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Ex-ante Evaluation and the Strategic Environmental Assessment for the Hungary-Croatia Cross-border Co-operation Programme 2014-2020

NON-TECHNICAL SUMMARY of the STRATEGIC ENVIRONMENTAL ASSESSMENT

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1 Process of the Strategic Environmental Assessment

1.1 Executive Summary

The SEA of the Hungary–Croatian Cross-border Cooperation Programme is planned and carried out in line with the 2001/42/EC Directive and its respective national adaptations. After examining advantages and disadvantages, the Task Force and the relevant authorities decided to carry out SEA process separately. This means that a joint Environmental Report is elaborated in the framework of two separate processes in accordance with the national regulations and the consultation processes are also carried out separately. The scope of the SEA was approved by environmental authorities in Hungary (where MA is located) as legal start of the SEA process. It consists of all required information based on legislation.

SEA is a useful tool to highlight potential positive environmental impacts of a program and hinder measures that might be harmful for the environment. Based on current information the intended objectives and planned activities will not have significant adverse transboundary environmental impact.

The potential impacts are referring to partly environmental purposes and partly to sustainable development. Important to pay attention to avoid high pressure on environment and to take into account sustainable principles in order to moderate adverse effects. Operative Programmes are special in terms of alternatives, because there are no different potential variations to examine. Therefore without real alternatives state of the environment in the Programme area is to be analysed only '*with and without*' implementation of the Programme.

The entire programme strategy is built around the concept of a sustainable development, some objectives, priorities and individual interventions are directly focused on the promotion of technology development and infrastructural developments for the low carbon economy, resource efficient and environmental friendly developments. The proposed activities (especially in PA2) are contributing directly to the common environmental goals. There are climate change-responsive activities in the current Programme, including mitigation (such as actions aiming



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reducing of GHG emissions); adaptation or resource-management such as water-management, so these projects will definitely contribute directly to a more climate-resilient Europe.

Environmental issues related to the proposed activities:

However, the SEA is to evaluate **environmental problems** to be able to consider these problems within the assessment of the OP's environmental impact. Thus a short summary on the environmental problems of the programme area is identified in order to assess critical elements:

- Increasing land consumption and thereby negative impacts on biodiversity (potential loss of biologically active surfaces) as well on landscape
- Increasing volume of vehicular traffic and thereby local noise disturbance and increased pollutant emissions
- Environmental pressures resulting from construction eg.: disturbance, dust and noise pollution.
- Climate change and thereby an increase in flood risk
- State of water
- Water quality remains a serious issue in the region

Some objectives are clearly associated with negative impacts. Due to the nature of the OP, there are only limited opportunities available for the reduction of environmental damage occurring as a result of the developments.

The infrastructural developments in relatively undisturbed natural areas as well as increased visitors / labour force mobility, could have a negative effect on environmental factors. It has to be taken into account that numerous nature protected reserves (and natural parks) are situated side by side in both countries. Protection or at least compensation could be guaranteed through appropriate call for proposals and strict requirements for implementation. Positive effects to be mentioned regarding road constructions are the development of the road surface that decreases the noise load, shorter travelling time can reduce air pollution improving the population's quality of life; and the decrease of the isolation of border area settlements that could lead to improved mobility.

Requirements of sustainable development are reflected not just in planning specific objectives, but also they are integrated to the Programme as horizontal principles, which ensure to shift the programme area towards the quality prevention of environmental resources. The clear contribution to sustainable development will be eligibility criteria in the selection procedure for all actions. Project proposals are only eligible if the project objectives and activities do not conflict with the principles of sustainable development.

All in all, due to the synergistic and also cumulative positive impacts a **more favourable state of the environment** could be developed by the Programme. In addition to environmental effects there will be other intended and also not intended positive economic, social and territorial effects providing better quality of life in the cross-border area.



1.2 Purpose and scope

Preliminaries and objectives:

This document provides the basis concerning the Strategic Environmental Assessment (SEA) of the Hungary–Croatian Cross-border Co-operation Programme.

SEA is an useful tool to highlight potential positive environmental impacts of a program and hinder measures that might be harmful for the environment, so SEA can improve a programme's environmental outcome. The aim of the SEA is to improve quality and consistency of the Programme, especially in a sustainability context, by transferring feedbacks from professionals and stakeholders to Programme planners.

The purposes of SEA elaboration are as follows:

- to identify the existing environmental problems relevant to the programme, assessing the environmental effects of the programme, by giving an overview of the possible favourable and unfavourable environmental impacts,
- to enhance the contribution of the programme to sustainable development,
- to set the relevant environmental protection objectives that should be considered within the programme and the SEA process, examining the coherence with the environmental and sustainable development policies at community, national and regional level.

Rules concerning the SEA process

The SEA of the Hungary–Croatian Cross-border Cooperation Programme is planned and carried out in line with the 2001/42/EC Directive (that defines strategic environmental assessment and introduces it into the planning process of programmes supported by EU Funds) and its national adaptations:

- the Hungarian Government Decree 2/2005 (I.11.)
- in Croatia at present OG No. 64/08 Regulation on strategic environmental assessment of plans and programmes

Annex 1 contains the required content of the Environmental Report according to the above legislation.

EC 42/2001 SEA Directive¹

aims “to provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development” (Article 1).

Methodology and specificity of the SEA

The SEA is carried out simultaneously to the preparation of the programme by ex ante experts in cooperation with Mr. Vizsoky as Hungarian SEA expert.

The SEA aims to provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of the Programme Document with a view to promoting sustainable development.

¹ <http://ec.europa.eu/environment/eia/sea-support.htm>



The strategic environmental assessment process shall be composed of the following parts:

- 1) Environmental Report
- 2) Consultation
The authorities and the public shall be given an opportunity to express their opinion on the draft Programme Document and the accompanying Environmental Report.
- 3) Integration of recommendations from the consultation process
- 4) Information about the Decision
- 5) Monitoring of the significant environmental impacts
- 6) Submission to Program Committee, follow-up

The joint Environmental Report

The SEA evaluates possible environmental impacts related to priorities of Operational Programme and gives recommendations on how to enhance the quality of the programme in respect to environmental aspects. The assessment of positive and negative effects of the different activities (project types built in programme priorities and objectives) is summarised in a rating matrix (using a scale). The assessment is qualitative, as a quantitative evaluation makes only sense on project level. Direct as well indirect effects are assessed. The aggregation of direct and indirect effects is not possible in most cases and would increase the uncertainty of the assessment.

The main issues are to be reviewed the following:

- To what extent could improve the state of environment and could the Programme provide a positive change in terms of sustainability?
- Could the targeted actions reduce the adverse effects of significant environmental pressure and lead to a significant improvement of the cross border area?
- Could the proposed measures result in positive shift towards sustainable development, and could the developments contribute to the reduction of regional imbalances?

Aspects of Sustainable Development:

The United Nations Environment and Development, the World Commission, its report „Our Common Future” by the concept of sustainable development defined in 1987 as follows: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to they can also meet their needs. "

According to other generally accepted definition **sustainable development** is the system of socio-economic conditions and activities, in which the natural values of present are preserved for future generations, saving and using ecologically of natural resources provides long-term quality of life and the preservation of diversity.

For each development should be expected to:

- Do not reduce biodiversity and ecosystem services
- Do not increase (reduce if possible) the adverse social and territorial disparities
- Promote climate change adaptation
- Contribute to the strengthening of social solidarity

Key elements of the methodology to be applied:

The elaboration of the environmental report is covering all documents prepared by the planning team, and is including the following methodologies:



Situation analysis	Identify problems and future consequences; Defining constraints and uncertainties. Incorporation of previous (evaluation) experiences.
Examining the consistency	External and internal consistency of the Programme's set of objectives
Analysis of alternatives	Possible development of affected areas with and without implementation of the Programme.
Impact assessment	Defining the likely significant effects and influencing factors, identifying direct and indirect impacts
Analysis of Sustainability criteria	Fit of specific objectives to basic criteria

Difficulties of the assessment

The following difficulties increase the inaccuracy of the assessment:

- The assessment can only identify predictable effects as the Thematic Objectives of the OP allow a broad range of possible activities and projects. The actual environmental impacts can only be assessed only on project level.
- The assessment of environmental impacts cannot be more detailed regarding proposed measures than the level of detail the OP provides.
- Indirect impacts constitute an additional benefit of the assessment, but cumulated impacts cannot be estimated.

The scope of the Environmental Report

The SEA for the Hungary-Croatia Cross-border Co-operation Programme 2014-2020 has been launched on 5th December in Hungary by Széchenyi Programme Office. The scope of the SEA was approved by environmental authorities in Hungary as legal start of the SEA process. It consists of all required information based on legislation (*Annex 1*).

1.3 Link to other parts of the planning process

Overview of the European Territorial Cooperation

Under the European territorial cooperation goal, the ERDF supports cross-border, transnational and interregional cooperation.

On 29 June 2011, the Commission adopted a proposal for the next multi-annual financial framework for the period 2014-2020: a budget for delivering the Europe 2020 strategy. The Commission proposed a number of important changes to the way cohesion policy is designed and implemented. Concentrating funding on a smaller number of priorities better linked to the Europe 2020 Strategy, focusing on results, monitoring progress towards agreed objectives, increasing the use of conditionality and simplifying the delivery are among the major hallmarks of the proposal.



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This Regulation sets out the general provisions governing European Territorial Cooperation. European Territorial Cooperation is one of the goals of cohesion policy and provides a framework for the implementation of joint actions and policy exchanges between national, regional and local actors from different Member States. **Synergies and complementarities** between programmes under the European Territorial Cooperation goal and programmes financed under external instruments shall be promoted.

SEA's relation with the planning process

The SEA Directive stipulates that the SEA has to be done during the elaboration of the programme document and it must be completed before its adaption. The programming process has been coordinated by the Task Force consisting of relevant ministries and regional/county level organizations from Hungary and Croatia. The area covered by the NUTS 3 level regions (3 counties in Hungary, 4 counties and 4 adjacent regions in Croatia) is 31 028 km².

The Joint Technical Secretariat and the Managing Authority is also involved in the programming process. The planning work of the Task Force is assisted by an external expert consortium.

The strategic environmental assessment is an **integral part of the programming process**, but the **outcomes of the SEA are to be published in a consolidated Environmental Report** which can be part of the draft Programme. In addition, ex ante evaluation report has to include the most important statements of the environmental report and of the consultation process.

The guidance on ex ante evaluation² shall also be strictly followed during the SEA process.

After examining advantages and disadvantages, the Task Force and the relevant authorities decided to carry out **SEA processes separately**. This means that a joint environmental report is elaborated and the consultation processes will be carried out separately in accordance with the national regulation in both countries.

SEA is related to ex ante evaluation process as follows:

- Assessment of key environmental and sustainability impacts of the Programme.
- Assessment of action intended to promote sustainable development and to protect the environment.
- Examination of coherence and relevance to Community and national environmental and sustainability objectives.
- Evaluation of environmental indicators, drafting recommendations.

According to our interpretation, the **OP is regarded as a planning tool**, investigates the adequacy and the likely effectiveness of the OP in the frame of ex ante evaluation, while the **SEA is examining the OP as factors** such as environmental factors which may affect the state of the environment.

Furthermore, the SEA is searching for good solutions **focusing only on two aspects**:

- sustainable development
- environmental protection

² Guidance document on ex-ante evaluation for the Programming Period 2014-2020, MONITORING AND EVALUATION OF EUROPEAN COHESION POLICY, January 2013

2 Brief Description and Assessment of the Programme Document

2.1 Situation analysis: current state of the environment

Since before starting the planning process SWOT analysis is elaborated including the Programme area's environmental assets, SEA is only highlight tthe most important needs.

The programme area has a **rich cultural and natural heritage**, and a high proportion of protected areas. These areas are major assets of natural and cultural attractions and should therefore also be considered as **potentials for generating economic growth** in the border area. Despite these cultural and natural assets, performance of tourism sector is rather low in the border area. There is a need primarily to maintain and protect what is considered as an asset of cultural and natural heritage but also to **develop sustainable tourism in the border region and the common utilization of cultural and natural heritage** with an integrated approach. The programme area, especially the border counties are rich in natural heritage (above 7% in Hungarian side and above 10% in Croatian side). However, the level of protection and **sustainable promotion and interpretation** of these assets needs to be improved.

Common assumption of key stakeholders of programming area is that joint protection and promotion of these natural assets has key importance. There are fairly good collaborations between organisations of natural protection which sets a good basis for further joint cooperations. One of the aims is to **restore and protect natural asset** management and further **develop green infrastructure**.

There is a need to receive **improved knowledge on the status of soil and water bodies** as well as the **ecosystem conditions** to be used also for coordinated planning of protective investments. Joint monitoring systems, shared action plans and coordinated processes will be developed serving to accelerate reactions to emerging hazards especially floods and forest fires. It is a must to complete **eradication of the remained minefields** in the border region.

A **more favourable state of the environment can be realized** compared to the current state in each affected areas (water, ecosystems, etc.) with the targeted activities of this Priority.

2.2 Short summary of the Programme analysed

The programming work has been implemented through a series of workshops and interviews with both local and sectoral stakeholders involved in the programme implementation and national/regional authorities responsible for preparing the 2014-2020 development plans from both Croatia and Hungary.

The overall long term vision for the programme area was formulated by the various participants of the programming process as follows:

“The Hungary – Croatia border area is characterised by an intense and diverse cooperation, facilitated by appropriate crossborder connectivity, shared knowledge and active and motivated groups of the society, in the focus of which stands the sustainable and value-added exploitation of the region’s rich natural and cultural resources and the permanent enrichment of institutional and individual relationships across the border.”

The achievement of the overall objective can be ensured by applying the following strategy and interventions. The cooperation programme HU-HR will contribute to Europe 2020 through investing in the following thematic objectives (TOs), each of which is attached to a priority axis:

Priority Axis 1:	Economic Development	TO3	Enhancing the competitiveness of SMES
Priority Axis 2:	Sustainable Use of Natural and Cultural Assets	TO6	Preserving and Protecting the Environment and Promoting Resource Efficiency
Priority Axis 3:	Cooperation	TO11	Enhancing Institutional Capacity and an Efficient Public Administration
Priority Axis 4:	Education	TO10	Investing in Education, Training, including Vocational Training for Skills and Lifelong Learning by Developing Education and Training Infrastructure
Priority Axis 5:	Technical Assistance (TA)		

Since the scope of the programme is such that it will not create a large-scale financial impact, thus its guiding principle is to support cooperative strategic actions and pilot projects in priority fields such as poor accessibility or the business environment, the lack of networks among local and regional administrations, the enhancement and preservation of environmental and natural assets or preventing the risk of loss related to them. A second guiding principle of the programme is the increased focus on encouraging sustainable economic cooperation in the region and maintaining continuity of activities related to the previous cross-border programme.

The potential impacts are referring to partly environmental purposes and partly to sustainable development and the environmental impacts are related to its social consequences, therefore significant effects need to be analysed in terms of each specific objective.

2.3 External Consistency

Consistency with Europe 2020 objectives and flagship initiatives

The structure of the document is well-built and focusing on the relevant EU strategy that was a principle when working on the CBC Programme 2014-2020 Hungary – Croatia. The programme strategy is based on the analysis and identified needs of the programme area.

The document carries several important data to be used for further planning. It prioritizes all the relevant cornerstones regarding the EU strategy and also analyses the statistical data covering all aspects affected by the CBC programme. The programme is well prepared, the thematic objectives have been discussed and agreed on through an extensive programming process including public consultation among the programme stakeholders and a wider CBC community. Moreover, the programming took into account lessons learned from previous programming periods, the given financial framework and the existence of suitable implementation and administration structures. The interviews add a lot of information that is required by the local stakeholders. It all appears in the programme enclosed. The thematic objectives, priorities and also the indicators anticipate good results of the programme in the next programming period.

The five priority axes were selected after several discussions therefore the success of the CBC programme is not hindered by the OP. The regional and national needs are largely different on both sides of the border. The Priorities also reflect on these differences.

There is a clear contribution of the OP to the EU 2020 goals.

It can be stated that the OP strategy is compliant with Common Strategic Framework. Furthermore, the programme also addresses development priorities of the cross border area as formulated in the EC Position Papers for both targeted countries.

The Programme is aligned with the priorities of the Danube Strategy related mainly to the activities, which are directed towards connecting the regions, protecting the environment, building prosperity and strengthening the concerned regions.

2.3 Internal consistency of the Programme's set of objectives

The internal coherence of the proposed programme is appropriate. The logic intervention of the programme has been well demonstrated: proposed investment priorities and thematic objectives are likely to support achievement of the selected priority axes.

The proposed investment priorities are comprised of actions that are highly likely to contribute to achievement of the set objectives. However, there are minor discrepancies between the content of the situation analysis and some of the proposed objectives. This is particularly evident in insufficiently included waste sector and inclusion of the Roma minority under the proposed objectives TO6 and TO10. At the same time, both issues were highlighted in the situation analysis as important for the programme area.

The programme integrates strategic priorities of the relevant national documents and reflects the priorities of the Europe 2020 strategy and relevant EU directives and programmes (e.g. EU Water Framework Directive, 7th Environment Action Programme) by supporting green oriented entrepreneurial initiatives, inclusion of minority social groups in the labour market and educational system and by promotion and sustainable utilization of the region's abundant natural and cultural values. In overall, the internal coherence of the programme provides clear strategic direction to the improvement of the overall development of the cross border area. In regards to output and result indicators, there is still some scope for improvement of indicators' definition (e.g. baseline and target values for some of the proposed indicators are still missing, necessity to define indicators more specifically and concretely).

The budget allocation is divided between the Priorities as the following:

Economic Development: 20%

Sustainable use of Natural and Cultural Assets: 55%

Education: 12,5%

Cooperation: 12,5 %

With that allocation all relevant TOs have received ERDF fundings and it is clearly written what efficiency do they have reach the goals and what kind of outcome is expected. Alltogether this chapter is clear and well structured.

2.4 Integration of environmental considerations

There are climate change-responsive activities in the current Programme, including mitigation (such as actions aiming reducing of GHG emissions); adaptation or resource-management such as water related issues, so these projects will defenately contribute directly to a more climate-resilient Europe.

Contribution to the new **EU 2020 Biodiversity Strategy:**

2050 vision	By 2050, European Union biodiversity and the ecosystem services it provides — its natural capital — are protected, valued and appropriately restored for biodiversity's intrinsic value and for their essential contribution to human wellbeing and economic prosperity, and so that catastrophic changes caused by the loss of biodiversity are avoided.	++
2020 headline target	Halting the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restoring them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss.	++

Furthermore, the objectives of the Programme is in line with the the **EU Water Framework Directive** and the **7th EAP** (Proposal for a new EU Environment Action Programme to 2020), of which priorities are defined as follows:

The Commission proposes to focus action on nine priority objectives	
Three thematic priority objectives are intended to:	Protect nature and strengthen ecological resilience
	Boost sustainable resource-efficient low-carbon growth, and
	Effectively address environment-related threats to health.
The thematic priorities are supported by an enabling framework with four further priority objectives which will:	Promote better implementation of EU environment law,
	Ensure that policies benefit from state of the art science,
	Secure the necessary investments in support of environment and climate change policy,
	Improve the way environmental concerns and requirements are reflected in other policies.
Two more priority objectives focus on:	Enhancing the sustainability of EU cities, and
	Improving the EU's effectiveness in addressing regional and global challenges related to the environment and climate change.

The proposed activities in PA2 are contributing directly to the above mentioned environmental goals. Furthermore, several targets are integrated not just as separate component, rather as basic criteria to be fulfilled during implementation, which could indirect effects on environmental factors.

Of course, **relevance** in both countries is examined and relevant directives and legislation are indicated in the Environmental Report.

3 Environmental impacts of the Programme's implementation

3.1 Impact assessment

ETC programmes have to fulfil two general objectives: they have to strengthen territorial, economic and social cohesion as well as to contribute to smart, sustainable and inclusive growth of the region and the European Union (EU 2020 Strategy). Accordingly, also the Hungary-Croatia CBC Programme has these two general objectives.

	PRIOR 1	PRIOR 2		PRIOR 3	Prior 4
	SO_1.1	SO_2.1.1	SO_2.2.1	SO_3.1	SO_4.1
Is there significant					
1.) Environmental impact?	✘	+ / -	✓	✘	✘
2.) Quality of life impact?	✓	✓	✓	✓	Maybe
Are the activities contributing to					
3.) Positive changes in current state of environment?	✘	Maybe	✓	Maybe	✘
4.) Sustainable development?	✓	✓	✓	Maybe	✓

Green= Direct Impact

Yellow=Indirect impact

Positive: ✓

Potential impact: **Maybe**

Positive and also negative: + / -

Not clear: ?

Not significant: ✘

In terms of effects the following statements can be defined:

- The positive effects are dominant and there are measures within SOs with only positive effects, thus it is important to note that in total activities are contributing to positive changes in current state of environment.
- Predictable negative effects are occurring only in case of infrastructural developments (roads and bridges), but the proposed improvements could be compensated and in long term overall impacts might be converted into positive effects (reduction of GHG emissions, etc.)
- The negative effects are accompanied mostly by positive effects, so the adverse effects can be avoided with the use of appropriate conditions in actions.

The proposed actions may affect flora and fauna, climate, population (in quality of life, health status), richness of the soil, water and other natural resources, built cultural heritage and landscape of specific areas. The SEA reviews the likely effects, correlations, the potential cross-border effects.

Predictable affecting factors and processes of negative impacts related to the proposed measures:

Typical affecting factors and potential processes of adverse impacts related to the proposed measures are including the following:

- expansive land use, loss of biologically active surfaces,
- due to pollutant emissions deterioration of ecosystems and health status of green spaces,
- due to changes in tourism, or traffic, etc. environmental pressure (number of visits, land use) is increased on receptors (green areas, ecosystems, urban environment, landscape, people),
- environmental pressures resulting from construction eg.: disturbance, dust and noise pollution.

Among the direct effects **expansive land use** should be mentioned first, which is not expected to be a factor that would cause conflict in case of the proposed actions. However, affected areas might be for example protected and green areas. Protection could be guaranteed through appropriate call for proposals and strict requirements for implementation. As this effect might appear in case of a limited number of projects, thus this effect is **not expected to be significant**.

Direct effect will be the **disturbance** due to construction works. Of course, there will be also infrastructural developments, but the volume of these is not expected to be notable and construction time is short, so the **impact will not be significant**. Nevertheless, there might be very disturbing construction works for local environment.

One of the most important indirect effects due to the actions is the presence of **pollutants** entering the environment. The proposed developments, the majority of actions have no or minor pollutant emissions. The overall effect is **expected to be not significant**.

As a result of intended developments and activities, **increased number of visitors** could be increased - temporarily or permanently – in case of some tourist destinations and between settlements and thus the environmental load as well. **Tourism developments could be implemented in a sustainable way, which can moderate adverse effects.**

3.1.1 Processes of impacts related to the proposed measures

PA1 – Economic Development	
TO 3	Enhancing the competitiveness of SMEs
IP 1.1	3b: developing and implementing new business models for SMEs, in particular with regard to internationalisation
SOs	Fostering business cooperations between SMEs operating on different sides of the border Enhance the availability and quality of tourism-related services provided by the SMEs operating on different sides of the border
Activities	<p>1. Establishment of a cross-border SME development consortium for the following tasks:</p> <ul style="list-style-type: none"> • setting up of a funding mechanism for the allocation of funds generating cross-border joint SME development projects, etc. <p>2. Implementation of cross-border SME development scheme in the following fields via “de minimis” support:</p> <ul style="list-style-type: none"> • cross-border joint technology, service and product development of cooperating SMEs • introduction of jointly developed energy efficiency actions of SMEs, • Cross-border joint development of marketing, promotional and demonstration facilities and services of SMEs operating on different sides of the border, • supporting of cross-border cooperation of SMEs for participating in training courses • joint economic clusters.
Result indicators	Enhanced business cooperations among SMEs operating on different sides of the border
	Increased variety of tourism-related services provided by local SMEs

Environmental impact

Not significant, only indirect.

PA2 – Sustainable Use of Natural and Cultural Assets	
TO 6	Preserving and protecting the environment and promoting resource efficiency
IP 2.1 IP 2.2	6c: Conserving, protecting, promoting and developing natural and cultural heritage 6d: Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure
SOs	Increase the potential of the region to generate economic value-added by the sustainable use of its natural and cultural heritage Enhanced collaboration in restoration of biodiversity and protection and promotion

	of ecosystems in the border areas
Activities	<ul style="list-style-type: none"> • Preservation, refurbishment, promotion and utilization of common or complementary elements of natural and cultural heritage • Development of a common offer of products and services in the area of sustainable tourism regarding natural and cultural heritage (thematic routes of natural or/and cultural heritage) • Investment in nature interpretation infrastructure • Activities relevant for enabling access to sites, investment in local access roads, ferry crossings and border crossings • Site rehabilitation, including survey, de-mining and removing the unexploited ordnance found, quality control, certification and environmental rehabilitation of the sites.de-mining activities • Joint development of management plans for Natura 2000 sights and other protected areas located in the cross-border area • Preparation and implementation of joint management/action plans for the conservation of key species and habitats • Implementing joint activities aimed at conservation and restoration of cross-border ecosystems, especially in relation to Natura 2000 sites and other protected areas • Implementing joint research, data collection and monitoring projects aiming to support biodiversity, soil protection • Valorisation and promotion of ecosystem services in the border area • Investments in nature interpretation infrastructure • Awareness-rising, education and training in relation to nature conservation • Actions supporting community involvement in nature protection planning, monitoring and conservation activities • Improving cooperation and supporting the exchange of experiences and knowledge among nature conservation institutions (e.g. protected areas managers) of the border area • Controlling and harmonized monitoring of the invasive species: especially increasing the protected species and habitat restoration • Activities concerning water retention • Promoting/restoring traditional land use (traditional farming, land grass, etc.)
Result indicators	Level of valorisation of natural and cultural heritage
	Level of cross border cooperation in development and integration of nature management

Environmental impact

Positive impacts can be expected on the state of environment, as main objective of the IP is to valorise the natural and cultural heritage. Aspects of sustainable tourism might have a positive impact on development of natural/cultural heritage and protected areas – which means at the same time positive impacts on biodiversity. However, a total increase in tourism can bring also increase of the volume of vehicular traffic, which would also affect pollutant emissions, GHG emissions, noise and energy consumption. These effects can be compensated by integrating principles of sustainability in all phases of planning and implementation. Development of ecosystems and several activities related to nature conservation (monitoring, etc) will probably contribute to outweigh negative effects of other activities within the Programme (infrastructural developments), thus conservation status will be improved.

The planned improvement of water related issues can have a positive impact on the state of water. Climate change adaption is also positively affected by the planned activities.

Site rehabilitation / de-mining activities will provide quality control, and definitely will affect state of earth as well as restoring traditional land use.

Construction activities in general can result in additional land consumption. Emissions of noise, dust as well as the volume of traffic increase only temporally and localized. Concerning the renovation of buildings and other small scale investments, no land consumption is expected. Moreover, infrastructural developments will probably have negative effects on biodiversity.

Project concepts for the border crossings and connected road developments will be selected by the JMC on the basis of a comprehensive transport network study commissioned by the Hungarian Ministry for National Development and being implemented in parallel with the programming of the Hungary – Croatia ETC CBC OP 2014 - 2020.

PA3 – Cooperation	
TO 11	Enhancing institutional capacity and an efficient public administration (CBC)
IP 3.1	ETC Art. 6 1 a (iv) Enhancing institutional capacity and an efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions
SOs	Building up sustainable institutional cross border-cooperation Increasing motivation of individuals and small communities to cooperate
Activities	<p>SO1:</p> <ul style="list-style-type: none"> • Support meetings and seminars between local authorities in order to identify common development issues • Support cooperation between local authorities to develop joint initiatives and policies on cross border issues • Support capacity building actions of organisations in charge of nature conservation and also the ones in charge of water management by developing good practices, exchange of staff, training and research • Support language training as a preparatory activity for enhanced institutional cooperation, etc. <p>SO2:</p> <ul style="list-style-type: none"> • Designing and delivering a series of joint cultural events in the border area ensuring that people meet and interact (“people to people” actions) • Joint actions between civil society organisations (environmental, cultural, minority, etc)
Result indicators	Rate of institutional cooperation in the border region
	Level of knowledge and understanding of the habits and behaviour of the communities at the other side of the border at the level of individuals and small communities

Environmental impact

Positive impacts can be expected on the state of environment slightly due to the capacity building actions between organisations in charge of nature conservation and water management in the region.

Furthermore, joint actions in the field of renewable energy and energy efficiency could directly contribute to the fulfillment of environmental goals. The predictable impact is not significant because of the project size, but it could be cumulated to sectoral results and impacts.

PA4 – Education	
TO 10	Investing in education, training, including vocational training for skills and lifelong learning by developing education and training infrastructure
IP 4.1	Investing in skills, education and lifelong learning by developing and implementing joint education, vocational training and training schemes
SOs	Improve collaboration between educational and training institutions and key actors of economy in order to better serve the needs of the cross-border labour market Improved motivation and mutual willingness to cooperate between children and young people by widening common knowledge base relevant in the border region
Activities	<ul style="list-style-type: none"> • Support to surveys to identify qualification and skill shortages in the border area • Support to regional events, conferences, seminars to assist higher education and training institutions to discuss the quality and development of training programmes and employability issues with employers • Support to the well justified purchase of equipment and/or necessary refurbishment of educational premises as part of the development of training courses and services contributing to the increase of the level of education in the region • Support to develop and deliver joint courses, events or materials to improve language communication between students • Support to linking ITC, language learning and cultural exchange • etc.
Result indicators	Rate of collaboration between educational and training institutions and economic actors
	Rate of motivation among children and young people with regard to specific aspects living in the border area Level of involvement of disadvantaged groups into training schemes in the programme area

Environmental impact

Not significant, only indirect. This priority is relevant in terms of sustainable development.

Sum up of environmental impacts

All in all, due to the synergistic and also cumulative positive effects **a more favourable state of the environment** could be developed by the Programme, especially for the future (medium and long term).

3.1.2. Identifying critical elements of the Programme

In current stage of the OP the most important is to establish categories in order to identify which measures / type of activities will probably have significant effects on environment. As we do not know the content in details, we will write considerations based on predictable impacts related to these types of actions.

The following types of actions (in PA 2) will probably **significant effects** on environment or could contribute to sustainability directly (positive and negative).

Type of actions – with SIGNIFICANT EFFECTS		
1.	Infrastructural investments (local access roads, ferry crossings and border crossings)	Negative and positive
2.	Preservation, refurbishment, utilization of common natural and cultural elements	Positive
3.	Site rehabilitation, quality control	Positive
4.	Implementation of joint management for conservation of key species and habitats	Positive
5.	Conservation and restoration of ecosystems, especially in relation to Natura 2000 sites and other protected areas	Positive
6.	Implementing joint research and monitoring projects aiming to support biodiversity, soil protection	Positive
7.	Controlling and harmonized monitoring of the invasive species	Positive
8.	Water retention	Positive
9.	Promoting / restoring traditional land use	Positive

Basically, these types of actions could affect environmental factors directly and significantly.

3.1.3 Evaluation of impacts

The likely significant effects on each of the environmental factors are summarised in the following table and it is assessed.

However, as it has not been possible to quantify the likely significant impact on the environmental factors, thus it is not possible, at this stage, to assess to what extent each of the environmental objectives will be influenced. At this stage it is only possible to say if the identified types of actions are likely to have significant environmental impact (positive or negative) together with rating the predictable impacts and defining the type (direct / indirect).

Red colour: positive

Black colour: negative

Blue colour: positive and negative

direct significant impact +++	direct moderate impact ++	direct weak impact +	indirect impact #	no impact X
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	Air quality and climate adaption	Noise pollution	Water quality	Earth: Soil pollution	Nature, fauna and flora, biodiversity	Use of natural resources	Built environment, cultural heritage	Landscape, land use and spatial structure	Human health and quality of life
Infrastructural investments	+++	+++	++	+++	+++	+++	++	+++	+++
Preservation, refurbishment, utilization of common natural and cultural elements	+++	+	+++	++	+++	+++	+++	+++	+++
Site rehabilitation, quality control	X	X	X	+++	+++	#	X	+++	+++
Conservation and restoration of ecosystems, especially in relation to Natura 2000 sites	++	X	++	++	+++	+++	X	+	++
Implementing joint projects aiming to support biodiversity, soil protection	++	X	+++	+++	+++	++	X	+++	+++
Controlling, monitoring of the invasive species	++	X	++	++	+++	+++	X	+	++
Water retention	++	X	+++	++	++	+++	X	+++	+++
Promoting / restoring traditional land use	++	X	+++	+++	+++	+++	X	+++	++

3.2 Analysis of alternatives

Operative Programmes are special in terms of alternatives, because there are no different potential variations to examine – it is resulted in a planning process. Therefore without real alternatives state of the environment in the Programme area is to be analysed only **'with and without'** implementation of the Programme. The two versions are compared against environmental factors:

	With implementation of the Programme	Without implementation of the Programme
Earth	Site rehabilitation and soil protection are ensuring proper quality.	Increasing soil erosion and remaining contamination - environmental risks could have negative effects.
Water	Maintenance is provided by common water management, water quality could be improved. Water retention capacity is enhanced. Modern ferry ports.	Potentials and risks will be realized later, as a consequence there are risks and damages.
Air climate change and	Improved utilization of renewable energy resources, means contribution to a more resource efficient economy and a more climate-resilient, low-carbon economy. The increasing traffic could lead to noise and air pollution (probably minimal extent).	There could be increased air pollution because of deteriorating roads. GHG emissions is likely to increase also without improving infrastructure. New border crossing infrastructure and project preparation will be missed or targets of EU2020 will not be reached.
Biodiversity	Favourable conservation status and joint development of cooperation in the cross border area. Joint monitoring is carried out regarding invasive species.	Further loss of biodiversity. More resources are needed to reach the same level separately without cooperation.
Ecosystems	Ecosystems will have a greater chance of maintaining over a long period of time, especially in relation to Natura2000 sites and other protected areas.	Restoring of ecosystems will require more efforts.
Flora and fauna	Improved conservation status of species and habitats	Loss of species and habitats.
Cultural heritage	Improved state and access to cultural heritage, increasing mutual connections in the cross-border area. Increased valorisation of cultural heritage.	Cross border connections remain the same level and integration cannot be maximalized.
Infrastructure	Improved accessibility which could stimulate tourism and economy. Isolation of border areas could be reduced.	Mobility cannot be improved or only at national level separately / time lag. In this case cross border integration remains a great absence.

		Failures of infrastructure also could lead to noise and air pollution.
Land use	Traditional land use will be restored.	Expansive land use could be occurred.
Landscape and green areas	Healthy environment and natural assets can be preserved. As a result of site rehabilitation more areas will be controlled and conservation status is ensured in protected areas.	More effort will be required at national level for nature protection (in order to contribute to protect Natura 2000 sites)
Human health and Quality of life	The improving quality of life intensifying employment rates, increasing local activity, spending locally serving the community and strengthen the economy. Sustainable tourism will be supported and related services and products will be developed.	Quality of life cannot be improved, as a consequence cohesion cannot be enhanced and migration will be higher and territorial imbalances will grow.

3.3 Analysis of sustainability criteria

Under the regulations of the Structural Funds all supported activities must contribute to the horizontal expectations: equal opportunities between men and women, preventing of discrimination and sustainable development, regardless to the project's nature and theme. Horizontal aspects must be reflected during the planning and the implementation of the Programme and in the daily operation of its responsible bodies.

Explicit linkage to sustainable development can be found in all of Priority Axes, especially in PA2, PA4.

The ETC template requires the following: *‘a **description of specific actions** to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations’ is needed in case of all PAs and SOs. Moreover „the clear contribution to sustainable development will be an eligibility criteria in the selection procedure. Project proposals are only eligible if the project objectives and activities do not conflict with the principles of sustainable development. Following this, the criteria will be used as favoured in project selection: in case of infrastructural investment the use of renewable energy sources (in percentage of the total project budget), the quantity of produced renewable-energy and number of people benefiting from renewable energies.’*

It is important to note that regarding horizontal principles we recommend to integrate other aspects, too.

Sustainable growth is provided by supporting the preservation and sustainable exploitation of the regions rich heritage and to increase resilience to natural disasters. Environmental sustainability and resource efficiency should be applied as horizontal preferences in all measures of the programme in addition to using them during designing the specific objectives. Therefore, requirements of sustainable development are reflected not just in planning specific objectives, but also they are to be integrated to the Programme as horizontal principles, which ensure to shift the programme area towards the quality prevention of environmental resources.

The clear contribution to sustainable development should be expressed as eligibility criteria in the selection procedure for all actions: project proposals are only eligible if the project objectives and activities do not conflict with the principles of sustainable development.

Promotion of sustainable development in the cross border region has been highlighted in all the proposed priorities, objectives and actions, especially in those that include development of joint entrepreneurial activities (e.g. TO3) and sustainable use of natural resources (TO6).

Equal opportunities have mostly been highlighted as an important guiding principle in implementing interventions under TO10 – Education. Particular attention is planned to be given to inclusion of disadvantaged society groups in the cross border education programmes.

3.4 Transboundary impacts

Since SEA can not assess impacts at EAI level (at project-level), but based on estimated impacts there will be no impact which could affect third country, because:

- there is no affected joint areas, thus developments of the CBC programme will not influence the state of landscape, ecosystems of a third country
- water pollution may be excluded in compliance with the regulations
- air pollution could be variable in time and space but predictable effects is not significant
- construction of new crossing points could influence traffic of nearby areas, but it is not expected to be significant

**Based on current information the intended objectives and planned activities will not have significant adverse transboundary environmental impact.
In this case involvement of Austria / Serbia is not necessary.**

4 Monitoring and effectiveness

4.1 The SEA monitoring and follow-up measures

Basic principles of monitoring system to follow-up environmental effects

The monitoring system needs to be operated not separately, but as part of the operational program management and monitoring system. Accordingly, institutional actors in the monitoring system are the same as involved organizations in the Programme implementation. Tasks and responsibilities need to be defined in the Programme Document.

There is **no description of Programme Monitoring** in the document yet.

Monitoring indicators

Indicators concerning the environmental aspects have to be built in the programme document to be able to monitor the macroeconomic environment of the program and the fulfilment of the principles of sustainable development. During the interim and final evaluations, indicators should be monitored in the following areas:

- Promotion of sustainable development
- Improved environmental situation
- Environment and nature protection
- Development of cultural heritage sites
- Use of infrastructure
- Sustainable improvement of public transport

The environmental indicators are the following:

- Driving force indicators
- Pressure Indicators
- State indicator
- Impact indicators
- Response indicators

Due to the character of the programme monitoring indicators should be defined generally on the priority axes level (or based on type of supported activities) in a qualitative way instead of using non-technical and technical measures which are introduced generally to prevent, eliminate, minimize and compensate the environmental impacts.

However, it is not worth to establish and maintain monitoring database due to the characteristics of current crossborder Programme.

Proposal:

It is recommended to

- **create a quality control system for monitoring activities in addition to strict environmental requirements**
- **rather predescribe the change of the intended effects**

4.2 Effectiveness from environmental point of view

For working purposes the proposed support is expressed in % of the total available funding without TA:

Priority axis	ERDF support (%)
1 Economic development	20
2 Sustainable use of natural and cultural assets	40
	15
3 Cooperation	12,5
4 Education	12,5

More than half of the amount of the overall financial envelope for the CBC OP HU-HR 2014-2020 is planned to be allocated to PA 2 due to financially demanding interventions related to demining and improved accessibility to the touristic sites. Such significant share of the overall financial allocation also partly supports activities planned to be implemented within PA1 in the form of entrepreneurial initiatives in the area of sustainable use of natural and cultural heritage. Successfully implemented entrepreneurial projects in the targeted area are crucial from the viewpoint of multifold benefits that can be generated (halting negative demographic trends, decrease of unemployment, innovative business solutions, increased competitiveness and expansion to other markets etc).

PA 3 and PA 4 are planned to be supported with 12,5% of the overall budget, respectively, which is expected to be adequate since cooperation in the sectors of public administration and education has already been well established and projects in this area mostly relate to soft and financially less demanding actions.

In terms of the nature of environmental effects due to PA2, it can be stated that **proper balance could be establish**: 25 % of allocation is for infrastructural developments, which could also have negative effects (in addition to potential positive effects) and 30 % of allocation is for other activities, which are foreseen to have only positive significant impacts.

5 Recommendations

5.1 Recommendations during planning

The following recommendations were defined during impact assessment:

- Reduction of adverse impacts and alternative compensatory measures should be taken into consideration during planning.

Regarding planning (feedbacks of environmental authorities):

- Utilization of land can only be made within the limits of their load capacity and with the preservation of landscape values.
- Planning process for the forestry in Zala County will start in the near future, of which preliminary impact assessment should be considered.
- Protected areas and national parks should be given special attention and awareness.

Horizontal issues of the OP should include broad aspects of

- climate protection (including reduction of GHG emission) and climate adaption
eg.: using renewable energy, resource efficiency, especially energy (water, waste)
- nature protection (conservation of biodiversity –as strict criteria)

Regarding implementation:

- **Requirements or quality standards for monitoring should be provided:**

Monitoring indicators should be defined generally on the priority axes level.

- Instead of **state / impact indicators** it is recommended to use quality control in order to avoid collecting problems.
- **Compensatory measures and the intent to moderate damages** is to be included.
 - especially related to catchment areas (in terms of water quality protection)
- **Climate-friendly architectural solutions** to prefer
e.g.: the use of silent road surface; passive noise reduction ; impermeable rainwater drains; „silent mode” as selection criteria in case of vehicle purchase,

Programme implementers should commit themselves to analyse, consult and monitor crossborder and local environmental effects at the implementation level, during the whole implementation process (2014-2020).

5.2 Consultation process

The chapter will be elaborated in the final version after carrying out the consultation process.

Opinions taking into account from authorities responsible for protecting the environment and public

Comments from authorities and public:		
No.	Brief description of the comment	Status in SEA
1.		
2.		
3.		

5.3 The impact of recommendations on planning the Programme

The chapter will be elaborated in the final version after carrying out the consultation process.

ANNEX 1 REQUIRED CONTENT OF THE ENVIRONMENTAL REPORT

ACCORDING TO ANNEX I OF DIRECTIVE 2001/42/EC AND REFERENCE CHAPTERS:

a) an outline of the contents, main objectives of the plan or programme and relationship with other relevant plans and programmes;	Chapter 1
b) the relevant aspects of the current state of the environment and the likely evolution thereof without implementation of the plan or programme;	Chapter 3
c) the environmental characteristics of areas likely to be significantly affected;	Chapter 3
d) any existing environmental problems which are relevant to the plan or programme including, in particular, those relating to any areas of a particular environmental importance, such as areas designated pursuant to Directives 79/409/EEC and 92/43/EEC;	Chapter 3
e) the environmental protection objectives, established at international Community or Member State level, which are relevant to the plan or programme and the way those objectives and any environmental considerations have been taken into account during its preparation;	Chapter 2
f) the likely significant effects on the environment, including on issues such as biodiversity, population, human health, fauna, flora, soil, water, air, climatic factors, material assets, cultural heritage including architectural and archaeological heritage, landscape and the interrelationship between the above factors;	Chapter 3
g) the measures envisaged to prevent, reduce and as fully as possible offset any significant adverse effects on the environment of implementing the plan or programme;	Chapter 3,4
h) an outline of the reasons for selecting the alternatives dealt with, and a description of how the assessment was undertaken including any difficulties (such as technical deficiencies or lack of know-how) encountered in compiling the required information;	Chapter 3
i) a description of the measures envisaged concerning monitoring in accordance with Article 10;	Chapter 5
	Chapter 6 <i>(and it will be a publishable document separately)</i>
j) a non-technical summary of the information provided under the above headings.	

ACCORDING TO THE HUNGARIAN GOVERNMENT DECREE 2/2005 (I.11.) AND REFERENCE CHAPTERS:

1.	SEA Process	1.1
1.1	preliminaries and scope of the Report	1.1
1.2	link to other parts of the planning process	1.2
1.3	recommendations during elaboration of the Report	1.4 and 4.3
1.4	Consultation process	1.3
1.5	Sources of data and difficulties	1.5
2.	Alternatives	3.3
2.1	Brief summary of the Programme	2.1
2.2	Coherence with relevant Plans and Programmes	2.2
2.3	Reasons for the choice between alternatives	3.3
3.	Impact Assessment	3.2
3.1	Coherence with relevant environmental objectives	2.4 and 2.5
3.2	Integration of environmental goals	2.4
3.3	internal and external consistency	2.3 and 2.2
3.4	state of environment	3.1
3.4.1	geographical area of relevance	3.1 and Annex I
3.4.2	other characteristics of the state of environment	3.1
3.4.3	environmental conflicts, problems	3.1
3.5	Factors affecting the environment directly and indirectly	3.2
3.5.1	direct impacts	3.2
3.5.2	indirect impacts	3.2
3.6	Predictable effects on environment	3.2
3.6.1	identifying environmental load on:	3.2
3.6.1.1	environmental components	3.2.4
3.6.1.2	system and structure of the environment	3.2.4
3.6.1.3	Natura 2000 sites	3.2.4
3.6.1.4	human health, quality of life, cultural heritage, land use	3.2.4
3.6.2	indirect impacts, especially:	3.2
3.6.2.1	new environmental conflicts, problems	3.2.2
3.6.2.2	environment-friendly behaviour	3.2.2
3.6.2.3	deviation from the optimal spatial structure	3.2.2
3.6.2.4	social-cultural traditions (adapted to the carrying capacity of the landscape)	3.2.2
3.6.2.5	renewal of natural resources	3.2.2
3.6.2.6	use of non-local natural resources	3.2.2
3.7	defining acceptable version	3.3
4.	Recommendations on how to avoid adverse effects	4.3
5.	Recommendations to consider in other PPs affected by the OP	4.3
6.	Monitoring	5
7.	Non-technical summary	6