



Slovenia – Hungary



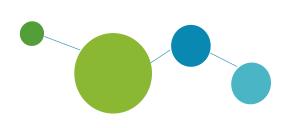
Post 2027 consultation

Interreg Programme Slovenia-Hungary













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1 SUMMARY OF NATIONAL AND CROSS-BORDER CONSULTATION ON COHESION POLICY - POST 2027

1.1 Introduction and Methodology

Ministry of Cohesion and Regional Development (hereafter: Ministry) steered consultation for the post 2027 period of the Cohesion Policy with two methods of data gathering:

- Two public consultation events on 10th September and 6th November 2024 (international event) and
- online questionnaire for INTERREG programmes whereof Ministry is the Managing Authority (Slovenia-Croatia, Slovenia-Hungary and Slovenia-Austria).

The latter questionnaires were derived from proposed questions from the EC's "Guide for shaping together the future Interreg", a toolkit for considering the views of citizens and stakeholders for the post-2027 Interreg programmes.

There are several challenges that stem from the implementation of the past programming documents and were considered as a starting point for the discussion about the delivery of Cohesion policy instruments post 2027.

These are as follows:

- **Temporal Challenges**: overlapping of programming periods, late adoption of EU Cohesion regulation, delays in programming, long reimbursement periods, inefficient multi-stakeholder coordination.
- **Administrative challenges**: Simplifications are not always beneficial for programme structures, complex instructions, shift towards substance monitoring, constant staff turnover and low multidisciplinarity of the staff.
- **Financial challenges**: asset disconnection of beneficiaries, liquidity problems of beneficiaries and end-users, unpredictability of public calls for projects, high costs, poor flexibility of budgets, low absorption capacity of Cohesion policy stakeholders, low EU and national value added.
- Technological challenges: non-existence of mutual IT system, low interoperability of programmes, inadequate use of modern technologies, restrictions on analysis and evaluation of (personal) data.
- **Lack of flexibility**: projects require flexible budgetary and human resource planning, but the legislation is too rigid and lacks the necessary flexibility.
- **Achieving results**: There are indicators without comprehensive definitions, the visibility of programmes' results is low, there is a poor understanding of conditionality between indicators and milestones.
- **Cooperation and trust**: the delivery of bottom-up approach is inadequate, the low synergies between the institutions are low, investments in skills are not sufficient.



- **Territorial approach:** the convergence on regional level is slowing, there is evident disconnection between regional and national needs, poorly defined objectives.
- **Overcoming future EU-level challenges:** Green and digital transition, climate change, migration flows, demographic changes, global competitiveness of the EU.

1.2 SUMMARY OF TWO PUBLIC CONSULTATION EVENTS

Key highlights (quotes) of discussions at the national consultations:

- We are pleased that we started early and tackled the challenges of the future in a timely manner."
- "The participants welcome the approach of less is more."
- Cohesion policy must not be the main foundation of Slovenia's development policy. The debate should focus on wider development, not just cohesion development. It is necessary to integrate other development policies and take into account all available financial resources (European, national, regional, etc.).
- Development projects, not sectoral, local or regional, should be considered and combined with different sources of funding. Linking national and cohesion funds is crucial. Comprehensive projects and complementarity in the system are needed. Greater synergy between the different programmes is also needed.
- Better organisation and coordination are needed in order to implement cohesion policy more effectively, by shortening implementation processes.
- Building trust in the system is necessary, but without changes in legislation and a 'building up' mindset, it will not be possible to achieve breakthroughs in several areas (funding by results and outputs, milestones);
- At the national level, it makes sense to support Ready-to-Go projects, so it would make sense to use special funds under each call to cover at least the majority of project applications that are assessed positively or are viable projects, since municipalities invest a lot of funds in the development of such projects.
- Continuity and stability of the system is needed as the institutional, information and regulatory frameworks are constantly changing. A leaner organization is also needed.
- Simplification proposals: continuity in cohesion policy implementation processes, adequate information support, regular staff training (technical support funds are not evenly distributed at regional and local level). No funds have been allocated for staff training at regional and local level.
- Attention should be devoted to introducing changes: changes must be introduced comprehensively and thoughtfully to not overburden the staff.
- The skills of the personnel are not sufficient, and a greater degree of cooperation is needed.
- It is necessary to ensure synergies between programmes, cooperation with universities and research institutions, to ensure that development objectives are integrated into regional development policies, to allocate part of European cohesion policy funds to achieving research and development objectives.
- Integrated planning requires, among other things, the coordination of spatial and European cohesion policy.



- The challenge is to finance the municipalities' own financial contribution in the financial plans of projects.
- The possibility of co-financing Interreg programmes with national funds should be reinstated.
- The specificity of Slovenia in relation EU-level call for projects and public tenders is the small size of municipalities, which as an administrative unit can be various roles in project implementation this can also be a very significant obstacle in some public calls for projects (e.g. the European Urban Initiative), as the basic condition of the size of the entity (e.g. in terms of population) is not met. As a result, municipalities are forced to adapt project ideas in order to meet the original size criterion, which then worsens the chances of meeting other criteria and a positive assessment in these tenders. Appropriate and meaningful exceptions for smaller countries/smaller units should be brought to the attention of this aspect when designing EU programmes and conditions.
- Reorientation of programme priorities in view of current Slovenian and European challenges (green transition yes, but not only green transition).
- Timely preparation for new EU regulations and sectoral policies is important, as the adoption of EU regulations is expected to be delayed again.
- More flexibility in reallocating funds, a focus on growth, jobs, sustainable development, simplification, efficiency, territorial approaches and local involvement will be needed.
 The goal is development, not just the absorption of funds.
- Legislative requirements and rules at EU level have been highlighted, while one-size-fits-all rules will no longer be possible.
- Flexibility and agility from manager to beneficiary is required. Two challenges are key: territorial and thematic focus, whereby projects must not be limited by borders, as they are alive and changing.
- We need good conditions for beneficiaries to prepare quality projects. Slovenian legislation is rigid, but bold stakeholders are pushing the boundaries.
- Beneficiaries need continuity of funding (calls) in order to have sufficient time to prepare projects well. Consider two-stage project application (as currently regulated for projects funded through the ITN mechanism). Too much time goes to the administration of the project, and too little time remains for implementation (only a third of the time).
- Flexibility is needed in reallocating funds and adapting projects. The combination of resources is crucial, even possible, because we have cases like this. The combination of Interreg funds and Objective 1 will be important. It is also necessary to ensure the combination of reimbursable (e.g. Financial Instruments) and non-reimbursable grants on the same project.
- Due to the specificities of each EU instrument, blending of financial resources should also be addressed at EU level, not only at national level.
- We need competent staff who can handle both content and administration in order to make a difference. It is important to educate people in new technologies, e.g. green technologies require new skills. Horizontal principles also require new approaches, especially in the training of practitioners. More trust and opportunities for independent decision-making of employees in ministries are needed.



- Infrastructure needs (e.g. sewage and drinking water) are still present, but should not be necessarily funded from the cohesion policy. National reforms will also be needed.
- Bottom-up approaches are needed to address regional needs. When the resources for the new financial perspective are known, regional needs should be taken into account first and not specific objectives.
- Debate on the need for two cohesion regions in Slovenia; Different views on costs and administration.
- Smaller municipalities are understaffed in terms of human and financial resources and have difficulties in co-financing and applying for innovative projects. Technical support should also be provided to strengthen administrative capacity at regional level.
- A necessary paradigm shifts in programming: the bottom-up approach is currently underused, the timely involvement of all stakeholders and the definition of strategic objectives to be addressed are needed.
- On the question of the development of one or more programmes, the prevailing view is that one programme should be maintained, with regions addressing their specific needs through the relevant regional development programmes.
- Proposal to direct financial flows in Managing Authority's information system (e-MA) directly to implementing bodies.
- In order to focus on the key challenges ahead, consideration should be given to including topics such as seismic safety in the implementation of European cohesion policy.
- There is a need to establish a verification mechanism for the inclusion of proposed projects national strategies.
- Ensure continuity in the preparation and development of R&D and innovation projects (aims at upgrading existing and good solutions instead of always looking for new ones).
- Ensure the stability of the system as a basis for the development of European cohesion policy.
- Involve both urban and smaller municipalities in establishing priority and focus areas for action.



2 SUMMARY OF QUESTIONNAIRES' RESPONSES OF INTERREG PROGRAMMES – POST 2027 CITIZENS AND STAKEHOLDER CONSULTATION

2.1 Introduction and methodology

Public consultation of the Interreg Programme for the programming period post 2027 stems from the responses to the online questionnaires. Citizens and stakeholders of the programme areas were invited to take part in the consultation on the effectiveness of cross-border cooperation between Slovenia and neighbouring countries (Hungary, Austria and Croatia) and invited to provide ideas on how to deepen the cooperation in the programme area and how the ideal projects would look like.

There were two separate questionnaires for each Programme, the first one for citizens and the second one for the stakeholders. There were mutual questions for all aforementioned programmes:

- Do you think there are more advantages or disadvantages to living at the border?
- Which thematic topic offer the greatest potential for territorial cooperation in the area where you live?
- Can you name one Interreg project implemented in your wider area of residence that you found interesting and useful?
- What are your biggest assets/constraints in cross-border cooperation?
- What does your ideal Interreg Slovenia-Hungary cross-border cooperation project look like?

The online questionnaire for stakeholders included an additional selection for the stakeholder's most important policy objective and to prioritise the specific objectives that was the most important to them.

The online questionnaires for Slovenia-Hungary INTERREG Programme were available from 14th August to 30th September.



2.2 SLOVENIA – HUNGARY INTERREG PROGRAMME

Programme Area

Interreg Programme Slovenia-Hungary's programme area for the period 2021-2027 entails following NUTS 3 regions:

• Slovenia: Pomurje and Podravje;

• Hungary: Vas and Zala counties.



The territory covers 10.627 km² in total, two-thirds of the area belong to the Hungarian, and one-third to the Slovenian border region, divided by a border of 102 km in length. Podravje region is the most densely populated due to Maribor (the second biggest city in Slovenia), while the other regions are more sparsely populated, showing in terms of EU rural characteristics.

Below some statistical data in relation to the respondents

Number of citizens and stakeholders that responded, per country:

Country	No. of responses – citizen	No. of responses - stakeholders
Slovenia	8	5
Hungary	13	3



Type of institutions (stakeholders) responding to the survey:

Type of institution - stakeholders	No. of responses
Local public authority	2
Business support organisations	1
Higher education and research	1
EGTC	1
NGO	1
Small and medium-sized enterprise	1
Other	1

Summary of responses to the questions

Both Slovenian and Hungarian citizens and stakeholders consider greater advantage over disadvantage of living at the border.

The responders consider tourism and cooperation in the field of culture as the greatest potential for territorial cooperation in the programming area. The topic that is becoming visible and will become relevant in the future is a reduction of pollution of rivers and the environment in the light of adaptation to the climate change and support to greater biodiversity.

All responders listed at least one project in the programming area that they found interesting and useful. They listed language barriers, negative stereotypes, administrative burden and deteriorating demographic structure in the programming area as the most detrimental factors to deepening cross-border cooperation.

Stakeholders consider Policy objective 2 (A greener, low-carbon Europe) as the most important policy objective for the programming area, followed by Policy objective 1 (A smarter Europe).

Two standout description of an ideal project are as follows:

- "An ideal project should have as its main objective the revitalisation and sustainable management of transboundary watercourses to preserve biodiversity, reduce water pollution, protect water quality, adapt to climate change and mitigate risks related to extreme climate. Methodology-wise, it is recommended to conduct an on-going analyses and create a predictive models.
- "The Slovenian-Hungarian border region offers mainly tourism and cultural opportunities. Cooperation and collaboration between service providers could be improved and supported by **marketing-related tools**".



3 CONCLUSION AND NEXT STEPS

Cohesion policy is needed. The Interreg component is very important for a small, open economy like Slovenia and supplements the national-level Cohesion Policy delivery.

Key challenges that are at the forefront of EU-wide strategy and must be considered when adapting the national delivery framework are:

- green and digital transition,
- · climate change,
- unfavourable demographic change,
- low convergence.

The implementation framework has to consider adapting to the real needs of regions, simplifications for the Ministry and other stakeholders, strengthening of administrative capacity, integration of the territorial approach and synergies with other policies.

One of the important topics in the future will also be the enlargement of the EU, which must be an opportunity for Slovenian economy. It is crucial to direct cohesion funds towards the development of knowledge, entrepreneurship and value-added infrastructure.

Next steps

- A digital corner for post-2027 cohesion policy content will be created to develop an expertise capacity.
- To better blend the finances clear planning and coordination, elaboration of a comprehensive financial strategy, institutional capacity building, effective monitoring and evaluation and promotion of cooperation.
- Discussion on Cohesion policy post 2027 will be more focused and pursue moderated focus groups.
- There is a necessity to adapt the planning and implementing framework to the upcoming challenges:
 - o security,
 - migration flows,
 - o green and digital transitions,
 - education and housing,
 - EU enlargement,
 - territorial approaches
 - o disruptions of supply chains.