable output indicators on environmental issues (where applicable according to the objectives of the project) and/or logical frameworks (activities of the project, results, specific objectives, global objectives) with consideration on environmental issues shall be encouraged.

Whether projects are directly concerned by sustainable development issues or not, they shall be invited to implement actions/take specific measures to reduce the environmental impact. This can include, for example:

- Use of video conferencing to reduce travelling;
- Publications on FLC certified paper;
- Use of “green public procurement” procedures and innovative public procurement where appropriate;
- Use of short supply chains in the implementation of projects activities;
- Raising awareness of partners, beneficiaries and target groups on sustainability issues;
- Promotion of activities with limited use of energy and natural resources.

Similar techniques shall also be taken into account at programme level for managing and monitoring activities.

Furthermore, measures related to simplification and reduction of administrative constraints mentioned in part 7.2 of the cooperation programme are likely to lessen the environmental impact of the programme through the use of electronic communication and the reduction of paper consumption.

More detailed guidelines on how to interpret the main principles outlined in the CP may be provided in the Terms of reference of each call for proposals.

## ***8.2. Equal opportunities and non-discrimination***

Non-discrimination covers not only women (and men) but any discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation. While anti-discrimination legislation is an acquired aspect of EU legal systems, the practical implementation of anti-discrimination practices is lagging behind. Equal access to information and controls on whether equality and non-discrimination requirements are being met is also an issue.

The strategy of the Programme puts emphasis in the sharing of knowledge, good practices and the principle of equal access to information. This includes targeting different social groups adequately; removing obstacles in the communication of the

Programme (e.g. media, language etc.), promoting barrier-free approaches etc.

This strategic orientation of the Programme will be enhanced by a targeted selection of operations. When examining proposals the following “guiding question – where appropriate – should be assessed: Is the operation contributing to the promotion of equal opportunities and non-discrimination? Attention will be given to equal opportunities and non-discrimination through the inclusion of relevant indicators related to the profile of persons involved in projects, e.g. on gender, ethnic origin, age, occupation and education level, disabilities, etc.

While there will be no penalty for the projects not actively promoting non-discrimination and equal opportunities, their operations will be analysed on the basis of the monitoring findings and the identification of the obstacles met.

This strategic orientation of the ADRION programme can be enhanced by a targeted selection of operations. When examining proposals the following “guiding question – where appropriate – should be assessed: Is the operation contributing to the promotion of equal opportunities and non-discrimination?

The assessment of the quality of the eligible project proposals will be based on a set of quality criteria which shall be common to all Priority Axis and Investment Priorities. As a guide for the assessors, the following indicative aspects could be considered in project selection:

- Consideration of the different needs and intended and unintended impact of the project on different groups (e.g. people with disabilities, minorities and migrants, people of different religious beliefs and people of different sexual orientation etc.);
- Consideration of equal opportunities and non-discrimination in project implementation, e.g. concerning the establishment of an equal opportunities action plan, definition of equal opportunity targets, provision of equal opportunities training or diversity management courses, provision of supporting services;
- Provisions for an equal access to the operation’s outputs and benefits for all members of the society.

### *8.3. Equality between men and women*

The aim of equality between women and men is one of the fundamental values of the European Union and is set out in the Treaty of the European Union (Article 8, Consolidated Version of the Treaty on the functioning of the European Union, Official Journal of the European Union C 83/49 of 30.3.2010). These fundamental values must be respected in the regulations and implementation of the programme as indicated by the need to “ensure that equality between men and women and [that] the integration of gender perspective is promoted in the preparation and implementation of programmes” and that the “...appropriate steps [will be taken] to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes” (Article 7,CPR, COM(2011) 615 final/2, Brussels, 14.3.2012, p. 34).

Attention shall be placed on basic gender-sensitive monitoring e.g.:

- Counting the number of women and men participating in projects;
- Assessing the number of women and men benefiting from funding;

- Assessing how much support and for which projects women and men receive funding (broken down by types of project/Investment Priority).

The assessment of the quality of the eligible project proposals will be based on a set of quality criteria which shall be common to all Thematic Objectives and Investment Priority. As a guide for the assessors, the following indicative gender-mainstreaming aspects could be considered in project selection:

- Consideration of the different starting positions of the target groups (existence and extent of differences between women and men and the implications of these differences for the specific policy area etc.) and intended and unintended impact of the operation on those groups;
- Assessment of how and why differences and inequalities are relevant to the proposed intervention, identifying where there are opportunities to narrow these inequalities.

## SECTION 9. SEPARATE ELEMENTS

### 9.1 Major projects to be implemented during the programming period

(Reference: point (e) of Article 8(2) of Regulation (EU) No 1299/2013)

Not relevant for the ADRION CP

### 9.2. Performance framework of the cooperation programme

**Table 24: The performance framework of the cooperation programme (automatically completed in the system)**

| PRIORITY AXIS | ID    | KEY IMPLEMENTATION STEP OR INDICATOR  | MEASUREMENT UNIT | MILESTONE TOTAL FOR 2018 | FINAL TARGET (2023) |
|---------------|-------|---|------------------|--------------------------|---------------------|
| PA 1          | 1.b.1 | FINANCIAL   | EUR              | 7%                       | 100.00              |
| PA 1          | OI.1b | Number of strategies and action plans developed by transnational innovation networks and clusters                     | Number           | 3                        | 12.00               |
| PA 2          | 6.c.d | FINANCIAL   | EUR              | 7%                       | 100.00              |
| PA 2          | 6c.1  | Number of strategies and action plans developed in the field of natural and cultural heritage and tourism             | Number           | 4                        | 30.00               |
| PA 2          | 6d    | Number of strategies and action plans developed in the field of environmental protection                              | Number           | 2                        | 15.00               |
| PA 3          | 7c.1  | Financial   | EUR              | 7%                       | 100.00              |
| PA 3          | OI_7c | Number of strategies and action plans developed in the field of environment-friendly and low-carbon transport systems | Number           | 2                        | 12.00               |
| PA 4          | 11.a  | Financial   | EUR              | 7%                       | 100.00              |
| PA 4          | OI.11 | No of events and meeting of the governance structures to facilitate implementation of the EUSAIR targets              | Number           | 32                       | 120.00              |

### 9.3. Relevant partners involved in the preparation of the cooperation programme

In total, 2611 stakeholders and partners participated in the ADRION consultation process for the preparation of the cooperation programme. Consultations were implemented by way of an online survey and two transnational thematic events.

Stakeholders from a broad range of backgrounds were involved in the consultations. Research institutions and universities as well as national/regional and local public authorities accounted for about 67% of respondents to the transnational online surveys. In the transnational stakeholder conference, the majority of participants came from research organisations, public authorities as well as private companies.

In addition, a consultation was conducted in application of the SEA Directive 2001/42/EC and the respective national requirements (cf. Annex A).

Details on the partner consultation can be found under section 5.6.

**Countries:**

**2611**

|  |     |
|--|-----|
| Albania  | 56  |
| Bosnia and Herzegovina                             | 83  |
| Croatia  | 264 |
| Greece   | 184 |
| Italy  | 984 |
| Slovenia   | 289 |
| Serbia   | 216 |
| Montenegro   | 275 |
| Out  | 260 |
| <b>Categories: 2611</b>                            |     |
| Central/Regional PA                                | 874 |
| Local PA/In-house                                  | 310 |
| Research and Education                             | 586 |
| Dev agency/NGO                                     | 438 |
| Chambers, Unions, Associations (economic interest) | 212 |
| Undertaking profit oriented                        | 130 |
| Other  | 61  |



***9.4. Applicable programme implementation conditions governing the financial management, programming, monitoring, evaluation and control of the participation of third countries in transnational and interregional programmes through a contribution of ENI and IPA resources***

*(Reference: Article 26 of Regulation (EU) No 1299/2013)*

In a general way, rules applicable to ERDF partners are applied to IPA partners regarding the implementing conditions for the financial management, programming, monitoring, evaluation and control. However, the following issues will have to be considered:

- Financing Agreements between the European Commission, the managing authority and the Governments of Montenegro, Bosnia and Herzegovina, Serbia and Albania are to be signed regarding the implementation of IPA assistance integrated in the ADRION programme;
- These Financing Agreements will take into account the specific rules to be applied in accordance with the IPA II Regulation (No 231/2014), the Implementing Act and the provisions regarding the contractual procedures for the for EC External Actions.

***ANNEXES (uploaded to SFC 2014 as separate files)***

- Draft report of the ex-ante evaluation, with an executive summary  
*(Reference: Article 55(2) of Regulation (EU) No 1303/2013)*
- Confirmation of agreement in writing to the contents of the cooperation programme  
*(Reference: Article 8(9) of Regulation (EU) No 1299/2013)*
- A map of the area covered by the cooperation programme
- A citizens' summary of the cooperation programme

# Glossary

## **Baseline**

Each result indicator requires a baseline value (art. 6, ERDF regulation, art. 5, CF regulation; art. 16, ETC regulation). A baseline is the value of a result indicator at the beginning of the programming period (for example, the number of start-ups in that year for a priority that intends to drive up the number of start-ups in a region). It can be available from statistical or administrative data (“Guidance document on monitoring and evaluation – ERDF and cohesion fund, Concepts and recommendations”, EU Commission, March 2014).

## **Beneficiary**

Beneficiary means a public or private body responsible for initiating or both initiating and implementing operations (according to Article 2(10) of the CPR benefitting from programme funds).

## **Blue growth**

Blue growth is the long term strategy to support sustainable growth in the marine and maritime sectors as a whole. It recognises that seas and oceans are drivers for the European economy with great potential for innovation and growth. It is the Integrated Maritime Policy's contribution to achieving the goals of the Europe 2020 strategy for smart, sustainable and inclusive growth.

## **Capacity building**

Capacity building focuses on understanding the obstacles that inhibit people, institutions and public authorities from realizing their developmental goals while enhancing the abilities that will allow them to achieve measurable and sustainable results.

## **Capitalisation**

Organisation of data concerning the implementation of programmes, projects, concerning their impacts, the methods used in order to make the accumulated experience usable for other programmes, projects or stakeholder groups.

## **Cluster**

A business cluster is a geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field. Clusters are considered to increase the productivity with which companies can compete, nationally and globally.

## **Creative industries**

Industries that use culture as an input and have a cultural dimension. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising (Working group of EU Member States experts - open method of coordination - on cultural and creative industries, 2012: Policy Handbook).

## **Cultural heritage and cultural resources**

Cultural heritage is composed of tangible heritage including buildings and historic places, monuments, etc. and intangible cultural heritage which refers to practices, representations, expressions, knowledge, skills, etc. (UNESCO, “Convention for the safeguarding of the intangible cultural heritage”, 2003).

Cultural resources comprise both elements, the tangible and intangible cultural heritage, encompassing current culture, including progressive, innovative and urban culture. These resources can be valorised among others in cultural and creative industries.

### **Economic operator**

According to the article 1(8) of EU Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts, is considered as “economic operator” any natural or legal person or public entity or group of such persons and/or bodies which offers on the market, respectively, the execution of works and/or a work, products or services. As such, competition rules do not depend on the legal status of each institution involved (public or private) but on the nature of the activity realised.

### **Energy efficiency**

Energy efficiency improvements refer to a reduction in the energy used for a given service (heating, lighting, etc.) or level of activity. The reduction in the energy consumption is usually associated with technological changes, but not always since it can also result from better organisation and management or improved economic conditions in the sector (“non-technical factors”) (World Energy Council, “Energy Efficiency Policies around the World: Review and Evaluation”, 2008).

### **Environmental protection**

Any activity that maintains the balance of the environment by preventing contamination and the deterioration of the natural resources, including activities such as: a) changes in the characteristics of goods and services, and changes in consumption patterns; b) changes in production techniques; c) waste treatment; d) recycling; e) prevention of landscape degradation (IUCN, “Definitions”, 2011).

### **Green growth**

Green growth is about fostering economic growth and development while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies. To do this, it must catalyse investment and innovation which will underpin sustained growth and give rise to new economic opportunities (OECD, “Towards Green Growth, Monitoring Progress, Glossary of terms and definitions”, 2011).

### **Indicator**

An indicator can be defined as a way of measuring an objective to be met, a resource committed, an effect obtained, a gauge of quality or a context variable. An indicator should be made up by a definition.

#### ***Output indicator***

Output indicators relate to activity. They are measured in physical or monetary units (e.g. number of firms supported, number of action plans elaborated, etc.).

### **Result indicator**

Result indicators relate to the objectives of Priority Axis. They relate to the effects on direct beneficiaries brought about by a programme. They provide information on changes to, for example, the behaviour, capacity or performance of beneficiaries. Such indicators can be physical (reduction energy consumption, increase of a competence, etc.) or financial (additional financial resource mobilised, decrease of an expense, etc.).

### **Innovation**

Innovation is about creation of new products, new processes, new technologies, new organisation systems, new social system, etc. Thus, innovation can be technological and non-technological with the objective to improve the functioning of institutions, the efficiency of strategies implemented or the competitiveness of economic operators.

### **Key actors**

The “key actors” are the institutions or individuals which play an important role in the field of action of the project and who are likely to contribute in a significant way to its realization. They have both political and administrative competences and technical capacities to implement the actions required for the project.

### **Macro-regional strategy**

A macro-regional strategy is an integrated framework endorsed by the European Council, which may be supported by the European Structural and Investment Funds among others, to address common challenges faced by a defined geographical area relating to Member States and other countries located in the same geographical area. In this framework they benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion.

### **Multimodal transport**

Multimodal transport is understood as the carriage of persons or goods by at least two different modes of transport. Environmentally friendly transport solutions are those allowing a significant reduction of emissions of CO<sub>2</sub>, NO<sub>x</sub>, as well as of noise.

### **Non-profit organisation**

A non-profit organization (abbreviated "NPO", or "non-profit" or "not-for-profit") is an organisation whose primary objective is to support an issue or matter of private interest or public concern for non-commercial purposes. Non-profit organisations can make benefits but these benefits must be reinvested in its activity.

### **Operation**

A project, contract, action or group of projects selected by the programme authorities of the programmes concerned, or under their responsibility, that contributes to the objectives of a priority or priority.

### **Pilot actions**

A pilot action means the implementation of schemes of an experimental nature to test, evaluate and/or demonstrate its feasibility with the aim to capitalise on those results and transfer practices to other institutions and territories.

### **Public equivalent body (according to the Directive 2004/18/EC)**

Any legal body governed by public or private law:

- Established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character, and
- Having legal personality, and
- Either financed, for the most part, by the State, or regional or local authorities, or other bodies governed by public law, or subject to management supervision by those bodies, or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities or by other bodies governed by public law.

### **Quadruple helix**

Innovation model involving institutional bodies, research sphere, business sector and citizens in the process.

### **Regional actors**

Regional actors are all main stakeholders operating at regional level in a specific thematic field independently from their legal status, thus comprising the public as well as the private sector. These sectors include different types of entities such as public administrations, infrastructure and services providers and operators, agencies including RDA, interest groups, NGOs, research centres, education facilities, enterprises including SMEs, business support organisation, etc.

### **Renewable energy sources**

Renewable energy sources are a diverse group of technologies that capture their energy from existing flows of energy such as sunshine, wind, water, biological processes, and geothermal heat flows.

### **Rural area**

Rural areas are all areas outside urban clusters. Urban clusters are clusters of contiguous grid cells of 1km<sup>2</sup> with a density of at least 300 inhabitants per km<sup>2</sup> and a minimum population of 5000 (Eurostat, 2011).

### **Small and medium-sized enterprise**

Micro, small and medium-sized enterprises are defined according to their staff headcount and turnover or annual balance-sheet total.

- A medium-sized enterprise is defined as an enterprise which employs fewer than 250 persons and whose annual turnover does not exceed EUR 50 million and/or whose annual balance-sheet total does not exceed EUR 43 million.
- A small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.
- A micro-enterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

(Commission Recommendation 2003/361/EC).

### **Smart specialisation strategy**

Smart specialisation strategy (S3) means the national or regional innovation strategies which set priorities in order to build competitive advantage by developing and matching research and innovation strengths with business needs. It addresses emerging opportunities and market developments in a coherent manner, while avoiding duplication and fragmentation of efforts, and may take the form of (or be included in) a national or a regional research and innovation (R&I) strategic policy framework.

### **Social innovation**

Social innovations are new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations (Murray *et. al.*, “Open Book of Social Innovation”, 2010). Fields of activity are among others work integration, social services, education and research, culture and recreation, health etc.

### **Sustainable development**

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCDE/WCED, 1989).

### **Target groups / end users**

The target groups or end users concern individuals and/or organisations directly positively affected by the activities and results of operations. Not necessarily receiving a financial grant and even not directly involved in the operation, the target groups may exploit project outcomes for their own benefits.

### **Target value**

A quantified objective expressed as a value to be reached by an indicator (output or result indicator), within a given time frame.