
ORIENTATION PAPER ON STRATEGIC THEMATIC DIRECTIONS

INTERREG PROGRAMME SLOVENIA-HUNGARY 2021-2027

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1. Introduction

As first part of the programming exercise the socio-economic and territorial analysis has been elaborated and adopted by the Programme Task Force (PTF). Next step is to draw up a method for selection of policy objectives (POs) and specific objectives (SOs) of the new programme strategy. This paper aims at providing an overview of the inputs and provide a transparent methodology for decision making of the new priorities.

The following paper consists of the following partial analyses:

- Outline of the situation analysis: summing up the most important statements from the descriptive analysis, by each PO;
- Questionnaire survey: summary of the quantitative outputs of the survey and outlining the most important proposals raised in the open questions;
- Interviews: proposals raised by the interviewed stakeholders;
- Previous projects: analysis of the thematic distribution of the projects submitted to the open call that had six submission deadlines of the ongoing programme plus outcomes of projects focusing on analysing ongoing project results and institutional cooperation patterns (SI-HU PRO, capCROSSplan);
- Conclusions: proposal for the selection of POs and SOs.

Besides the situation analysis, three main inputs are used in the analysis:

- The questionnaire survey targeted a wide group of stakeholders, including local and regional decision makers, project applicants and beneficiaries of funded projects.
- The interviews basically focused on the key decision makers: staff of the programme management bodies, members of the Monitoring Committee and the Programme Task Force, representatives of some key sectoral public bodies operating in the border area.
- Analysis of previous projects (funded and ineligible) provided input whether there may be enough interest, a critical mass of projects in certain thematic areas.

In order to better proxy the structure of policy objectives drawn up by the draft regulations for the forthcoming programming period, in the presented analysis the following breakdown of development topics has been applied:

- PO1 – A smarter Europe: SME growth and competitiveness;
- PO2 – A greener, low-carbon Europe: energy, environment and nature, climate change, circular economy;
- PO3 – A more connected Europe: physical connectivity;
- PO4 – A more social Europe: employment, education, health and social care;
- PO4 / SO4.6 – Tourism and other local development;
- Interreg-specific objective (ISO) 1 – A better cooperation governance: Institutional cooperation, people-to-people cooperation (altogether referred to as ‘other’).

Due to its distinguished role in the current programme and its particular status for the programme area, the topic ‘tourism and other local development’ has been treated separately in the analysis from the rest of the topics within “PO4 – A more social Europe”. Due to the high interest shown for that topic some parts of the analysis don’t intend to judge whether ‘tourism

and local development' is relevant or not, but it rather aims to provide thematic preferences within.

Due to the limited size of the programme area and total funds available and the limited number of possible specific objectives to be selected, PO5 ('closer to citizens') has not been taken into consideration in the analysis. For this reason, the topic 'tourism and other local development' is included under PO4, i.e. SO 4.6.

After presentation of the four partial analyses the last chapter provides a consolidated ranking of POs and development topics.

It is important to note that the presented analyses are meant to highlight different aspects of setting a preference order for the selection of POs and development topics. The outcome of each analysis should be understood in the context of the applied methodology. Though the methods applied to valorise subjective inputs of stakeholders may not always lead to exact values, the consolidation (relying on four partial analyses, each assessing the same priority areas from various angles, among different subsets of stakeholders and via varied methods) provides a coherent basis for orientation. The two Member States and the PTF are entitled to decide about the selection of the priorities.

2. Outline of the situation analysis

2.1. PO1: A smarter Europe

In the programme area the GDP has increased on both sides between 2013 and 2018. In case of all NUTS 3 units the GDP growth rate exceeded the EU growth rate, but lagged behind the respective national averages. Examining long-term tendencies, it can be stated that differences in economic performance (GDP per capita) among the counties/regions of border region didn't change significantly, ranking of the regions did not change.

The R&D expenditure per inhabitant is significantly lower in the border region than in the EU27. The total expenditure is higher in Eastern Slovenia (Vzhodna Slovenija) compared to Western Transdanubia (Nyugat-Dunántúl), but lower than the respective national averages.

According to the 2019 data of the European Innovation Scoreboard, both Slovenia and Hungary belong to the category of moderate innovators. Based on the attractiveness of the research system, the value of Slovenia is higher than that of Hungary in many categories.

In the examined period (2014-2018) the number of enterprises has grown on NUTS 3 level and in the border region as a whole. The growth of number of active enterprises and the growth of employed persons was higher in the Hungarian counties than in the Slovenian regions by 2018. The statistical data doesn't show the effect of the COVID-19 pandemic yet.

Both in Western Transdanubia and Eastern Slovenia, agriculture has a greater weight in employment than in the EU27 or nationally. Industry has almost the same weight on either side of the border, being above the national averages. In Eastern Slovenia, the share of people employed in trade, transport, accommodation and hospitality is slightly lower than the Slovenian average, that of Western Transdanubia or the EU average. The proportion of people employed in the professional, scientific and technical fields in the two border regions lags behind the EU27 value and the national averages.

The two most important agricultural areas in Slovenia are Pomurje and Podravje. 81% of the total area of Pomurje is agricultural land, while in the Podravje region of the same use is only 70%. In Hungary, the counties of Zala and Vas have a smaller weight in agriculture compared to Podravje.

Vas county and Podravje are more industrialized areas. In Vas county automotive-machine industry and engineering is very significant. In Zala county tourism, forestry and wood industry are more important, while in Pomurje agriculture is dominant. In Podravje animal husbandry and viticulture are also more significant than in the other counties. In Vas county tourism, wood, furniture and food industry with agriculture are also very important. Efforts should be made to further develop the local, small-scale food industry and to encourage sales in local markets. Agricultural activity should seek to strengthen sustainable farming practices, such as expanding the number of organic farms, producing safe food and short supply chains, disseminating innovative solutions such as precision production, and responding to the challenges of climate change.

Research and innovation-oriented cross-border cooperation between universities, research institutions, technology parks and innovation hubs are present in the border region. Institutions with common research activities and counselling services are able to support the development of companies operating in key sectors of border area. Efforts should be made to maximise product, service and process development, especially for SMEs, using local knowledge.

Cross-border cooperation between SMEs is weak and there is a need to encourage links between businesses. There are also obstacles to build business linkages, including lack of communication and information. Business development must take into account natural and landscape values, strive to utilise existing, even disused, facilities, reduce pollution, waste, recycle waste, decrease energy consumption, and increase the use of renewable energy sources.

Due to the higher wages in Slovenia, there are some commuters from Hungary that work in Slovenia, mainly in the construction industry. They typically go to Hungarian-speaking areas, but German is the common language of communication along the border.

In terms of digital accessibility, the Hungarian side performs somewhat weaker than Slovenia, however tendencies are generally improving. In general, internet access and internet use are improving, while the number of individuals not using the internet is in decrease.

2.2. PO2: A greener, low-carbon Europe

The cooperation area has extensive green territories with significant natural values and a high rate of biodiversity (based on a large proportion of protected areas). This provides a good basis for promoting a sustainable lifestyle in the area.

The border area is located quite far away from the main population and industry centres, the air quality is relatively favourable, however PM particles are problematic in urban areas, especially in Murska Sobota. Car as dominant mode of transport and the use of fuels in households and services are the main reasons for this.

On the contrary, water management is quite a big challenge in the programme area. Low precipitation means a low rate of recharging capabilities of ground water and surface water. In combination with an intensive agriculture in the Slovenian part and global warming impact the water pollution is quite severe in this area. On the Hungarian side quality of surface water is better than in Slovenia. Special attention must be paid to geothermal water that represent a valuable renewable source on both sides of the programme area, but in order to keep it, its use must become sustainable. Cross-border activities in terms of awareness raising, water management and policy measures could provide a basis for efficient and sustainable water management in this sensitive area.

The situation of energy supply and consumption is similar to the national patterns, but in national climate strategies both countries are committed to energy efficiency and producing energy from renewable sources. Both countries failed to achieve the targeted share of renewable energy production. In energy sector more investments in the renewable sector

should be made, to connect the waste management as a circular economy or geothermal energy as a renewable source in the whole programme area. With awareness raising at the level of households even with limited financial resources changes in people's habits may be achieved. The lack of cross-border sustainable mobility options was recognised.

At cross-border level the protection of environmental values (national/nature parks, rivers, thermal waters) can be fostered via cross-border cooperation. One of the options is to preserve the existing flora and fauna, while another one is to improve services with environmental interest, which are connected to different sectors like tourism, transport, local handmade products etc. This method would help not only to preserve the natural values, but also to enhance the economic performance of the regions. With better spatial planning of urban areas and rural landscapes much more nature values could be preserved in the future. Climate change will have a significant impact, especially in Podravje and Pomurje regions, because of the shortage of water supply; the involvement of spatial planning will need to have a significant role in the next few years. The disaster management should be focused on effective preventive measures in all sectors, but especially in the agriculture sector, in the future. Disaster management is organized on the national level, so it is important that countries keep on the collaboration in the Hungarian–Slovenian Permanent Joint Committee on Disaster Management.

Dealing with waste is another issue which could be tackled in the Slovenia-Hungary Cross-border Programme. It is one of the suitable fields where principles of circular economy can be applied and can build on existing practices. There is a potential in recovering waste into eco-fuels. In the previous programming period, the URBAN SOIL 4 FOOD project was implemented in Podravje. In Maribor biological waste has been processed into fertile soil for the local community. In Maribor the WCYCLE institute was established for ensuring the management of resource / raw material flows in the local and regional area. It operates mainly at the basic research and development level. The concept of circular economy should be introduced to all aspects of human activities and should be reflected in business models, government policies and circular culture (citizens), three interdependent aspects that are at the core systemic change from a linear to a circular economy. A strategy for circular economy of the cross-border area should be elaborated with a view that its application can generate numerous green working places and improve the quality of living and attractiveness of this environment. In order to achieve the ambitious plans for the transition to a circular economy as set out in new Circular Economy Action Plan (2020), a supportive environment to provide knowledge and information in the field of circular economy models could be designed within the cross-border programme.

2.3. PO3: A more connected Europe

The border region – although being a very short border section – is an important gateway from public roads point of view as well. The motorway branch of the Mediterranean corridor (Lyon–Trieste–Koper–Ljubljana–Budapest–Ukraine – former corridor V) crosses the region at the border crossing Pince/Tornyiszentmiklós. The Graz–Maribor–Ljubljana link is part of the Baltic-Adriatic TEN-T corridor, while the Maribor–Gruškovje (–Zagreb–Belgrade–Niš–

Thessaloniki) connection (A4, E59) is one of the branches of former corridor X, which is an important north-south internal axis of Podravje, also an important linkage from Austria and Germany towards the Adriatic coast, therefore suffering from severe congestions during summer holiday season. In general, the Slovenian side of the border area is very well connected, both to the core area of Central Europe and the Balkans/East Mediterranean as well.

The accessibility of the rural areas in the inner parts of the regions needs to be further developed in order to ensure a better interconnectivity of smaller villages.

Concerning the cross-border traffic, border crossings are accessible within half an hour in whole Pomurje and about nearly half of Zala county. More remote urban centres (Maribor, Szombathely and Zalaegerszeg) are within the 60-minute accessibility range too. This is due to a high density of border crossings that have been especially developed after the accession of Hungary and Slovenia to the Schengen zone.

In terms of scheduled coach service, they are provided on both sides in order to access micro regional and regional centres, or to reach the national capitals. Concerning cross-border connections, currently no service is available between Hungary and Slovenia. The restoration of previously existing connections would be essential for the facilitation of cross-border cooperation.

The population of the border region is having a very limited access to cross-border rail services, with very low frequency and unfavourable journey time, which is valid for both sides of the border. Railway infrastructure in both countries is concentrated in the state capitals. In terms of cross-border traffic currently there is only one daily IC train between Budapest and Ljubljana which crosses the border area. Furthermore, on each workday there are four more connections from Zalaegerszeg to Hodoš, however to reach Murska Sobota, an additional transfer is needed. The frequency of trains may be considered sufficient. For an efficient cross-border mobility direct connections should be established between the regional centres. Changes in the timetables would be crucial to support cross-border passenger traffic and tourism flows.

In the past two programming periods several cycling infrastructure development projects were implemented. The Interreg V-A Slovenia-Hungary Cooperation Programme promoted the establishment of two new border crossings for cyclists:

- the Lendvadedes-Dedeskecskés–Dolga Vas connection as part of the Iron Curtain Cycling project; and
- the Orfalu–Budinci connection within the Guide2Visit project.

As most of the programme area is flat and small settlements are dominant, cycling is a preferred means of transport in the area, particularly in Pomurje. Besides longer distance tourism routes, all major urban areas have been equipped with safe cycling infrastructure that serves commuting and leisure purposes as well. In hilly areas more people may be involved in cycling through the availability and rental of electric bicycles.

There are two international airports in the area: in Maribor and Hévíz-Balaton International Airport at Sármellék. The Sármellék airport used to serve seasonal charter flights, between

May and October, from different German airports. The number of passengers peaked in 2014, since then tendencies were decreasing. Due to the pandemic services have been stopped in 2020. The Edvard Rusjan Airport in Maribor has been renovated in 2012, which was followed by opening of several lines to various German cities and charter flights. Scheduled flights stopped in August 2018

There is no navigable river in the border area. Sport-related (kayak, canoeing) navigation and small boats are used on the Drava, Mura and Kerka rivers.

2.4. PO4: A more social Europe (without tourism)

The employment situation gradually improved since 2010 on both sides, however, effects of the COVID-19 pandemic have slightly increased the number of job seekers. In general, the most difficult employment situation is for those with a low level of education or other disadvantages in the labour market. Cross-border employment in the area is weak. Lack of language knowledge is a barrier to cross-border employment.

The population of the border area is better educated than the EU average, but those without a profession are in the most difficult position in terms of employment. There are opportunities in educational cooperation, as high-quality public education may have a significant labour-retaining effect. For the time being in some cases Hungarian students go to Slovenian bilingual primary schools.

Schools and kindergartens have a major role in environmental education and raising awareness of sustainability values. The valuable natural environment is suitable for kindergartens and schools to try out various alternative, outdoor teaching methods. In addition to sustainability, digitalization is a defining trend today, which can be prepared for primary schools with electronic and robotics experimental education programmes.

There may be a need to provide a place for cross-border internship for students in vocational training and higher education. The obstacles for cooperation in practical trainings of vocational education must be handled by the cooperation of interested schools and national level institutions responsible for the regulatory framework.

University education is present on both sides of the border in larger cities, the most important being the multidisciplinary university in Maribor. This provides untapped opportunities for cooperation.

Besides national languages, the common languages of communication, i.e. German or English, should be encouraged at school age.

The rate of people at risk of poverty or social exclusion is almost similar on the Hungarian and the Slovenian side, while in the eastern part of Slovenia the poverty risk rate is higher than the national average. In Hungary the border region is in a more favourable situation compared to the national average. Unemployed people, people with low education and lack of profession belong to the group of people at risk of poverty.

Ageing is considered the most severe social problem in the border area, particularly in low-populated villages. The social welfare system is under increasing pressure due to the ageing population and the emigration of young people. In the future, not only the care capacity should be expanded, but the efficiency of services through modern digital solutions should be promoted as well. There is a need to train participants in social care in order to retain them in the border region, as the neighbouring country Austria has a significant labour-absorbing effect in this sector.

The life expectancy is generally higher in Slovenia, both on country level and in the border region. Both in the Hungarian and Slovenian part of the Programme area women live longer than men.

In healthcare, the use of cross-border services is not very common, administrative barriers exist. In both social care and health care, it is recommended to introduce modern technical solutions, focus on prevention, which has been pointed out by the COVID-19 pandemic. Healthy lifestyle tends to be more popular in the future. Health-related development needs can also create new jobs in the region, offer cooperation between companies, universities and research institutions.

2.5. PO4 / SO4.6: Tourism and other local development

Tourism plays a very important role in the economy in the border region. According to the latest territorial data available from the statistical databases of both countries, in the Slovenian-Hungarian programme area more than 2.3 million tourists spent closely 7.3 million overnight stays in 2019. Comparing this data with the year of 2014 – the beginning of the current programming period – the registered growth in the number of tourists is more than 40%, while in the tourism overnights nearly 20%.

The great potential and the similarities of the tourism sector on the two sides of the border provide good opportunities to align them into cross-border tourism products towards regional tourism destinations. Except for health resorts, tourism (lakes, rivers, forest, vineyards) is seasonal and stronger in outdoor activities.

Most of the tourism values are located in the border region. The lack of sustainable mobility connections makes the creation and sales of tourism packages very difficult. Joint destination management, new tourist attractions open up possibilities also for cross-border thematic products connected to outdoor activities, requiring new tourism accommodations facilities and improving the infrastructure of the region. It is important to strengthen the cooperation between the actors of tourism sector and developing common marketing activities.

Cross-border collaboration should be facilitated in order to create joint tourism products and services. Thematic tourism products should be in line with sustainable tourism that is responsible to the environment and local inhabitants. In order to avoid massive and harmful tourism relevant infrastructure and services must be provided, especially in terms of sustainable mobility, the carrying capacity of the environment should be taken into account and the concept of visitor management should be applied.

2.6. ISO1: A better cooperation governance

The Slovenia-Hungary border region is involved in altogether three European Groupings of Territorial Cooperation (EGTC). Out of these structures the most important one from the programme area's point of view is the Muraba EGTC. The organisation was set up for the sake of strengthening cooperation across the border and promoting the rights of national minorities in the territories of mixed ethnic population. Its founding members are the Town of Szentgotthárd, the Municipality of Lendava, the National Slovene Self-Government from Hungary, and the Mura Region Hungarian Self-Government Community from Slovenia.

Another EGTC with Slovenian and Hungarian membership is the Pannon EGTC, initially established by Hungarian and Slovenian institutions. Currently it counts 66 members, including three local governments from Slovenia (Lendava, Moravske Toplice and Ptuj). The Mura EGTC is a small, yet very active partnership, composed of 13 local governments from Zala county, but it has no members from Slovenia.

Out of the tools of integrated territorial development, Integrated Territorial Investment (ITI) is not applied neither in Slovenia, nor in Hungary. Concerning the tool Community-based Local Development (CLLD) in both countries in the rural areas local action groups (LAGs) within the LEADER programme have been set up.

In cultural relations minorities play a key role. Hungarian minority is concentrated in Pomurje, while Slovene minority (Porabje Slovenes) live in the area of Szentgotthárd (Monošter). The region has a significant Roma minority as well.

The most important institutions of Hungarian cultural life are the Hungarian National Cultural Institute in Lendava, which is home to several civil organisations being active in cultural life. The Pomurje Hungarian Radio (MMR) is part of the Slovenian national broadcaster, it has become a cross-border regional radio station. In Lendava also Hungarian public school institutions are operating.

Slovene cultural institutions in Hungary are concentrated in the area of Szentgotthárd, where the Association of Slovenes of Hungary is operating. This organisation has ten cultural artist groups, regularly organising various cultural events, art workshops for adults and children (painting, sculpturing), publishing volumes and offering language courses also for the non-Slovenian local population. Szentgotthárd is also the seat of the Slovene-language Radio Monošter. The general consulate of the Republic of Slovenia is located in Szentgotthárd, also Hungary has a general consulate in Lendava. The Slovene minority self-government is seated in Felsőszölnök. It maintains two public primary schools, in Felsőszölnök and Apátistvánfalva.

3. Findings of the online questionnaire survey

3.1. Overview of the questionnaire and methodology

The goal of the questionnaire was to get the insight on:

- a) Area's main development challenges,
- b) How to address them in the most suitable way,
- c) Understanding the constraints to successfully overcome them.

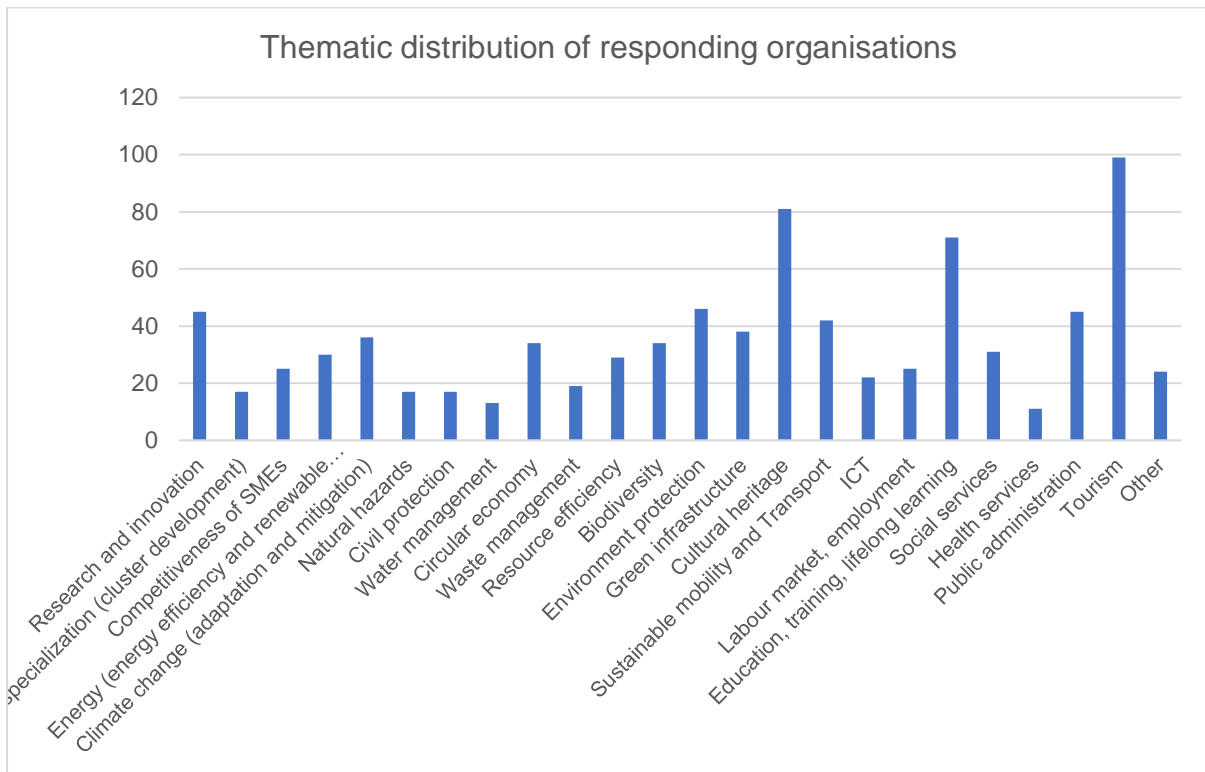
Most questions were prepared in a way that the respondent simply decided to rate or choose an answer (with the option to add her/his proposals), followed by some very important open-ended questions where we have asked for her/his views and suggestions. An explanation of current trends for each priority was provided as an introduction to the individual set of questions.

The online questionnaire, in order to cover the target groups as wide as possible, was published in national languages, in Hungarian and Slovene, and was made available from 13 March till 19 April 2021. Altogether 87 people completed the Hungarian version and 134 people the Slovenian version of the questionnaire. The analysis presented below is based on the combined results.

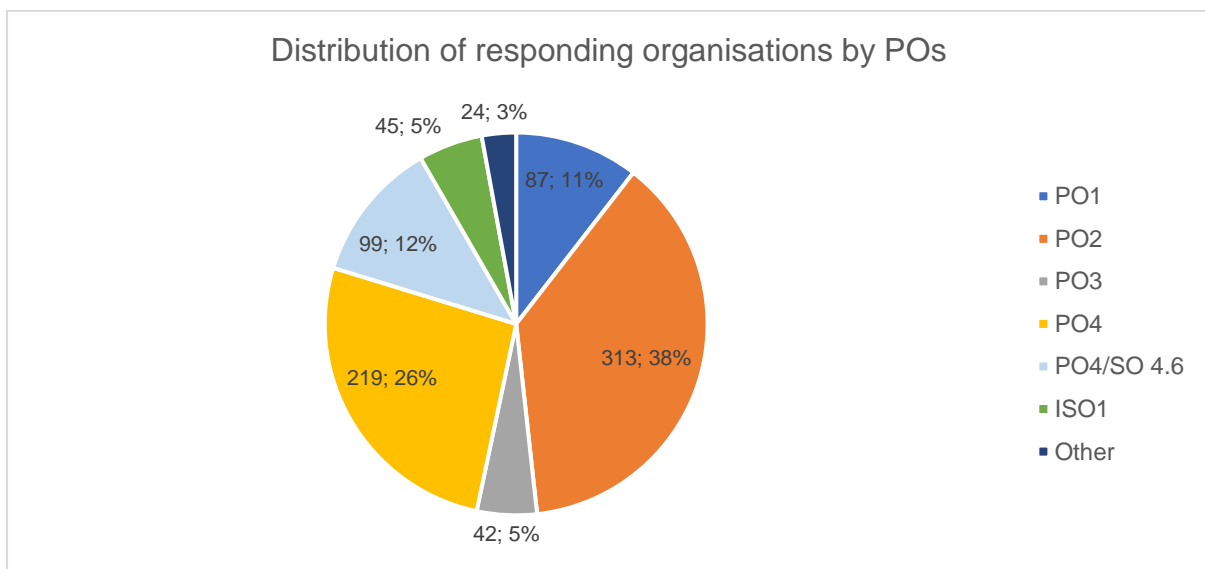
Majority of the respondents come from the following sectors: tourism (12%), cultural heritage (10%) and education/training/lifelong learning (8%). A significant share of respondents (5% per sector) came from research and innovation, environment protection, sustainable mobility sector and public administration (Figure 1).

The structure of the respondent's organisations by POs shows that PO2 (38%) and PO4 (26%) are the most represented, followed by PO4/SO4.6 (12%) and PO1 (11%). PO3, ISO1 and Other were represented by minor share of respondents (up to 5%) (Figure 2).

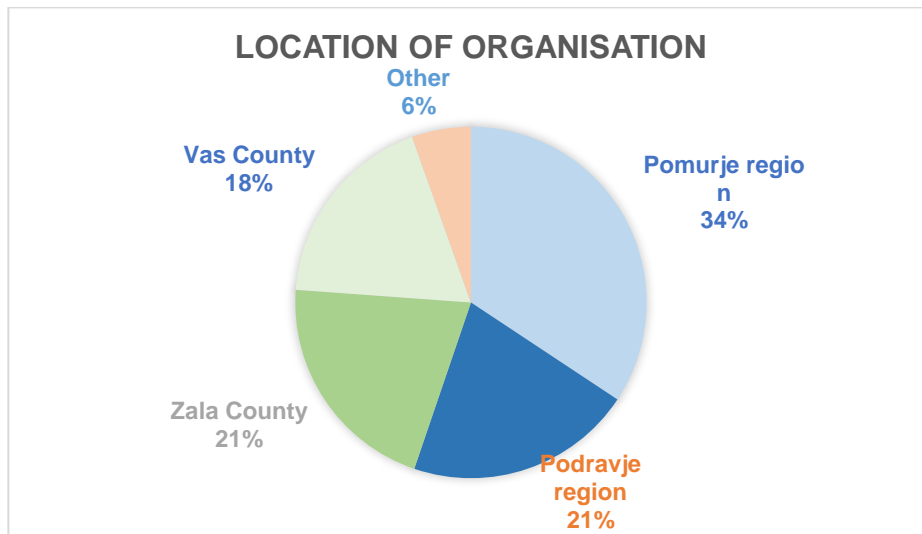
Concerning territorial distribution of the respondents, 34% came from Pomurje region, 21% from Podravje, 21% from Zala County, 18% from Vas County and 6% from other regions (Figure 3).



1. Figure: Thematic distribution of responding organisations.
Source: survey data, own compilation.

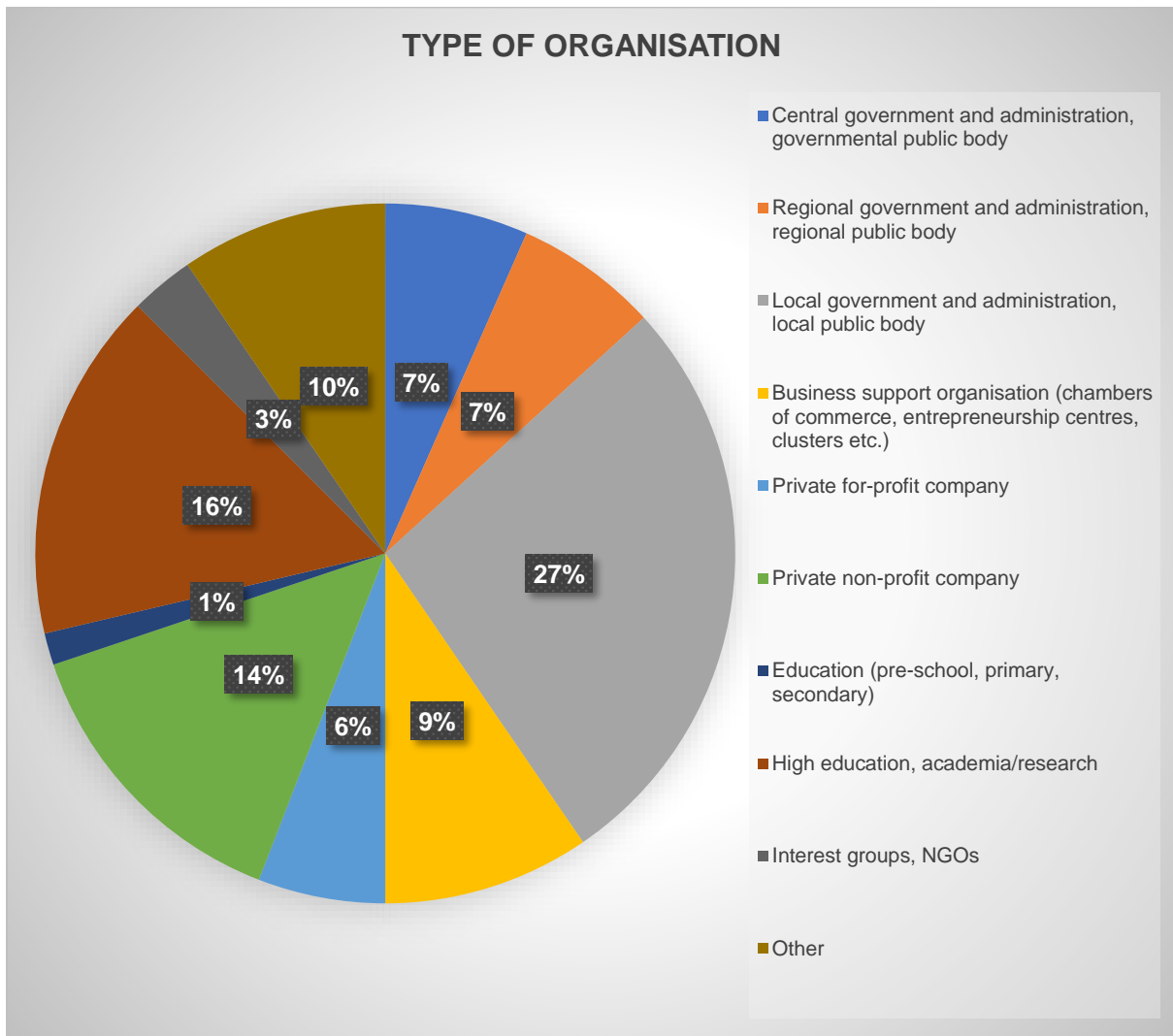


2. Figure: Distribution of responding organisations by POs.
Source: survey data, own compilation.



3. Figure: Location of the responding organisations.
Source: survey data, own compilation.

Most of the respondents (27%) came from local government and administration or other local public body. They were followed (16%) by respondents from high education/academia/research. Private non-profit companies were represented by 14%, business support organisations by 9%. Other respondents mainly came from central or regional government, administration or other public bodies, private companies, interest groups and NGOs (Figure 4).



4. Figure: Distribution of the respondents by type of organisation.
Source: survey data, own compilation.

84% of respondents have been previously involved in the cross-border cooperation programme between Slovenia and Hungary, thereof 42% as a project partner, 21% as a lead partner, 9% as an external expert and 12% of the respondents were involved only as a target group. 16% of respondents were never involved in the cross-border cooperation programme between Slovenia and Hungary.

As main advantage of the projects they've been involved in they indicated:

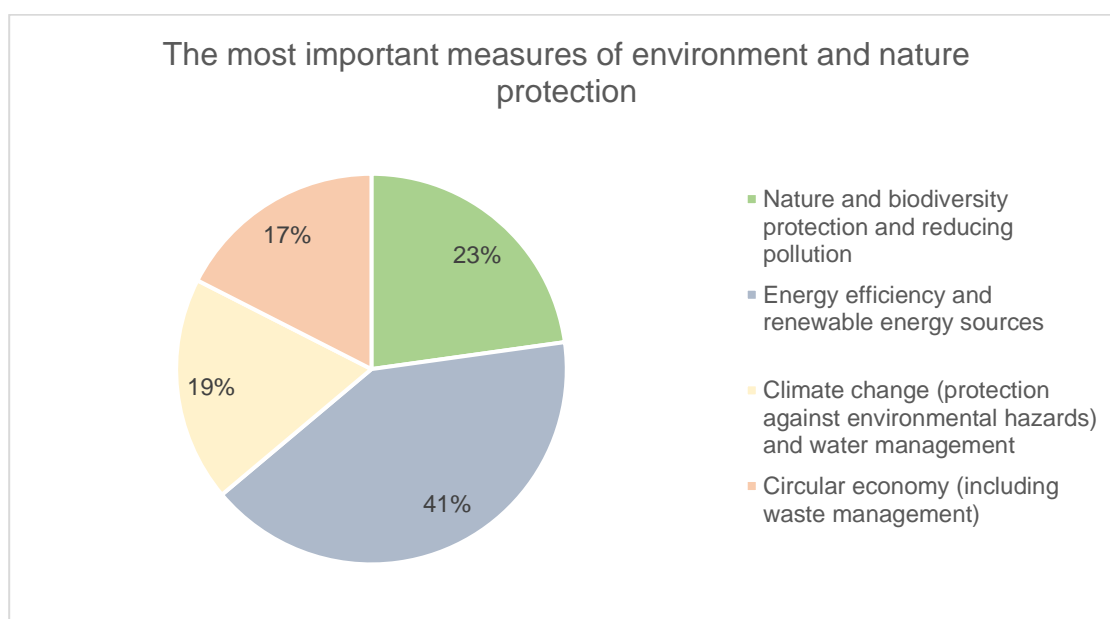
- Strengthening of cross-border cooperation,
- Exchange of good practices, approaches and experiences in the border area,
- Carrying out pilot activities that have actually improved the situation in the field,
- Joint cross-border development, finding common solutions and opportunities.

The questionnaire, for the sake of promoting thematic concentration, primarily focused on topics of PO2 (a greener, low-carbon Europe), PO4 (a more social Europe) and tourism separately. Besides, in order to measure the relevance of other thematic domains, under the question devoted to general cooperation topics issues of the other POs were also investigated.

3.2. PO2: A greener, low-carbon Europe

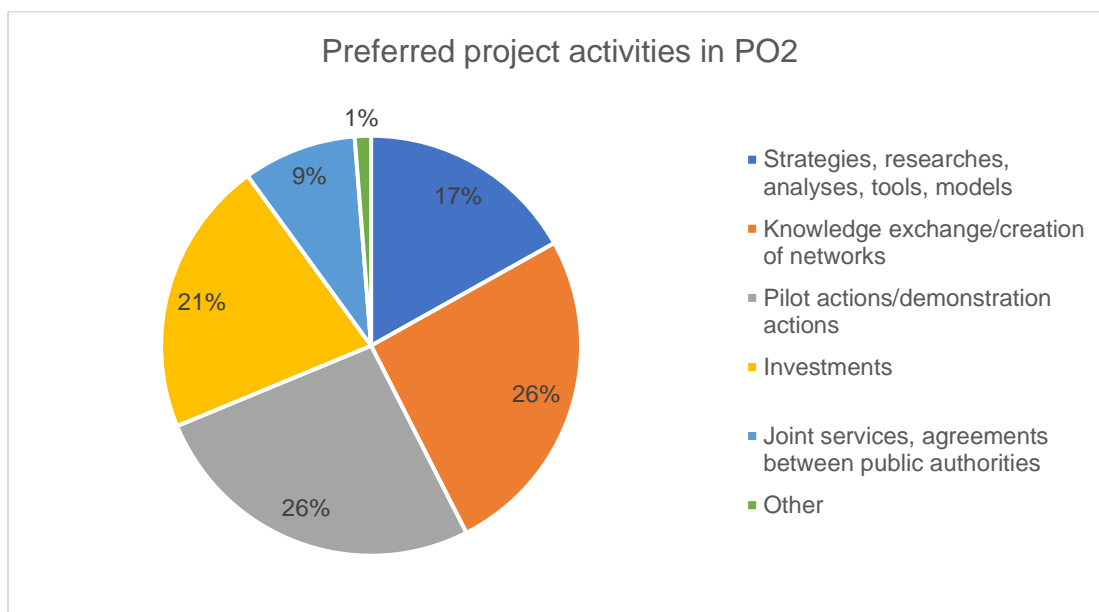
As the most important measures in the area of environment and nature protection the respondents indicated measures in energy efficiency and renewable energy sources (41%), followed by nature and biodiversity protection and reducing pollution (23%). Somewhat smaller proportion of respondents opted for climate change (protection against environmental hazards with water management: 19%) and for circular economy, including waste management (17%) (Figure 5).

Among other topics the monitoring system of nature and revitalisation, the development of wood fund (plantations) and the protection of cultural heritage were indicated.



5. Figure: Preference to topics of PO2 by respondents of the questionnaire.
Source: survey data, own compilation.

Referring to preferred projects in the area of nature and environment approximately the same share of respondents opted for knowledge exchange and networking (26%), pilot actions (26%) and investments (21%), and a bit smaller share for elaborating strategies, researches, analyses, tools or models (17%) (Figure 6).



6. Figure: Preferred activities in PO2 projects by respondents.
Source: survey data, own compilation.

The most often used argument for such choice is that pilot/demonstration environment is a great tool for involving and connecting different stakeholders, testing their complementarity and promoting joint activities, which provides a good basis for further collaboration and long-term development. The importance of interdisciplinarity was underlined.

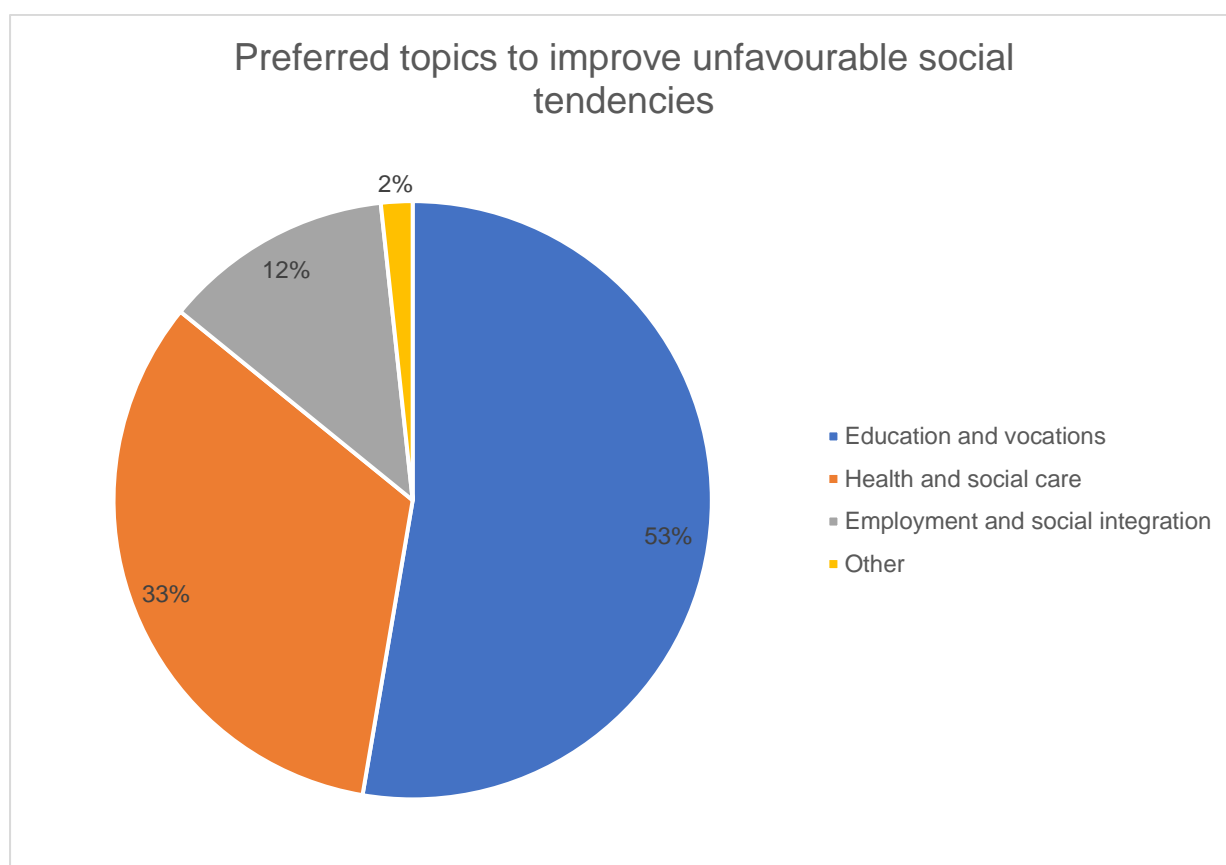
Suggested concrete actions were:

- Pilots and investments in circular economy, energy efficiency, use of renewable energy;
- Energy efficient villages and settlements, environment-friendly development in terms of energy efficiency, construction of bicycle paths, promotion of waste-free shopping;
- A common strategy for the use of geothermal energy from a common transboundary aquifer;
- Joint protocols, monitoring, intervention schemes for risk and disaster management, fast-reaction rescue teams, early warning systems, enhancing voluntary social responsibility for this;
- Modelling of climate change for the future and pilots for testing possible solutions;
- Joint education programmes for environment and nature protection, development of strategy for environment consciousness, presenting good practices;
- Development of wood cadastre along public roads, planting of biodiverse tree species along public roads, research projects in biodiversity;
- Promotion of environment-friendly ways of farming, development of technical background for environment-friendly plant protection, best practices in ecological farming;
- Analysis of the load capacity of water reservoirs in terms of quantity and quality, motion monitoring system for change of water reservoirs;

- Revitalisation of regulated and sustainable management of cross-border waterflows;
- Knowledge exchange between institutions.

3.3. PO4: A more social Europe (without tourism)

Referring to the most preferred topics to improve unfavourable social tendencies, the largest share of respondents (53% of all the answers) has chosen joint cross-border education schemes, including digitalised tools and methods, promotion of skills and vocations, development of skills for future needs. 33% of all the answers went to exploring potentials for cross-border provision of social and health services, e.g. cross-border emergency service, joint preventive healthcare activities, joint development of e-health and other alternative services for the peripheries. Employment and social integration in a form of social innovations aimed at improving quality of life of marginalised communities) got a bit less support (12%) (Figure 7).



7. Figure: Preference to topics of PO4 by respondents of the questionnaire.
Source: survey data, own compilation.

Suggestions through the open questions provided a very diverse pattern:

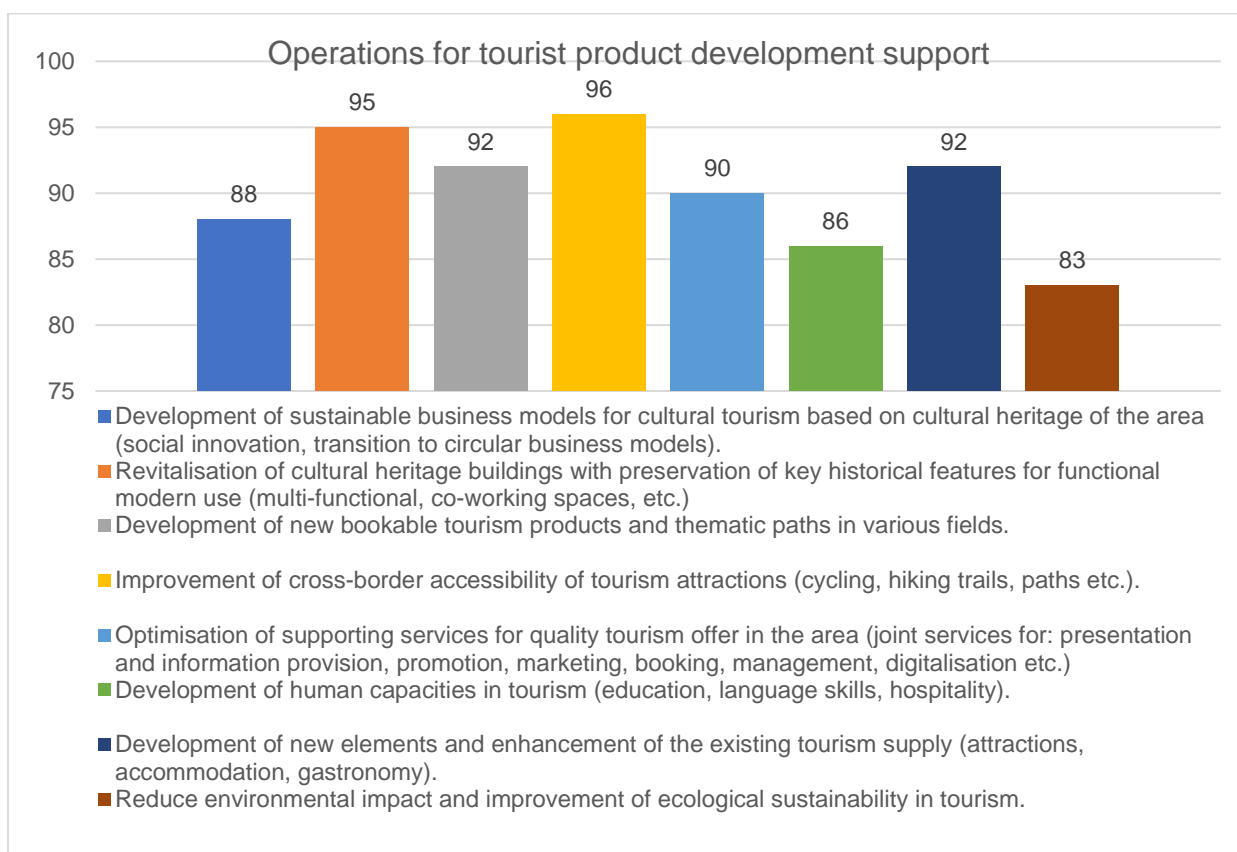
- home care for the elderly,
- new services and cross-sectoral integration,
- raising awareness about voluntary work in the local service provision,
- promoting of entrepreneurial activity,
- co-founding and mitigation of legal requirements for tourism infrastructure,
- incubation centres and assistance to young educated people to settle in the border region.

Argumentation for the proposals included lack of cooperation among regions, the need of common services, importance to respond on both sides of the border to demographic trends, especially in the light of long-life expectancy. In order to be effective, it is necessary to connect at all levels: local, national, cross-border, but also cross-sectoral (public sector, business sector and non-governmental organisations). New services are needed to meet the needs of a rapidly aging society. It is also imperative that the cross-border area responds to mitigating the effects of the Covid-19 epidemic.

3.4. PO4 / SO4.6: Tourism and other local development

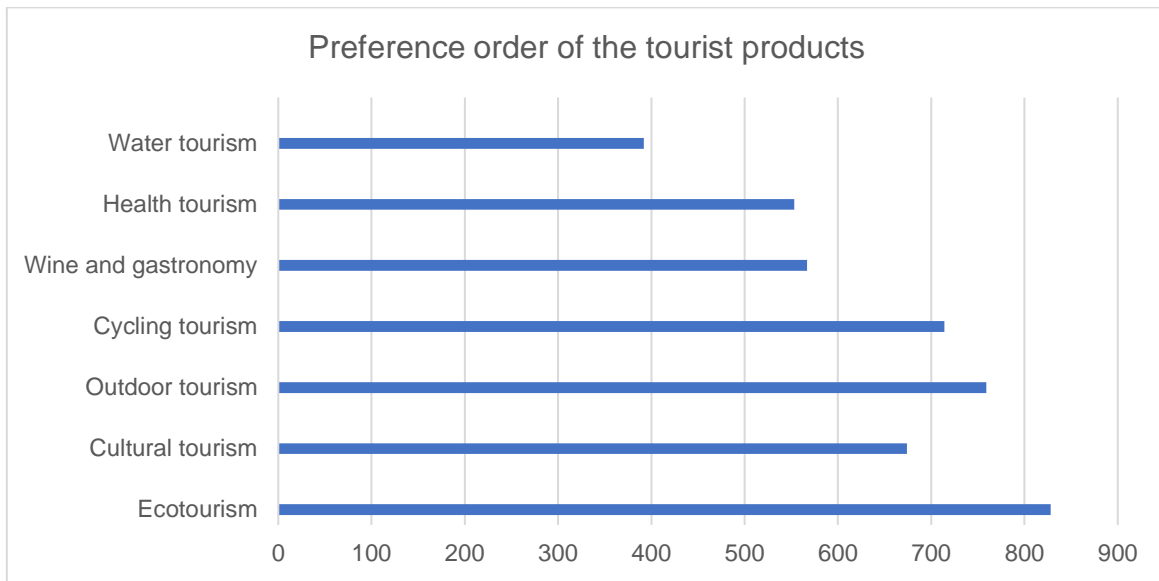
As the topic ‘tourism and other local development’ is put under one single specific objective (SO4.6) according to the draft ERDF Regulation, the questionnaire – in order to promote thematic concentration within the topic itself – targeted thematic issues.

Surveying the preferred project foci inside tourism was investigated as a multiple-choice question, allowing to opt for the five most preferred issues. Concerning the most preferred issues to be addressed inside tourism, infrastructure-related activities clearly stand out: provision of cross-border accessibility and revitalisation of cultural heritage infrastructure. Development of new bookable products and development of tourism supply have also got a very high preference score. Surprisingly low preference was given to the reduction of environmental impact and ecological sustainability in tourism (Figure 8).



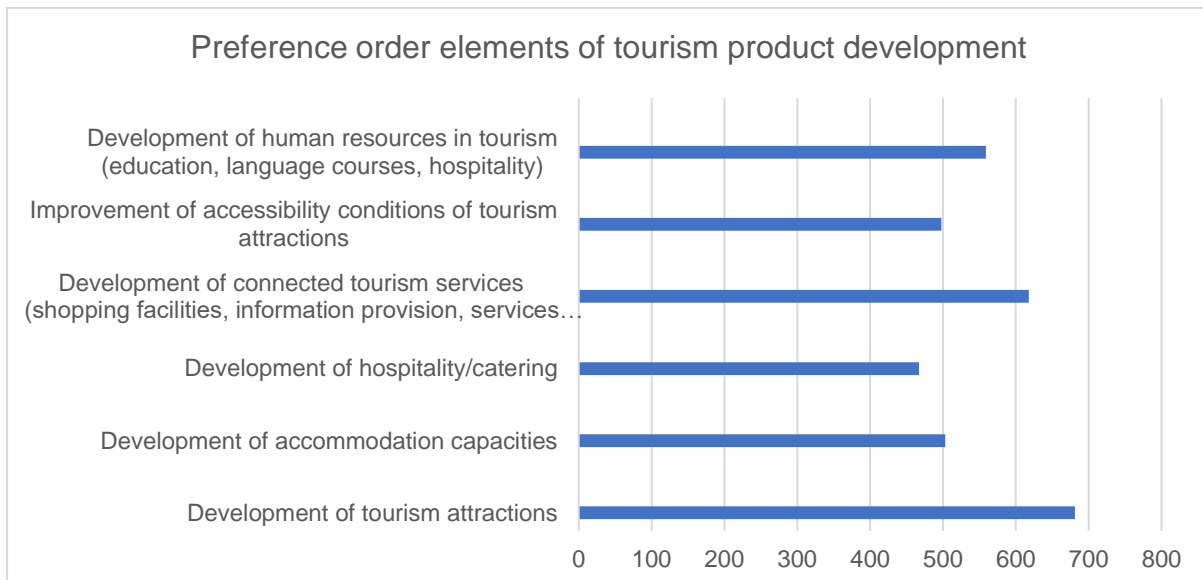
8. Figure: Thematic preference of respondents within the topic 'tourism and other local development'.
Source: survey data, own compilation.

Preference of various tourism products was measured by putting them into preference order by the survey respondents. For this border area, eco- and outdoor tourism have clear preference, which is followed by cycling and cultural tourism. Ecotourism was the most preferred tourist product, followed by outdoor and cycling tourism. The least preferred product was water tourism (Figure 9).



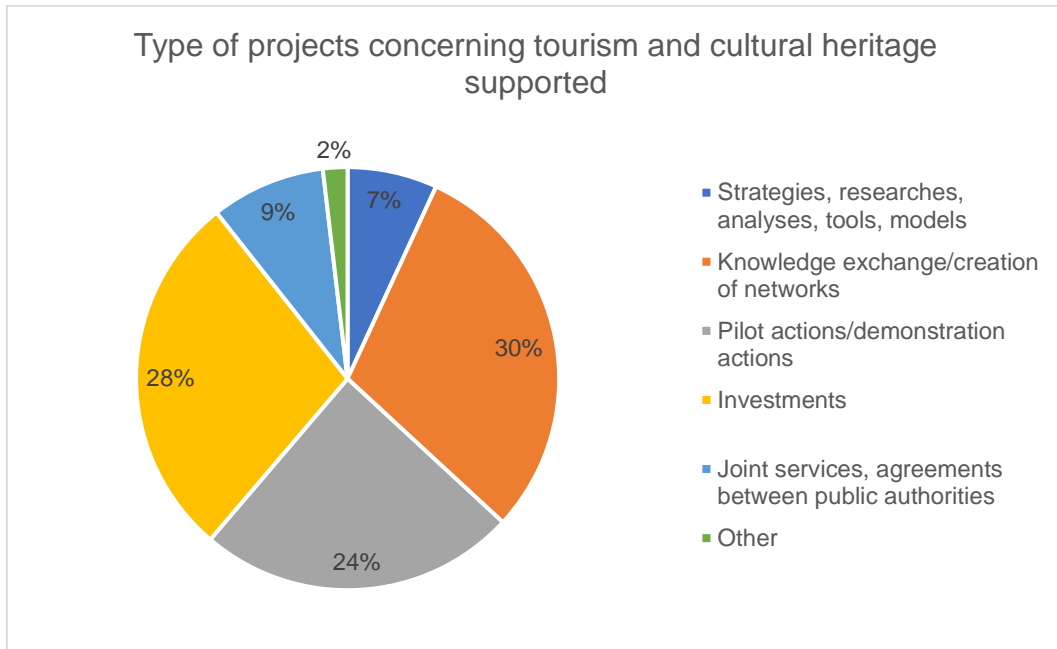
9. Figure: Preference order of tourism products, by questionnaire respondents.
Source: survey data, own compilation.

As for elements of tourism product development, development of attractions and development of connected tourism services (shopping facilities, information provision, services etc), then human resources in tourism (education, language courses, hospitality) were the most preferred ones. The least preferred element was development of hospitality/catering (Figure 10).



10. Figure: Preference order of elements of tourism product development.
Source: survey data, own compilation

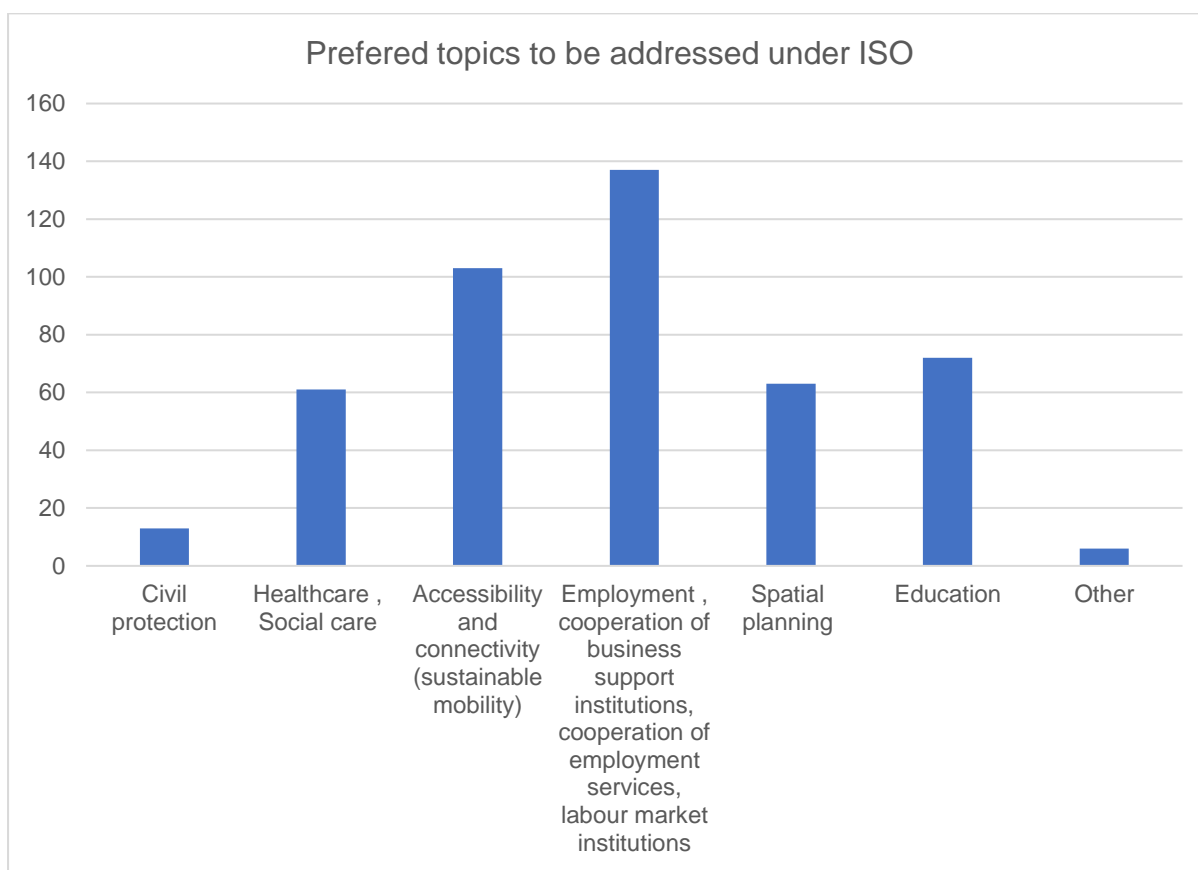
In terms of type of projects, the highest preference was given to knowledge exchange (30%) and investments (28%), but also pilot actions have been selected by a considerable number (24%) of respondents (Figure 11).



11. Figure: Preferred activities in projects of 'tourism and other local development' by respondents. Source: survey data, own compilation.

3.5. ISO1: A better cooperation governance

The question focused on investigating the preference to topics not covered by PO2 and PO4, however some of the possible answer choices are parts of PO4. Selection was asked to be made through opting for the three most preferred issues. The highest preference was given to employment (PO4) and cooperation of business support institutions (PO1), which was followed by accessibility and sustainable mobility (PO3) (Figure 12).



12. Figure: Preferred topics under ISO1 by respondents.
Source: survey data, own compilation.

As other important topics cooperation among different stakeholders (NGOs, civil society, municipalities, government, protected areas, private companies) was underlined, as well as integrated solutions developed by spatial planning and sustainable mobility. Education and awareness raising of local decision makers was also often mentioned.

Arguments for such selection were mainly that regions in these areas are lagging behind the European average. Integration and cooperation are key to good governance and it is important to promote civil dialogue and the involvement of civil society (NGOs) in governance. The importance of spatial planning was underlined as it enables to search for common natural features and limitations of activities in space. Development potentials arising from the natural conditions of the space enable the creation of innovative jobs, which is possible only with appropriate education and equalization of income of employees on both sides of the border or lifestyle (standard). The importance of knowledge was also mentioned.

Suggested concrete actions were:

- Spatial planning:
 - o joint and coordinated spatial planning for easier development,
 - o integration with nature protection,
 - o green infrastructure,

- several measures where people and institutions get to know each other's work and offer (operation of territorial initiatives, individual companies, local initiatives, protected areas),
- monitoring of natural disasters and mutual assistance,
- Education in environment protection, renewable energies.
- Sustainable mobility:
 - mobility and accessibility for the elderly and disabled,
 - e-mobility,
 - improvement of public transport,
 - sustainable mobility as a basis for easier cooperation, integration, green policy.
- Cooperation of business:
 - strategic integration of key institutions to facilitate the development of entrepreneurship in the cross-border area,
 - joint projects and cooperation of chambers in support of companies and employees from,
 - Cross-border employment in tourism,
 - Development in incubator houses in the rural areas,
 - Education of entrepreneurs,
 - Joint technical education with involvement of agricultural farmers, particularly in viticulture and other green cultures,
 - Organisation of B2B meetings for presentation of local products,
 - Education of heritage crafts.
- Civil protection:
 - Involvement of local decision-makers into disaster management and civil protection,
 - Improvement of public security, with involvement of local population.
- Healthcare:
 - Support to health awareness and the health care system,
 - Workplace health promotion - street closure for cars or arrangement of open streets for pedestrians and cyclists.
- Education:
 - Language,
 - Introduction of good practices,
 - Education about the work local governments.

3.6. Overall ranking of topics

As the questionnaire had the primary thematic focus on PO2 and PO4, preference to topics of the remaining POs is measured from the question on “better governance”. Frequency (number of selections by respondents) of issues selected within PO2, PO4 and ISO1 broken down to the standardly used topics are seen in Table 1.

PO2: A greener, low-carbon Europe		Frequency of preference
1.	Energy (efficiency, renewable energy, smart systems)	256
2.	Environment and nature	229
3.	Circular economy	109
4.	Climate change (water management, environmental hazards)	29
	Other	3

PO4: A more social Europe		Frequency of preference
1.	Education (joint schemes, skills and vocations)	216
2.	Health care and social integration	136
3.	Employment and social integration	51
	Other	7

Better governance		Frequency of preference
PO1	SME growth and competitiveness (cooperation of business support institutions)	78
PO3	Physical connectivity (sustainable mobility)	103
PO4	Employment	59
PO4	Education	72
PO4	Health care and social integration	61
ISO1	Spatial planning	63
ISO1	Other	19

1. Table: Frequencies of preference shown by the questionnaire by POs.
Source: survey data, own compilation.

With aggregation of the preference frequencies detected in case of the different questions according to POs/SOs we may get combined frequency figure of each topic, apart from 'tourism and local development', as seen in Table 2.

On the basis of this data education (PO4), energy (PO2), environment and nature (PO2) and health care and social integration (PO4) were the most preferred topics.

PO	Development topic	Total frequency of preference
PO1	SME growth and competitiveness	78
PO2	Energy	256
PO2	Environment and nature	229
PO2	Climate change	29
PO2	Circular economy	109
PO3	Physical connectivity	103
PO4	Employment	110
PO4	Education	288
PO4	Health care and social integration	197
PO4 / SO4.6	Tourism and other local development	n.a.
ISO1	Better cooperation governance	92
Total		1 491

2. Table: Total frequencies of preference aggregated between different parts of the questionnaire.
Source: survey data, own compilation.

4. Interviews with stakeholders

4.1. Methodology

During elaboration of the socio-economic analysis structured interviews have been carried out with selected key stakeholders from the border area. In the interviewing process the PTF has been actively involved, both in the process of compiling the interview questions, as well as in selection of the interviewees.

Interviews have been divided into two parts: first providing input to the situation analysis (general characteristics of the border area, potentials, challenges, achievements, measures to be continued and identification of possible functional areas, by each PO) and to the programme strategy. Questions related to the programme strategy had a strong accent on the topics of PO2 and PO4 (including tourism), however proposals related to all other POs were also welcome. According to the covered topics, besides the relevant regional stakeholders also thematic stakeholders were involved (Table 3).

Country	Interviewee	Organisation	Type/level of stakeholder
Slovenia	Tanja Rener	Managing Authority SI-HU	programme
	Jasmina Litrop	Joint Secretariat SI-HU	programme
	Mojca Krisch	Government Office for Development and European Cohesion Policy, European Territorial Cooperation Division	national
	Uroš Rozman	Regional Development Agency Podravje, Maribor	regional
	Aleš Skalič	Development Centre Murska Sobota	regional
	Simona Kaligarič	The Institute of the Republic of Slovenia for Nature Conservation	national/ sectoral
Hungary	Krisztina Erdős	Széchenyi Programme Office	national
	Veronika Kárpáti	Self-government of Zala County	regional
	Anikó Neuvirthné Bilics	Self-government of Vas County	regional
	István Szentirmai	Őrség National Park Directorate	national/ sectoral
	Andrea Kovács	Slovenian Provinces Public Benefit Non-profit Ltd.	national/ sectoral/ regional
	Károly Kovács	Development Agency of Lenti	regional

3. Table: Breakdown of interviewees.

Source: own compilation.

4.2. PO1: A smarter Europe

With respect to the focus of the current programme, topics of innovation and SME development were somewhat less in focus than other POs. Although the issues of innovation and SME development were not in focus, SME cooperation in general was mentioned, including sectoral focus on mechatronic industry, which is heavily present in the border area, particularly on the Hungarian side (Table 4).

PO	Development topic	Mentioning no.	Proposals raised
PO1	SME growth and competitiveness	1	More intensive SME cooperation in general
PO1	SME growth and competitiveness	2	Cooperation in mechatronic industry
PO1	SME growth and competitiveness	3	Exchange programmes between SMEs, promotion of entrepreneurship
PO1	SME growth and competitiveness	1	Cooperation of SMEs in tourism
Total		7	

4. Table: Mentioned proposals under PO1 during interviews.
Source: interview templates, own compilation.

4.3. PO2: A greener, low-carbon Europe

As PO2 is a compulsory element to choose, a high number of proposals were expected. PO2 covers several SOs with various thematic orientations, but proposals raised during the interviews cannot be grouped into specific SOs as they have broader contents. That is why we grouped the proposals according to the following topics: energy, environment and nature, climate change, circular economy.

The highest number of proposals were raised in the domain of energy (efficiency and renewables alike). Geothermal energy has been considered as a distinguished asset, similarly important were awareness raising and educative projects. Energy efficiency and coping with energy poverty was also included.

Nature protection was also well represented among the raised proposals. Most commonly mentioned initiative was the continuation of the cooperation of Goričko Nature Park and Órség National Park. Also, the Mura and the Kerka rivers were included, as well as protection of water reservoirs and the soil.

Proposals aiming at mitigation of climate change have a strong interrelation with nature protection issues: land use, fighting invasive species and cooperation in disaster management were further commonly mentioned initiatives.

Under the topic 'circular economy' management and utilisation of bio waste was mentioned, as well as raising awareness about the circular concept among local population, which is, also, interrelated with other topics within PO2 (Table 5).

PO	Development topic	Mentioning no.	Proposals raised
PO2	Energy	5	Use of geothermal energy
PO2	Energy	4	Awareness raising in energy efficiency and renewables
PO2	Energy	3	Continuation of started energy cooperation projects
PO2	Energy	3	Joint energy efficiency projects and elimination of energy poverty
PO2	Energy	1	Sharing experience in smart city development, on the example of Maribor
PO2	Environment and nature	4	Cooperation of Őrség and Goričko
PO2	Environment and nature	3	Joint nature protection projects in the Mura area
PO2	Environment and nature	2	Restoration of water habitats in the Kerka area
PO2	Environment and nature	2	Protection of water reservoirs and the soil
PO2	Environment and nature	1	Wastewater treatment
PO2	Environment and nature	1	Providing promotion support and visibility to nature protection interventions implemented from other funding schemes
PO2	Environment and nature	1	Common interpretation system for natural heritage in the area
PO2	Climate change	5	Colourful land use, protection of orchards, fight against invasive species
PO2	Climate change	3	Cooperation in disaster management
PO2	Circular economy	5	Consciousness in circular economy
PO2	Circular economy	2	Bio waste management
Total		45	

5. Table: Mentioned proposals under PO2 during interviews.
Source: interview templates, own compilation.

4.4. PO3: A more connected Europe

Although physical connectivity issues were not particularly targeted in the interviews, with respect to its utmost importance from cross-border cooperation point of view, several proposals were raised. Being aware of the limited financial resources of the programme, the most commonly mentioned proposal was harmonisation of existing public transport links, which was equally raised by both parties. Interesting to mention that all other proposals were raised by the Hungarian interviewees, with the exception of development of border crossings for cyclists that was a Slovenian regional initiative (Table 6).

PO	Development topic	Mentioning no.	Proposals raised
PO3	Physical connectivity	4	Harmonisation of existing public transport links
PO3	Physical connectivity	1	Rédics–Lendava railway connection
PO3	Physical connectivity	1	Improvement of road conditions in rural areas
PO3	Physical connectivity	1	Opening of small border crossings for freight transport
PO3	Physical connectivity	1	Targeted border crossings for cyclists
Total		8	

6. Table: Mentioned proposals under PO3 during interviews.
Source: interview templates, own compilation.

4.5. PO4: A more social Europe (without tourism)

Due to the special nature of SO 4.6 (Enhancing the role of culture and sustainable tourism in economic development) within PO4, all the other SOs were separately analysed. The most commonly mentioned topic was the ageing issue that is generally relevant for the whole border area, as well as the need to identify potentials on health care cooperation (Table 7).

PO	Development topic	Mentioning no.	Proposals raised
PO4	Health care and social integration	5	Coping with ageing
PO4	Health care and social integration	4	Analysis for revealing the potential in health care cooperation
PO4	Health care and social integration	2	Prevention in health care
PO4	Education	2	Exchange programmes between Hungarian and Slovenian technical schools
PO4	Employment	1	Provision of cross-border information about employment
Total		14	

7. Table: Mentioned proposals under PO4 (without tourism) during interviews.
 Source: interview templates, own compilation.

4.6. PO4 / SO4.6: Tourism and other local development

Tourism has been treated by the interviewees with the highest attention, as a separate priority was devoted to this issue in the ongoing programme. The raised proposals have been put under one topic 'tourism and other local development', however some of these proposals lack direct tourism relevance, or that is not identifiable. Many of the raised proposals are overlapping, therefore they have been merged to categories as seen in Table 8.

Highest preference was given to green and eco-tourism projects, that was followed by the promotion of local products. Cycling tourism, sustainability, hospitality, cross-border destination management and the importance of IT development were also commonly raised.

PO	Development topic	Mentioning no.	Proposals raised
PO4 / SO4.6	Tourism and other local development	6	Green/eco tourism
PO4 / SO4.6	Tourism and other local development	4	Promotion of local products in tourism
PO4 / SO4.6	Tourism and other local development	3	Cycling tourism
PO4 / SO4.6	Tourism and other local development	3	Sustainability in tourism
PO4 / SO4.6	Tourism and other local development	3	Development of tourism, hospitality and related services

PO	Development topic	Mentioning no.	Proposals raised
PO4 / SO4.6	Tourism and other local development	3	Cross-border tourism destination management system
PO4 / SO4.6	Tourism and other local development	3	IT development in tourism (common ticket system, tourguides)
PO4 / SO4.6	Tourism and other local development	2	Health tourism
PO4 / SO4.6	Tourism and other local development	2	Service background for water tours
PO4 / SO4.6	Tourism and other local development	2	Promotion of traditional crafts
PO4 / SO4.6	Tourism and other local development	2	Establishment of multi-day tourism packages
PO4 / SO4.6	Tourism and other local development	2	Protection of cultural identity in the border area
PO4 / SO4.6	Tourism and other local development	1	Wine and gastronomy tourism
PO4 / SO4.6	Tourism and other local development	1	Overall development strategy for the border area
PO4 / SO4.6	Tourism and other local development	1	Unified signposting in tourism
PO4 / SO4.6	Tourism and other local development	1	Promotion of local events outside the programme area
PO4 / SO4.6	Tourism and other local development	1	Purchase of e-bikes
PO4 / SO4.6	Tourism and other local development	1	Collection of traditional recipes
Total		41	

8. Table: Mentioned proposals under PO4 / SO4.6 during interviews.
 Source: interview templates, own compilation.

3.7. ISO1: A better cooperation governance

Cooperation proposals in line with ISO1 had a relatively low occurrence, however a very strong emphasis was put on the language issue. Language education was mentioned by one-third of the interviewees. Also, accessibility of multilingual information and protection of minority languages were also mentioned (Table 9).

PO	Development topic	Mentioning no.	Proposals raised
ISO1	Institutional	2	Improvement of internet connectivity in the Órség area
ISO1	Institutional	4	Language education
ISO1	Institutional	2	Provision of information in different languages in the border area
ISO1	People-to-people	2	Small-scale cooperation events
ISO1	People-to-people	1	Cultural cooperation
ISO1	Institutional	1	Protection of the mother language of Slovenes in Hungary
Total		12	

9. Table Mentioned proposals under ISO1 during interviews.
Source: interview templates, own compilation.

4.8. Summary

Taking into consideration the raised issues grouped into topics the final conclusion is seen in Table 10. Tourism clearly stands out that is followed by the topics of energy and environment and nature protection within PO2. The four topics of PO2 provide a combined occurrence of 45, which shows a very strong orientation towards the green objective in the border region among the key stakeholders. A very high emphasis was also put on issues of health care and social integration.

PO	Development topic	Mentioning no.
PO1	SME growth and competitiveness	7
PO2	Energy	16
PO2	Environment and nature	14
PO2	Climate change	8
PO2	Circular economy	7
PO3	Physical connectivity	8
PO4	Employment	1
PO4	Education	2
PO4	Health care and social integration	11
PO4 / SO4.6	Tourism and other local development	41
ISO1	Institutional	9
ISO1	People-to-people	3
Total		127

10. Table: Occurrence of topics during interviews.
Source: interview templates, own compilation.

5. Thematic analysis of previous projects

5.1. Methodology

The on-going Interreg V-A Slovenia-Hungary 2014-2020 Cooperation Programme has two priorities:

1. Attractive Region, adherent to the investment priority 6c (Conserving, protecting, promoting and developing natural and cultural heritage);
2. Cooperative Region, adherent to the investment priority 11b (Enhancing institutional capacity of public authorities and stakeholders and efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions).

Due to the limited number of priorities, thematic diversity of the projects was also rather limited. Priority axis 1 focused on projects for development of sustainable forms of tourism in the remote, rural regions of the programme area, while priority axis 2 for the increase of capacities for cooperation in order to reach a higher level of maturity in cross-border cooperation.

Due to the limited scope, conclusions concerning interest and demand for funding in different thematic domains is hard to assess. In order to provide a broader picture besides the altogether 24 funded projects the submitted but ineligible projects have also undergone an analysis. Out of the altogether 71 ineligible projects several have been submitted multiple times: many of them have been selected for the second or third time, while some of them have not been funded. Finally, 49 ineligible projects and 24 funded projects, thus altogether 73 projects have been analysed. Concerning the ineligible projects these projects were counted with 50% weight in the analysis compared to the funded ones.

5.2. Overall preferences of development topics

The combined analysis of the ongoing programme, including selected and ineligible projects (Table 11) shows a standout preference to 'tourism and local development', which is followed by ISO1 projects. Out of the further topics 'health care and social integration', 'education' and 'energy' stand out.

PO	Development topic	No. of projects ineligible	ERDF requested ineligible (EUR)	No. of projects funded	ERDF requested funded (EUR)	No of projects total	ERDF requested total (EUR)	No of projects total (weighted)	ERDF requested total (EUR) (weighted)
PO1	SME growth and competitiveness	0	0,00	1	169 954,49	1	169 954,49	1	169 954,49
PO1	Digitalisation	0	0,00	0	0,00	0	0,00	0	0,00
PO2	Energy	3	830 132,77	1	348 500,00	4	1 178 632,77	2,5	763 566,39
PO2	Environment and nature	0	0,00	1	164 126,92	1	164 126,92	1	164 126,92
PO2	Climate change	2	470 792,72	0	0,00	2	470 792,72	1	235 396,36
PO2	Circular economy	1	259 408,48	0	0,00	1	259 408,48	0,5	129 704,24
PO3	Physical connectivity	0	0,00	0	0,00	0	0,00	0	0,00
PO4	Employment	0	0,00	1	349 829,11	1	349 829,11	1	349 829,11
PO4	Education	5	1 107 545,67	1	341 845,59	6	1 449 391,26	3,5	895 618,43
PO4	Health care and social integration	7	1 656 339,46	1	288 116,00	8	1 944 455,46	4,5	1 116 285,73
PO4 / SO4.6	Tourism and other local development	23	12 556 081,34	12	8 882 972,43	35	21 439 053,77	23,5	15 161 013,10
ISO1	Institutional	5	1 137 587,50	3	819 879,29	8	1 957 466,79	5,5	1 388 673,04
ISO1	People-to-people and culture	3	911 318,22	3	568 153,34	6	1 479 471,56	4,5	1 023 812,45
Total		49	18 929 206,16	24	11 933 377,17	73	30 862 583,33		

11. Table: Occurrence of the different development topics among the ineligible and funded projects in the Interreg V-A Slovenia-Hungary 2014-2020 Cooperation Programme.

Source: own compilation based on programme data.

Concerning the 12 funded tourism projects a quite versatile tourism product orientation can be observed. Main tourism product focus of projects are as follows:

- Cycling tourism: IronCurtainCycling, Green Exercise
- Eco tourism: GO IN NATURE, GardEN
- Cultural tourism: ESCAPE, HOUSES, TELE-KA-LAND/TELE-KA-LAND, ETHOS LAND
- Wine and gastronomy: Wine picnic
- Horse tourism: HORSE BASED TOURISM - HBT
- Multiple tourism products: Guide2Visit, MURA RABA TOUR

It can be stated that we cannot point out certain tourism products that were preferred, rather tourism packages focusing on a variety of tourism supply.

Several projects focused on lesser-known areas which was a promising phenomenon easing the extreme concentration of tourism in tourism magnets.

Out of the 12 funded projects of priority axis 2 the following may be stressed out:

- The wide category of 'institutional cooperation' projects has a strong presence, as three projects have been put into this category (Sens Network – social entrepreneurship; SI-HU PRO and capCROSSplan – thematic analysis of ongoing projects), while further seven projects were applied but not selected. These projects focused on social entrepreneurship, regional development, public institutions etc.
- Health care and social integration has been represented by one project in the ongoing programme ('Motivage'), which is a good example for strategic approach in a so far unrevealed thematic domain of cross-border cooperation. This may set a basis for further projects in this topic. Besides, seven further projects have been applied, yet not funded. These projects mostly focused on the problem of ageing, their integration and support to mobility.
- People-to-people and culture: this has been the most popular topic within priority axis 2 in the ongoing programme, financing three projects, in fact all of them targeting cultural cooperation (e-documenta Pannonica, Back in the Day, Folk Music Heritage). Out of the non-selected projects further two belonged to cultural cooperation, while another proposal to sport.
- Education: the ongoing programme financed only one project (Dual Transfer – promotion of dual vocational education), while among the non-financed projects further five projects may be found that targeted various competence development, knowledge transfer projects between various institutions.
- Energy: the topic has been represented also through one project in the ongoing programme (Green Line – raising awareness and development of skills related to energy efficiency, renewables and environment consciousness in general). This project, similarly to 'Motivage' has a strategic approach, being a precursor for later possible projects. Among the ineligible projects there were further three projects targeting energy management at various institutions and mobility.

6. Conclusions

6.1. Methodology

Similarly to the approach applied in the previous chapters the topic ‘tourism and other local development’ (PO4/SO4.6), due to the high level of support, is treated separately. That topic has got, on one hand, too high preferences (being an outlier).

The rest of the topics have undergone a comparative analysis on the basis of the previously presented analyses:

- Questionnaire survey,
- Interviews,
- Previous projects in terms of number of applications and ERDF funding requested.

In order to provide a transparent structure of preferences, the following categories were applied:

- PO1: SME growth and competitiveness;
- PO2: Energy; Environment and nature; Climate change; Circular economy;
- PO3: Physical connectivity;
- PO4: Employment; Education; Health care and social integration;
- ISO1: Other (including all topics previous listed as ‘institutional’ or ‘people-to-people’ cooperation combined).

6.2. Aggregated preference of development topics

When comparing preferences towards different topics relative deviations from the average preference figure was taken into consideration, without tourism. Such an average preference has been defined in case of all three analyses. In case of the funded and non-eligible projects the deviation has been calculated both for the number of projects and for the ERDF funding requested, then an arithmetical average has been calculated from these two. Then the overall average has been defined as arithmetical average of the three relative deviations.

In case of cross-border cooperation project objectives are often defined in a more horizontal, cross-cutting way. Topics ‘environment and nature’ and ‘climate change’ have strong interrelatedness, which means similar projects and similar beneficiaries. In case of a small cross-border cooperation programme it may be hard to distinguish between these projects, therefore the calculation has been made by merging these two categories (with higher aggregated preference to environment and nature compared to climate change topics).

The calculation has brought the following preference order of development topics with above-average overall preference (Table 12):

- ISO1: Institutional and people-to-people cooperation;
- PO2: Environment, nature and climate change;
- PO2: Energy;
- PO4: Health care and social integration;
- PO4: Education.

PO	Development topic	Relative deviation from preference averages					Overall average
		Questionnaire survey	Interviews	Previous projects (pcs)	Previous projects (EUR)	Previous projects (average)	
PO1	SME growth and competitiveness	-52,92%	-26,74%	-64,00%	-75,48%	-69,74%	-49,80%
PO2	Energy	54,53%	67,44%	-10,00%	10,18%	0,09%	40,69%
PO2	Environment, nature and climate change	93,76%	130,23%	-28,00%	-42,35%	-35,17%	62,94%
PO2	Circular economy	-34,21%	-26,74%	-82,00%	-81,28%	-81,64%	-47,53%
PO3	Physical connectivity	-37,83%	-16,28%	-100,00%	-100,00%	-100,00%	-51,37%
PO4	Employment	-33,60%	-89,53%	-64,00%	-49,52%	-56,76%	-59,97%
PO4	Education	73,84%	-79,07%	26,00%	29,24%	27,62%	7,46%
PO4	Health care and social integration	18,91%	15,12%	62,00%	61,08%	61,54%	31,86%
PO4 /SO4.6	Tourism and other local development	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ISO1	Institutional and people-to-people cooperation	-82,49%	25,58%	260,00%	248,12%	254,06%	65,72%

12. Table: Calculation of overall average preference of the single development topics.
Source: own calculations.

6.3. Proposal for the selection of priorities for the Interreg Programme Slovenia-Hungary 2021-2027

Taking into consideration the above-presented figures, proposal for the POs, Priorities and SOs to be selected is presented in Table 13.

Concerning Priorities, it is recommended to introduce a single Priority for each of POs. Concerning SOs it is recommended to group all interventions of a main development topic under a single SO.

General reasons for applying these structural simplifications are as follows:

- By introducing multiple Priorities and SOs main development topics are separated according to the separated Priorities and SOs, which reduces content-wise flexibility

with less opportunity to shift the focus between specific development topics during implementation.

- In case of using multiple SOs the whole content of Chapter 2 of the Interreg Programme has to be multiplied. This inevitably means that the whole set of indicators has to be defined for all different SOs including output and result indicators and proper target values have to be defined for each of SOs. This means additional constraints to the Interreg Programme as more indicators have to be met. This results in less flexibility in programme implementation.

PO	Priority	Development topic	SO
PO2	1. Greener and low-carbon border region	Energy	SO 2.1. Promoting energy efficiency and reducing greenhouse gas emissions
		Environment, nature and climate change	SO 2.7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution
PO4	2. Inclusive border region	Health care and social integration	SO 4.5. Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care
		Tourism and other local development	SO 4.6. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation
ISO1	3. Cooperating border region	Institutional and people-to-people cooperation	ISO 1 - Proposed actions: (b) enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors and institutions, in particular with a view to resolving legal and other obstacles in border regions; (c) build up mutual trust, in particular by encouraging people-to-people actions;

13. Table: Proposal for selected POs, Priorities and SOs.

Source: own edition.

6.4. Possible areas of intervention under proposed priorities

Detailed elaboration of supported areas of interventions and actions will be included in Chapter 1 and 2 of the Interreg Programme Slovenia-Hungary 2021-2027. Here we list up some possible intervention areas to indicate the proposed thematic orientation of different POs and SOs to be selected.

These possible interventions are based on the input of the questionnaire survey, the interviews carried out and the analysis of ongoing project results.

Under PO2 the following areas of intervention can be supported:

Energy (SO 2.1):

- Integrated energy efficiency and renewable energy focused measures to reach optimal impact;
- Elaboration of low-carbon strategies;
- Elaboration of joint protocols and tools;
- Implementation of awareness raising actions;
- Pilot investments in energy efficiency and use of renewable energy.

Environment, nature and climate change (SO 2.7):

- Preparation and implementation of joint nature protection projects;
- Restoration of water habitats and protection of water reservoirs;
- Cooperation in disaster management;
- Raising public consciousness of climate change and circular economy;
- Joint training, promotional and knowledge exchange activities in the field of environment and nature protection.

Under PO4 the following areas of intervention can be supported:

Health care and social integration (SO 4.5):

- Analysis for revealing the potential in social and health care cooperation;
- New jointly developed social and health care services to meet the needs of the aging society;
- Exploring potentials for cross-border provision of social and health services.

Tourism and other local development (SO 4.6):

- Development of sustainable tourism models by focusing on the following interventions and sustainability measures:
 - development of cross-border brands,
 - further development of existing tourism packages and networks,
 - enhancing cooperation of local service providers (possibility of involving them even as project beneficiaries),
 - establishment and joining of joint quality standards and brands,
 - application of creative tools for attracting tourists and promotion etc.,
 - connecting and integrating micro destinations,
 - establishment and/or involvement of tourism destination management organisations in future maintenance and operation of developed tourism facilities and tourism services;

- Capitalisation on and/or continuing of previous successful projects;
- Development of tourism attractions and connected services are regarded as equally important;
- High need for human resource development in tourism sector (education, language courses, hospitality);
- Integration of various tourism supply with focus on increasing length of guest stay;
- Focus on lesser-known areas (outside tourism magnets).

Under ISO1 there is an opportunity to provide focus on topics that had to be neglected for the sake of thematic concentration. Possible thematic focus under ISO1 may include:

- Fostering educational cooperation across the border between different public and private educational institutions;
- Contribution to the removal of obstacles to cross-border employment;
- Social integration of the Roma community, exchange of experiences and practices.
- Raising awareness about cross-border digital public services;
- Cultural cooperation with particular attention to minorities living on either side of the border.

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