

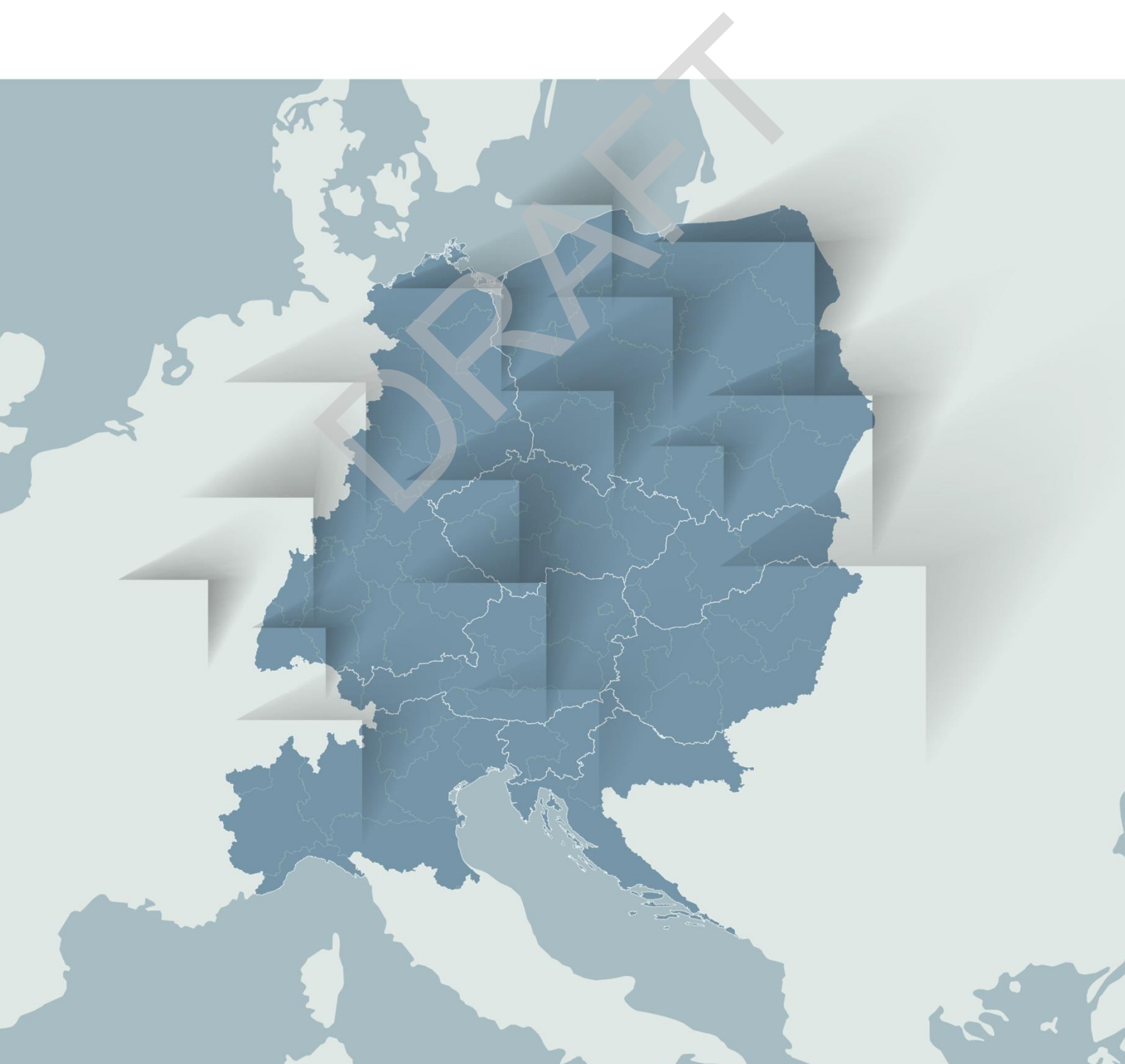
# INTERREG CENTRAL EUROPE PROGRAMME 2021-2027

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### ***Disclaimer***

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DRAFT

# 1. Programme strategy: main development challenges and policy responses

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

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

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*Updated text will be integrated in IP version 2*

Central Europe can be considered a core area of the European Union. It is composed of (or parts of) the territories of nine EU Member States, of which six have acceded the EU in 2004 or later. These Member States are Austria, Croatia, Czech Republic, Germany, Hungary, Italy, Poland, Slovakia and Slovenia. From East to West, the entire area spans from 946 km of EU external boundaries to Russia, Belarus and Ukraine to the middle of Germany. From North to South, the area spans from the Baltic to the Adriatic Sea. The area includes different landscapes: High and low mountain ranges, but also wide plains and large river basins and lake districts. Furthermore, central Europe does also span different climate zones.

Covering an area of over 1 million square km the Interreg CENTRAL EUROPE (CE) programme area is home to about 146 million people (according to data from 2013). However, the territory is characterised by structural differences between regions with urban and industrialised areas including urban growth poles (such as capital city agglomerations like Warsaw, Prague, Berlin, Vienna, and Budapest) versus rural and peripheral areas facing often a lower competitiveness combined with population shrinking.

A common and a shared historic and cultural identity<sup>2</sup> can be observed in central Europe<sup>3</sup>. This is a positive development, as the territory comprises large parts of the former iron curtain and bridges significant differences in the socioeconomic history of Europe. This is also relevant for the external connections beyond the borders of central Europe: Looking at the Eastern and Western neighbouring areas of the central Europe area, it can be stated that the programme area represents a territory that connects areas that are even more different. The same pattern can be observed with regards to the north-south axis of the central Europe area: The territory borders both the Baltic as well as the Adriatic Sea and large rivers cross the areas. As a historical consequence, many trade and transport routes cross the area due to rivers, streets and railroads that cross the countries. Also here, central Europe seems to perform a relevant function as a hub for socioeconomically relevant corridors. Equally importantly, many regions are physically or socio-economically connected to these routes.

The central European territory also comprises a wide variety of landscapes, remarkable heritage sites, including also post-industrial sites, and a pristine nature. Wide open spaces in rural areas, fragile mountainous areas and natural landscapes such as the Green Belt that are inhabited by a wide variety of valuable and protected plants and animals. This rich natural and cultural heritage constitute important location factors of central Europe.

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<sup>2</sup> Programme document „Bringing Europe closer to the citizens through transnational cooperation“ A result- and value driven Interreg CENTRAL EUROPE 2021-27, June 2019

<sup>3</sup> Analysis of the main territorial challenges, needs and transnational co-operation potentials in central Europe, Survey results: Transnational co-operation is central - but where is it needed most? - Final report, p. 14, fig 8, wiiw 2019 - hereinafter called “wiiw survey”

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

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

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*Old text, as in IP version 0.1 - Updated text will be integrated in IP version 2*

Several territorial and socioeconomic analyses had been carried out in 2016 and 2019. Furthermore, evaluative work<sup>4</sup> has been carried out on central European, macro-regional and EU level.

The territorial and socio-economic analyses have assessed the assets, but also the challenges of the CE territory, while the work of the macro-regional strategies and the programme evaluations led to conclusions that reflect territorial challenges with a specific view on transnational cooperation needs.

In compliance with the future ERDF policy objectives, the description of the challenges and needs of central Europe is structured as follows:

1. **Innovation and Skills:** Challenges reflecting innovation capacities, economic transition, skill development and entrepreneurship
2. **Environment and CO<sub>2</sub>-Reduction:** Challenges pointing towards an environmental turnaround comprising the lowering of CO<sub>2</sub> emissions, a green vision of the CE economy, environmental protection and the valuation of ecosystem services and territorial responses to climate change.
3. **Sustainable transport and connectivity:** Challenges reflecting sustainable connectivity needs
4. **Equal opportunities:** Challenges reflecting social aspects such as equal access to labour market, health, education and learning.
5. **European Identity:** Challenges reflecting the status of European identity and cultural connection and the anchoring of EU compliant, integrated planning on local level
6. **Co-ordinated Governance:** Challenges reflecting the need for more co-ordination with and between policies and programmes

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<sup>4</sup>Analysis of the main territorial challenges, needs and transnational co-operation potentials in central Europe, interim report, final report, survey, stakeholder workshop and all annexes; Operational Evaluation of the CE2020 programme; all Programme documents and analyses available on the programme website [www.interreg-central.eu](http://www.interreg-central.eu)

## **Innovation and Skills: Challenges reflecting innovation capacities, economic transition, skill development and entrepreneurship<sup>5</sup>**

### **Skills**

The fourth industrial revolution, but also the EU wide momentum for a Green Economy have triggered a period of transition towards a digitised economy with advanced technology that requires a skilled workforce. Value chains are being reviewed, revised and new value chains are created. The combination of the fast pace of technological progress and fierce global competition due to globalisation implies that governments, businesses and citizens have to adapt swiftly in order to harness the potential benefits and to not fall behind.

This refers to many aspects that are of high relevance for central Europe such as key business areas, e.g. manufacturing, but also the S3 policy areas and related policy sectors such as Energy and environment; Public health, medicine and life sciences; Agro- and bio-economy; Advanced materials and nanotechnology; Transport and mobility; Advanced manufacturing systems; ICT and electronics)<sup>6</sup>

Smart specialisation<sup>7</sup> as well as economic and industrial transition require a highly skilled workforce and offers good opportunities for start-ups or company transition if people dispose of entrepreneurial spirit and knowledge. For example, as concerns highly educated individuals, there is a substantial disparity across central European regions. Generally higher shares can be found in Austria, Slovenia, Croatia, Germany and Poland, In contrast, Italy, Hungary, Slovakia and the Czech Republic experience comparatively lower rates of highly educated individuals<sup>8</sup>. However, all central European countries share a common pattern: Generally spoken, the so-called pull effect that incentivises individuals to move to capital regions<sup>9</sup>, can be observed: In most of the central European countries, other regions than the large cities face a lack of highly educated individuals. With regards to medium educated individuals, the distribution is spatially less concentrated.

The EU further highlights the vital role of digital skills for the smart specialisation process<sup>10</sup>. To adequately integrate the digital transformation into smart specialisation strategies, it needs the availability of ICT tools and skills. Entrepreneurs need to have access to a workforce equipped with advanced digital skills that are also adjusted to modern value chains. As an indicator, the share of individuals that have never used a computer has been assessed and is depicted as follows:

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<sup>5</sup> Analysis of the main territorial challenges, needs and transnational cooperation potentials in central Europe, wiiw 2020 Annex 1: Analytical report, p. 10 (the entire chapter refers strongly to the chapter 2). This reference is hereafter called "wiiw 2020 Territorial Analysis, Annex 1: Analytical report"

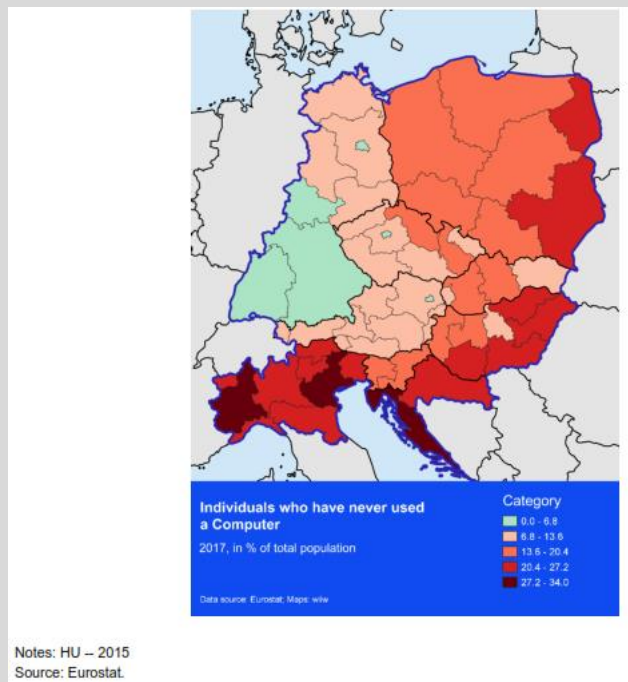
<sup>6</sup> Workshop conclusions, wiiw stakeholder workshop on TA

<sup>7</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 15

<sup>8</sup> Wiiw 2020 Territorial Analysis, Interim Report, p. 31, The example has been selected in order to show the general disparity across central Europe. Figures differ with regards to medium skills analysis or levels of education.

<sup>9</sup> Individuals often have an incentive to move to urban regions, as agglomeration effects typically induce better job opportunities, a better infrastructure and higher wages. These so-called pull effects are reflected in shares above 40% in Berlin, Vienna, Bratislava, Prague, Budapest and Warsaw. The concentration is visibly most pronounced in the Czech Republic, Slovakia and Hungary.

<sup>10</sup> European commission, 2108b



As it is clearly visible, regions in the North-East as well as South of the central Europe territory perform much worse than other regions. In particular, Poland, Hungary, Croatia and Italy experience a relatively high share of individuals without any IT experience. In Italy and Croatia this group even accounts for shares above 20% of the total population in regions.

In summary, central Europe ranks below average in the uptake of modern technologies and digitalisation of society, economy and government that is necessary to master the industrial transition. This is especially true as the main industrial sectors in central Europe form part of the fierce global competition that relates to the digital transformation.

Considering the massive changes that digitisation and digitalisation brings to the everyday life of people, an uptake of modern technologies through acquisition of appropriate skills is a relevant need for central Europe's socio-economy. Amongst other relevant factors such as the role of life-long learning, the reduction of urban-rural disparities in access to education and training is relevant. Also approaches leading to the development of new business schemes to skill development that do also contribute to territorial and social cohesion are to be envisaged. A failure in these approaches might impede innovation and growth due to lack of skilled labour force and challenge social cohesion, if too large proportions of workers become affected.

### **Innovation capacities**

The development of new technologies through research and innovation and the adoption of existing technologies are among the main drivers of firms' productivity and competitiveness and thus, crucially determine the growth trajectory of regions<sup>11</sup>. The central Europe region, but the EU more generally has observed a slowdown in productivity growth after, but already partly prior to the financial crisis. The JRC argues that this observed slack in productivity development can be attributed to a great extent to slow rates of technological progress.

In central Europe, the innovation processes tend to cluster spatially and thus, benefits from research and innovation are likely to be not distributed equally within a region. In addition, the university-industry cooperation is not always effective due to not sufficient technology transfer, labour or labour mobility between academia and industry. Furthermore, even within areas where knowledge is agglomerating, small and large firms face different obstacles for innovation and its

<sup>11</sup> JRC 2017

commercialisation. The spatial clustering, however, intensified even more in Poland, Czech Republic, Slovakia, Hungary and Croatia between 2011 and 2018 and has increased mostly in regions with a higher share of employment in urban areas. Economic literature indicates that it is difficult for firms and regions to kick-start such processes<sup>12</sup>.

Especially in central Europe, R&D expenditure is not only concentrated spatially but is also dominated by large companies. Although SMEs contribute to the largest share of employment, it is mainly companies with more than 500 employees who drive the country's R&D. Furthermore, there are strong regional differences in converting R&D expenditure into R&D outputs, e.g. like patents.

There is a need to increase R&D capacities in SMEs in order to strengthen their innovation capacity. This refers to cities, but also and especially to the non-urban areas, where it is crucial to remove obstacles that hamper a smooth transformation of R&D resources into marketable outputs. As SMEs are often the companies that are bound to their territories and to the available workforce, the need to concentrate on those aspects is bound to be a key topic for an Interreg programme that promotes especially regional development. This is especially relevant for central Europe where a strong territorial need to focus specifically on economic development of rural regions has been identified.

Furthermore, there is a need to activate cultural and creative industries as drivers for innovation and for the valorisation of the rich cultural resources of central Europe. The latter are a strong asset, especially when linked to the smart specialisation strategies of the territories.

**Environment and CO2-Reduction: Challenges pointing towards a necessary environmental turnaround comprising the lowering of CO2 emissions, a green vision of our economy, environmental protection and the valuation of ecosystem services and territorial responses to climate change**<sup>13</sup>

In November 2018, the EU presented its 2050 long-term strategy for a prosperous, modern, competitive and climate-neutral economy by 2050 - A Clean Planet for all. It is a long-term vision for achieving net-zero greenhouse gas emissions by 2050 by investing into realistic technological solutions, empowering citizens, and aligning action in key areas. Furthermore, the EU's 2050 long-term strategy puts the fight against as well as the adaptation to climate change as an overarching key priority<sup>14</sup>. Furthermore, the design of the Green Deal as a new framework paradigm has highlighted evidence with regards to the urgency that propels the implementation of those strategies.

One building block in the EU's 2050 long-term strategy aims to reap full benefits of the bio-economy and to create essential carbon sinks. In order to better focus on biodiversity and green infrastructure, the EU has developed according strategies: The EU Biodiversity Strategy and the Green Infrastructure Strategy.

The 2050 long-term strategy also mentions the problems of cities. Cities host 360 million people, which make up 73% of the EU's population; they are responsible for 80% of the EU's energy consumption and 85% of the continent's GDP. As temperature rises and the number of hot days increases, cities are more affected as they suffer more from higher temperatures than surrounding areas, due to concentration of built environment - the so called 'Urban heat island effect'. Here, urban green spaces and green infrastructure can bring adaptation benefits and absorb emissions and pollution. Central Europe shows a strong need to catch up in various sectors in order to meet at least EU average with regards to Greenhouse gas emissions, energy efficiency, the share of renewable energies, fighting the risk of natural disasters, reduce pollution and protect the environment. Also,

<sup>12</sup> Ganter and Hecker (2013), Veugelers (2017)

<sup>13</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 38 (chapter 3)

<sup>14</sup> [https://ec.europa.eu/clima/policies/strategies/2050\\_en](https://ec.europa.eu/clima/policies/strategies/2050_en)

the urban challenges, e.g. with regards to urban heat islands are comparable with the figures of the 2050 long-term strategy. However, significant development potentials can be identified and strong, transnational action can push these various developments.

### **Energy**

For central Europe, the most recent assessment suggests that reaching the 2020 target for energy efficiency, measured through primary and final energy consumption between 2007 and 2014, could be at risk. While there has been a gradual decrease of energy consumption, between 2007 and 2014, it increased between 2014 and 2017<sup>15</sup>. In 2017, greenhouse gas intensity (greenhouse gas/capita) in central Europe was highest and above EU average in the Czech Republic, Germany, Poland and Austria. It was about the EU average for Slovenia and Slovakia and somewhat below for Italy, Hungary and especially Croatia<sup>16</sup>. Also with regards to renewable energy production and usage, it can be stated that the levels in central Europe are mostly still below EU average. Although many countries have achieved considerable decrease of greenhouse gas emissions, the level still needs to be decreased. Furthermore, there are quite high disparities between the Member states that form central Europe.

As a consequence, there is a continuous need to promote energy efficiency and the reduction of greenhouse gas emissions and support the shift to renewable energy sources. The optimisation of energy use in the industry is very relevant and requires various different approaches for reduction of heat losses, the introduction of energy recovery processes, etc.

It needs to be taken into account that in this specific field, knowledge is mostly well developed and implementation on local and regional level is the predominant barrier to success. There is a need to push affordable<sup>17</sup> implementation through concepts that facilitate the transition, the management of the investment, the change of working routines, etc. Here, exchange and joint creation of good implementation examples is a key factor.

Furthermore, there is a continuous development of existing and new technologies in the field of energy. This leads to the need in central Europe to concentrate on applicable solutions and strive for a close co-ordination with the outcomes of research and innovation initiatives in energy efficiency and renewable energies.

### **Biodiversity and green infrastructure**

Within the last decade, a deeper understanding of the so-called ecosystem services<sup>18</sup> - amongst other approaches within the overall adaptation and mitigation strategy to climate change - shows that losing biodiversity might lead to a decline of the ability of nature to e.g. purify water and air, maintain soil or regulate the climate. In central Europe, the biodiversity is declining. Also, there is a continuing land take that reduces the ability of soil to provide essential ecosystem services to humans. There is a need to concentrate on finding results that provide practicable and manageable solutions for implementation on regional and local level. With regards to green infrastructure, this means that spatial planning needs to be improved so that all societal players (businesses, citizens, authorities, etc.) can live and work in balance with functioning ecosystems. This touches different sub-topics such as recreation and health, but also tourism strategies.

The EU enlargement in 2004 encompassed many countries of central Europe. In fact, the new Member States brought an “amazing variety of habitats and wildlife to the EU, with species and habitat types

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<sup>15</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p.40

<sup>16</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 43

<sup>17</sup> Strategy workshop carried out by wiiw

<sup>18</sup> <https://biodiversity.europa.eu/topics/ecosystem-services>



that had nearly vanished from Western Europe”<sup>19</sup>. Furthermore, a new biogeographical region<sup>20</sup> would be added to the existing six in the Habitats Directive. In central Europe, the proportion of protected areas under the Natura 2000 is mostly above the EU average of 18%.

Natural resources are much diversified in the central Europe region, with large areas of forested and agricultural land, mountainous areas, watercourses, coast with specific landscapes, the sea, plains, lakes and urbanised areas.

The diversity of natural heritage and the richness of biodiversity found in central Europe are big assets of the region. However, also here industrialisation, intensive agriculture, traffic and urbanisation as well as intensive tourism have negative impacts. Therefore, maintaining natural resources and biodiversity is a main challenge. Furthermore, there is a need for awareness raising among policy implementers on all levels for the ecosystem service paradigm which has the potential to speed up transition processes towards a green economy. For urban areas, it is especially relevant to improve spatial planning with respect to green infrastructure taking into account local needs and potentials. In addition to this, strong transnational storylines such as the Green Belt Initiative<sup>21</sup> have a transnational character per se and should be addressed in an integrated way.

### **Environmental pollution**

Air quality is of particular concern in cities, especially in the central Europe region. In fact, the central Europe region is the most heavily affected by particulate matter in Europe. The highest concentration was measured in Poland, but also in Northern Italy and partly in Hungary. Strong pollution can be found in capital cities, such as Budapest (Hungary) and Bratislava (and also Košice in Slovakia). Related to the topic of soil protection and land use, the Regional Environmental Center for Central and Eastern Europe (2014) states that soil sealing has specific characteristics in central Europe: On average, central European countries have a lower percentage of land used for residential and economic infrastructure and services than the rest of Europe; but a higher percentage of land is used for agricultural purposes. Wiiw (2018) has shown that soil sealing is mostly an urban problem both within and outside the central European territory. Furthermore, water quality in both urban and rural areas in central Europe is endangered by various pollution sources.

A further important challenge and widespread problem in central Europe as mentioned by the Regional Environmental Center for Central and Eastern Europe (2014) is soil contamination related to abandoned military, industrial and storage sites.

There is a strong need to improve governance, modelling and monitoring and the information for citizens about air quality. Furthermore, a review of management practices for the reduction of emissions in different sectors is needed.

### **Climate change adaptation including natural risks and disaster management**

Europe's regions show fairly different vulnerabilities with regards to climate change. While the continental region, where most of the countries of central Europe are located, is not as severely touched as other European regions, the consequences are however significant and have a severe impact on economic activities, mobility and life in the regions. Global warming is so far constantly progressing and entail a number of far-reaching challenges for the programme region, such as the increase in heat extremes, and the decrease in summer precipitation.

These effects are leading to multiple increase of risks: the risk of a decline of the quality of life and, more importantly, severe risks for relevant societal patterns such as human health and socio-

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<sup>19</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p 60

<sup>20</sup> Pannonian region:

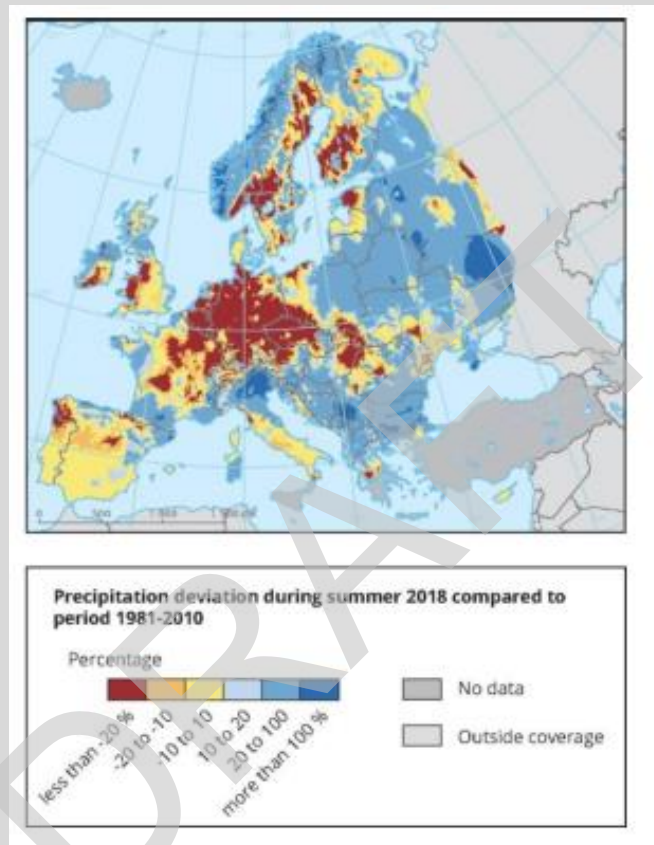
[https://ec.europa.eu/environment/nature/natura2000/biogeog\\_regions/pannonian/index\\_en.htm](https://ec.europa.eu/environment/nature/natura2000/biogeog_regions/pannonian/index_en.htm)

<sup>21</sup> <https://www.europeangreenbelt.org/>

economic status of specific regions, e.g. through urban heat islands or severe water scarcity with high socioeconomic impacts for water-dependant businesses and agriculture, but also for drinking water availability.

Furthermore, the risk for natural disasters such as river floods, landslides and heavy rains can cause severe damages to buildings (including cultural heritage sites), infrastructures and are threat for CE inhabitants. Thereby public authorities often lack capacities to face climate change effects (e.g. necessary for forecasting, adaptation and civic protection measures).

As an example, the following map shows the deviation of precipitation in summer 2018 compared to the period 1981-2010:



Taking into account that many activities do support the fight against climate change and the society's resilience, the need in central Europe is twofold: On the one hand, custom-fit solutions need to be facilitated on local and regional level. On the other hand, there is a need for co-ordinated and multi-country strategies for disaster resilience, including both prevention and management. Climate change adaptation and mitigation require an integrated approach, considering environmental, economic and social aspects.

Given the large environmental, social, economic and territorial impacts climate change can have, adaptation and mitigation measures need to be supported and expanded, including the consideration that action on risk management can also require large investments.

### **Circular economy**

The EU has already adopted a comprehensive circular economy package in December 2015. It included legislative proposals on waste and an Action Plan to support the circular economy 'Closing the loop - An EU action plan for the Circular Economy'. The circular economy is herein defined as an economy 'where the value of products, materials and resources is maintained in the economy for as long as possible, and the generation of waste is minimised'. The circular economy should hence replace our current 'make-use-dispose' linear economy, which features an unsustainable large

resource use. The Action plan sets out to support the circular economy in each step of the value chain. It is a comprehensive approach starting at the production stage (targeting better product design and efficient production processes) to consumption, repair and remanufacturing, waste management, and secondary raw materials that feed into the economy and water reuse. At a horizontal level, innovation and investment are promoted.

Waste management is one key element of the circular economy package. The EU Directive 2008/98/EC on waste (Waste Framework Directive) establishes a waste hierarchy, which Member States should apply: It goes from prevention, preparation for re-use, recycling, recovery through to disposal, the actual aim being the complete avoidance of disposal at all and the closing of the loop.

Realising a circular economy is yet at a primary stage in central Europe, it becomes clear that this requires a long-term and continuous policy push with involvement at all levels - from Member States, regions and cities, to businesses and citizens.

Also, socioeconomic evidence on the status of circular economy in central Europe is difficult to obtain. One important indicator related to the circular economy is the recycling rate of municipal waste. The generation of municipal waste is still below the EU-average in the central and eastern European countries but catching up in a negative sense in some countries. Furthermore, the recycling rates are still below the EU-average, thereby showing considerable disparities, ranging from 68% in Germany to Croatia with 24%. All central European countries, except Germany, are however below the European goal for 2035 of a 65% recycling rate, showing that much more effort has to be put into the transition to a more circular economy<sup>22</sup>.

The primary stage of this policy challenge indicates that well-co-ordinated activities - ranging from information to awareness raising and pilot implementations - for waste reduction and management, recycling, re-use and valorisation of waste as raw material are strongly needed.

### **Environmental aspects of urban mobility**

The EU's 2050 long-term strategy highlights clean, safe and connected mobility and particularly mentions urban areas and smart cities as first hot spots of innovation. The many different players, sectors and modes of mobility in urban areas as well as the pressure for innovation makes the case of urban mobility a specific topic. This is combined with a high knowledge input from IT and technology. In addition, the strong environmental potential of new and innovative measures explains the need to merge the thematic areas of urban mobility and environment.

Changes in mobility will include city planning, safe cycling and walking paths, clean, emission-reduced local public and private transport, the introduction of new delivery technologies such as drones, mobility as a service, advent of car and bike sharing services. With regards to the many players and modes of transport, urban areas need to combine the mobility of people by car, bike, walking, or public transportation with the delivery of goods via trucks and drones. Upcoming and existing mobility services need to be tested and implemented, such as car or scooter sharing. Furthermore, urban areas have to manage a successful co-operation with the surrounding rural areas, e.g. to absorb and connect a high number of commuters every day. Together with transition to carbon-free transport technologies, this will reduce air pollution, noise and accidents and will improve the quality of urban living.

Although central Europe has some highly urbanised agglomerations, the overall degree of urbanisation is lower compared to the EU average. Here, a more differentiated assessment reveals the heterogeneity of central Europe: For example, in Germany, the share is larger than EU average of urbanisation, while it is below average in all other countries of central Europe.

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<sup>22</sup> Analysis of the main territorial challenges, needs and transnational co-operation potentials in central Europe, final report, wiiw 2020, fiche SO 2.6.

Despite the lower urbanisation, urban mobility poses a larger challenge in central Europe. This is evidenced by various trends: For example, while car ownership in cities is generally lower than the country-average in capital cities, the exceptions include Bratislava, Budapest, Prague, Rome and Warsaw. Thus, it is no surprise that in these cities traffic congestion poses a major problem. The European Cities report 2016 sees pronounced differences in trends of public transport use in western Europe and in the central European region. It sees less favourable trends in central Europe, showing an increase of passenger kilometres from tram and metros but a decrease of bus and rail since 1995. The use of bicycles or walking as a mobility choice are comparably good in Berlin, Ljubljana and Vienna, while the use of cars is still dominant in most of the central European cities.

It is needed to push the shift to more energy efficient, environmentally sustainable, but also to more efficient ways of transport. This includes a reduction of emissions, the improvement of air, a shift to renewable energy supply and the improvement of energy efficiency in urban mobility. This means to take into account different sectors, but also parallel financing instruments and pursue rather integrated approaches, taking into account technological innovations and new solutions to solve mobility challenges in compliance with city and urban spatial planning.

### **Sustainable transport and connectivity: Challenges reflecting sustainable connectivity needs<sup>23</sup>**

From the beginning, the European Single Market has been characterised by ‘four freedoms’ originating in the Treaty of Rome in 1957, i.e. the free movement of goods, services, people and capital. Appropriate transport infrastructure is a precondition for fulfilling the former three, providing physical access to foreign markets for goods, services and labour. These markets as well as transport infrastructure itself might change substantially in the near future through digitalisation.

#### **Sustainable transport and the connection of TEN-T to central European regions**

Optimal transport systems should provide fast, cost-efficient, and simultaneously environmentally friendly and low-carbon multimodal transport of goods and passengers throughout a Single European Transport Area. This is supported by the EU through investments in the Trans-European Transport Network (TEN-T). The reference to TEN-T is picked up by various funding and financing options on EU, national and regional level.

The TEN-T consists of nine corridors - covering multiple modes of transport such as railways, roads, inland and maritime shipping routes - which should be completed by 2030. The central Europe region is characterised by many corridor intersections. While 7 corridors cross the central Europe territory, five of them connect at least three economies of the central Europe region.

It is thus unquestionable that central Europe is an area that is territorially deeply integrated in the TEN-T network. However, a more detailed look reveals another major territorial challenge for the region, namely the need for an improved accessibility of central European regions to those large networks. This comprises not only infrastructure, but is a cross-sectoral and multi-level government planning challenge on regional level.

While the finalisation of the core TEN-T network is scheduled for 2030 and a revision is planned in 2021, the farther-reaching comprehensive network is planned to be completed by 2050. The comprehensive network is particularly important for regions and countries with fewer core TEN-T links and big rural and suburban areas, where people tend to be at greater risk of poverty and social exclusion. Within central Europe, Croatia, Poland and Slovenia are connected to only two core TEN-T corridors; the Czech Republic, Hungary and Slovakia to three.

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<sup>23</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 69 (chapter 4)

Although the improvement of cross-border sections is often emphasised within the core TEN-T framework, many missing trans-border links or services are found outside of the core - and partly even outside the comprehensive - network.

Making transport more sustainable requires a shift from - predominantly still fossil fuel based - road transport to more sustainable modes. As of 2017, throughout the central Europe region, more than 60% of freight is transported via roads. Yet, with the exception of Italy, the use of railways for freight transport is above EU average for all central Europe economies.

The need for the central European area is thus an integrated one: Facilitating and fostering an improved access of mainly peripheral - often rural - regions to the TEN-T networks while introducing innovative solutions for managing the shift away from a fossil-fuel based transport and mobility system. This requires also a good co-ordination between funding opportunities on EU, national and regional level.

#### **Digital connectivity**

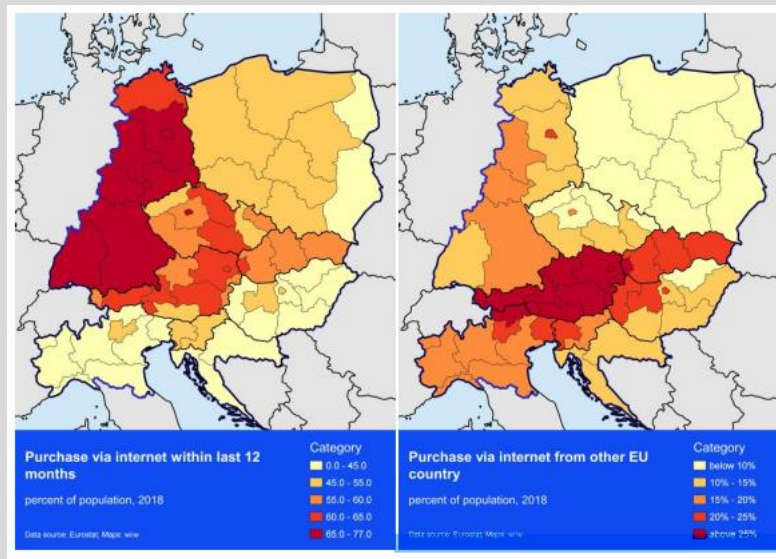
Digital connectivity is closely connected to the transport of goods and people in Europe, as they are interdependent. It is also closely linked with the need to increase innovation capacities and (digital) skills as pointed in the chapter on innovation and skills, as digitisation concerns citizens, companies and governments. The evolution of information and communication technology (ICT) affects all aspects of economy. Inter alia, ICT solutions are crucially important in promoting the shift towards more sustainable transport through the provision of information, smoothening of trans-border and multimodal transport, as will be shown in the following sections. Furthermore, digitalisation results in new products and services throughout economic sectors, and affects processes along international value chains, but also the way how and from where people work.

The EU has followed the “Digital Agenda for Europe”<sup>24</sup>, but burdens of the incomplete Digital Single Market affect SMEs disproportionately: Within the central Europe region, again, a heterogenetic pattern can be shown. The share of companies (both SMEs as well as large enterprises) selling abroad is above EU average for Austria, the Czech Republic, Germany and Slovenia, while the remaining central Europe economies fall far behind.

The picture looks quite similar from the angle of buyers, with the southernmost and easternmost regions in central Europe being associated with the lowest shares of individuals having purchased via the internet within the last 12 months (Figure 37, left panel). The lowest shares for online purchases from other EU countries are found for Poland, northern regions of the Czech Republic and eastern regions of Hungary.

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<sup>24</sup> <https://www.europarl.europa.eu/factsheets/en/sheet/64/digital-agenda-for-europe>



ICT infrastructure is a crucial factor for the digitalisation of the society. This infrastructure, in particular broadband services and its speed, is captured by the connectivity dimension of the Digital Economy and Society Index (DESI). Within central Europe, only Germany and Hungary perform better than the EU average. Regarding the skills needed to benefit from digitalisation and the use of internet services by citizens, only Germany shows a higher than EU average score. Relatively large differences among central European countries are found for businesses' use of digital technology, with lowest figures found for Poland, Hungary and Italy and highest for Slovenia, Germany and the Czech Republic.

Following the analysis, the main policy need for central Europe is to ensure good digital connectivity for all regions, particularly in rural areas. Foremost, this depends on infrastructure development.

### **Equal opportunities: Challenges reflecting social aspects such as equal access to labour market, health, education and learning<sup>25</sup>**

Fighting poverty and social exclusion has a long tradition on the European Union's policy agenda and is an important element in current EU strategies and programmes. In the Europe 2020 Strategy, the European Commission defined reducing poverty and social exclusion as one of their major challenges. Up to 2020 the number of people in poverty or at risk of poverty and social exclusion should be reduced by at least 20 million. Social inclusion is also a key objective in the New EU Strategic Agenda 2019-2024. The EU Youth Strategy aims to support and encourage young citizen to participate in society.

Similar to the topic of connectivity, the EU has set up various support programmes to support the implementation of those policies and a close co-ordination between funds at different levels (including ESF) is necessary to prevent unnecessary redundancy of initiatives. On the other hand, it becomes clear that the topic touches many aspects that also cover territorial challenges described in the chapters, especially on skills, circular economy (Innovation and social innovation, reducing disparities that might lead to disadvantages for certain population groups, the need for skill development).

#### **Long-term and youth unemployment**

One of the main aims of EU policy is to promote employment. For instance, the Europe 2020 strategy embeds an explicit goal of increasing employment. In principle, employment is an essential

<sup>25</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 89 (chapter 5)

prerequisite to cover individuals' needs and to participate in society. From a policy perspective, it therefore allows reducing poverty and limit social exclusion.

In particular, long-term unemployment amplifies the risk of longer unemployment spells and even inactivity; which subsequently increases the risk of poverty and social exclusion. Even though long-term unemployment rates went down in all EU countries in 2017, rates still vary markedly across countries.

With regards to long-term unemployment across central Europe regions, most of the regions show low levels of long-term unemployment rates below 5 %. However, long-term unemployment is still a serious problem in some central Europe regions, most notably, less prosperous regions. Interestingly, regions with high unemployment rates are spatially clustered, which clearly indicates how local labour markets are connected across regions within countries. The most striking contrast is visible in Germany, where a clear labour market divide between former Western and Eastern German regions emerges. In addition, it has to be underlined that youth unemployment is still a key challenge in most central Europe countries. Overall, the central Europe regions are characterised by a heterogeneous pattern of unemployment rates among the youth, ranging from around 4 % up to even 36 %. Labour markets show again to be locally connected, as it was already observed above.

To tackle complex challenges, complex approaches for collaborations need to be undertaken that address the multiple needs of long-term unemployment. The EU promotes social innovation to generate new ideas and concepts for collaborations that prioritise local interests and needs. Ideally, this involves local stakeholders from both, the market and public sector, and citizens that work together to fulfil local needs and thereby exploit local knowledge.

#### **Access to education, training and lifelong learning**

Individuals' performance at the labour market is closely related to education, training and lifelong learning. Lower educated individuals are highly vulnerable to unemployment and thus poverty as well as social exclusion. They are further less likely to take part in training and life-long learning. An always faster changing and technology-driven world makes that issue even more challenging.

In general, training participation rates in central Europe are significantly higher in urban regions as compared to rural as well as intermediate regions. This is not that surprising, as education and training infrastructure are generally more pronounced in urban regions, which in turn increases the availability of education and training possibilities and subsequently results in higher participation rates.

Accordingly, education and training are particularly of concern in central Europe's rural areas, most notably, less prosperous regions. Training and life-long learning is becoming even more relevant in the future. Digitalisation and automatisisation are expected to make specific jobs redundant. This puts pressure on individuals and makes it inevitable for them to take part in training and increase their life-long learning activities. Here, there is a strong need in central Europe to enable more people to take part in training and education activities.

Similar to the labour market related challenge; education, training and life-long learning have been addressed in a number of EU programmes and strategies and are also addressed in the chapter on skills and innovation. Nevertheless, the analysis indicates high potentials for co-operative approaches, most notably, through social innovations. In particular, rural regions in central Europe have the need to counteract the lower participation rates by exchanging knowledge, pooling resources and addressing local needs.

#### **Integration of marginalised groups**

Social inclusion is inevitably connected with poverty and material deprivation. According to the Europe 2020 strategy, individuals are at risk of poverty or social exclusion when they are affected

by one or more of the three situations: being at risk of poverty or living in households with very low work intensity.

The risk of poverty and social exclusion is still a remarkable issue in most central Europe countries. Moreover, risk is highly concentrated in a few regions. The Polish region Wschodni, the Slovakian region Východné Slovensko, regions in Hungary and Croatia, regions in Eastern Germany as well as Vienna face comparably higher risk of poverty and social exclusion. In addition, an overall urban-rural comparison provides further interesting insights. While the risk of poverty and social exclusion tends to be concentrated in cities in Austria, Germany and Italy, it is higher in rural areas in Croatia, Hungary, Poland and Slovakia. In Slovenia and the Czech Republic, the rates are rather balanced across urban and rural areas. Interestingly, these two countries also reveal overall the lowest rates.

Combating social exclusion has marked one of the most important goals of EU policy and is a vital need for central Europe. Various actions, mostly within the framework of the ESF, have been launched to improve the inclusion of disadvantaged societal groups.

### **European Identity: Challenges reflecting the status of European identity and cultural connection and the anchoring of EU compliant, integrated planning on local level<sup>26</sup>**

Territorial cooperation provides the opportunity to counterbalance European disintegration trends which go hand in hand with a declining perception of the EU as a hub for sharing common values, challenges and solutions. The joint sharing and identification of solutions between and in transnational, regional and local functional areas is a strong contribution to cohesion in a shared territory of the programme area.

The European Single Market and Trans-European transport networks have been constantly developed and political, social and cultural barriers have been reduced. However, there are signs that the European integration processes could come to a halt or even be reversed. Brexit is the most prominent example. The recent and ongoing controversial discussions about financial support mechanisms for losers under globalisation and the economic crises, about joint handling of the refugee issue, joint police efforts, i.e. about solidarity in general in Europe, show that further European integration may not necessarily remain the main trend in coming years.

Across the central European region and further propelled by recent political developments, there are strong disparities in perceptions of the EU's legitimacy between countries, but also observable between urban and rural areas.

Current patterns and trends of spatial polarisation are paralleled by another challenge in the domain of bringing Europe closer to its citizens: Several studies have shown that processes of spatial polarisation are related to surges in political populism and challenges in perceptions of the EU legitimacy<sup>27</sup>, which in turn are hindering further European integration and overall economic growth within the European Union. This is further propelled by changes in the demography in central Europe<sup>28</sup>: Strong disparities in patterns of demographic change between urban and rural regions can be observed, which are followed by high old age dependency ratios in rural regions as well as problems of shrinking regions, brain drain and migration towards urban areas (These challenges are focused on in the chapter on "Skills".)

There are regional disparities in the extent to which preconditions are favourable for participatory and locally integrated EU governance processes. The following figure displays the average score of

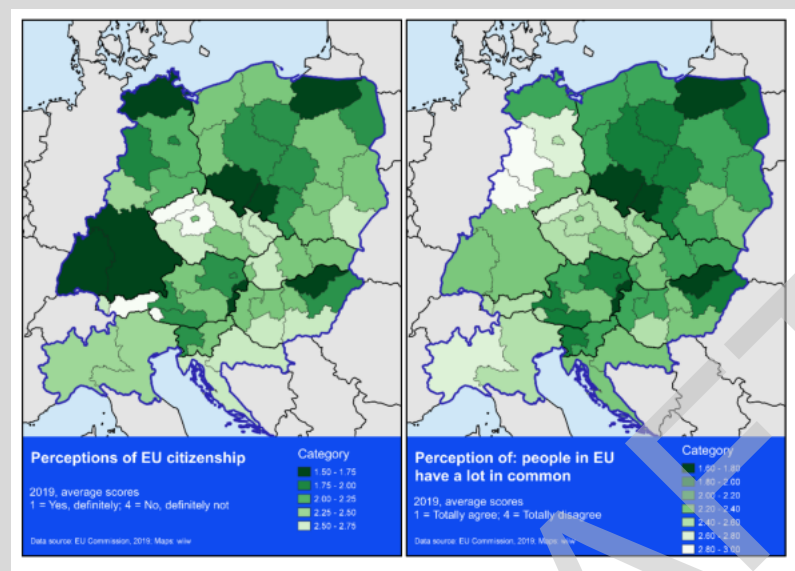
<sup>26</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report, p. 115 (chapter 6)

<sup>27</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report", p. 125

<sup>28</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report", p. 125



responses regarding the extent participants feel that they are “a citizen of the EU” and the average score of responses regarding their agreement with the statement that “People in the European Union have a lot of things in common”. Regarding the former, the average scores within central European regions range from 1.5 to 2.75, and regarding the latter scores within regions range from 1.8 to 3. On average, feelings of being a citizen of the EU are the weakest in the central European regions in Italy, Croatia, southern Hungary, Czech Republic and western Austria. Regions in Czech Republic, eastern Germany, southern Hungary and Slovenia are characterized by on average low approval of the statement that people in the EU have a lot in common, while particularly strong approval to the statement can be found in border regions between Austria, Hungary and Slovakia.



In May 2019, the European Council acknowledged that “there is a growing need for deepening trust between countries and people”<sup>29</sup>. Since more than 20 years, the regions of central Europe have worked together within the Interreg programme and funded several hundred cooperation projects where people needed to reach out to transnational cooperation partners in order to be part of the programme. There is overwhelming evidence that this supported the building of trust among authorities and businesses in the region. Territorial cooperation, embedded in the EU cohesion and regional development policy, aims at lowering economic and social disparities between regions.

Looking at the needs that arise from this challenge in the light of the aspect of decreasing European identity, there is a strong need to anchor EU policies in a territorial and integrated approach with direct impact on local level. This is done by keeping up a strategic dialogue as well as the exchange, identification and adaptation of solutions for regional problems. If people from different regions exchange and jointly think how to solve problems that they share, they can attain workable solutions with fewer efforts. Furthermore, a sense of community and joint identity is developed that supports well-being.

The need for cooperation approaches that counteract unfavourable developments can be described as a principle rather than a topic. It applies to various territorial challenges that have been already described in previous sections. There is a need to implement the programme in a way that an understanding of the EU values and the cohesion brought with transnational cooperation moves closer to the citizen’s perception.

This leads to the challenge of a greater inclusiveness of the Interreg CENTRAL EUROPE Programme by attracting new groups of stakeholders and reducing entry barriers for cooperation by further lowering complexity. In a context in which a number of central European regions and municipalities

<sup>29</sup> Council conclusion on the implementation of EU Macro-Regional Strategies, paragraph 5, adopted on 10 May 2019

have a low institutional and stakeholder capacity to participate in and benefit from territorial cooperation programmes and strategies there is a clear necessity to increase capacities in this regard. In addition, the visibility and the ownership of results beyond the project's lifetimes needs to be strengthened.

### **Co-ordinated Governance: Challenges reflecting the need for more co-ordination with and between policies and programmes<sup>30</sup>**

The draft ERDF regulation (COM (2018)372) as well as all related regulations make clear, that a co-ordination and streamlining of funding should be envisaged in order to generate synergies and a co-ordinated approach to achieve the EU's key territorial policy goals.

The coordination of governance, especially at the local and regional level, has always been a key aspect of European territorial co-operation policy. Furthermore, a closer co-ordination of work with policy networks, foremost the macro-regional strategies is strongly anchored in the regulation<sup>31</sup>. The challenge to master a more co-ordinated governance between instruments and policies can be broken down into two main pillars of which the territorial challenges will be described hereafter:

- Networking and synergies between territorial cooperation strategies and funding mechanisms
- Strategic governance approaches on all levels to strengthen and further connect different smaller functional areas

#### **Networking and synergies between territorial strategies and funding mechanisms**

Four EU macro-regional strategies<sup>32</sup> have been developed as multinational political networks where shared territorial challenges are addressed to be solved together. Each macro-regional strategy has then a devoted transnational programme that matches exactly with its area. Furthermore, three of the four strategies (namely the Adriatic-Ionian, Alpine and Danube) show a geographic overlap. For the programme territory of Interreg central Europe, this situation is different: In fact, the central European area covers part of the four macro-regional strategies. This means that, while the four transnational programmes linked to the four strategies are directly supporting the implementation and governance of "their" macro-regional strategy, the CE Programme acts as a hinge bridging the four strategies on common topics.

The added value to further strengthen the Interreg CENTRAL EUROPE Programme's relation to those strategies has been identified, wherever both a thematic and territorial match is visible. In this regard, the operational evaluation of the Interreg CENTRAL EUROPE 2014-2020 Programme has considered it very likely that the macro-regional strategies have a positive effect on the establishment of working partnerships within the CE territory<sup>33</sup>.

<sup>30</sup> wiiw 2020 Territorial Analysis, Annex 1: Analytical report", p. 135 (chapter 7)

<sup>31</sup> COM (2018)372, p. 12

<sup>32</sup> EUBSR Baltic Sea Region, EUSALP Alpine Space, EUSDR Danube Region, EUSAIR Adriatic Ionian

<sup>33</sup> Operational evaluation, p.95 "It is interesting to see that there are certain patterns of preferred topics for each of the MRS to which CE projects contribute. The reason for this might be that some topics are more popular and show more progress than others in each MRS. Stakeholders are already quite active and are more prone to cooperate within a new Interreg project on the topic. This attracts then further attention and raises interest to create new partnerships to contribute to these prioritised themes. This would support the hypothesis that macro-regional strategies (e.g. through existing thematic networks and offering a transnational strategic framework) facilitate the creation of partnerships for Interreg projects, but that also Interreg projects contribute to implement the general and specific objectives of MRS (e.g. through concrete actions "on the ground"). This means, there is a mutual benefit relationship between Interreg and MRS. The

Next to the EU macro-regional strategies more than 20 transnational and cross-border cooperation programmes operate in one or more of the central European countries. Following the analysis conducted this may cause an uneven access to funding between territories, a potential competition between programmes, the appearance of “application specialists” shopping around various programmes with one project idea and above all the eventual duplication of results, i.e. two different projects delivering very similar outputs. This shows that for the Interreg CENTRAL EUROPE Programme there is a high complexity of coordination and cooperation with other territorial programmes, other EU instruments and the EU macro-regional strategies.

However, this complexity also offers an even more unique role and opportunity for the r the CE Programme which, due to its territorial position in the core of Europe, is suitable to push governance processes on local, regional and transnational level. In fact, there is an opportunity for central Europe to strategically act as a “connector” and “networker” between the different territorial cooperation strategies and funding mechanisms. The role as a “connector” is also supported by the operational evaluation. Here, it is stated that “The programme can advocate further on its bridging role for developing a functional area in the region to bridge the East-West divide.

#### **Strategic governance approaches on all levels to strengthen and further connect different smaller functional areas**

Transnational co-operation programmes follow a strong bottom-up approach in order to support place-based solutions and to trigger the creativity of people to identify and cross-fertilise local solutions. In central Europe, the programme community has proven to create a wide variety of solutions under the same thematic umbrella.

A further, more structural governance challenge in central Europe area can be derived from the heterogeneity of the central Europe area. This has been described in all previous chapters and does not always show the typical “iron curtain east west”-differentiation, but rather paints a picture of several different, smaller functional areas. In order to address this diversity, to establish links and to bridge specific thematic or structural aspects of functional areas, transnational governance initiatives are needed.

Following CEMAT<sup>34</sup>, the definition of a functional area is as follows: At a general level, a functional area is a cohesive territory that operates politically and/or socially and/or economically as a whole or as a system. Therefore, a functional area is defined by a structure of interactions that occurs in several territorial administrative units (cities, towns, communes, etc.) that work together and are linked e.g. by transportation, communications, economic activities or natural conditions, as well as through common challenges and features<sup>35</sup>.

Several developments with high significance for the central European area in the field of governance and functional areas are to be mentioned as follows:

- Council of Europe Conference of Ministers responsible for Spatial Planning (CEMAT), 2017: Here, a framework on functional areas has been adopted, focusing on capitalisation of local potential in territorial development policies over the European continent.<sup>36</sup>

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high number of projects aligned to at least one MRS supports this hypothesis. At programme level, interviews with the JS confirm the efforts of the Interreg CENTRAL EUROPE Programme to have continuous contact and information exchange with all MRS in the programme area.”

<sup>34</sup> Council of Ministers responsible for Spatial Planning

<sup>35</sup> CEMAT, Bucharest, November 3<sup>rd</sup> 2017, p.3

<sup>36</sup> CEMAT, Bucharest, November 3<sup>rd</sup> 2017

- The development of several functional areas in the central European area (such as the Metropolregionen in Germany, Metropolitan Cities in Italy etc.) could act as suitable reference areas for further functional areas to receive orientation and guidance.
- The revision of the Territorial agenda 2030<sup>37</sup> refers strongly to the relevance of functional areas.

There is a challenge within central Europe to further develop and vitalise effective and efficient governance for functional areas. Although the functional areas in central Europe are diverse, the potential for further development is comparable and existing good practices can serve as point of reference.

#### **Programme vision, mission and delivery**

The above territorial analysis clearly indicates that **central Europe is in a time of transition**. The programme regions and cities face numerous challenges, from climate change to Covid-19, that know no borders and cannot be solved alone.

Central Europe was long divided by the Iron Curtain and **the area still shows significant socio-economic differences**. This situation needs to change. Central European regions and cities have to support their people and nature, in a just way everywhere.

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

Consequently, **Interreg CENTRAL EUROPE encourages and enables transnational cooperation**: The programme brings together public organisations, the private sector and civil society and it increases trust beyond borders. More concretely, **the programme finances transnational projects** that develop, test and implement solutions that are urgently needed to make central Europe more resilient and attractive. The programme supports partnerships with **guidance and knowledge**.

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<sup>37</sup> Currently under preparation

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

Reference: Article 17(4)(c)

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
<p><b>PO1 - A smarter Europe by promoting innovative and smart economic transformation</b></p>	<p>(i) Enhancing research and innovation capacities and the uptake of advanced technologies</p> <p>(iv) Developing skills for smart specialisation, industrial transition and entrepreneurship</p>	<p><b>Priority 1 - A smarter central Europe through cooperation</b></p>	<p>Central Europe is a key economic area in the EU with a robust industrial core built on skilled regional work forces. Geographic proximity and long-lasting cooperation on trade, investment and industry issues have resulted in strong functional ties across the area.</p> <p>Economic patterns are changing, however. To remain competitive, central European territories have to manage the ongoing transition to a more digitalised, greener economy. They have to achieve this in a socially inclusive and just way to ensure that no one is left behind.</p> <p>To that end, R&amp;D activities need to be further strengthened, diversified and adapted in line with new economic and societal challenges. Access to research results should be improved for innovation actors located in laggard rural regions and small businesses. Knowledge and technology transfer remains a critical need especially for SMEs along the value chains. Closely linked to that is the need to ensure the availability of highly educated work forces and entrepreneurs. They need to be strengthened through skills training, in particular considering regional smart specialisation strategies.</p> <p>PO 1 was selected because transnational cooperation offers clear added value in addressing specific needs of central European regions. These include:</p> <ul style="list-style-type: none"> <li>• Support in the transition towards a globalised, digitalised and green economy</li> <li>• Increase R&amp;D capacities in SMEs, in particular in non-urban areas</li> <li>• Improve connections among territories that are innovation champions and support their spill-over to surrounding territories</li> <li>• Foster transnational industrial partnerships along value and supply chains</li> <li>• Facilitate the transformation of research results into marketable products</li> </ul>

			<ul style="list-style-type: none"> <li>• Improve digital and green skills especially of work forces in sectors that are linked to regional smart specialisation strategies</li> <li>• Foster entrepreneurship and strengthen related skills</li> </ul>
<p><b>PO2 -</b></p> <p><b>A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management</b></p>	<p>(i) Promoting energy efficiency measures</p> <p>(iv) Promoting climate change adaptation, risk prevention and disaster resilience</p> <p>(vi) Promoting the transition to a circular economy</p> <p>(vii) Enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution</p>	<p><b>Priority 2 -</b></p> <p><i>A greener central Europe through cooperation</i></p>	<p>Central Europe is a heterogeneous area that affects about 146 million people. It covers different landscapes, ranging from high and low mountain ranges to wide plains, large river basins and lake districts. It is home to pristine nature and crosses climate zones connected through biological corridors such as the Green Belt. Wide open spaces, fragile mountainous areas and natural landscapes are inhabited by valuable and protected plant and animal species. This rich natural heritage and biodiversity represents an important location factor.</p> <p>Yet, these resources are threatened: Climate change already impacts the area with droughts, heat waves, floods and changes in micro-climates. Industrial activities and unsustainable consumption patterns lead to pollution and put central Europe's rural and urban environment under pressure. Air pollution, low water quality, biodiversity losses, urban sprawl, and continuing land take further reduce the ability to provide essential eco-system services. Greenhouse gas emissions (GHG) are still too high and the use of renewable energy sources too low to reach climate neutrality goals. Even though many central European economies are becoming more circular, further efforts are needed to ensure better resource efficiency.</p> <p>PO 2 was selected because transnational cooperation offers added value in addressing specific needs of central European regions. These include:</p> <ul style="list-style-type: none"> <li>• Increase energy efficiency and renewable energy use to reduce GHG emissions</li> <li>• Increase resilience to climate change and expand climate change adaption measures</li> <li>• Promote the development of a circular economy</li> <li>• Prevent biodiversity loss and ensure ecological connectivity</li> <li>• Preserve eco-systems services for the benefit of the population</li> <li>• Protect fresh water resources and support sustainable use</li> <li>• Reduce air, water, and soil pollution</li> <li>• Expand green infrastructure that connects habitats and ensure their recreational potential</li> </ul>

<b>P03 - A more connected Europe by enhancing mobility and regional ICT connectivity</b>	(iii) Developing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility	<b>Priority 3 - A more connected central Europe through co-operation</b>	<p>Central Europe is an important cross-junction for European north-south and east-west connections beyond its own borders. Since centuries, many trade and transport routes cross the area on transnational rivers, streets and railroads. This makes central Europe a hub for European key corridors to which many regions are physically or socio-economically connected.</p> <p>Accessibility to larger transport corridors is, however, comparatively weak. There is still the need to link especially peripheral regions to the nodes of the TEN-T core network corridors (CNC), to remove bottlenecks and to bridge missing transport links in order to ensure good accessibility across central Europe. Furthermore, there is the need to reduce transport emissions by 90% by 2050, as stated in the “EU Green Deal”, thus calling for smart and sustainable approaches to urban and regional including cross-border mobility as well as inter-modality and the introduction of IT-supported solutions for mobility management.</p> <p>PO 3 was selected because transnational cooperation offers added value in addressing specific territorial needs. These include:</p> <ul style="list-style-type: none"> <li>• Connect rural and peripheral areas to the main transport corridors and nodes</li> <li>• Improve transport across borders and reduce barriers and bottlenecks, especially in peripheral areas</li> <li>• Make transport more sustainable</li> <li>• Promote modal shift towards greener solutions</li> <li>• Strengthen logistic chains in rural and peripheral areas</li> <li>• Improve accessibility of and mobility in rural and peripheral areas to foster territorial cohesion and social inclusion</li> <li>• Promote sustainable urban mobility and its positive effects on air quality, environment and health</li> </ul> <p>Transport investments often require huge amounts of funding, beyond the availability of Interreg programmes. The Interreg CE programme will rather play a catalyst role in the preparation of large-scale investment to be financed by other instruments such as national funds, ERDF mainstream programmes or Connecting Europe Facility (CEF) and European Investment Bank (EIB) financial instruments.</p>
	(iv) Promoting sustainable multimodal urban mobility		
<b>Interreg specific objective SO1</b>	ISO 1- A better Interreg governance	<b>Priority 4 - A better governance for cooperation</b>	<p>Central Europeans share a common identity that is rooted in longstanding cultural and historic ties between their cities and regions. This identity is an intangible but crucial asset for addressing challenges together.</p> <p>This is important because central Europe today is rather heterogeneous in socioeconomic and territorial terms.</p>

		<p><i>in central Europe</i></p>	<p>Three decades after the fall of the Iron Curtain, an East-West divide is still recognisable and the area faces numerous challenges and barriers that do not stop at borders or administrative units and that hinder regional development.</p> <p>Challenges such as digitisation, health or climate crises affect central European territories in similar ways. They are best addressed in integrated multi-level governance processes that consider functional ties at the territorial level. There is therefore the need to improve capacities of public authorities to design and implement integrated, multi-sectoral territorial strategies.</p> <p>There is also the need to strengthen territorial and social cohesion. Strong disparities persist and equal opportunities need to be ensured for all citizens everywhere, e.g. through improved and fairer public services of general interest.</p> <p>ISO1 was selected because transnational cooperation offers added value in addressing specific needs that are of high relevance for central European regions in the context of this SO. These include:</p> <ul style="list-style-type: none"> <li>• Foster place-based, integrated policy making</li> <li>• Strengthen territories with functional links or historical ties</li> <li>• Reduce administrative and legal barriers to cooperation beyond administrative borders</li> <li>• Enhance multi-level governance and cross-sectoral cooperation</li> <li>• Address complex societal challenges, such as demographic change</li> <li>• Strengthen citizen and stakeholder involvement in decision-making processes</li> <li>• Ensure high-quality public services of general interest, equally for all citizens</li> <li>• Valorise opportunities for improved digital governance and better digital public services</li> </ul>
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## 2. Priorities

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

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

Reference: Article 17(4)(d)

Text field: [300]

**Priority 1: A smarter central Europe through cooperation**

☐ This is a priority pursuant to a transfer under Article 17(3)

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

Reference: Article 17(4)(e)

**PO1 -(i) Enhancing research and innovation capacities and the uptake of advanced technologies**

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

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

Text field [7000]

#### **SO 1.1: Strengthening innovation capacities in central Europe**

##### **Territorial needs for central Europe**

Strong innovation capacities bear enormous relevance for the economic development of central Europe, considering its strong industrial base and the importance of sectors such as agriculture and food, the manufacturing industry or tourism. In particular, regions that are struggling with the transition to a more digitalised, green and bio-economy need to strengthen their capacities for innovation.

Currently, not all regions in central Europe equally engage in and benefit from research and innovation. R&D activities are mostly spatially clustered in urban areas and concentrated in larger companies. Knowledge and technology transfer remains a critical need especially for SMEs along the value chains. They are often local suppliers and not operating on global markets like larger companies. Tackling these challenges will also help to reduce territorial disparities between regions that might otherwise lead to unequal opportunities and a societal disintegration.

##### **Transnational cooperation actions**

Under this SO, Interreg CE will support transnational cooperation in particular to improve SME competitiveness. The aim is to improve policy learning, to strengthen the capacities of innovation stakeholders and to increase collaboration within and between regional innovation systems. Possible cooperation actions include the development and implementation of strategies, action plans, tools, training and pilot actions. All actions have to respect greening and sustainability aspects as a horizontal principle.

Actions should push the uptake of novel technologies and solutions and consider e.g. prototyping and bringing research to the market. They should also foster cross-sector linkages by improving cooperation among innovation stakeholders with similar or complementing challenges. Actions should furthermore contribute to the establishment and strengthening of regional and transnational central European structures (e.g. clusters, innovation networks) and value chains, which will ultimately reduce dependency on foreign suppliers. The cooperation of companies within such interregional partnerships is in particular encouraged if these are part of value chains related to regional smart specialisation strategies.

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

- Green economy, bio-economy
- Industry 4.0, robotisation, digital technologies, key enabling technologies
- Smart specialisation strategies
- Cultural and creative industries
- Silver economy and social innovation
- Technology and innovation transfer to SMEs
- Interregional partnerships along value chains
- New schemes for financing innovation

**Examples of actions supported (non-exhaustive list):**

- Improving capacities of and cooperation among innovation stakeholders at different governance levels to help in particular SMEs to better integrate digitalisation when transitioning to industry 4.0 (while respecting sustainability aspects)
- Exchanging good practices on new green trends and standards and implementing pilot actions to support SMEs in taking up green economy approaches
- Fostering technology and innovation transfer from research to business in order to support the roll out of innovative solutions in a wider territory
- Developing new forms of cooperation along value chains in order to support the roll out of innovative solutions in a wider territory
- Setting up and strengthening transnational innovation networks and clusters and support cooperation among innovation hubs in different territories to foster internationalisation
- Enabling cross-sectoral cooperation to help businesses from various sectors (e.g. traditional economic sectors, cultural and creative industries, health care or silver economy) to sustainably integrate digital technologies (e.g. artificial intelligence, cybersecurity, Internet of Things) into product and service development
- Improving collaboration along value chains of (green) innovative products and services in line with national and regional smart specialisation strategies, in order to open up new business opportunities and markets
- Developing and implementing transnational value chain concepts based on regional potentials and resources. These should strengthen sustainability and reduce external dependency of value generation for central European regions (e.g. by reshoring of industrial production), and increase regional resilience to external impacts such as ruptures of supplier chains

- Reducing innovation gaps in non-urban areas by e.g. improving access to innovation support services for rural businesses focused on smart specialisation and technology priority areas
- Strengthening linkages between the public and private sector and finance institutions to encourage the design and setup of structures and services that facilitate access to innovation financing
- Promoting innovative actions that make the economy fairer and help the economic and social integration of disadvantaged population groups (e.g. handicapped persons, migrants, elderly)

Actions under this SO could clearly benefit from coordination with other European funding instruments including Horizon Europe, the Interregional Innovation Investments instruments, ERDF mainstreaming programmes or national innovation funds. Actions should seek synergies with these to achieve higher and wider territorial impacts in central Europe, e.g. through the uptake of research results and their rolling-out in the regions.

#### Expected results

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

#### *For INTERACT and ESPON programmes:*

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

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

*Text field [7000]*

N/A

### 2.1.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) target [200]
1	SO 1.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		

1	SO 1.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
1	SO 1.1	RCO 87	Organisations cooperating across borders	Organisation		
1	SO 1.1	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

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

### 2.1.1.3 The main target groups

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

*Text field [7000]*

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. They should be stimulated to take up solutions that lead to an improved innovation eco-system. More concretely, target groups include both public and private actors of the quadruple innovation helix system such as enterprises and their employees (especially SMEs), cluster organisations, public authorities, intermediaries, education and training organisations, private and public research institutions. Additionally, target groups include all public and private stakeholders and population groups affected by the issue.

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, chambers of commerce and industry, enterprises (including SMEs), cluster organisations, universities, technology transfer institutions, research institutions, NGOs, innovation agencies, technological parks, industrial parks, sectoral and business networks, business incubators, cluster management bodies, and financing institutions.

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

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

Text field [7000]

Actions can be implemented throughout the programme area and address all types of territories. Territories with deficiencies in their innovation system should however be focused on. These will benefit from exchanges with advanced regions and learn from them. In turn, cooperation will also allow advanced regions to become more competitive on the global market. Even though innovation system stakeholders are mostly located in urban areas, needs of rural areas should also be addressed.

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

#### 2.1.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

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

Reference: Article 17(4)(e)

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

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

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

Text field [7000]

##### ***SO 1.2: Developing skills for smart specialisation, industrial transition and entrepreneurship in central Europe***

###### **Territorial needs for central Europe**

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

###### **Transnational cooperation actions**

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

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

- Skills for Industry 4.0, digitalisation, green economy, bio economy, silver economy and healthcare
- Capacity-building and institutional learning for smart specialisation
- Matching skills to labour market needs
- Competences for entrepreneurship
- Demographic change, ageing society, brain-drain, regional (urban-rural) disparities of human capital
- Counterbalancing job loss due to automation and digitisation

- Social entrepreneurship and social innovation leading to better social integration

**Examples of actions supported (non-exhaustive list):**

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

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

**Expected results**

Transnational cooperation actions will build capacities of and empower public authorities, intermediate bodies and other institutions, to create framework conditions that help improve skills of employees and entrepreneurs in view of challenges like green economy, digitalisation and industrial transition. This will result in policy learning for the delivery of new and better services such as trainings and will foster the successful implementation of regional smart specialisation strategies. The framework conditions will also have to be inclusive, to allow citizens from all territories to benefit from the transition process. They have to take into consideration the specific challenges of territorial disparities, demographic change and brain drain.

**For INTERACT and ESPON programmes:**

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

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

*Text field [7000]*

N/A

## 2.1.2.2 Indicators

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

Table 2: Output indicators

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

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	SO 1.2	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
1	SO 1.2	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
1	SO 1.2	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	



### 2.1.2.3 The main target groups

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

*Text field [7000]*

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. More concretely, target groups include both public and private actors such as enterprises and their employees (especially in SMEs), (future) entrepreneurs, cluster organisations, public authorities, intermediaries, education and training organisations, private and public research institutions, associations representing specific groups (e.g. migrants, handicapped persons, unemployed). Target groups include also all population groups, which will benefit from improved skills development measures at regional and local level.

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. They comprise amongst others local, regional and national public authorities, regional development agencies, chambers of commerce, enterprises (including SMEs), cluster organisations, universities, technology transfer institutions, research institutions, NGOs, innovation agencies, business incubators, cluster management bodies, financing institutions, education and training organisations as well as social partners and labour market-related institutions.

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

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

*Text field [7000]*

Actions can be implemented throughout the programme area. Territories with deficiencies in skills development in their innovation system or labour market (e.g. peripheral and structurally weak regions, regions facing industrial decline, shrinking regions, brain drain affected regions) should however be focused on. These will benefit from exchanges with advanced regions and learn from them. In turn, cooperation will also allow advanced regions to become more competitive on the global market. For this, possible actions need to consider the specific territorial characteristics and smart specialisation strategies of the targeted regions.

### 2.1.2.5 Planned use of financial instruments

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

*Text field [7000]*

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

### 1.1. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

**Priority 2: A greener central Europe through cooperation**

☐ This is a priority pursuant to a transfer under Article 17(3)

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

Reference: Article 17(4)(e)

**PO2 - (i) Promoting energy efficiency measures**

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

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

Text field [7000]

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

###### **Territorial needs for central Europe**

Many regions of central Europe are still highly dependent on fossil fuels and their GHG emissions are above EU average. Significant regional disparities exist in view of their energy efficiency performance as well as their production and use of renewable energies, making it difficult for them to meet EU energy targets and climate objectives of the European Green Deal. Consequently, regions and cities need to increase efforts and improve policies to address energy-related matters in all sectors, including the industrial and residential sectors. Transnational cooperation aims to play a central role in supporting and coordinating the societal and economic transformation to a climate-neutral central Europe.

###### **Transnational cooperation actions**

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

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

- Renewable energy production and usage
- Energy efficiency of buildings and public infrastructures

- Greenhouse gas emissions from industrial production processes
- Energy planning at local and regional levels
- Energy demand management and behavioural change
- Financing schemes for energy efficiency and renewable energy investments
- Smart integration of carbon-neutral solutions across sectors

**Examples of actions supported (non-exhaustive list):**

- Supporting the development of coherent policy frameworks at regional level for the transition towards a climate-neutral economy and society in central Europe
- Improving capacities of relevant stakeholders and fostering the exchange of knowledge and good practices on climate change mitigation at local and regional levels, especially between regions with similar territorial characteristics regarding the practical implementation of climate action plans
- Supporting cost-effective measures and pilot actions that increase energy efficiency in different sectors (e.g. in the building and construction sector, industry, agriculture, forestry etc.) and improve the integration of sustainable renewable energy-sources in different sectors
- Implementing pilot actions on innovative and climate-neutral solutions through e.g. taking up and exploiting R&D results for heating and cooling buildings
- Developing and implementing smart city and smart regions approaches to foster a carbon-neutral society
- Testing through pilot actions the production of decentralised renewable energy, and supporting the empowerment of renewables self-consumers and communities, especially in rural areas
- Improving energy demand management and fostering behavioural changes of consumers regarding a resource-efficient and sustainable use of energy
- Developing and introducing new or improved incentive schemes that encourage the reduction of industrial GHG emissions on regional level and strengthen the sustainable usage of renewable energy sources and energy storage solutions (including hydrogen)
- Mobilising investments, in particular private funds, to implement energy efficiency measures and make use of renewable energy sources in different sectors, including the industrial and residential sectors
- Fostering the collection of integrated data on energy management and the interoperability of data through digital technologies and the coordination of standards and regulatory aspects

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

Furthermore, actions should take into account relevant EU and EC initiatives such as the Central and South Eastern Europe energy connectivity (CESEC), the Green City Accord and the Covenant of Mayors for Climate & Energy. It is also encouraged to participate in already existing regional

cooperation fora for the Energy Union Governance and to join the energy dialogue on the optimisation of energy and climate policies.

#### Expected results

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

*For INTERACT and ESPON programmes:*

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

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

*Text field [7000]*

N/A

### 2.2.1.2 Indicators

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

Table 2: Output indicators

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

Table 3: Result indicators

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

### 2.2.1.3 The main target groups

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

*Text field [7000]*

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

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, energy operators, energy management institutions, enterprises including SMEs, associations, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

Actions can be implemented throughout the programme area and address both urban and rural areas. Territories which show a lower performance in energy efficiency and renewable energy use, or which have deficiencies regarding climate-neutral actions, should however be in the focus. They will profit most from knowledge exchanges with more advanced regions, which will in turn also be able to strengthen further their energy performance.

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

### 2.2.1.5 Planned use of financial instruments

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

Text field [7000]

N/A
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### 2.2.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

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

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

### **PO2 - (iv) Promoting climate change adaptation, risk prevention and disaster resilience**

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

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

*Text field [7000]*

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

###### **Territorial needs for central Europe**

Central Europe is facing significant challenges related to climate change. Extreme weather events like heat waves and heavy rainfalls are increasing considerably and lead to river flooding, landslides and more frequent heat and draught periods. In view of significant environmental, socio-economic and human health-related impacts, central European regions need to improve their resilience to climate change. However, the impact of climate change varies substantially between different regions and sectors. Therefore, adaptation actions need to take into account specific territorial aspects. Measures have to be tailored at the local level in order to set up viable integrated solutions, which could then be replicated in other regions of the central Europe area having similar characteristics. There is a strong need to integrate climate change concerns into risk-based strategic planning and measures enhancing resilience. This relates to a wide variety of natural hazards such as urban heat, floods, landslides, wild fires and droughts including water scarcity.

###### **Transnational cooperation actions**

In line with EU Green Deal objectives, under this SO Interreg CE will support transnational cooperation to enhance policy learning and regional capacities on climate resilience across the programme area. Possible cooperation actions include the development and implementation of strategies, action plans, tools, training and pilot actions. Actions should address the challenges of the territories to alleviate environmental and socio-economic impacts of climate change and related risks, through the cooperative development of approaches. This will help central European regions and cities to implement climate change adaptation measures that are tailored to their specific territorial settings.

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

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



**Examples of actions supported (non-exhaustive list):**

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

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

Furthermore, actions should take into account existing initiatives to create added value on all levels (e.g. transnational adaptation strategies or action plans developed in the frame of macro-regional strategies). Participation is also encouraged in well-established international initiatives such as Making Cities Resilient (UN Office for Disaster Risk Reduction) or 100 Resilient Cities (Rockefeller Foundation) which will contribute to increasing the visibility of the CE region in the climate change adaptation agenda.

**Expected results**

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

are also expected to leverage funds for climate change adaptation and resilience measures throughout central Europe.

**For INTERACT and ESPON programmes:**

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

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

*Text field [7000]*

N/A

## 2.2.2.2 Indicators

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

Table 2: Output indicators

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

Table 3: Result indicators

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

2	SO 2.2	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	
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### 2.2.2.3 The main target groups

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

*Text field [7000]*

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions that improve the implementation of climate change resilience and adaptation measures in Interreg CE regions. More concretely, target groups include the public sector (e.g. policy makers and planners) and the private sector (e.g. organisations active on climate change adaptation). Target groups are also all population groups, which benefit from an improved climate change resilience at regional and local level.

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, associations, special interest groups, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

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

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

### 2.2.2.5 Planned use of financial instruments

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

*Text field [7000]*

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

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

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

#### **PO2 - (vi) Promoting the transition to a circular economy**

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

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

*Text field [7000]*

#### **SO 2.3: Taking circular economy forward in central Europe**

##### **Territorial needs for central Europe**

Increasing resource efficiency by e.g. preventing waste or using it as a resource is central for a circular economy. The concept has considerable potential for reducing environmental pressure and offers new, green business and job opportunities. Central Europe is moving closer to European targets for waste re-use and recycling but several of its regions are still lagging behind. For an overall more resource-efficient and competitive economy, a further development and scaling up of circular approaches is necessary. Such transformation will require a policy framework for sustainable products, a re-arrangement of key value chains and material flows (including energy and water), an improved waste management as well as the creation of new business models.

##### **Transnational cooperation actions**

Under this SO, Interreg CE will support transnational cooperation to increase the deployment of circular economy approaches across the programme area. Possible cooperation actions include the joint development and implementation of strategies, action plans, tools, trainings and pilot actions. Actions should be in line with the EU Green Deal and the EU Circular Economy Action Plan and therefore improve product life cycles, promote circular economy processes and foster sustainable consumption. Transnational cooperation should push the transition to a circular economy by increasing knowledge, improving policy learning as well as practically testing good practices.

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

- Waste prevention and management, recycling and recovery of resources and raw materials
- Repair and re-use
- Circular economy value chains
- Clean production processes and closed loop systems
- Sustainable product design (e.g. eco-design) and product development processes
- Behavioural changes of producers, consumers, public buyers etc.

**Examples of actions supported (non-exhaustive list):**

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

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

**Expected results**

Transnational cooperation actions will result in increased capacities of central European public and private stakeholders to implement circular economy policies and to exploit innovative solutions in practice. Actions will lead to improved policy frameworks for sustainable products and behavioural

change. They will also help to reduce implementation barriers and lever investment for the deployment of circular economy measures both in the public and private sectors. Such integration and deployment of circular economy approaches, should address mainstream economic players and not only front-runners.

**For INTERACT and ESPON programmes:**

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

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

*Text field [7000]*

N/A

## 2.2.3.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
2	SO 2.3	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.3	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.3	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.3	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

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

			after project completion						
2	SO 2.3	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

### 2.2.3.3 The main target groups

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

*Text field [7000]*

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

Beneficiaries, i.e. project partners benefitting from programme funds can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, waste operators, environmental institutions, enterprises including SMEs, associations, business agencies, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

Actions can be implemented throughout the programme area and address both urban and rural areas. Territories which are lagging behind regarding the deployment of circular economy solutions should however be in the focus. They will profit most from knowledge exchanges with more advanced regions, which will in turn also be able to strengthen further their resource efficiency.

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

### 2.2.3.5 Planned use of financial instruments

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

*Text field [7000]*

N/A



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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

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

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

**PO2 - (vii) Enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution**

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

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

*Text field [7000]*

##### **SO 2.4: Safeguarding the environment in central Europe**

###### **Territorial needs for central Europe**

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

###### **Transnational cooperation actions**

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

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

- Biodiversity conservation and recovery
- Protection of natural heritage, ecosystems and valuable areas incl. Natura 2000 sites
- Environmental pollution (air, water, soil, noise, light etc.) and human health impacts
- Integrated environmental management and sustainable use of natural resources
- Sustainable land management and landscape planning
- Ecosystem services (e.g. production of food and water, clean air, recreational benefits)
- Restoration of degraded ecosystems
- Sustainable tourism and the valorisation of natural heritage

**Examples of actions supported (non-exhaustive list):**

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

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

Furthermore, actions should take into account existing initiatives and institutionalised cooperation settings to create added value on all levels (e.g. European Green Belt Initiative, Environmental Conventions).

### Expected results

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

**For INTERACT and ESPON programmes:**

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

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

*Text field [7000]*

N/A

### 2.2.4.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) target [200]
2	SO 2.4	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
2	SO 2.4	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	SO 2.4	RCO 87	Organisations cooperating across borders	Organisation		
2	SO 2.4	RCO 116	Jointly developed solutions	Solution		

Table 3: Result indicators

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

#### 2.2.4.3 The main target groups

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

*Text field [7000]*

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

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, energy operators, energy management institutions, enterprises including SMEs, associations, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

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

regional level, place-based approaches should respect the specific territorial settings of the targeted areas.

#### 2.2.4.5 Planned use of financial instruments

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

*Text field [7000]*

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

## 1.2. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

**Priority 3: A more connected central Europe through cooperation**

☐ This is a priority pursuant to a transfer under Article 17(3)

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

Reference: Article 17(4)(e)

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

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

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

Text field [7000]

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

###### **Territorial needs for central Europe**

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

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

###### **Transnational cooperation actions**

Under this SO, Interreg CE will support transnational cooperation to improve the mobility in and accessibility of rural and peripheral regions, especially in view of their linkages to main EU transport corridors and nodes. Sustainable solutions will also help to reduce transport-related

pollution and greenhouse gas emissions and positively affect socioeconomic developments. Possible cooperation actions include the joint development and implementation of strategies, action plans, tools, training and pilot actions. Actions should improve transport-related policies and increase capacities for a coordinated, integrated planning of sustainable transport and mobility systems and solutions.

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

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

**Examples of actions supported (non-exhaustive list):**

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

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



### Expected results

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

*For INTERACT and ESPON programmes:*

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

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

*Text field [7000]*

N/A

### 2.3.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) [200]	target
3	SO 3.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan			
3	SO 3.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action			
3	SO 3.1	RCO 87	Organisations cooperating across borders	Organisation			
3	SO 3.1	RCO 116	Jointly developed solutions	Solution			
3	SO 3.1	RCO 119	Projects supporting cooperation across borders to develop urban-rural linkages	Project			

Table 3: Result indicators

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

### 2.3.1.3 The main target groups

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

*Text field [7000]*

Target groups of funded actions can be both individuals and organisations that will be involved or positively affected by the actions. As a result, they will be stimulated to take up solutions for improved transport and mobility, and a better accessibility of peripheral regions. More concretely, target groups include both public and private actors covering a wide range of different sectors and levels of governance, such as institutions responsible for planning and managing regional transport services and networks, public transport operators, infrastructure providers and managers, and other local or regional transport actors. Target groups include also all population groups, which potentially benefit from improved regional passenger transport services (e.g. commuters, tourists).

Beneficiaries, i.e. project partners benefitting from programme funds, can be any legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, enterprises, public transport operators, infrastructure providers, regional associations, regional innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

Actions can be implemented throughout the programme area. They should however primarily address rural and peripheral regions including cross-border regions which are suffering from a low

accessibility. They will profit most from knowledge exchanges with already well connected regions which in turn will also be able to further improve the sustainability of their regional mobility services.

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

### 2.3.1.5 Planned use of financial instruments

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

*Text field [7000]*

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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

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

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

#### **PO3 - (iv) Promoting sustainable multimodal urban mobility**

### **2.3.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate**

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

*Text field [7000]*

#### **SO 3.2: Greening urban mobility in central Europe**

##### **Territorial needs for central Europe**

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

##### **Transnational cooperation actions**

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

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

- Sustainable urban mobility planning
- Quality and efficiency of green, urban public transport services
- Smart traffic and mobility management, including commuting solutions
- Green connections between urban and peri-urban areas
- Sustainable multimodal urban freight and logistic solutions (including the "last mile")
- Urban traffic congestions
- Greenhouse gas and pollutant emissions (air quality) from urban traffic

- Accessibility of urban public transport for elderly and disabled people

**Examples of actions supported (non-exhaustive list):**

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

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

**Expected results**

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

***For INTERACT and ESPON programmes:***

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

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

Text field [7000]

N/A

### 2.3.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
3	SO 3.2	RCO 83	Strategies and action plans jointly developed	Strategy/action plan		
3	SO 3.2	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action		
3	SO 3.2	RCO 87	Organisations cooperating across borders	Organisation		
3	SO 3.2	RCO 116	Jointly developed solutions	Solution		
3	SO 3.2	RCO 119	Projects supporting cooperation across borders to develop urban-rural linkages	Project		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	SO 3.2	RCR 79	Joint strategies and action plans taken up by organisations	Joint strategy/ action plan	0	2021		Programme monitoring system	
3	SO 3.2	RCR 84	Organisations cooperating across borders after project completion	Organisation	0	2021		Programme monitoring system	
3	SO 3.2	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2021		Programme monitoring system	

### 2.3.2.3 The main target groups

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

*Text field [7000]*

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

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes local, regional and national public authorities, regional development agencies, enterprises including SMEs, public transport operators, associations, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

*Text field [7000]*

Actions can be implemented throughout the cooperation area. FUAs with high emissions of CO<sub>2</sub> or air pollutants from the transport sector should however be in the focus. They will profit most from knowledge exchanges with more advanced regions, which in turn will also be able to improve further their implementation capacities for green urban mobility.

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

### 2.3.2.5 Planned use of financial instruments

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

*Text field [7000]*

N/A

### 2.3.2.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 - intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.2		

Table 5: Dimension 2 - form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.2		

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	SO 3.2		

DRAFT



### 1.3. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

Text field: [300]

**Priority 4: A better governance for cooperation in central Europe**

☐ This is a priority pursuant to a transfer under Article 17(3)

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

Reference: Article 17(4)(e)

**ISO 1 - A better Interreg governance**

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

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

Text field [7000]

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

###### **Territorial needs for central Europe**

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

###### **Transnational cooperation actions**

Under this SO, Interreg CE will support transnational actions aimed at improving multi-sectoral governance processes on all territorial levels, in particular in view of complex challenges related to digitalisation, demographic change, public services of general interest (such as health, education, social services) and tourism including culture. Actions should also strengthen capacities of public authorities to prepare integrated territorial development strategies. Possible cooperation actions include the joint development and implementation of strategies, action plans, tools,

training and pilot actions. Actions should focus on improving governance processes by better integrating policy sectors, by building consensus among relevant institutions and by better involving citizens and other stakeholders.

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

- Reduction of administrative barriers, better policymaking and cooperation beyond borders
- Participatory decision-making processes (e.g. citizen involvement)
- Multi-level and multi-sector governance among areas with functional ties beyond borders
- Integrated territorial development strategies (e.g. on demographic change, public services including health)
- Digital governance

**Examples of actions supported (non-exhaustive list):**

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

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

#### Expected results

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

*For INTERACT and ESPON programmes:*

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

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

*Text field [7000]*

N/A

### 2.4.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final (2029) [200]	target
4	SO 4.1	RCO 83	Strategies and action plans jointly developed	Strategy/action plan			
4	SO 4.1	RCO 84	Pilot actions developed jointly and implemented in projects	Pilot action			
4	SO 4.1	RCO 87	Organisations cooperating across borders	Organisation			
4	SO 4.1	RCO 116	Jointly developed solutions	Solution			

Table 3: Result indicators

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

#### 2.4.1.3 The main target groups

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

*Text field [7000]*

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

Beneficiaries, i.e. project partners benefitting from programme funds, can be any entity having legal personality that contributes to the actions above. This includes e.g. local, regional and national public authorities, regional development agencies, EGTCs, health related institutions, tourism operators, intermediaries, enterprises including SMEs, associations, innovation agencies, NGOs, financing institutions, education and training organisations as well as universities and research institutes.

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

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

Text field [7000]

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

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

#### 2.4.1.5 Planned use of financial instruments

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

Text field [7000]

N/A

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

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

Table 4: Dimension 1 - intervention field

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

Table 5: Dimension 2 - form of financing

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

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

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