



Hungary-Romania  
Cross-Border Co-operation  
Programme 2007-2013

Two countries, one goal, joint success!

**European Union**  
European Regional Development Fund



## Strategic Territorial Analysis

“Strategic planning based on the analysis of the eligible programme area of Hungary and Romania CBC Programme”

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# Introduction

This is the approved version of the Strategic Territorial Analysis of the Hungary-Romania Cross-Border Region (further on: eligible area), prepared as an interim output of the project “Strategic planning for the 2014-2020 programming period”.

The document provides an overview of the eligible area and the framework – key conditions and constraints – for the strategic planning process, as derived from primary and secondary information sources. More specifically, it provides a concise presentation of:

1. The EU framework of the planning process;
2. The national framework both in Romania and in Hungary;
3. An overview of the eligible area, relying primarily on quantitative information – statistical data.

According to our methodology, the Strategic Territorial Analysis relies on information obtained from various sources, including primary and secondary sources alike. The foundation of the analysis has been established using statistical data, and then its content has been further complemented and enriched based on information from:

- Analysis of county and city level strategic documents;
- Individual interviews delivered on national and county level, both in Romania and Hungary;
- County level workshops carried out in all the 8 counties of the eligible area;
- Relevant inputs from the on-going evaluation of the current (2007-2013) Hungary-Romania European Territorial Cooperation Programme.

This document is also supported by a special resource – a set of detailed data tables and maps to visualize different key characteristics and their territorial distribution in the eligible area.

This approved version of the Strategic Territorial Analysis is the result of a long and detailed discussion process, thus incorporating numerous additions addressing all important comments of JWG members.

While it is approved, in case the need for further analysis of a specific thematic area during the strategic planning process arises, the necessary additions will be duly made.

This document will serve as the precursor of the Common Territorial Strategy of the eligible area.



# 2014-2020 strategic planning framework

This chapter introduces the relevant EU and national level regulations and strategies that determine the strategic planning of the eligible programme area of Hungary and Romania CBC Programme. As the aim of this introduction is to present the key implications for the strategy deriving from these documents, only the relevant documents have been taken into account.

It needs to be noted, however, that the EU legislative package which will frame cohesion policy for 2014-2020 is still under preparation and discussion, thus no final versions are available. This document relies on the already published draft versions, as well as inputs from primary sources. Furthermore, the Operational Programmes for 2014-2020 are also under preparation (both in Romania and in Hungary), and at the moment there are no publicly available versions that could have been considered in this document. For this reason, the Position of the Commission Services on the development of Partnership Agreement and programmes (Position Paper), and the Partnership Agreement were taken into account: these are the documents that are guiding national planners in designing the Operational Programmes.

In spite of this temporary status, the existing draft versions of EU level legislation already designate the key principles and the eligible areas for interventions; thus, most of the key implications for the strategy can already be concluded.

## 1.1 EU level programming framework

The overall long term strategy of the European Union is the Europe 2020 Strategy that sets out five main targets for the Union to reach by 2020. The achievement of these targets needs to be served by all Funds, thus the EU 2020 objectives pervade the whole cohesion policy planning.

The current version of the EU legislative package providing the legal framework for the cohesion policy for 2014-2020 consists of two main parts.

The first part lays down a series of common provisions for the five Funds with structural aims covered by the Commission's Common Strategic Framework (ERDF, ESF, Cohesion Fund, EAFRD, and EMFF). It outlines common elements on strategic planning and programming; the thematic objectives linked to Europe 2020, which will be the basis for the Funds; and provisions on the Common Strategic Framework and on the Partnership Contracts with each Member State. Common rules also cover eligibility, financial instruments, and management and control principles.

The second part sets out specific provisions for the ERDF, ESF, and Cohesion Fund. These relate to the mission and goals of cohesion policy, the financial framework, specific programming and reporting arrangements, major projects and joint action plans. It also sets out the detailed management and control requirements under cohesion policy and the specific arrangements for financial management.

A separate regulation is proposed for European Territorial Cooperation to better take account of the multicountry context of such programmes and make more specific provisions for cooperation programmes and operations, as has been requested by a large number of stakeholders.

### 1.1.1 EU 2020 strategy

The EU 2020 strategy is the fundamental document of future European development, thus, this is the basis of all cohesion policy documents included in the legislative package.



The Europe 2020 strategy is about to deliver growth that is (i) smart - through more effective investments in education, research and innovation; (ii) sustainable, thanks to a decisive move towards a low-carbon economy; and (iii) inclusive, with a strong emphasis on job creation and poverty reduction. The strategy is focused on five ambitious goals in the areas of employment, innovation, education, poverty reduction and climate/energy.

Europe has identified new engines to boost growth and jobs. These areas are addressed by 7 flagship initiatives.

The 5 targets for the EU in 2020		
<ul style="list-style-type: none"> <li>• Employment: 75% of the 20-64 year-olds to be employed</li> <li>• Research, development and innovation: 5% of GDP expenditure on R&amp;D&amp;I</li> <li>• Climate change and energy sustainability: <ul style="list-style-type: none"> <li>• greenhouse gas emissions 20% (or even 30%, if the conditions are right) lower than in 1990</li> <li>• 20% of energy from renewables</li> <li>• 20% increase in energy efficiency</li> </ul> </li> <li>• Education: <ul style="list-style-type: none"> <li>• Reducing the rates of early school leaving below 10%</li> <li>• At least 40% of 30-34-year-olds completing third level education</li> </ul> </li> <li>• Fighting poverty and social exclusion: at least 20 million fewer people in, or at risk of poverty and social exclusion</li> </ul>		
SMART GROWTH	SUSTAINABLE GROWTH	INCLUSIVE GROWTH
<b>Innovation</b> The 'Innovation Union' aims to improve conditions and access to finance for research and innovation, so that innovative ideas can ultimately be turned into products and services and thereby create growth and jobs.	<b>Climate, Energy and mobility</b> The 'Resource-efficient Europe' aims to help decouple economic growth from the use of resources. It supports the shift towards a low-carbon economy, an increased use of renewable energy sources, the development of green technologies and a modernised transport sector, and promotes energy efficiency.	<b>Employment and skills</b> 'Agenda for new skills and jobs' aims to modernise labour markets and empower people by developing their skills and improving flexibility and security in the working environment. It also aims to help workers seek employment across the EU more easily in order to better match labour supply and demand.
<b>Education</b> 'Youth on the Move' aims to speed up the roll-out of high-speed Internet and uptake of information and communication technologies.	<b>Competitiveness</b> 'An industrial policy for the globalisation era' aims to improve the business environment notably for SMEs, for example by helping them to access credit and cutting red tape. It also supports the development of a strong and sustainable industrial base able to innovate and compete globally.	<b>Fight against poverty</b> 'The European platform against poverty' aims to ensure social and territorial cohesion by helping the poor and socially excluded to get access to the labour market and become active members of society.
<b>Digital society</b> The 'Digital Agenda' aims to speed up the roll-out of high-speed Internet and uptake of information and communication technologies.		



### 1.1.2 Fifth report on economic, social and territorial cohesion

Every three years, the EU publishes a report on economic, social and territorial cohesion, detailing progress in these areas and how the EU, national and regional governments have contributed. The Fifth Report on Economic, Social and Territorial Cohesion<sup>1</sup> was published in 2010, dealing with the following main issues:

- analysis of regional disparities;
- the contribution of the EU, national and regional governments to cohesion;
- the impact of Cohesion Policy;
- Cohesion Policy after 2013.

The conclusions of the 5<sup>th</sup> report<sup>2</sup> are summarising the lessons learnt and give recommendations on the future of the cohesion policy. These recommendations are the following:

#### Enhancing the European added value of Cohesion Policy

- *Reinforcing strategic programming:* Clear guidance at European level and a more strategic negotiating process and follow-up.
- *Increasing thematic concentration:* In the future it will be necessary to ensure that member States and regions concentrate EU and national resources on a small number of priorities responding to the specific challenges that they face.
- *Strengthening performance through conditionality and incentives:* For each thematic priority the CSF would establish the key principles which interventions should follow; co-financing is ensuring ownership of the policy on the ground; extending financial sanctions and incentives; specific binding conditionality.
- *Improving evaluation, performance and results:* Ex-ante setting of clear and measurable targets and outcome indicators; ex-ante evaluations should focus on improving programme design; evaluation should make much greater use of rigorous methods in line with international standards.
- *Supporting use of new financial instruments:* Provide greater clarity and differentiation between rules governing grant-based financing and rules governing repayable forms of assistance; extend both the scope and scale of financial engineering instruments.

#### Strengthening governance

- *Introducing a third dimension - territorial cohesion:* An ambitious urban agenda should be developed; greater flexibility in organising operational programmes in order to reflect the nature and geography of development processes better; macro-regional strategies
- *Reinforcing partnership:* Local development approaches under cohesion policy should be reinforced.

#### A streamlined and simpler delivery system

- *Financial management:* Periodical clearance of accounts procedure; simplified methods of reimbursement.

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<sup>1</sup> Investing in Europe's future: Fifth report on economic, social and territorial cohesion, 2010

<sup>2</sup> Communication from the Commission to the European parliament, the council, the European economic and social committee, the committee of the regions and the European investment bank: Conclusions of the fifth report on economic, social and territorial cohesion: the future of cohesion policy {SEC(2010) 1348 final}



- *Reducing the administrative burden:* More cost-effective control measures and risk-based to improve their effectiveness and efficiency while ensuring adequate coverage of the inherent risks at a reasonable cost.
- *Financial discipline:* Strike a careful balance between ensuring the quality of investment and smooth and rapid implementation.
- *Financial control:* To deliver stronger assurance but also to achieve greater commitment, on the part of Member States, to quality control.

### 1.1.3 European level legislative framework

#### 1.1.3.1 Common Provision Regulation

The Common Provision Regulation (CPR)<sup>3</sup> is the general regulation guiding the operation of funds in the 2014-2020 period. This Regulation lays down the common rules applicable to all the funds which are operating under the Common Strategic Framework (CSF Funds) - the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). In addition, it also identifies the provisions that are “necessary to ensure the effectiveness of the CSF Funds and their coordination with one another and with other Union instruments”.

#### Key principles guiding the operation of Funds

The draft CPR lays down the key principles that guide the operation of all Funds, and thus all programmes co-financed by the EU. These principles are as follows:

- General principles
  - Multiannual programmes complementing national interventions, contributing to the delivery of EU2020 strategy for smart, sustainable and inclusive growth;
  - Consistency with the policies and priorities of the Union;
  - Close cooperation between the Commission and the Member States in implementing support from the Funds;
  - Implementation on the appropriate territorial level, in accordance with the institutional, legal and financial framework of the Member States involved, while ensuring compliance with CPR and Fund-specific rules;
  - Coordination between among the CSF Funds;
  - Shared management between the Commission and the Member States;
  - Sound financial management;
  - Ensuring effectiveness of Funds through monitoring, reporting and evaluation;
  - Reducing the administrative burden of beneficiaries.
- Partnership and multi-level governance – programmes need to be designed and implemented in partnership with the competent regional, local and other public authorities, economic and social partners, and bodies representing the civil society.
- Compliance with Union and national law.
- Promotion between men and women and non-discrimination.
- Sustainable development.

<sup>3</sup> Amended proposal for a regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) No 1083/2006



## Strategic approach – thematic objectives

Each Fund – and thus the co-financed programmes – need to contribute to the Union’s strategy. In order to ensure that, the programmes have to support the following 11 thematic objectives:

- strengthening research, technological development and innovation;
- enhancing access to and use and quality of ICT;
- enhancing the competitiveness of SMEs;
- supporting the shift towards a low-carbon economy in all sectors;
- promoting climate change adaptation, risk prevention and management;
- protecting the environment and promoting resource efficiency;
- promoting sustainable transport and removing bottlenecks in key network infrastructures;
- promoting employment and supporting labour mobility;
- promoting social inclusion and combating poverty;
- investing in education, skills and lifelong learning by developing education and training infrastructure;
- enhancing institutional capacity and an efficient public administration.

The regulation also stipulates, that these thematic objectives need to be translated into priorities specific to each CSF Fund.

### Programming

The CPR prescribes that the CSF Funds shall be implemented through programmes – each programme need to cover the period between 1 January 2014 and 31 December 2020. European Territorial Cooperation Programmes shall be submitted to the Commission within 6 months of the approval of the Common Strategic Framework, together with related ex-ante evaluations. Following assessment of programmes by the Commission and necessary revisions accordingly, the Commission shall approve each programme no later than six months after its formal submission.

#### 1.1.3.2 ERDF Regulation<sup>4</sup>

Of the legislative package framing cohesion policy for 2014-2020, one of the most relevant regulations governing CBC Programmes is the ERDF Regulation.

The ERDF aims to strengthen economic, social and territorial cohesion in the European Union by correcting imbalances between regions. The ERDF supports regional and local development to contribute to all thematic objectives and defines the related investment priorities to all relevant objectives<sup>5</sup>.

In Article 4 the regulation defines thematic concentration, while in Article 5 lists the investment priorities the ERDF shall support within each investment priority.

#### 1.1.3.3 ETC regulation<sup>6</sup>

### Aim of the cross-border cooperation

Based on the draft ETC regulation<sup>7</sup> cross-border cooperation has twofold aims:

<sup>4</sup> Proposal for a regulation of the European Parliament and of the council on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 European Territorial Cooperation regulation; Presidency compromise on thematic concentration, 611 final/2

<sup>5</sup> The list of related investment priorities: Annex 0.

<sup>6</sup> Proposal for a regulation of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal, COM(2011) 611 final; Presidency compromise on elements of the European Territorial Cooperation



- on the one hand, it aims to tackle common challenges identified jointly in the border regions (such as poor accessibility, inappropriate business environment, lack of networks among local and regional administrations, research and innovation and take-up of information and communication technologies, environmental pollution, risk prevention, negative attitudes towards neighbouring country citizens);
- on the other hand, it exploits the untapped potentials in the border area (development of cross-border research and innovation facilities and clusters, cross-border labour market integration, cooperation among universities or health centres);

while simultaneously enhancing the cooperation process for the purpose of the overall harmonious development of the Union.

Moreover, given the possible overlap between existing and future macro-regions, sea-basins and transnational programme areas, the proposed regulation explicitly foresees that transnational cooperation can also support the development and implementation of macro-regional strategies and sea-basin programmes (including the ones established on the external borders of the EU).

### Thematic concentration

In addition to the thematic objectives and investment priorities defined in the ERDF, the regulation fosters supporting the sharing of human resources, facilities and infrastructures across borders under the different investment priorities under the designated thematic objectives:

- *promoting employment and supporting labour mobility*: integrating cross-border labour markets, including cross-border mobility, joint local employment initiatives and joint training;
- *promoting social inclusion and combating poverty*: promoting gender equality and equal opportunities across borders, as well as promoting social inclusion across borders (within the thematic objective of enhancing institutional capacity and an efficient public administration);
- *investing in skills, education and lifelong learning*: developing and implementing joint education and training schemes;
- *enhancing institutional capacity and an efficient public administration*: promoting legal and administrative cooperation and cooperation between citizens and an efficient public administration.

Although the regulation expands the eligible areas, the regulation states that the thematic objectives must be concentrated: up to 4 thematic objectives shall be selected for each cross-border cooperation programme.

## 1.1.4 Integrated approach

The Commission is committed to implement Funds in a more integrated manner in the 2014-2020 period. Therefore, important instruments have been identified to ensure the application of integrated approach.

### 1.1.4.1 Community-led Local Development (CLLD)

Based on the delivery tool developed in the frame of the LEADER programme, the Commission promotes the widespread application of Community-led Local Development (CLLD). CLLD thus became part of the CPR – Articles 28-31 set the rules for the application of this tool. CLLD is a specific tool to be used on subregional level, that can mobilise and involve local communities and organisations to contribute to achieving the Europe2020 Strategy goals.

The main aims of CLLD include:

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<sup>7</sup> Proposal for a regulation of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal, COM(2011) 611 final; Presidency compromise on elements of the European Territorial Cooperation



- The development of integrated bottom-up approaches by local communities to tackle specific territorial and local challenges;
- Building community capacity and stimulating innovation;
- Promoting community ownership of and commitment to interventions;
- Enabling practical application of the principle of multilevel governance through the more active involvement of local communities in shaping the implementation of EU objectives.

Community-led Local Developments have the following key components:

- Local action groups, made up of representatives of local public and private socio-economic interests; no single interest group can have more than 49% of the votes and civil society and private sector partners should have at least 50% of the decision-making power. Local action groups need to play a key role in preparing and implementing the relevant local development strategies;
- Local development strategies, coherent with the relevant programmes of the CSF Funds through which they are supported, offering an integrated answer to the challenges of the relevant area;
- Clearly designated area and population coverage.

The deadline for selection and approval of local strategies is the end of 2015.

#### *1.1.4.2 Integrated Territorial Investments (ITI)*

The proposed Common Provisions regulation also introduces the Integrated Territorial Investments (“ITI”) as a new instrument to implement territorial strategies.

It is a tool, not an operation, nor a sub-priority of an Operational Programme. Instead, ITI allows Member States to implement Operational Programmes in a combined way: draw on funding from several priority axes of one or more Operational Programmes. This way it can ensure the implementation of an integrated strategy for a specific territory. As such, it provides the opportunity to fund complex territorial interventions in a more integrated manner.

In order to be able to deliver ITI, the following conditions need to be in place:

- a designated territory and an integrated territorial development strategy;
- a package of actions to be implemented;
- governance arrangements to manage the ITI.

In case a country would like to use ITI as a tool, it must be clearly indicated in its Partnership Agreement. Also, the relevant OP-s shall identify the ITIs planned and indicative financial allocations from each priority axis to each ITI.

#### **1.1.5 State aid rules and regulations**

All aids granted under the aegis of the operational programme must strictly comply with all state aid rules and regulations, as stipulated in the Treaties and consequent secondary community legislation. State aids shall only be granted if it is fully in accordance with the relevant EU law, in order to avoid the unnecessary or disproportional distortion of competition.

Direct financial supports to enterprises can only be granted under the operational programme

- a) as de minimis grant, i.e. the financial support does not exceed a certain threshold by grantee, or
- b) as an aid considered to be in conformity with the Community legislation, falling under one of the block exemptions (see details below) and having gone through a notification procedure at the Commission services.



It must be mentioned, though, that in this respect, it is not the legal form that makes an entity to be considered as an enterprise, but the entrepreneurial activities it follows (therefore, for example, even a local self-government or a foundation can be considered to be an enterprise in terms of the state aid legislation). On the other hand, there might be investments that generate direct financial revenues and still not considered to be entrepreneurial activities (e.g. the operation of public utilities). These cases do not fall under the state aid legislation, they are handled as “revenue generating projects” by the SCF regulations, and can be financed up to the extent of the financial gap (i.e. the part of the investment with no financial return).

The state aid rules and regulation are currently going under a revision. As a preparation for the 2014-2020 period, the Commission services launched the State Aid Modernisation (SAM) exercise. As announced in the SAM Communication adopted on 8 May 2012, the Commission intends to review the compatibility rules for State aid on the basis of a coordinated approach rooted in common principles. The objective of this approach is to improve the compatibility framework and its consistency across the different guidelines and block exemptions, in light of the objectives of the SAM initiative.

Within the SAM initiative the Regional Aid Guidelines (RAG) including the draft General Block Exemption Regulation (GBER) are the first in a series of forthcoming revised guidelines for which concrete drafting proposals are being put forward for discussion with Member States and other stakeholders.

Primarily, the compatibility framework should facilitate the treatment of ‘good aid’ (well-designed, targeted at identified market failures and objective of common interests, proportionate and least distortive) and prevent the granting of ‘bad aid’ (which distorts competition, frustrates innovation, delays necessary adjustments, fragments the internal market). All compatibility rules have to be reviewed in light of this objective, also in view of the mixed results of several State aid measures (e.g. lack of effectiveness, doubtful incentive effect, overcompensation, etc.) which point to the need for a strengthened and more systematic evaluation of the impact of aid schemes.

In its compatibility assessment of State aid measures, the Commission analyses whether the positive impact of the aid measure in reaching an objective of common interest outweighs its potential negative effects on trade and competition. For this purpose the future RAG will develop a series of criteria which need to be met in order for the measure to be considered compatible with the internal market. In the spirit of the SAM initiative, these criteria (common principles) will be also applicable to the rest of the future State aid framework and are the following:

1. Contribution to a well-defined objective of common interest;
2. Absence of market delivery of the equity objective;
3. Appropriateness of the aid measure;
4. Incentive effect of the aid;
5. Aid limited to the minimum;
6. Avoidance of undue negative effects;
7. Transparent aid award.

For regional aid, the following types of measure will be block exempted and will no longer require notification:

- Ad hoc aid below the notification threshold will be exempted from notification.
- Currently, individual aid granted outside a scheme (ad hoc aid) must be notified. In this respect, the distinction between individual aid (awarded under a scheme) and ad hoc aid (individual aid awarded outside a scheme) will be removed.
- Aid for newly created small enterprises: This type of aid will be covered exclusively under the GBER. The various rules in the GBER on aid to newly created enterprises and start-ups will be consolidated and simplified.



- Certain types of operating aid for outermost regions and sparsely populated areas.

Therefore the measures above are not included in this draft proposal of RAG. On the contrary, the measures which will be covered by the future RAG and assessed according to them are:

1. Regional investment aid schemes targeted at specific sectors of economic activity;
2. Individual aid (including ad hoc aid) above the notification threshold: Between €15 million and €37.5 million depending on the region;
3. Investment aid potentially linked to a closure of a similar or same activity in the EEA;
4. Certain regional operating aid schemes, namely:
  - (i) aid to reduce certain specific difficulties faced by SMEs in 'a' areas,
  - (ii) aid to compensate for certain additional costs (other than transport costs) in the outermost regions,
  - (iii) aid to prevent or reduce depopulation in areas with a very low population density.

Besides RAG, specific guidelines corresponding to the EU policy objectives on broadband, energy, environment and R&D&I will also apply, such as the Broadband Guidelines adopted by the Commission on 19 December 2012, the forthcoming revised Energy and Environmental Aid Guidelines, and the forthcoming revised R&D&I aid Guidelines.

In addition, higher aid intensities could be foreseen for aid awarded in accordance with other State aid guidelines in relation to investments that take place in the assisted areas. The conditions for applying these higher aid intensities will have to be developed as part of the revision of those guidelines.

### 1.1.6 Macroregional context

#### 1.1.6.1 Introduction

In the European Union there's a recent process whereby several so-called macro-regions are being identified, covering large areas across national borders. While there is no standard definition of macro-region yet, but according to the website of DG Regional Policy, a macro-region is *"an area including territory from a number of different countries or regions associated with one or more common features or challenges"*.

Macro-regions in the European Union develop so called macro-regional strategies, that are aimed at bringing together initiatives from different sectors, as well as promoting a stronger cooperation between the various stakeholders in the macro-region. These strategies, however, are not allocated additional funding – they have to rely on and ensure better use of existing resources that are already available to the relevant territories.

Currently there are two macro-region within the European Union that have an approved strategy: the Baltic Sea Region that covers 8 countries (Sweden, Denmark, Estonia, Finland, Germany, Latvia, Lithuania and Poland) with 85 Million inhabitants (17 % of the total population of the EU), and the Danube Region, which covers 9 EU Member State countries (Germany, Austria, Hungary, Czech Republic, Slovak Republic, Slovenia, Romania, Bulgaria and Croatia – this latter as of 1.7.2013) with 115 Million inhabitants (approximately 23 % of the total population of the EU) as well as 5 non-EU Member States (Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Ukraine and Moldova).

As both Romania and Hungary are covered by the Danube Region, its strategy is reviewed in more details.



### *1.1.6.2 EU Strategy for the Danube Region (EUSDR)*

A strategy to boost the development of the Danube Region was proposed by the European Commission on 8 December 2010. Member States endorsed the EU Strategy for the Danube Region (EUSDR) at the General Affairs Council on 13 April 2011<sup>8</sup>.

The Danube Region is facing with many challenges (e.g.: environmental threats, lack of road and rail transport connections, insufficient energy connections, uncoordinated research and innovation systems); clearly, a better coordination and cooperation between the countries is necessary to address these challenges.

The Strategy does not come with extra EU finance; rather, countries can finance the programme through cohesion policy, other EU programmes and financial instruments, and various international financial institutions.

The Strategy is defined in a Communication, accompanied by a detailed Action Plan, which presents the operational objectives and concrete projects and actions of the EUSDR. The actions are grouped under 4 pillars.

In addition to the four pillars, 11 priorities have also been identified in the Action Plan, and it gives examples of projects to be implemented under each action<sup>9</sup>.

The four pillars are the following:

- Connecting the Danube Region;
- Protecting the environment in the Danube Region;
- Building the prosperity in the Danube Region;
- Strengthening the Danube Region.

The corresponding list of main areas and actions are summarised in the following table.

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<sup>8</sup> Communication from the Commission to the European parliament, the council, the European economic and social committee and the committee of the regions: European Union Strategy for Danube Region

<sup>9</sup> The list of actions and projects can be found in Annex 6.1.



Pillars	Priority areas	Main areas	Sub areas
Connecting the Danube Region	To improve mobility and multimodality	Inland waterway transport	Improvement of infrastructure and economic performance of waterway navigation
			Improvement of the organisational framework and human resources for inland waterway navigation
		Rail, road and air transport	Improvement of access to and connectivity
			Multimodal links
	To encourage more sustainable energy	Energy systems	Energy infrastructure
			Energy markets
			Energy efficiency and renewable energy
	To promote culture and tourism, people to people contacts		Cultural heritage
Tourism			
Protecting the environment in the Danube Region	To restore and maintain the quality of waters		
	To manage environmental risks		
	To preserve biodiversity, landscapes and the quality of air and soils		Preservation of biodiversity and landscapes”
			Preservation and improvement of the quality of soils
			Improvement of air quality
			Education of people on the value of natural assets, ecosystems and the services they provide
Building the prosperity in the Danube Region	To develop the knowledge society through research, education and information technologies		
	To support the competitiveness of enterprises, including cluster development		
	To invest in people and skills		
Strengthening the Danube Region	To step up institutional capacity and cooperation		
	To work together to promote security and tackle organised and serious crime		



### 1.1.7 Key implications for the strategy

- The Europe 2020 Strategy is fundamental for cohesion policy planning: all interventions of any EU co-financed programmes need to contribute to its goals. The strategy sets out five smart goals concerning innovation, education, digital society, climate and energy, competitiveness, employment and fight against poverty.
- The 5<sup>th</sup> Cohesion report formulated recommendations to enhance the effectiveness and implementation of the next programming period by proposing planning criteria to enhance the European added value of Cohesion Policy, to strengthen governance and to establish a streamlined and simpler delivery system.
- CSF and ERDF regulations clearly define the thematic objectives and the investment priorities on which the interventions have to be concentrated – only interventions in line with these can be co-financed.
- The ETC regulation defines the aims of the CBC programmes as (i) to tackle common challenges identified jointly in the border regions and (ii) to exploit the untapped potentials in the border area.
- Moreover, it also stipulates that European Territorial Cooperation programmes shall support the development and implementation of the macro-regional strategies, such as the EUSDR.
- In line with the regulation, the selection of thematic objectives in case of CBC programmes should be limited in order to maximise the impact of cohesion policy across the Union: up to 4 thematic objectives shall be selected. In addition to the investment priorities defined in the ERDF, the cross-border programmes shall support the sharing of human resources, facilities and infrastructures across borders under the different investment priorities, and joint programmes in case of initiatives for labour market, social inclusion, education and public administration enhancement as well.
- Integrated approach is important when designing interventions. Therefore, the use of CLLDs may be considered for specific (sub-regional) territorial units, and also using the tool of integrated territorial investments can be considered.
- The Danube Strategy is one of the macro-regional strategies created by the Union to ensure better coordination and cooperation between the relevant countries. As the eligible area is part of the Danube Region, its objectives and proposed interventions need to be considered when designing the strategy of the eligible area.



## 1.2 National level programming framework

### 1.2.1 Romania

#### 1.2.1.1 EU 2020 targets

The national targets in order to reach the overall EU targets for 2020 are the following.

Theme		Europe 2020 headline target	Current situation (2011/2012)	National 2020 target in NRP
<b>Employment</b>	Employment rate of the pop. aged 20-64	75%	63.8%	70%
<b>R&amp;D&amp;I</b>	EU's GDP to be invested in R&D	3%	0,48%	2%
<b>Fighting against poverty</b>	Reducing number of people at risk of poverty	-20 million	-788,000 <sup>10</sup>	580,000
<b>Education</b>	The share of early school leavers	10%	17.4%	11.3%
	<b>30-34 years old completing third level education</b>	40%	21.8%	26.7%
<b>Climate change and sustainability</b>	GHG emissions reduction compared	20%	-	19%
	Energy from renewables	20%	21.4% (2011)	24%
	Energy efficiency	20%	-	19%

Regarding their national targets Romania generally sets lower goals than the EU27 average. An exception is the field of climate change and sustainability, where the ratio of energy stemming from renewable is already higher in Romania, than the EU2020 target; thus their goal exceeds the set target as well (24 vs. 20%). In most indicators, however, Romania currently is behind the EU average: only 4 (Mediterranean) countries have an even larger share of early school leavers while when looking at RDI-investments Romania has the lowest indicator in the EU (together with Cyprus).

Nevertheless, when setting their national target, the country presents in these fields ambitious goals and plans to catch up with other countries – thus, for example, Romania plans to spend the third highest GDP ratio on RDI by 2020 out of the 12 “new” EU countries (following Estonia and Slovenia). Another ambitious field relates to the number of persons having completed tertiary education: after seeing a 5.8 percentage point increase between 2008 and 2012 a further 4.9 rise is set to take place by 2020; this proportion, however, still remains one of the lowest in the EU.

<sup>10</sup> Change between 2008 and 2011 (Eurostat)





Romania has achieved impressive results in the reduction of the number of people at risk of poverty or social exclusion: since 2008 almost 800 thousand people less are considered to be at such a risk.

#### *1.2.1.2 Council Recommendation on the National Reform Program 2012 of Romania*

The most important measures which the Romanian Government was planning to implement in 2011-2013 in order to meet its national targets are included in the National Reform Program. The Council has formed its opinion on the measures and proposed recommendations as follows<sup>11</sup>:

##### **Comments**

- The current precautionary financial assistance programme remains on track.
- The Romanian banking sector has remained resilient, in spite of the on-going deterioration in asset quality.
- Progress in key structural reform areas has been uneven but overall satisfactory. In particular, reforms in the energy sector have recently gathered momentum. Programme implementation could, however, be improved in several areas.
- Recent trends show that the 2% R&D intensity target is very ambitious and difficult to reach, given the low commitment of government and the very low level of business R&D activities.
- Increasing labour market participation still remains a challenge in Romania.
- There is no coherent strategy for preventing early school leaving and existing data is not used to target measures. There is a need to consolidate all existing programmes in order to identify priority measures that are adequately budgeted and based on clear identification and monitoring of the groups at risk of early school leaving.
- Attracting students from lower-income families, in particular from rural areas, remains a big challenge.

##### **Recommendations**

- The R&D&I target could be achieved only if the country prioritises R&I in a context of smart fiscal consolidation, whilst implementing without delay key reforms as outlined in the Action Plan for Research and Innovation.
- Greater involvement of young people, women, older workers, rural residents and other vulnerable groups (e.g. Roma) should remain one of the primary objectives for the Government in order to reach the national employment target.
- The introduced ambitious education reform early in 2012 requires sustained efforts for implementation. This, in turn, requires a larger education budget without jeopardising Romania's commitments made in the context of the Stability and Growth Pact and the current IMF/EU precautionary financial assistance programme.
- While improving attainment levels, the government also needs to continue its efforts to improve the quality of tertiary education and align it with the needs of the labour market.

#### *1.2.1.3 Position of the Commission Services on the development of partnership Agreement and programmes in Romania for the period 2014-2020*

The CSF Funds will be one of the most important instruments to tackle the main development challenges for Romania.

The following are the priorities the Commission would like to co-finance in Romania for the next programming period 2014-2020. Sufficient flexibility is built into the new programming architecture to respond to new challenges and unexpected events, which allow for reprogramming on justified grounds. Planning should take account of cross-border links and transnational coordination.

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<sup>11</sup> Council recommendation on the National Reform Programme 2012 of Romania and delivering a Council opinion on the Convergence Programme of Romania, 2012-2015



1. *Improving human capital through higher and better social inclusion and education policies*

Employment, social cohesion and education should remain the core concerns for Romania. Thus the relative share of CSF Fund investment should at least be equal to the programming period 2007-2013.

- Increasing the employment rates of young people and vulnerable groups
- Improving access to, participation in and quality of education and training
- Promoting social inclusion, in particular by enhancing access to health-care and social services

2. *Developing modern infrastructure for growth and jobs*

CSF Fund should be part of a new growth focus providing the necessary modern infrastructure in terms of transport and ICT.

- Building accessibility of growth poles to the internal market by investing in the TEN-T network
- Enhancing access to and use and quality of ICT

3. *Promoting economic competitiveness and local development*

The efficiency of the R&I policy and instruments in Romania will condition its long-term competitiveness and capacity to attract higher added value and sustainable investments, fostering in turn structural growth and job creation.

- Supporting innovation and competitiveness of economic operators and improving business environment
- Promoting entrepreneurship, including in rural, maritime and fisheries areas and improvement of the economic environment in rural and coastal areas, including related local infrastructure
- Smoothing access to finance and advanced business services for SMEs
- Boosting demand-driven R&D (public and private) capacity and infrastructures

4. *Optimising the use and protection of natural resources and assets*

Rational management of natural resources and in particular energy, represent critical environmental, health and competitiveness challenges in Romania. It also constitutes important potential for growth and job creation.

- Promoting energy efficiency and low-carbon economy and strategies
- Reducing vulnerability to risk, supporting adaptation to climate change and developing disaster management systems
- Protecting environment and biodiversity by valorising natural sites and implementing acquis related investments

5. *Modernisation and reinforcement of the national administration and of the judiciary*

The inability to rely on competent and reactive public administration represents a core concern in Romania, with respect to its capacity to design and support the implementation of sectoral strategies and afferent investments and foster business development.

- Enhancing institutional capacity and an efficient public administration
- Strengthening ICT applications for e-government

**Priorities for European Territorial Cooperation (ETC)**

Areas of particular relevance for Romania in the context of European Territorial Cooperation include:

- R&D and innovation fostering integration in international networks;



- Exchange of experience and networking with regard to the promotion of a low carbon economy in particular for energy efficiency, research and innovation, competitiveness and internationalisation of business, and urban transport;
- Climate change adaptation and risk prevention and management;
- Initiatives in favour of marginalised communities, in particular the Roma;
- Improving transport connections as part of the TEN-T policy and in line with priorities under the Connecting Europe Facility;
- Cooperation with neighbouring countries for risk prevention and risk management taking into account adaptation to climate change and ecosystems management.

Coordinating and aligning between the operational programmes and the action plans under the *EU Strategy for the Danube Region (EUSDR)*. Relevant thematic objectives and priorities for Romania that link with the EUSDR:

- research, technological development and innovation,
- SME competitiveness,
- the low carbon economy, adaptation to climate change and risk prevention and management; environmental protection,
- education,
- social inclusion,
- sustainable transport networks with particular attention paid to the navigability of the Danube.

#### *1.2.1.4 Romanian Partnership Agreement for the development period of 2014-2020*

According to the Romanian Partnership Agreement almost 90% of the resources are allocated to the following four goals:

- fulfil infrastructural needs;
- support shift towards low-carbon economy;
- support RDTI, ICT and competitiveness;
- invest in social and educational infrastructure.

The Partnership Agreement emphasizes the importance of promoting the EUSDR, as macroeconomic strategies offer a new, more substantial and consistent cooperation platform that can be financed not only from dedicated funds. The planned EUSDR Romania interventions include five different areas, namely transport (e.g.: development of bridges and port infrastructure), settlements network (e.g.: connecting Bucharest and the Danube river), environment (e.g.: protection of the Danube Delta), society (e.g.: improvement of social infrastructure) and economy (e.g.: exploiting the agricultural, energy and tourism potential of the Danube area).

Based on the document joint programs may target SME development, R&D or ICT infrastructure support. CBC programs should also highly emphasize the importance of improving tourism and promote cultural heritage while enhancing the connection between the communities of the border areas. Improvement of the transport and environmental system is also promoted. Romania is committed to remove the existing bottlenecks concerning the cross-border transport flows and to strengthen cooperation especially in the energy sector –in order to raise energy efficiency, decrease pollution and to widen the production, distribution and consumption of renewable energy sources.

### 1.2.1.5 Related provisions relevant regulations

*It is important to note that in preparation for the 2014-2020 programming period, a continuous evolution of related regulations is taking place. The lists below reflect the status on the closing date of this document.*

Legal framework (law, regulation)	Content
Act 350/6.07.2001 on spatial and urban planning	This Act amended several times, is the first law after 1990 that comprehensively regulates the specific activity of the spatial and urban planning in Romania. The Act defines the territorial planning and urbanisme as complex activities of general interest and the land use management as being of a continuous and prospective activity, of community interest and importance in the perspective of the EU integration.
Act 215/23.04.2001 on local administration	The law regulates the general regime of local autonomy and the organization and functioning of local authorities. The public administration territorial administrative units operates under the principles of local autonomy, decentralization of public services, local authorities eligibility, legality and consultation of citizens in solving local problems of special interest.
Act 315/28.06.2004 on regional development	The Act regulates the regional development policy regarding the institutional framework, goals, competencies and tools. According to this law provisions, the regional development policy is the set of policies issues by the Government, the local authorities and the regional bodies. Consultation of social partners is necessary to ensure growth, balanced and sustainable social development of certain geographical areas / established regions, to improve the international competitiveness and reducing disparities between Romania and other EU Member States.
Act 195/22.05.2006, the framework law on decentralization	The Act establishes the principles, the rules and the institutional framework governing administrative and financial decentralization.
Emergency Government ordinance 127/13.11.2007 on European Grouping of Territorial Cooperation (EGTC)	As a new EU Member State in 2007, Romania included to the national legal frame the possibility for the territorial entities to associate with similar structures from EU countries, ensuring the application of EGTC Regulation and therefore to facilitate and promote the territorial cooperation.
Government Decision 1485/6.12.2007 on cross border joint technical secretariats	The purpose of the decision is to set-up joint technical secretariat (JTS) and contact points for the implementation of operational programs of territorial cooperation – European Cross-border component. According to this decision, JTS is a distinct structure, established under the CBC regional offices.
Government Resolution 1/04.01.2013 on the organization and functioning of the Ministry of Regional Development and Public Administration (MRDPA)	<p>The Government Resolution redefines the MRDPA functions and attributions and establishes that it exercises the following functions:</p> <ul style="list-style-type: none"> <li>- Strategic planning</li> <li>- Regulation and approval</li> <li>- Representation</li> <li>- State authority in its fields of activity</li> <li>- Administration</li> <li>- Implementation of programs financed by EU and national funds and other legal sources</li> <li>- Monitoring and control</li> <li>- Coordination.</li> </ul> <p>MRDPA elaborates, individually or in collaboration with other</p>





Legal framework (law, regulation)	Content
	ministries, where appropriate, the government policy in a number of key areas, among which: regional cohesion and development, cross-border and transnational policies, administrative –territorial reform and restructuring, public service management, planning, coordination, monitoring and control using assistance granted to Romania by the UE programs in its areas of activity.
The Partnership Agreement for Romania 2014-2020, Consultative document, as to 31.05.2013	<p>The Partnership Agreement sets out how the investments allocated from ESIF plus national co-financing in line with the Thematic Objectives of the EU 2020 and Romania's national priorities will be concentrated to promote competitiveness, convergence and cooperation and encourage smart, sustainable and inclusive growth, by setting national specific investment priorities. This document defines an indicative list of the Romanian operational programmes for the period of 2014-2020, as well as of their priorities:</p> <ul style="list-style-type: none"> <li>- Large Infrastructure OP</li> <li>- Human Capital OP</li> <li>- Competitiveness OP</li> <li>- Technical Assistance OP</li> <li>- Administrative Capacity OP</li> <li>- Regional OP, that includes two Territorial Cooperation Programs with Hungary and Bulgaria OPs</li> </ul>

#### 1.2.1.6 Relevant provisions of key strategic documents

Spatial plans and regional development strategies	Most important provisions for the eligible area
National level	
The National Plan for Spatial Development (NPSD)	<p>The spatial planning framework in Romania refers to the national, regional and local spatial policies governed by the Law no. 350/2001 on Territorial and Urban Planning.</p> <p>At national level, Romanian Government establishes priority programmes, national directives and sectorial policies. The specialized authority within the Romanian Government is the Ministry of Regional Development and Public Administration (MRDPA).</p> <p>The national territorial planning framework is the National Spatial Territorial Plan (PATN), including six approved sections: Section I – Transportation Networks, Section II – Water, Section III – Protected Areas, Section IV – Settlements Network, Section V – Natural Risk Areas, Section VI – Touristic areas. Section VII – Education Infrastructure and Section VIII – Rural Areas are currently under approval.</p> <p>For specific areas as metropolitan, intercommunity or regional zones (comprising parts or entire administrative units: communes, towns or counties) – Zonal Spatial Territorial Plan (PATZ) should be elaborated for the entire area and approved by any of the respective commune, town or county in order to be formally adopted.</p> <p>The 8 existing regions (NUTS II level, including several counties) are only statistic units, not administrative ones. Actually there is under development a process of regionalisation, aiming to establish a number of administrative regions (possible 8-10 administrative units). This process it is expected to be finalised and adopted by the</p>



Spatial plans and regional development strategies	Most important provisions for the eligible area
	end of this year (2013).
Romania's National Territory Development Strategy 2014-2035, June 2013 (draft version, under consultation)	<p>Regarding the cross border cooperation for the upcoming 2014 - 2020 and 2035 perspective, the document highlights the diversity of the action fields, from the environment protection policies to the SMEs, transport infrastructure, cultural exchanges, etc. The Western Romania's regions and counties face a reduced degree of disparities as compared with other Eastern ones. The whole Western area (from Timis county to Satu Mare and Maramures) represents a continuous functional area having important CBC opportunities. Timis is proposed as inter-modal transportation node. The following policies for cooperation (territorial, cross border) are proposed for the 4 Romanian counties: Timis, Arad, Bihor and Satu Mare:</p> <ul style="list-style-type: none"> <li>- Promoting urban and rural territorial borders, especially those having potential for economic cooperation and tourism</li> <li>- Strengthening the territorial partnership by providing specific services by the cities</li> <li>- Implementation of economic cooperation activities and research between businesses engaged in economic activities and services in urban and rural areas</li> <li>- Participation with own resources (in kind, human, financial, etc.) and cooperation to project of common interest</li> <li>- Adding value to the natural heritage by coordinating actions for the protection of eco-biological areas</li> <li>- Reducing of human and material losses caused by flooding, by promoting regional partnerships and cross-border investments and by implementation of procedures for the prevention and control of hazards.</li> </ul>
National Plan for Rural Development 2007-2013	The document does not include any goals or measures closely related to the cross border regions. It is estimate that the 2014-2020 document is more flexible (under preparation, but not yet for consultation to date).
National Strategic Plan for Rural Development 2007-2013	This document underlines the consistency with other Europe strategies and priorities, the rural economy opening the door for the cross-border cooperation, especial regarding the ecological development, rural networks (including special services) and rural SMEs. The 2014-2020 document is under preparation phase, but not yet for consultation to date.
<b>Regional strategies</b>	
<p>Regional Development Plan of the Region North West (Northern Transylvania) 2014-2020</p> 	This document does not include any goals or measures closely related to the cross border regions. However, there are specifications related to connecting Europe, improvement of the transport networks and energy networks. Also, in the analysis chapter, the role of the cross border cooperation with Hungary is appreciated as it increased the benefits of the entire area in the period 2007-2013.
<p>Regional Innovation Strategy of the Region West 2009 – 2013</p> 	The strategy targets bringing together of various actors (institutions, businesses, NGO's and communities) in order to better exploit the opportunities offered by joint development of the border area. The strategy propose under the Priority Axis 2 „strengthening of the economic and social cohesion of the border area”, one of the major areas of intervention to promote cooperation regarding the research, development and innovation. The main types of



Spatial plans and regional development strategies	Most important provisions for the eligible area
	<p>investments / intervention are:</p> <ul style="list-style-type: none"> <li>- Development of a complementary R&amp;D infrastructure, harmonization of equipment procurement, establishment of R&amp;D centres to support the CBC in the area;</li> <li>- Creation of new partnerships to support innovative activities, collaboration among universities, research centres and businesses; support exchange programs;</li> <li>- Implementation of joint research projects, dissemination of information R&amp;D, innovation and technology transfer to economic studies;</li> <li>- Development of feasibility studies, plans, assessments and market researches</li> </ul> <p>The Regional Development Plan for the West Region 2014-2020 is actually in a very inception phase (at the beginning).</p>
County strategies	
Development Strategy of Satu Mare County by 2020, 2011	<p>The situation analysis of the county deals with the territorial cooperation (cross-border and other cooperation programs), strategic planning and partnership, founded on the:</p> <ul style="list-style-type: none"> <li>- Geographical position of Satu Mare County provides a high potential for development of transport and tourism</li> <li>- Existence of agreements for collaboration and experience acquired after implementation of a diversity of projects jointly with the County Szabolcs Szatmar-Bereg and Transcarpathia</li> <li>- Experience in planning and strategic programming for different programs involving the County Public Administration, the Municipality or individuals</li> </ul>
Development Plan of Bihor County, 2007	The document does not include specific goals related to the eligible area.
Development Strategy of Arad County, 2008	<p>The strategy of the county stresses the importance of the geo-location of Arad in the border area, having a common heritage with Hungary and presenting a series of similarities regarding the socio-economic development. In this perspective, a partnership approach is proposed, having as key vectors the innovation and decentralisation. One of its strategic objectives is „to promoting Arad as regional cultural centre in the cross border cooperation area HU RO”, including promoting of cooperation at regional, national and European level and intensification and diversification of transboundary cooperation and cultural exchanges.</p>
Socio-Economic Development Strategy of Timis County, 2009	The strategy includes an axis having as development objective the enlargement of the intra-regional, transfrontalier and transnational cooperation framework, aiming to contribute to the balanced economic, social and territorial development of the county.
Strategies of county seats	
Integrated Urban Development Satu Mare (draft)	<p>The IUDP Satu Mare is elaborated under the Priority Axis 1, ROP, Regio Program. (Especially) In relation with the Satu Mare regional context its relative proximity with / accessibility to the Hungarian border, the following and existing cooperation traditions, the following priorities are mentioned:</p> <ul style="list-style-type: none"> <li>- rehabilitation of the roads and transport infrastructure;</li> <li>- strengthening of the economic development;</li> <li>- vocational / professional training and research technical center building;</li> <li>- tourism.</li> </ul>





Spatial plans and regional development strategies	Most important provisions for the eligible area
Integrated Urban Development Plan Oradea, 2010	The IUDP Oradea was elaborated under the Priority Axis 1, ROP, Regio Program. The document does not include specific goals or measures closely related to the cross border regions.
Integrated Urban Development Plan Arad, 2009	The IUDP Arad was elaborated under the Priority Axis 1, ROP, Regio Program. One of its strategic objectives is „to promoting Arad as regional cultural centre in the cross border cooperation area HU RO”, including promoting of cooperation at regional, national and European level and intensification and diversification of transboundary cooperation and cultural exchanges (consistent with the county strategy). Also promoting twining of towns in the regions with siumilar characteristics, multiculturality, diversity and transformation of heritage as engine for economic development.
Integrated Development Plan, Urban Development Pole Timisoara, 2010	The IDP Timisoara was elaborated under the Priority Axis 1, ROP, Regio Program. The document does not include specific goals related to the cross border regions, but includes as priority the rehabilitation of the roads and transport infrastructure in the eligible area. (Another related important project was the Metropolitan Area Timisoara, considered for the time being as “a frozen project” and facing important obstacles.)

#### 1.2.1.7 National position on CBC Programmes

Based on the interviews conducted with county representatives, the position of the Romanian government on the future focus of the CBC are the following:

- establishing lacking transport links;
- enhancing social infrastructure (health care, emergency care, childcare);
- protecting the environment and promoting climate change adaptation, and
- urban rehabilitation.





## 1.2.2 Hungary

### 1.2.2.1 EU 2020 targets

Theme		Europe 2020 headline target	Current situation (2010/2011)	National 2020 target in NRP
<b>Employment</b>	Employment rate of the pop. aged 20-64	75%	62,1%	75%
<b>R&amp;D&amp;I</b>	EU's GDP to be invested in R&D	3%	1.21%	1.8%
<b>Fighting against poverty</b>	Reducing number of people at risk of poverty	-20 million	+257,000 <sup>12</sup>	-450,000
<b>Education</b>	The share of early school leavers	10%	11.5%	10%
	<b>30-34 years old completing third level education</b>	40%	29.9%	30.3%
<b>Climate change and sustainability</b>	GHG emissions reduction compared	20%	31%	10%
	Energy from renewables	20%	8.1%	14.65%
	Energy efficiency	20%	-	10%

Like Romania, Hungary has set most of its national targets below the EU27 average – except for two fields. In the share of early school leavers, even though Hungary's indicator has stagnated in the past years, they are already close to achieving the target set for 2020. In case of employment however, there is a different story: Hungary, having one of the lowest employment rate in the age group 20-64, very ambitiously sets to raise its ratio to the (then) EU average – only half of the member states plan to achieve that level.

Even though already ahead of Romania in RDI spending ratio, Hungary sets a lower target value with 1.8% – which seems feasible if the current trend of rise if spending can be maintained in the upcoming years. Also in the case of renewable energies Hungary sets lower, but – if the tendencies are upheld – attainable goals. Meanwhile, Hungary is very close to achieving its target for people with completed tertiary education (29.9 vs. 30.3%) – however, its target is, similarly to that of Romania, one of the lowest in the EU. When considering the number of people at risk of poverty or social exclusion, contrary to Romania, there has been a rise in the number of people exposed to such risks.

<sup>12</sup> Change between 2008 and 2011 (Eurostat)



### *1.2.2.2 Council Recommendation on the National Reform Program 2012 of Hungary*

The most important measures which the Hungarian Government was planning to implement in 2012-2013 in order to meet its national targets are included in the National Reform Program. The Council has formed its opinion on the measures and proposed recommendations as follows<sup>13</sup>:

#### **Opinions**

- The Council is of the opinion that the macroeconomic scenario underpinning the budgetary projections in the Program is somewhat optimistic.
- Measures to improve the business environment largely go in the right direction, but there is significant room for further progress.
- Efforts to improve access to non-bank funding are also going in the right direction, but a comprehensive assessment of small and medium-sized enterprises (SMEs) policies is still missing.
- The recent trend in public funding for research and innovation (since mid-2010) is not in line with the 2012 Annual Growth Survey priority of differentiated growth-friendly fiscal consolidation.
- Elements of the new legislation on school education risk increasing the number of early school leavers and segregation in the Hungarian school system. The equally important issue of lifelong learning is not sufficiently addressed. Improving education at all levels will be important to raise the competitiveness of the Hungarian labour force.
- The lack of progress in restructuring public transport has been an important reason for budget slippages in recent years. Increasing the cross-border capacity of the electricity network could facilitate a potential increase in trade with neighbouring countries.

#### **Recommendation for 2012/2013**

- Correct the excessive deficit by 2012 in a durable manner, by implementing the 2012 budget and the subsequently approved consolidation measures, while reducing the reliance on one-off measures.
- Revise the cardinal law on economic stability.
- Make the taxation of labour more employment-friendly.
- Strengthen the capacity of the Public Employment Service to increase the quality and effectiveness of training, job search assistance and individualised services, with particular regard for disadvantaged groups. Strengthen the activation element in the public work scheme through effective training and job search assistance. Implement the National Social (Roma) Inclusion Strategy, and mainstream it with other policies.
- Implement measures envisaged to reduce the administrative burden. Ensure that public procurement and the legislative process support market competition and ensure a stable regulatory and business-friendly environment for financial and non-financial enterprises, including foreign direct investors. Reduce tax compliance costs and establish a stable, lawful and non-distortive framework for corporate taxation.
- Remove unjustifiable restrictions on the establishment of large-scale retail premises.
- Provide specific well-targeted incentive schemes to support innovative SMEs in the new innovation strategy.

### *1.2.2.3 Position of the Commission Services on the development of partnership Agreement and programmes in Hungary for the period 2014-2020*

The following are the priorities the Commission would like to co-finance in Hungary for the next programming period 2014-2020. Sufficient flexibility is built into the new programming architecture

<sup>13</sup> Council recommendation on the National Reform Programme 2012 of Hungary and delivering a Council opinion on the Convergence Programme of Romania, 2012-2015



to respond to new challenges and unexpected events, which allow for reprogramming on justified grounds. Planning should take account of cross-border links and transnational coordination.

1. *Enhancing business innovation and competitiveness. Increasing the effectiveness of R&D*
  - Innovation (incl. in ICTs) and internationalisation of enterprises, especially SMEs through tailor-made financial instruments
  - Fostering investments in research and in R&D centres of excellence and enhancing the transfer of R&D results towards SMEs
  - Multipolar development through regional growth poles and innovative clusters Increasing SME contribution to the rural economy, and enhancing the competitiveness of the agricultural sector
2. *Sustainable and interconnected infrastructure and their efficient use*
  - Completion and efficient operation and interconnection of systems in the energy, drinking and waste water sectors, and in waste management
  - Improving integration, sustainability and cost-efficiency of urban, regional, national and transnational mobility systems (esp. in the railways and urban public transport)
3. *Increasing the level of employment through economic development, employment, education and social inclusion policies, taking account of territorial disparities*
  - Increasing the capacity of public employment services, strengthening active labour market policies
  - Integration of vulnerable groups in different areas of life (employment, education, housing, health, access to services)
  - Improving the quality of education and ensuring equal access thereto, in particular in pre-school (including childcare) facilities and higher education
  - Improving services to citizens and businesses through an efficient and financially sustainable public administration
4. *Environment-friendly and efficient use of resources; climate change resilience*
  - Integrated development and management of Hungarian rivers and water resources, including flood management
  - Improving energy efficiency and enhancing renewable energy production and use
  - Protecting the environment, ecosystem and landscape, preserving biodiversity

#### *Investment areas that require specific justification*

- Investment in **local roads** should be financed mostly from national funding; given the substantial amount available for this type of intervention in the 2007-2013 period a reassessment is needed on whether to consider this area a priority. Unless they contribute to the regeneration of a deprived urban or rural community or area, their support by the CSF funds should be strongly motivated.
- **Commercial tourism facilities**, such as hotels, leisure and spa facilities should be principally financed by private funds. It is necessary to strictly motivate possible exceptions. Basic tourism infrastructure, including information, **cross-border cooperation**, small-scale facilities, agri-tourism, eco-tourism, etc. represent potentially justifiable investments for CSF funds. Support needs to be granted in accordance with EU state aid rules and address real market failures while limited to the minimum necessary. Whenever possible, charges should be paid by users of the infrastructure, in conformity with the polluter or user pays principle.

#### **Priorities for European Territorial Cooperation (ETC)**

Transnational and cross-border dimensions, including the framework of the EUSDR, are particularly important for the challenges identified in the following fields:

- R&D&I (esp. the exchange of experiences through the transnational and interregional programmes);
- The low-carbon economy (especially in energy efficiency);
- The TEN-T networks (especially inland waterway and rail/road links);
- Water and flood management, natural and technological risk prevention, climate change mitigation and adaptation;
- Employment, education and social inclusion (with special focus on marginalized communities e.g. Roma).

#### 1.2.2.4 Hungarian Partnership Agreement for the development period of 2014-2020

According to the Hungarian Partnership Agreement the national development goals can be achieved most efficiently if the European funds and the programs reinforce each other's effects and are thematically concentrated. Therefore, the document defines the following five main national development priorities:

1. Improving competitiveness and global performance of the business sector
2. Increasing the level of employment through economic development, employment, education and social inclusion policies, taking into account territorial disparities
3. Enhancing energy and resource efficiency
4. Tackling social and demographic challenges, good governance
5. Local and regional economic development

Each major national development priority supports the EU2020 strategy. Together the priorities embrace the 11 thematic objectives. However, the 11 thematic goals –in order to fulfil the requirement of thematic concentration – have unequal weight in the different priorities.

In accordance with the strategic priorities of the National Development and Regional Development Concept 2020 (OFTK) the main areas of cross-border cooperation include:

- increasing competitiveness and employment through cross border cooperation;
- promoting cross border regional integration by strengthening the environmental, transport, water and energy network cooperation;
- facilitating institutional integration and improving the relationship among the cross border communities.

In case of the CBC and transnational programs the selection of thematic goals and investment priorities is carried out together with the neighbouring countries. The county level development concepts – which were defined in accordance with the OFTK – have a huge effect on CBC goal selection. Furthermore, the goals of the transnational programs should also take into consideration the EUSDR. For the successful program design and implementation, Hungary seeks to achieve coherency between the development programs of its own and the other member states of the macro region.

#### 1.2.2.5 Related provisions of relevant regulations

Legal framework (law, regulation)	Content
Act XXI. of 1996. on regional development and land use	This Act, amended several times, provides the framework for the essential tasks, rules and institutional system of regional



Legal framework (law, regulation)	Content
	development and land use.
Government Resolution 218/2009. (X. 6.) on the detailed regulation of the content requirements, drafting, consultation, approval and publication of regional development concepts, regional development programmes and spatial development plans.	This regulation, amended in 2012 provides specific guidance to the elaboration of regional and spatial development concepts and programmes.
Act CLXXXIX. of 2011 on the local and county governments of Hungary	As a consequence of this regulation, the coordination of regional development activities has become one of the key tasks of the counties (county governments). In line with the provisions of this Act, the preparation of the county development concepts is the task and responsibility of the county governments.
Government Resolution 1149/2010. (VII. 9.) on the appointment and tasks of the government commissioner responsible for the EU's Danube Region Strategy	The Hungarian Government has appointed a government commissioner to coordinate the government activities related to the DRS. The appointment is valid for the period between 1 <sup>st</sup> January 2012. and 31 <sup>st</sup> December 2013.
Government Resolution 314/2012. (XI. 8.) on local development concepts, integrated settlement development strategies and land use tools, as well as the special land use legal institutions.	This regulation guides the content and the process of preparation, consultation and approval of local development concepts, integrated settlement development strategies and spatial development / land use documents.
Government Resolution 1143/2013. (III. 21.) on the indicative priorities of the programmes for using the EU funds between 2014–2020	This Government Resolution defines an indicative list of the Hungarian operational programmes for the period of 2014–2020, as well as that of their priorities. <ul style="list-style-type: none"> <li>• Economic Development and Innovation OP</li> <li>• Intelligent Transport Development OP</li> <li>• Human Resource Development OP</li> <li>• Environmental and Energy Efficiency OP</li> <li>• Competitive Central Hungary OP</li> <li>• Regional and Settlement Development OP</li> <li>• Hungarian Fisheries OP</li> <li>• Rural Development Programme</li> <li>• Coordination Operational Programme</li> </ul>
Government Resolution 1195/2013. (IV. 11.) on the long- and medium term development goals related to the planning of the 2014–2020 cross-border cooperation programmes, as well as the proposals for the key priorities providing the basis for the international consultation of the operational programmes.	The Hungarian Government calls on the relevant ministers involved in the planning of EU co-financed cross-border programmes for the period of 2014–2020 to represent the inclusion of the following development objectives (in line with the characteristics, needs and possibilities of the given eligible area) in the relevant international planning task forces: <ol style="list-style-type: none"> <li>a) economic development (with special attention to SME development and RTDI development),</li> <li>b) elimination of the lack of transport connections,</li> <li>c) fostering employment,</li> <li>d) environmental protection and energy efficiency,</li> <li>e) institutional development.</li> </ol>

### 1.2.2.6 Relevant provisions of key strategic documents

Spatial plans and regional development strategies	Most important provisions for the eligible area
National documents	
National Development and Regional Development Concept (OFTK) (2012 – draft version, under consultation)	<p>The concept highlights cross-border development as part of regional policy directions and tasks, identifying economic cooperation, linking environmental protection and infrastructure networks, as well as institutional cooperation and increasing capacities as major goals of such cooperation.</p> <p>Furthermore, the concept also defines development directions for each county located in a border area. These are as follows in case of the counties located in the eligible area:</p> <ul style="list-style-type: none"> <li>• Csongrád county: building on the opportunities offered by the triple border, the establishment of cross-border cooperations and development of industrial parks; enhancing Hungarian-Romanian cooperation in order to improve enterprise development and investment promotion, also taking into account landscape and environmental considerations.</li> <li>• Békés county: enhancing cross-border cooperation with the support of economic development, organization of cooperation programmes and launching a joint market built on local products.</li> <li>• Hajdú-Bihar county: reducing centre-periphery differences through enhancing internal cohesion and supporting cross-border cooperations.</li> <li>• Szabolcs-Szatmár-Bereg county: better use of the potential stemming from the favourable geopolitical situation, promotion of cross-border cooperations (e.g. Nyíregyháza-Satu Mare).</li> </ul>
New Széchenyi Plan (2011)	<p>Two programmes of the New Széchenyi Plan explicitly mention the role of cross-border cooperation:</p> <p>The objectives of the „Healing Hungary Programme” include the catching up of regions lagging behind, where the programme envisages the implementation of complex socio-economic programmes to help these microregions that are lagging behind, lacking proper centres; the programme also highlights that many of these microregions are actually located in the border area.</p> <p>The Enterprise Development Programme includes objectives related to cross-border infrastructure and transport development, focusing mainly on specific projects (implemented in an integrated manner) aimed at the development of small-scale cross-border infrastructure development (roads, railroad, bike tracks, bridges and ferry boat links) and also at the establishment of regular public transport links, thus deepening cross-border integration and economic relations. Most of these developments focus on microregions lagging behind that are located in the proximity of the border, and where the rehabilitation of relations existing in the past could result in new socio-economic development.</p>
National Rural Development Strategy 2012-2020 (2012)	<p>This document highlights the local community participation and cooperation as a strategic principle. As part of this principle, the document calls the attention to the importance of the cooperation</p>



Spatial plans and regional development strategies	Most important provisions for the eligible area
	of local communities – also across the border - in order to implement joint programmes, improve the flow of information and relations, as well as to exchange best practices, useful examples.
National Spatial Development Plan (2012)	This document does not contain explicit reference / objectives to the eligible area.
Regional strategies	
North-Great Plain Strategic Programme (2008)	<p>A significant speciality of the region is the cross-border location offering several – partly exploited and partly not sufficiently exploited – potentials (such as cooperation between enterprises, formation and development of clusters, in the field of economy and commerce, tourism, nature and environmental protection, infrastructural development, R&amp;D cooperation between enterprises; higher educational institutions and research centres, education, cultural cooperation, health care etc.). Since the majority of borders of the North-Great Plain are state border and the territories alongside these borders are considered to be peripheral from more aspects, one of the key tasks is the development of the eligible area and cross-border cooperations coordinated at regional level.</p> <p>Within the frame of the priority: “Development of the competitiveness of the regional economic environment”, the concept of full exploitation of potentials related to the eligible area and cross-border cooperations was formulated. Stimulation of cross-border economic relations and cooperations, development of interregional relations formulate an integral part of this concept. Among the potential forms of collaboration, development and cooperation in the area of health care services and cooperation between health care service providers came into view (patient mobility, developments related to service offering).</p> <p>This measure takes into consideration, that the incentive of cross-border and interregional economic cooperation, the joint development of enterprises, the establishment of cross-border and interregional infrastructural background, the joint development of transport infrastructure, the widening of cross-border and interregional touristic and cultural relations, the strengthening of cross-border and interregional cooperations in the field of environmental- and nature protection, water management and emergency management, the joint development of health care services and cooperation of service providers, the incentive of formal and informal types of cross-border and interregional cooperation in the field of education and teaching, and incentive of related joint marketing activities are implemented within the frame of sectoral development.</p>
South-Great Plain Strategic Programme (2007)	This document does not include any goals or measures closely related to the eligible area.
County strategies	
Szabolcs-Szatmár-Bereg county (2013)	<p>Using the comparative advantages offered by its borderside location is an important development policy focus of the county.</p> <p>Helping the re-establishment of links of microregions in the immediate neighbourhood of the state border with their traditional urban centres across the border is considered an important task as part of the strategic objective „Liveable countryside and converging external peripheries”.</p>
Hajdú-Bihar county (2013)	The situation analysis of the county deals with the cross-border





Spatial plans and regional development strategies	Most important provisions for the eligible area
	cooperation as a potential, stand-alone direction. The goal is the encouragement of integrated, complex development plans – those came into being during the EU enlargement and building upon the newly formed economic space and border situation –, the incentive of structural change, and the development and orientation of vocational training in line with the developments and economic demand.
Békés county (2013)	The goal named: “Strengthening of social and economic cohesion between the central and peripheral regions” includes, inter alia, the establishment of new border crossings between Hungary and Romania, with the help of which cross-border settlement-economic relations could go under intensification and the rate of employment could rise.
Csongrád county (2013)	Strategy of the county stresses the importance of the establishment of an urban network – node area alongside the triple border. As an essential part of it, functional cooperative system is to be built in the potential pole region of Szeged-Hódmezővásárhely-Makó-Arad-Temesvár-Szabadka.
Integrated Urban Development Strategies of localities with county status	
Nyíregyháza IUDS (2008)	This strategy document includes the enhancing of interregional role (of Nyíregyháza) as one of the thematic objectives. To that end, the strategy foresees the city networks and twin city relations as basis, on which sustainable cultural and economic partnerships can be built.
Debrecen IUDS (2008)	In its long-term vision Debrecen is not just the centre of the North-Great Plain, but it also appears as a regional centre of the eligible area and as a knowledge centre of international significance.
Békéscsaba IUDS (2009)	For the achievement of the city’s long term vision one of the sub-objectives is the establishment of a partnership with the municipalities, institutions and representatives of Arad, Timis and Oradea. One task is – inter alia – the establishment of a corporate office for the interposal of investments, strengthening of commercial relations and in order to react to the demand for shopping tourism towards Békéscsaba.
Szeged IUDS (2008)	For the improvement of external accessibility of Szeged, the document emphasises the rehabilitation of the railway line between Szeged-Timis and the improvement of transport links between Arad-Szeged-Szabadka.
Hódmezővásárhely IUDS (2009)	This document does not include any goals or measures closely related to the eligible area.

#### 1.2.2.7 National position on CBC Programmes

The Hungarian government decision<sup>14</sup> introduced in April 2013 recommends five different development goals to be represented during the planning of cross-border programmes. These are the following:

- economic development (especially SME development and R&D&I development);

<sup>14</sup>Government decision 1195/2013. (IV.11.)





- eliminating lacking transport links;
- promoting employment;
- protecting the environment and promoting energy efficiency, and
- enhancing institutional capacity.

### 1.2.3 Key implications for the strategy

- Taking into account the EU2020 national targets for Romania and Hungary, both countries are facing challenge in all five areas.
- Based on the situation analysis the Position Papers formulate very similar development areas for the two countries. The overlapping development areas on national level are the following:
  - R&D&I;
  - Social inclusion and education;
  - Protection and use of natural resources: energy efficiency, flood management;
  - Infrastructure (focus in Romania: Ten-T networks, focus in Hungary: public transport).
- Both countries' Position Papers and Partnership Agreements highlight that Danube strategy must be taken into account when defining priorities for the CBC programme.
- Taking into account the Position of the Commission Services on the relevant areas in the context of the ETC and the EUSDR, there are four elements that are highlighted for both countries:
  - R&D&I;
  - low carbon economy;
  - social inclusion (inclusion (with special focus on marginalized communities e.g. Roma);
  - the TEN-T networks (especially inland waterway: navigability of the Danube);
  - risk prevention.
- Among the investment areas the Commission would like to co-finance are some that require specific justification: the commercial tourism facilities should be principally financed by private funds; however, in connection with CBC programmes the Position Papers state that these represent potentially justifiable investments for CSF funds.
- Both the Hungarian and the Romanian Partnership Agreements highlight that CBC programs should concentrate on the improvement of the transport and environmental system and the energy sector. It is also important to strengthen the relationship between the cross border communities.



## 2 Analysis of the current situation of the eligible area

What follows is an overall analysis of the eligible area. In accordance with what is proposed in the Inception Report, we have focused on key statistical data that properly describes the various aspects of the eligible area, complemented with information from the strategic documents reviewed, as well as the various interviews and workshops delivered. In line with this – and the EU's thematic objectives as well – we have covered the following areas:

- General description of the region and demography
- Economy and labour market
- Education, research and development
- Environment and energy
- Infrastructure and mobility
- Tourism and leisure
- Social and health-care

In order to realise this – besides the information available in various documents –, it is important to use a solid basis of statistical data to prepare the strategic territorial analysis.

In selecting the exact data-set to be used, the following principles have been taken into account:

- Availability of data – for the border area, both sides, same territorial level;
- Timeliness of data – the more up-to-date they are, the better it is;
- Comparability of data: during the statistical analysis, comparison of the border area with national and EU figures, as well as with other border areas can provide useful information – this is only possible if a standard, widely available dataset is used;
- Accordance with the thematic objectives of the Europe2020 strategy;
- Reliability of data.

Based on this, throughout the data analysis we followed the steps below:

1. Assessment of available data on
  - national,
  - regional, and
  - county levels.
2. Identification and collection of same-level data from the counties' strategic documents available throughout the HURO region;
3. Development of a common statistical database for the HURO region based on the collected data;
4. Identification and/or development of complex indicators based on and within the developed statistical database.

In order to ensure dynamic analysis of the area, time-series are used whenever appropriate instead of static data.

On this basis, our team focused on using data primarily from Eurostat, and in case Eurostat data cannot properly describe an area, complementary information is obtained from (1) national statistical offices (KSH, INS), (2) national authorities (e.g. national banks, national road authorities) and other authorities (e.g. IMF), (3) independent institutions, in that order of preference. Moreover,



due to their reliability and accuracy, data available from the national censuses of 2011 got special attention throughout the data collection phase.

In addition to data available from official statistics, however, we have also heavily relied on information – research results and maps – from the European Union’s ESPON Programme. ESPON supports the design of territorial development policy through the provision of comparable information, evidence and analysis and scenarios on territorial dynamics.<sup>15</sup>

One of the most important information source from the ESPON Programme was the ESPON Factsheet for the Hungary-Romania border area, developed as part of the TERREVI Project, focusing on “producing evidence for Structural Funds programmes with the aim to support the development of the programmes to be carried out in the 2014 – 2020 period”.

We have also used information from our document review, - more specifically, we have relied on information from county development strategies of the 8 eligible counties. Each thematic chapter contains a detailed table of county specificities and key intra-county disparities; the information presented in these tables derive primarily from the county development strategies, and also from interviews and workshops, where it has been appropriate / necessary.

Each thematic chapter follows the same general logic: it starts with the presentation and analysis of hard evidence – statistical data describing the key characteristics of the eligible area. Then we include a summary table of county specificities – most important county-specific features in the given area. Finally, we summarize the most important conclusions from the entire analysis.

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<sup>15</sup>Further information on ESPON programme: <http://www.espon.eu>



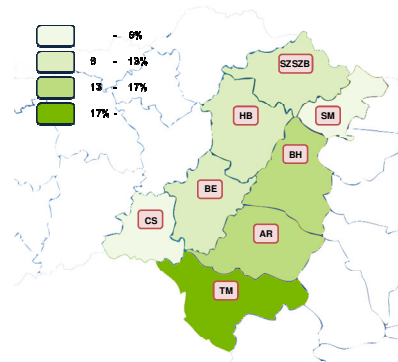
## 2.1 General description of the region and demography

### 2.1.1 General description

The eligible area under analysis consists of eight counties in Hungary and Romania: Szabolcs-Szatmár-Bereg, Hajdú-Bihar, Békés and Csongrád in former; Satu Mare, Bihor, Arad and Timiș in latter. These counties combine an area of over 50 thousand km<sup>2</sup>, representing 15.2% of the two countries' territory (23.7% of Hungary and 11.9% of Romania, resp.). The counties' surface varies within the range of 4,263 km<sup>2</sup> (Csongrád) and 8,697 km<sup>2</sup> (Timiș – which is also the largest county of Romania). According to the latest census, in 2011 in Hungary there were 9,985,722, in Romania 19,042,936<sup>16</sup> inhabitants (in the European Union – 27 member states: 502,406,858). The cross border counties unite almost 4 million people, representing 12.7% of the two countries' inhabitants. The county with the biggest population in the eligible area is Timiș, with 680 thousand inhabitants (17% of the eligible area population), while Satu Mare, with 362 thousand people is the smallest (9% of population of the eligible area). On the other side of the border, the population of the Hungarian counties comes to between 9 and 14% of the eligible area population. In terms of population, the biggest Hungarian county in the region, Szabolcs-Szatmár-Bereg is still far behind Timiș while Békés, the smallest one is on the same level as Satu Mare. Consequently, Timiș and Szabolcs-Szatmár-Bereg are the biggest counties in the eligible area, having the majority of the region's population.

However, one can see a slight decline in the population of the eligible area – 1.2 % between 2006 and 2011. The decline was especially high in Békés, with a 6.2% fall on a five year comparison, but also the two Northern counties, Szabolcs-Szatmár-Bereg and Satu Mare suffered significant setbacks. On the other hand, the population of Timiș has risen by 2.9%: it was the only positive example out of the eight countries. This rise in Timiș was due to the outstanding net migration<sup>17</sup> number of 26 thousand people, amounting to the population of a mid-sized city.

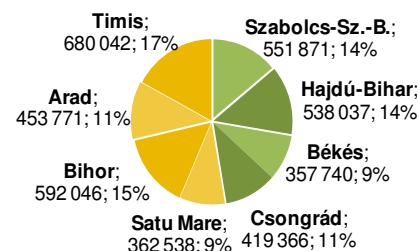
Figure 1– Territory of the counties (map)



Source: Eurostat

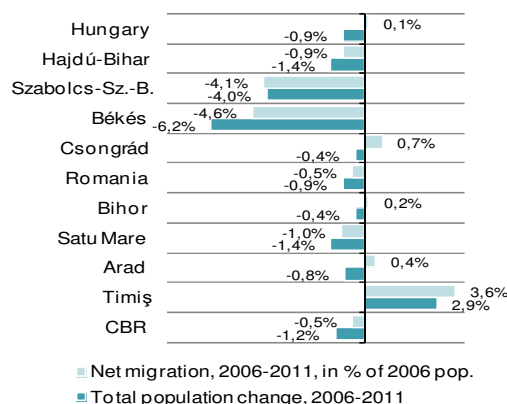
See list of county abbreviations in annex 6.5.

Figure 2– Population of the counties, 2012



Source: KSH, INS

Figure 3– Change in population and net migration, 2006-2011\*



Source: Eurostat\* Latest data available in the data bases

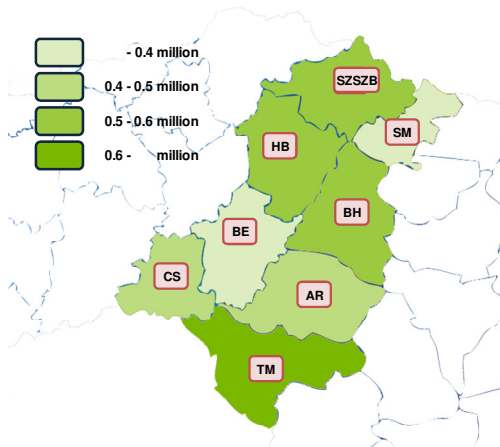
<sup>16</sup> Provisional census data, official results has not yet been published.

<sup>17</sup> The number of people moving into the county decreased by the number of people moving away.



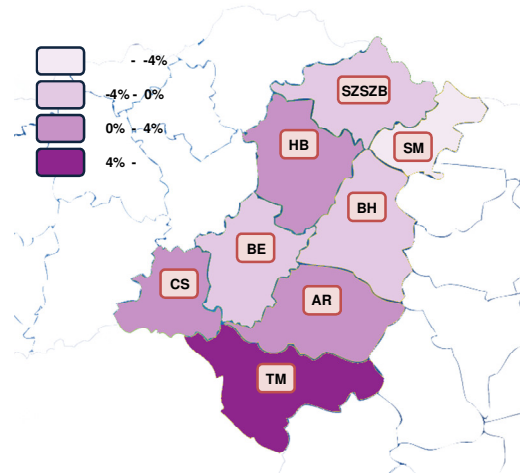
The maps below present the population of counties in 2012 and the net migration between 2006 and 2011 in percentage of 2006 population.

Figure 4– Population of the counties, 2012 (map)



Source: Eurostat and KSH

Figure 5– Net migration (2006-2011), in percentage of 2006 population (map)



Source: Eurostat

In general, concerning migration there is a rather positive tendency experienced in the Romanian counties and a rather negative one in the case of the Hungarian parts. It also has to be mentioned that besides Timiş and Arad, Csongrád attracted a significant number of migrants as well.

Figure 6– Main data of vital events, 2010

County	Live births	Deaths	Natural increase or decrease (-)	Marriages	Divorces
Arad	4 225	6 103	-1 878	2 604	604
Bihar	6 348	7 407	-1 059	3 395	1 016
Satu Mare	3 618	4 539	-921	2 296	709
Timis	6 837	7 853	-1 016	4 377	593
<i>Romania region</i>	<i>21 028</i>	<i>25 902</i>	<i>-4 874</i>	<i>12 672</i>	<i>2 922</i>
<b>Romania</b>	<b>212 199</b>	<b>259 723</b>	<b>-47 524</b>	<b>115 778</b>	<b>33</b>
Békés	2 582	5 536	-2 954	1 022	788
Csongrád	3 394	5 377	-1 983	1 396	1 010
Hajdú-Bihar	4 942	6 383	-1 441	1 797	1 298
Szabolcs-Sz.-B.	5 329	6 813	-1 484	1 813	1 248
<i>Hungary region</i>	<i>16 247</i>	<i>24 109</i>	<i>-7 862</i>	<i>6 028</i>	<i>4 344</i>
<b>Hungary</b>	<b>90 335</b>	<b>130 456</b>	<b>-40 121</b>	<b>35 520</b>	<b>23 873</b>
<b>CBR*</b>	<b>37 275</b>	<b>50 011</b>	<b>-12 736</b>	<b>18 700</b>	<b>7 266</b>
<b>Romania and Hungary (total)</b>	<b>302 534</b>	<b>390 179</b>	<b>-87 645</b>	<b>151 298</b>	<b>23 906</b>

Source: Regional statistical yearbook, 2010



The losses of the above mentioned Hungarian countries can derive from – besides the significant natural decrease – the poor economic performance of East-Hungary. This is also in line with the trend of the regional inequalities: namely, that the Western/North-western part of the country developing at a faster pace and offer better conditions for the people.

The data about the natural change of the population show a very disadvantageous situation (Figure 6 and 7): the number of deaths exceeds the number of births to a great extent. The natural change per thousand inhabitants varies between -8.1 and -1.5, while the EU-average is approx. +1. The rate of natural decrease is particularly unfavourable in Arad, Békés and Csongrád counties. In general, there are not significant differences among the data concerning life births, although the relative number of marriages is higher in the Romanian part of the eligible area than in the Hungarian counties.

Figure 7– Main data of vital events per ten thousand inhabitants, 2010

County	Live births	Deaths	Natural increase or decrease (-)	Marriages	Divorces
	per thousand inhabitants				
Arad	9,3	13,5	-4,2	5,7	1,3
Bihar	10,7	12,5	-1,8	5,7	1,7
Satu Mare	9,9	12,4	-2,5	6,3	1,9
Timis	10,2	11,7	-1,5	6,5	0,9
<i>Romania region</i>	<i>10,1</i>	<i>12,4</i>	<i>-2,3</i>	<i>6,1</i>	<i>1,4</i>
<b>Romania</b>	<b>9,9</b>	<b>12,1</b>	<b>-2,2</b>	<b>5,4</b>	<b>1,5</b>
Békés	7,1	15,2	-8,1	2,8	2,2
Csongrád	8,0	12,7	-4,7	3,3	2,4
Hajdú-Bihar	9,1	11,8	-2,7	3,3	2,4
Szabolcs-Sz.-B.	9,6	12,2	-2,7	3,2	2,2
<i>Hungary region</i>	<i>8,6</i>	<i>12,7</i>	<i>-4,2</i>	<i>3,2</i>	<i>2,3</i>
<b>Hungary</b>	<b>9,0</b>	<b>13,0</b>	<b>-4,0</b>	<b>3,6</b>	<b>2,4</b>
<b>CBR*</b>	<b>9,3</b>	<b>12,6</b>	<b>-3,2</b>	<b>4,6</b>	<b>1,9</b>
<b>Romania and Hungary (total)</b>	<b>9,5</b>	<b>12,6</b>	<b>-3,1</b>	<b>4,5</b>	<b>2,0</b>

Source: Regional statistical yearbook, 2010

Figure 8 presents the number of urban and rural areas in the eligible area. In order to obtain comparable data, in Hungary towns and cities, while in Romania municipalities and cities were considered to be urban areas.

In case of Hungary the rural areas are the villages, while in Romania the number of communes was taken into account. According to this comparison in each researched Hungarian county the number of urban areas is higher than in the Romanian counties (with the exception of Csongrád). The number of rural areas is higher in the relevant Romanian counties except for Szabolcs-Szatmár-Bereg, which surpasses every other county of the CBC area.

Figure 8– Number of urban and rural areas in the eligible area

	Urban	Rural	Total
Békés	21	54	75
Csongrád	10	50	60
Hajdú-Bihar	21	61	82
Sz.-Sz.-Bereg	27	202	229
Arad	10	68	78
Bihar	10	91	101
Satu Mare	6	59	65
Timis	10	89	99

Source: KSH, INS



Regarding the cities, the county capitals are the most populated in the eligible area; with the exception of Satu Mare and Békéscsaba, they all exceed 100 thousand inhabitants and play central role within the countries. The largest city in the region is Timișoara with a population of more than 303 thousand, forming an important economic centre in Romania among the other larger cities. Timisoara is the only urban centre in the Hungary-Romania CBC area which can be regarded as a Metropolitan European Growth Area. The other urban centres are only nationally or regionally important. It is worth mentioning that there are no major urban agglomerations close to the programme area.<sup>18</sup>

Figure 9– Cities in the eligible area

City	County	Population
<b>Timișoara</b> (county tow n)	Timiș	<b>303 708</b>
<b>Debrecen</b> (county tow n)	Hajdú-Bihar	<b>207 594</b>
<b>Oradea</b> (county tow n)	Bihar	<b>183 123</b>
<b>Szeged</b> (county tow n)	Csongrád	<b>170 052</b>
<b>Arad</b> (county tow n)	Arad	<b>147 992</b>
<b>Nyíregyháza</b> (county tow n)	Szabolcs-Sz.-B.	<b>117 658</b>
<b>Satu Mare</b> (county tow n)	Satu Mare	<b>94 948</b>
<b>Békéscsaba</b> (county tow n)	Békés	<b>63 752</b>
<b>Hódmezővásárhely</b>	Csongrád	<b>46 522</b>
<b>Lugoj</b>	Timiș	<b>37 321</b>
<b>Gyula</b>	Békés	<b>31 679</b>
<b>Hajdúböszörmény</b>	Hajdú-Bihar	<b>31 306</b>

Source: KSH, INS

Data for Hungarian cities: 1 January 2012

Data for Romanian cities: 1 January 2011

The second largest city is Debrecen which is also a node in the eastern part of Hungary, having developed dynamically in recent years. The eight capitals combine a total population of approx. 1.36 million people, representing one third of the eligible area. The relatively high share of the county seat population in the total population (hypertrophy 1) and in the urban population of the county (hypertrophy 2) includes risks for the expected polycentric development. The values of this indicator show a certain "hypertrophy" of the county urban systems – particularly in Romania. Besides the county seats only four townships surpass the 30 thousand population threshold in the area; however, the number of cities with population between 10 and 30 thousand people is as high as 34. The rate of population living in cities in the eligible area reaches 62.1%. Although the Hungarian indicators show a high proportion of people living in cities (in Hajdú-Bihar this indicator surpasses 80%), it has to be noted, that even these townships are to be considered as rather rural in their character.

Figure 10– Hypertrophy in the eligible area

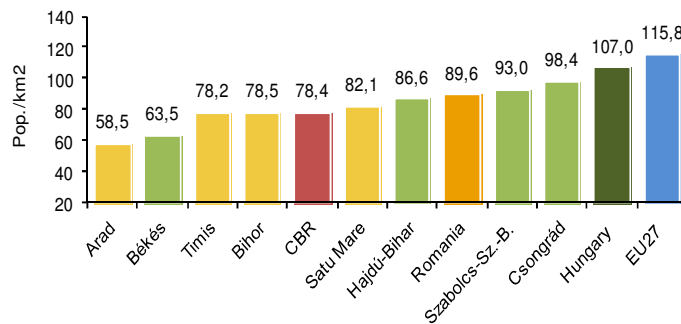
City	County	Population of the county seat	Population of the county	Hypertrophy 1 (%)	Urban population of the county	Hypertrophy 2 (%)
Timișoara	Timiș	303 708	678 437	44.8	421 061	72.1
Debrecen	Hajdú-Bihar	208 016	538 037	38.7	432 704	48.1
Oradea	Bihar	183 123	593 041	30.9	299 207	61.2
Szeged	Csongrád	170 285	419 366	40.6	316 162	53.9
Arad	Arad	147 992	455 126	32.5	237 277	62.4
Nyíregyháza	Szabolcs-Sz.-B.	117 852	551 871	21.4	299 760	39.3
Satu Mare	Satu Mare	94 948	363 488	26.1	151 518	62.7
Békéscsaba	Békés	64 074	357 740	17.9	270 467	23.7

Source: KSH, INS, Data for Hungarian cities: 1 January 2012, Data for Romanian cities: 1 January 2011

<sup>18</sup>ESPON Factsheet: Hungary-Romania, [http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128\\_fact-sheets/Factsheet\\_Hungary\\_Romania.docx](http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128_fact-sheets/Factsheet_Hungary_Romania.docx), retrieved on 20.06.2013

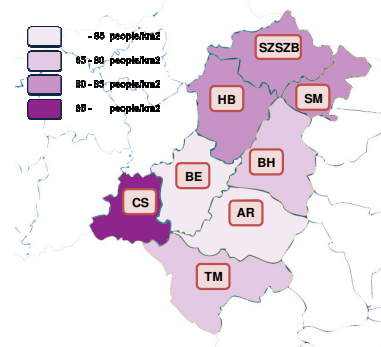


Figure 11– Population density, 2012



Source: KSH, INS

Figure 12- Population density, 2012 (map)

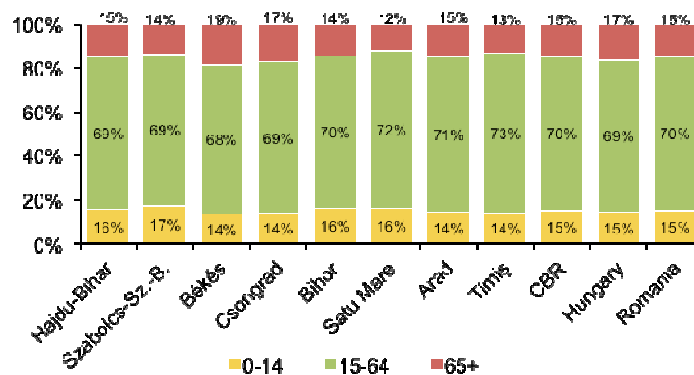


Source: KSH, INS

This fact can be supported by the population density as well, which is in the case of all counties lower than their respective national or the EU27 average. The numbers are equally low but we can highlight Arad, with 58.5 persons per km<sup>2</sup> and Békés. The highest density is seen in Csongrád and in Szabolcs-Szatmár-Bereg.

The figure below shows the distribution of the eligible area's counties' population according to the age groups of 0-14, 15-64 and 65+.

Figure 13– Distribution of the population according to age groups (2011)



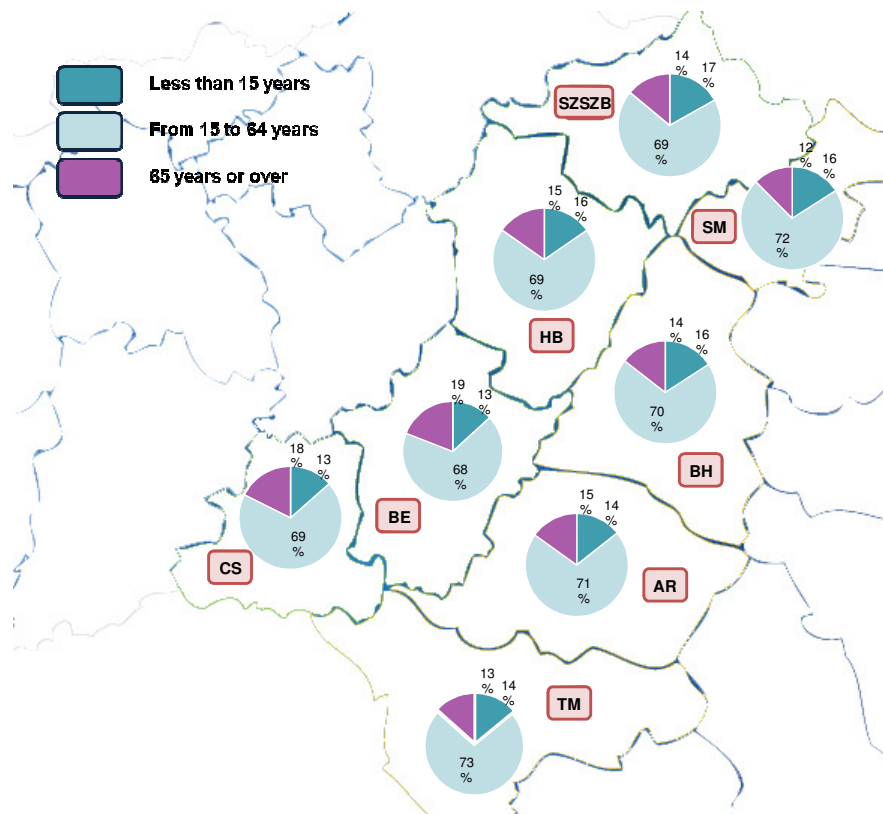
Eurostat

Source:

It can be seen that the majority of the counties' population was between the age of 15 and 64 in 2011. The share of people above 65 years is the highest in Békés (18.9%) and the lowest in Satu Mare (12.3%). Regarding this ratio, Békés surpasses the national and the regional averages as well. The proportion of people under the age of 15 is the highest in Szabolcs-Szatmár-Bereg county followed by Satu Mare, Bihar and Hajdú-Bihar (16%).



Figure 14. Distribution of the population according to age groups (%), 2012

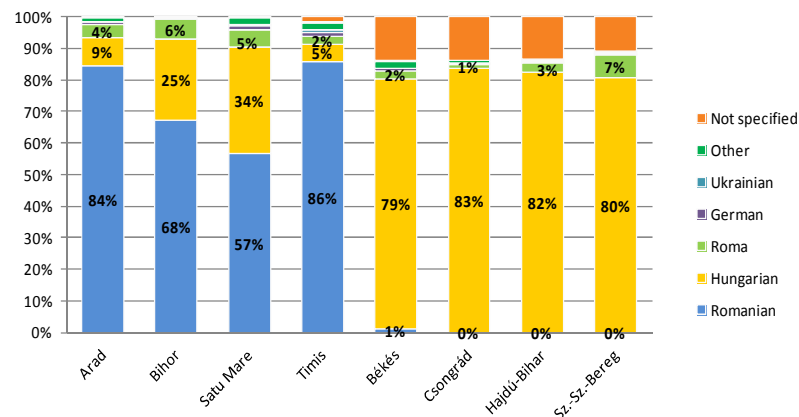


Source: Eurostat

The figure below (Figure 15) presents the ethnic composition of the CBC area. In all four Romanian counties a considerable proportion of Hungarian people are observable. However, in the Hungarian counties the share of the Romanian population ranges only from 1% to 0%.

It is also clear from the figure that the proportion of Roma people is significant in every cross border county. The share of Roma population within the CBC area is the highest in Szabolcs-Szatmár-Bereg county (7%), followed by Bihor (6%), Satu Mare (5%), Arad (4%), Hajdú-Bihar (3%), Békés (2%), Timis (2%) and Csongrád (1%). Besides Roma the most frequent ethnic groups

Figure 15– Ethnic composition of the cross border counties

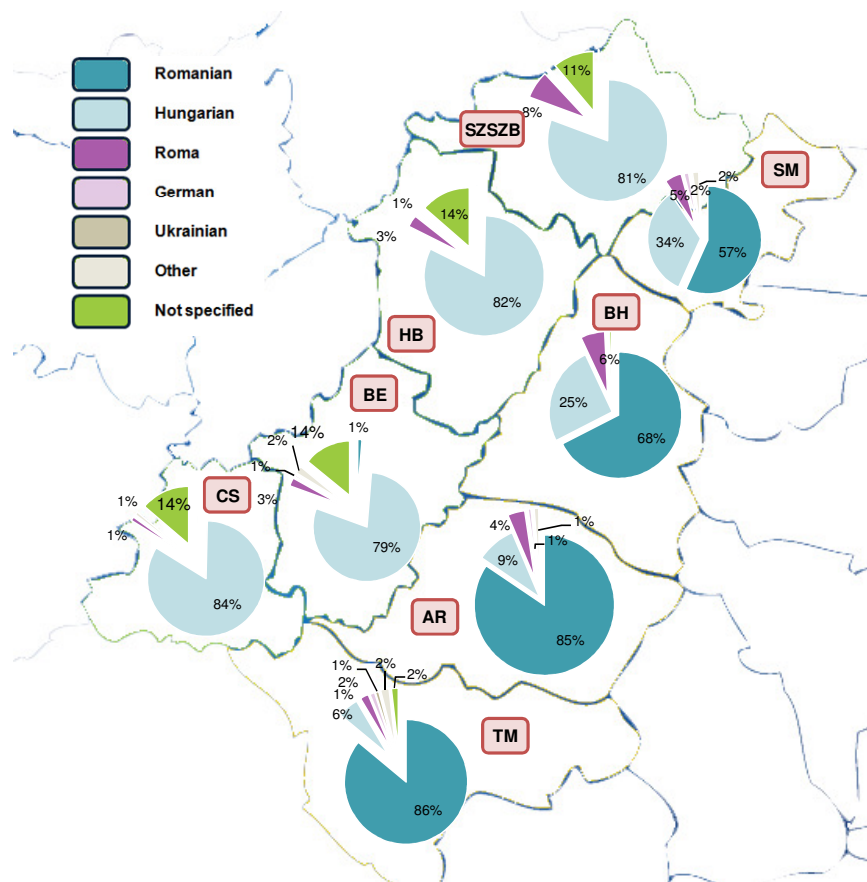


Source: KSH census data from 2011, INS provisional census data from 2011

Besides Roma the most frequent ethnic groups are the German and Ukrainian. Other ethnic groups in Hungary include for instance Bulgarian, Greek, Polish, Croatian, Slovakian and Serbian people. In Romania this category consists of for example Turkish, Russian and Lipovan inhabitants. In case of Hungary an extremely high proportion of the population (over 10% in each county) did not specify its nationality.



Figure 16 - Ethnic composition of the counties in the eligible area, 2011



Source: KSH census data from 2011, INS provisional census data from 2011

## 2.1.2 County specificities in demography<sup>19</sup>

The county specificities and the intra-county disparities in the field of general description, demography are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>The number of children attending preschool and primary school per thousand inhabitants is the highest in Hungary.</li> <li>The urbanization index is high compared to the Hungarian average and the population density exceeds that of the Great Plain.</li> </ul>	<ul style="list-style-type: none"> <li>The proportion of families under the poverty threshold (mainly roma) shows steady growth.</li> <li>Due to the natural population decline and the migration loss the population ages and the number of inhabitants decline in the county.</li> <li>The county is characterized by high proportion of underdeveloped, lagging-behind microregions.</li> </ul>	<ul style="list-style-type: none"> <li>The presence of acute crisis zones in the border area.</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>The demographic indicators of the county are partly better than the national average – especially in the field of reproduction and age structure.</li> </ul>	<ul style="list-style-type: none"> <li>The county suffers from constant migration loss.</li> <li>„Dead-end” small settlements are located in the immediate neighbourhood of the border.</li> </ul>	<ul style="list-style-type: none"> <li>Inequalities in the spatial structure, peripheries are lagging behind.</li> <li>Weak cohesion between Debrecen and the rest of the county.</li> </ul>
Békés	<ul style="list-style-type: none"> <li>Cultural and ethnic diversity.</li> <li>Increase in life expectancy at birth.</li> </ul>	<ul style="list-style-type: none"> <li>The county has the worst reproduction figures in the country.</li> <li>Accelerating outmigration, massive aging.</li> <li>Small county capital – the number of inhabitants of the county capital is low even in comparison to the number of inhabitants of the county.</li> </ul>	<ul style="list-style-type: none"> <li>The number of people living in poverty is high in the peripheries.</li> <li>In reality, the county capital functions are shared between Békéscsaba and Gyula.</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>The population density of Csongrád county significantly exceeds the national average calculated without the capital city.</li> </ul>	<ul style="list-style-type: none"> <li>Declining population, outmigration and ageing tendencies.</li> </ul>	<ul style="list-style-type: none"> <li>The population of the Szeged metropolitan area increases, while the population of the entire county declines.</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Multicultural population.</li> <li>Birth rate is higher than the national average.</li> </ul>	<ul style="list-style-type: none"> <li>Decreasing population, due to migration and aging.</li> <li>Lowest level in Romania of life expectancy at birth (differences even higher for male children).</li> </ul>	<ul style="list-style-type: none"> <li>Less ageing population than the national average – relatively high differences between the northern and southern region of the county.</li> </ul>
Bihar	<ul style="list-style-type: none"> <li>A well balanced demographic distribution between the rural and urban settlements (55% of the population living in towns).</li> <li>The presence and the co-habitation in concord of</li> </ul>	<ul style="list-style-type: none"> <li>The natural population's decline (-2,1 / 1000 inhabit.) and the strong migration phenomena of the young people brings about the constant diminution of the number of inhabitants in the county.</li> </ul>	<ul style="list-style-type: none"> <li>Increasing number of the zones affected by the poverty and the social integration aspects, due especially to the natural growth of the Roma population in the</li> </ul>

<sup>19</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties.



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	different ethnic population: about 67% Romanians, 25% Hungarians and 8% others (Slovaques, Germans, Roma).	<ul style="list-style-type: none"> <li>The county is characterized by a low rate of occupation of the work-force, especially in the rural areas.</li> </ul>	county.
Arad	<ul style="list-style-type: none"> <li>Multicultural population.</li> <li>Main entrance gate in Romania from Central and Western Europe.</li> </ul>	<ul style="list-style-type: none"> <li>Decreasing population due to migration.</li> <li>Migration and emigration of the qualified workforce.</li> </ul>	<ul style="list-style-type: none"> <li>High emigration rate from the county seat Arad.</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>In the last years the population of Timiș county has increased due to immigration from other areas in Romania.</li> <li>61.4% of the total county population lives in urban areas.</li> </ul>	<ul style="list-style-type: none"> <li>Constant negative population increase.</li> <li>Large part of the work resources are emigrating.</li> <li>Constant increase of population over 60 years old, and decrease of young age (&lt;15 years) population.</li> </ul>	<ul style="list-style-type: none"> <li>Large disparities between the population of the county capital city (Timisoara) and the population of other cities.</li> </ul>



### Box 1 – Conclusions– demography

As conclusion of the data about the region and its population, we can highlight the following:

- The eligible area has a major contribution to the whole population of Hungary and Romania, representing 12.7% of the two countries' total number of inhabitants.
- This fact is accompanied by the decreasing population of the region in the past years which is a result of – among others – negative net migration.
- Slight differences can be observed between the Hungarian and Romanian part regarding the net migration: with the exception of Csongrád, all Hungarian border county suffered from negative net migration compared to the Romanian ones. The figures are also remarkable mainly for the benefit of the Romanian side.
- The eligible area can be characterized as rural with a few important large cities accompanied by a number of smaller cities. The majority of the population centres around the capitals and bigger cities.
- The population density is well below the national and EU27 average in the case of each counties although the Hungarian ones *are inhabited denser than their Romanian counterparts*.
- The proportion of Hungarian inhabitants in the Romanian counties ranges between 9% and 34%, with major differences between counties; on the other hand, in the Hungarian counties the proportion of Romanian inhabitants varies among 0% and 1%. Despite the imbalance between the two countries, this provides good opportunities for cooperation initiatives.
- The proportion of Roma population is significant in the entire eligible area, with some internal differences. Given that the majority of Roma families live under the poverty threshold, this is a major social programme and long-term social risk.



## 2.2 Economy and labour market

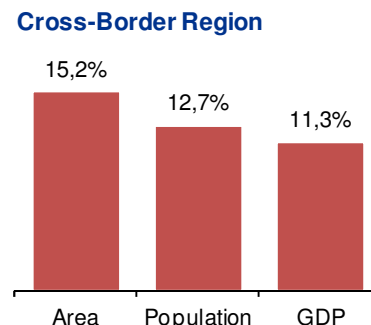
### 2.2.1 Economy

#### 2.2.1.1 GDP

The share of the region from the total area of Hungary and Romania (15.2%) exceeds the proportion of the border population (12.7%). Moreover, an even smaller portion, 11.3% of the national GDP is being produced in the eligible area. This figure clearly underpins the above mentioned rural character of the eligible area, but it also tells a lot about the economic situation of the area.

In Hungary, the gap between the figures of GDP and population draws attention to the differences of the Hungarian border counties. Although Szabolcs-Szatmár-Bereg is the most populated county of the four, its GDP share is lower by 2.5 percentage points than its population share. In Hajdú-Bihar, Békés and Csongrád it is only 1.4 percentage points, 1.6 percentage points and 1.1 percentage points, respectively. This can be one of the main reasons behind the negative migration data.

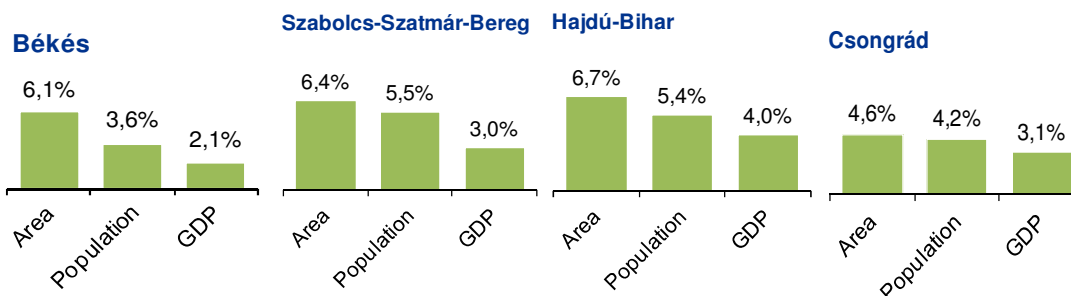
**Figure 17– Share of the eligible area of national indicators (Hungary and Romania combined)**



Source: KSH, INS, Eurostat; data for population from 2012; data for GDP from 2010\* (current price, PPS)

\* Latest data available in the data bases

**Figure 18– County share of national indicators (Hungary)**



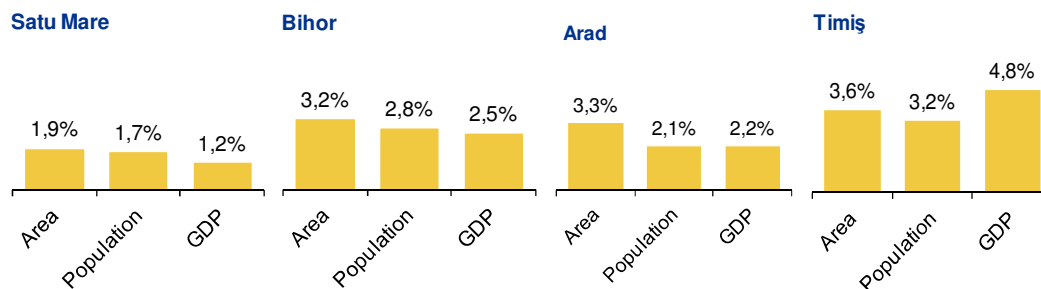
Source: KSH; data for population from 2012; data for GDP from 2011\* (current price, Forint basis)

\* Latest data available in the data bases

In Romania, the same phenomenon can be observed in the case of Satu Mare and Bihor, although the disparities are moderate, with a 0.5 percentage points and 0.3 percentage points difference between the two indicators (population and GDP). Arad and Timiș are performing better, as their GDP share is higher than the population share by 0.1 percentage points and 1.6 percentage points, respectively, which may also explain the favourable net migration data of these counties.



Figure 19– County share of national indicators (Romania)



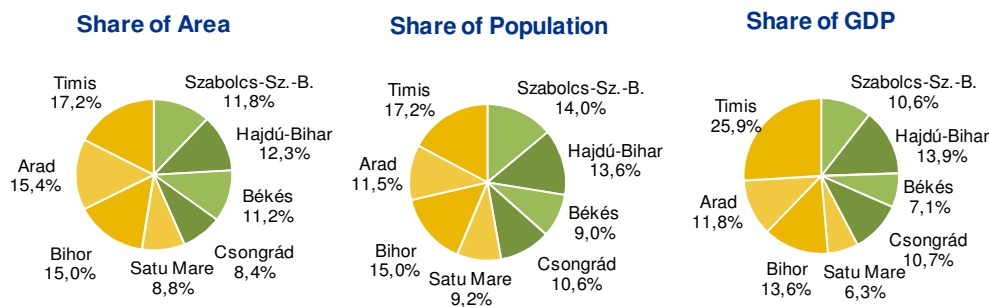
Source: INS; data for population from 2012; data for GDP from 2010\* (current price, Lei basis)

\* Latest data available in the data bases

Figure below shows how these indicators are broken down to regional level. Comparing the total share of the Romanian and Hungarian parts, one can see unequal piles to the advantage of the Romanian counties especially in the area and GDP. In 2010 the position of Timiș is conspicuous since this county produces the biggest part, 25.9% of the total GDP of the eligible area. It is followed by Hajdú-Bihar (13.9%) and Bihor (13.6%), Arad (11.8%), Csongrád (10.7%), Szabolcs-Szatmár-Bereg (10.6%), Békés (7.1%) and Satu Mare (6.3%).

Taking into consideration the one year earlier data (2009), the order regarding the share of GDP was the same: Timiș led the list with 24.7%, followed by Bihor (13.9%), Hajdú-Bihar (13.9%), Arad (11.7%), Csongrád (11%), Szabolcs-Szatmár-Bereg (10.7%), Békés (7.3%) and Satu Mare (6.7%).

Figure 20– Share of area, population and GDP of the counties within the eligible area



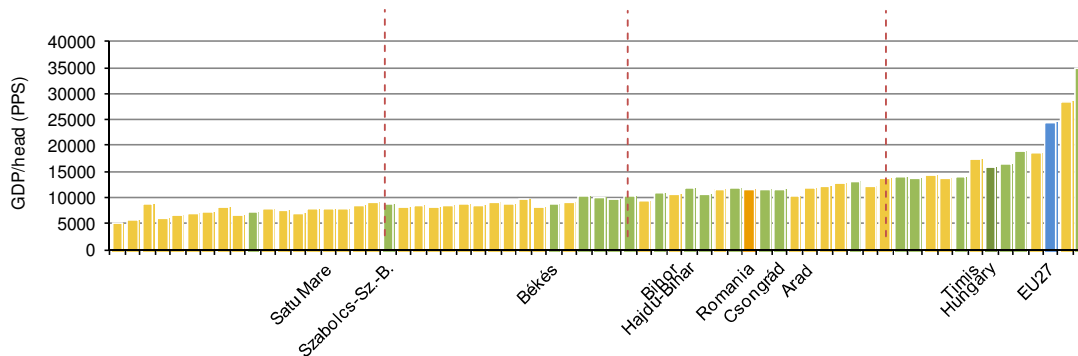
Source: KSH, INS, Eurostat; data for population from 2012; data for GDP from 2010\* (current price, PPS)

\* Latest data available in the data bases

Regarding the GDP per capita values of the counties of the eligible area, all of them are under the EU27 average and the vast majority takes place in the third quarter. Timiș is ahead of the rest, directly above the Hungarian average value, while Satu Mare and Szabolcs-Szatmár-Bereg are positioned in the last third (ranking 17th and 19th out of the 64 elements).



Figure 21– GDP/head (PPS) of the Hungarian and Romanian counties (NUTS 3 level) in comparison



Source: Eurostat; data for GDP from 2010\* (current price)

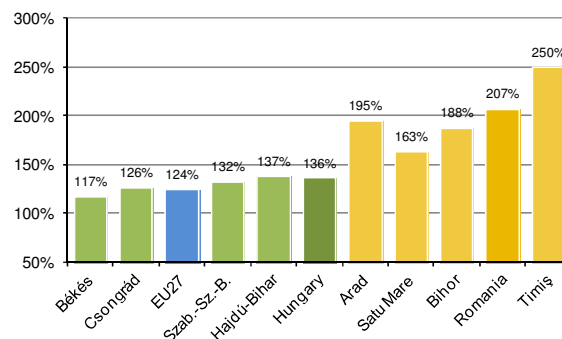
\* Latest data available in the data bases

In spite of the improving trend of Timiș, there is still a substantial gap between the counties in the eligible area and the EU27 average. It should be noted as well that all counties are well below 75% of the Union-level indicator which is the general threshold for regions to be considered “less developed” within the EU Cohesion Policy<sup>20</sup>.

To counteract the negative numbers above, it can be seen from Figure 22 that the Romanian counties progressed rapidly on a 10-year spectrum (2001-2010). The position of Timiș is remarkable: it was the only county which was able to outperform its respective national indicator (with a number of 250%). All Romanian counties at least doubled their GDP during this period and significantly surpassed the relevant Hungarian counties’ and the EU27 average growth.

Although Satu Mare is still the last one in the comparison regarding its GDP/head ratio (PPS), even this county developed more within the given time period than any of the Hungarian counties. The latter are well behind the Romanian counties in terms of GDP increase and – with the exception of Hajdú-Bihar –they have progressed less than even the modest Hungarian average of counties. Only Békés shows a smaller GDP-development than the EU27 itself (123%), meaning it was further away from the European Union average in 2009 than in 2000.

Figure 22– Change in GDP/head (PPS), 2001-2010\* (2001=100%)



Source: Eurostat

\* Latest data available in the data bases

Figure 23 compares the GDP distribution of the counties along the different sectors (agriculture, industry and services) which tells a lot about the character of their economies. Generally, it can be seen from the table that the Romanian counties’ GDP relies more on industrial input, while the Hungarian counties owe a larger share of GDP to services, especially to public administration and community services/activities of households. The remarkably high Hungarian average for financial

<sup>20</sup> European Commission leaflet on Cohesion Policy 2014-2020 regulation.





intermediation is also worth mentioning, while in the case of construction this number is below the eligible area- and Romanian average as well. Moreover, the GDP of the eligible area has a significantly larger share in agriculture than the two respective countries' national number; in the other cases the numbers are more or less of the same value.

Figure 23– Distribution of GDP along sectors (2010)\*

	Agriculture	Industry		Services		
		Industry (exc. constr.)	Construction	Trade; hotels- restaurants; transport	Financial intermediation; real estate	Public admin. *; activities of households
Hajdú-Bihar	8%	25%	5%	19%	19%	24%
Szabolcs-Sz.-B.	7%	25%	6%	19%	15%	28%
Békés	13%	21%	4%	18%	17%	28%
Csongrád	8%	25%	5%	18%	19%	24%
Bihar	8%	37%	8%	19%	12%	15%
Satu Mare	11%	37%	8%	13%	13%	17%
Arad	9%	41%	9%	15%	13%	14%
Timiş	7%	40%	6%	18%	16%	12%
CBR	8%	33%	6%	18%	16%	19%
Hungary	4%	26%	4%	23%	22%	21%
Romania	6%	32%	10%	19%	18%	15%

Source: Eurostat

\* Latest data available in the data bases

\*\* Public administration and community services

- **Agriculture**

There is a sharp contrast between Békés and the other counties of the eligible area: the proportion of agriculture (13%) is well above the eligible area and national averages as well. The share of agriculture is the highest in Satu Mare (11%). Arad and Satu Mare are over the average of the eligible area while all four Romanian counties outperform the county average.

- **Industry**

The numbers of the Romanian counties are relatively high compared to the Hungarians both in the case of the industry (exc. construction) and construction. The difference is even bigger in two counties, namely Timiş and Arad, especially in the industry (46% and 50%). This is also well above the national and regional averages.

- **Services**

Bihar is the only Romanian county that reaches the national average regarding the share of trade/hotels-restaurants/transport. Csongrád and Hajdú-Bihar show a larger GDP-proportion in financial intermediation/real estate, but still remain below the outstanding Hungarian national number.

### 2.2.1.2 Foreign direct investments (FDI)

Romania and Hungary have traditionally had active foreign trade – and from the nineties onward – investment relationship. The total value of Romanian FDI in Hungary until the end of 2009<sup>21</sup> reaches EUR 80M, while the total value of Hungarian FDI in Romania exceeds EUR 500M (EUR 521M) at the end of 2010 (or EUR 409 Million at the end of 2009.).

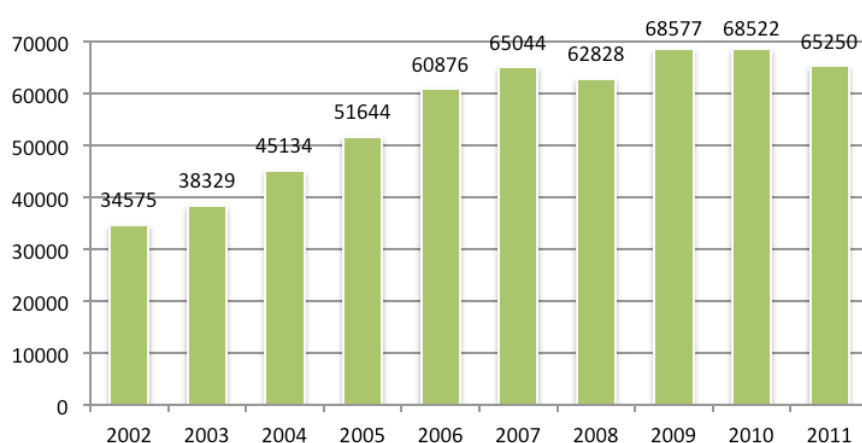
<sup>21</sup> Latest data available

This latter figure clearly demonstrates, that Romania has been and remains to be one of the major target countries of Hungarian foreign direct investments, so much so that Hungary – while a small country with limited investment resources – occupies the 12<sup>th</sup> position on the list of foreign investor countries in Romania, and the number of Romanian-Hungarian joint ventures registered in Romania exceed 10.700, or 6% of the total number of enterprises.

## Hungary

The total amount of foreign direct investments (FDI) in Hungary is over EUR 65 billion (2011), and the FDI/capita ratio of Hungary is one of the highest in the CEE region. Most of the investments were aimed at various services sectors and other competitive processing sectors (vehicle manufacturing, electronic appliance manufacturing). The following chart shows the stock of FDI in Hungary between 2002 and 2011:

Figure 24- FDI in Hungary (2002-2011, million EUR)



Source: Hungary Today. HITA, 2012. <http://hita.hu/hu/Content.aspx?ContentID=a5c33f50-5a44-42d1-81c9-162d42fc92a6>

On regional level from 1990 to 2010 the total FDI in Hungary was quite imbalanced among the 7 NUTS2 regions, and especially on NUTS3 level.

Figure 25– FDI in Hungarian regions

Region	FDI in million HUF	FDI in million EUR*	Share of total national FDI
Central Hungary	10 754 290	35 848	66.8%
Central Transdanubia	1 432 491	4 775	8.9%
Western Transdanubia	2 140 720	7 136	13.3%
Southern Transdanubia	175 464	585	1.1%
Northern Hungary	490 159	1 634	3.0%
Northern Great Plain	587 009	1 957	3.6%
Southern Great Plain	524 736	1 749	3.3%
<b>Total</b>	<b>16 104 870</b>	<b>53 683</b>	<b>100%</b>

\*calculated on an exchange rate of 300 HUF/EUR

Source: FDI in Regions. Hungarian Statistical Office, 2012 <http://www.ksh.hu>

The relevant regions in the eligible area (Northern and Southern Great Plain) have only less than 7% of the total FDI of Hungary, especially Central Hungary is outstanding in attracting FDI among the Hungarian regions.



The top 5 countries by the share of FDI in 2010 were the following: Germany (23.2%), Netherlands (17.1%), Austria (12.8%), Luxemburg (8.1%), France (5%).

The main investments in terms of sectors and activities were represented mainly is services (63.5%), followed by manufacturing (25.5% of total). Besides them significant FDI was attracted by electricity and gas industry (6.1%), real estate (2.2%) and construction (1.6%).

Among the four concerned counties, Csongrád attracted in the largest number the foreign companies (516 in 2010), followed by Szabolcs-Szatmár-Bereg (361), Hajdú-Bihar (337) and Békés county (178). Altogether only 4.7% of the foreign companies in Hungary operate in the eligible area. It is interesting to analyze that since 2000 there was a heavy decrease in the number of foreign companies (except Hajdú-Bihar, where there was an increase from 299 to 337). In 2010 36.5% less foreign companies operate in the 4 counties.

Csongrád attracted the biggest FDI until 2010 (332,564 million HUF, around 1.1 billion EUR), followed by Hajdú-Bihar (256,639 million HUF, around 855 million EUR). Szabolcs-Szatmár-Bereg (91,584 million HUF, around 305 million EUR) and Békés (77,676 million HUF, around 259 million EUR) are among the least attractive counties of Hungary for foreign capital. As a comparison to the eligible area at the national level, the highest FDI stock in 2010 was achieved by Budapest (8,811,427 million HUF, around 29.37 billion EUR), the most attractive non-capital county was Pest county with 1,942,883 million HUF (around 6.47 billion EUR).

By sectors and activities, the most important one is industry in all 4 counties of the eligible area. Contrary to the national trends, 88.3% of the FDI was invested in industrial activities (on national level 63.5% in services).

Regarding the number of jobs most of the foreign companies employ less than 10 persons at their companies. Unfortunately there are not official statistics available on the number of jobs created by the FDI in the counties/regions of the eligible area.

## Romania

The total amount of FDI in Romania was over 55 billion Euro in 2011. FDI by country of origin was in direct relation with the investment holder regarding at least 10% of the share capital of resident direct investment enterprises. The top 4 countries by the share of FDI at 31 December 2011 are the Netherlands (21.7%), Austria (17.5%), Germany (11.4%) and France (9.1%). Starting with 2009, the hierarchy of the first four countries has not modified, only the shares held did.

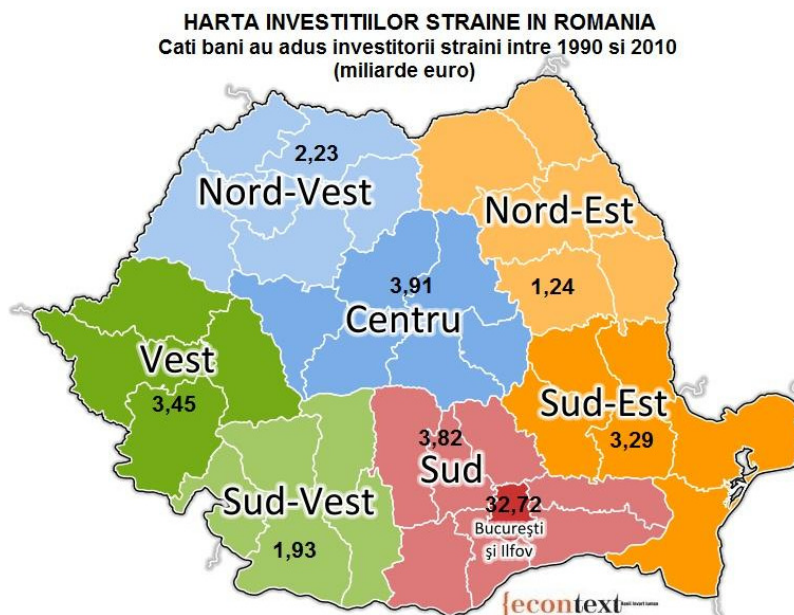
The main investments in terms of sector and activities were represented mainly in manufacturing (31.1% of total). Beside the industrial sector, other activities that have attracted significant FDI are financial intermediation and insurance, which include banks, non-bank financial institutions and insurance represented 19% of total FDI, construction and real estate (12.9%), retail trade and wholesale (12.3%), information technology and communications (6.5%).

Activities in which FDI can be found in tangible and intangible, to a significant degree, are: industry (24.3% of total FDI), in its manufacturing (17.3% of total FDI), construction and real estate (7.4%), wholesale and retail trade (6.2%), information technology and communications (3.5%).

In two decades (1990-2010) the picture of the FDI in Romania by regions (NUTS2) shows, as to the graphic below, a relative balance among 7 regions, that rank from 1.24 billion Euro (North East) to 3.91 (Center) and a huge imbalance as compared to Bucharest and Ilfov County, that attracted 32.72 billion Euro, 1.6 times more than all the other regions together.



Figure 26– FDI in Romania by regions (NUTS2) between 1990 and 2010 (billion euro)



Source: ECONTEXT, 2012

In 2011, according to the National Bank of Romania (BNR) and the National Institute of Statistics (INSSE), from a territorial point of view, FDI went mainly to the Bucharest-Ilfov region (61.7 %). Other development regions benefiting from FDI flows were: the Centre region (7.6 %), the South-Muntenia region (7.4 %), the West region (7.2 %) and the South-East region (5.4 %). The North-West region attracted 4.5%. A regional image is shown in the table below.

Among the four concerned counties, Satu Mare attracted the biggest FDI in 2011 (21.2 million Euro), followed by Arad (15.8 million Euro), Timis (10.8 Million Euro) and Bihor, with only 660.000 Euro.

By sectors / activities, the most important ones are:

- Arad: Ecological agriculture, Trade / Commerce, Renewable Energy;
- Bihor: Building sector, Motor vehicle parts and accessories;
- Satu Mare: Auto parts, Furniture, Industrial Equipment;
- Timis: Trade / Commerce, Agriculture / Zootechnics / Pisciculture, Industry, Building roads and Highways, Energy Production.

Figure 27– FDI in Romanian regions, 2011

Region	FDI in million EUR	Share of total national FDI
Bucuresti-Ilfov	34 021	61,7
Center	4 215	7,6
South-Muntenia	4 059	7,4
<b>West</b>	<b>3 987</b>	<b>7,2</b>
South-East	2 970	5,4
<b>North-west</b>	<b>2 454</b>	<b>4,5</b>
South-West-Oltenia	1 806	3,3
North-East	1 627	2,9
<b>Total</b>	<b>55 139</b>	<b>100,0</b>

Source: BNR, INSSE, 2011

Regarding the number of new jobs created due to the direct investments (foreign and national), Timis county registered 1032, being the first at the national level. Satu Mare with 900 new jobs is the

third at the national level and at the second among the four counties. Both Satu Mare and Bihor counties did not attract any national direct investment in 2011.

### *2.2.1.3 Business infrastructure*

The business infrastructure of the eligible area primarily consists of industrial parks and business incubators. There is a big difference in the number of industrial parks on the Romanian and the Hungarian side of the eligible area: while there are 47 industrial parks in the relevant Hungarian counties, one can find a mere 13 industrial parks in the relevant Romanian counties. Taking a look for a moment on the national figures, the same dramatic difference can be experienced, even though Romania's territory is significantly larger than that of Hungary: while in Romania there are only 49 industrial parks, in Hungary there are altogether a whopping 219 areas with official industrial park title. These figures, however, cannot be investigated out of their contexts, and important comments need to be made:

1. The difference in the number is – to a large extent – the result of different regulation in the two countries – in Hungary, a less rigid selection procedure worked; as a result, industrial park title was granted too many areas where neither the location, nor the level of infrastructure would justify the existence of an industrial park.
2. On many occasions, large enterprises settle in industrial areas which actually do not own official industrial park title. This is true both in Romania and in Hungary.

When looking at the business infrastructure, it is essential to investigate the occupancy rate of these facilities. While there are numerous industrial parks in the area that operates with a high occupancy rate (some of them are actually full); most of them, however, are characterized by low utilization rate – the main reasons include the insufficient infrastructure, poor location, low levels or absence of services that assist industrial operation and attract businesses.

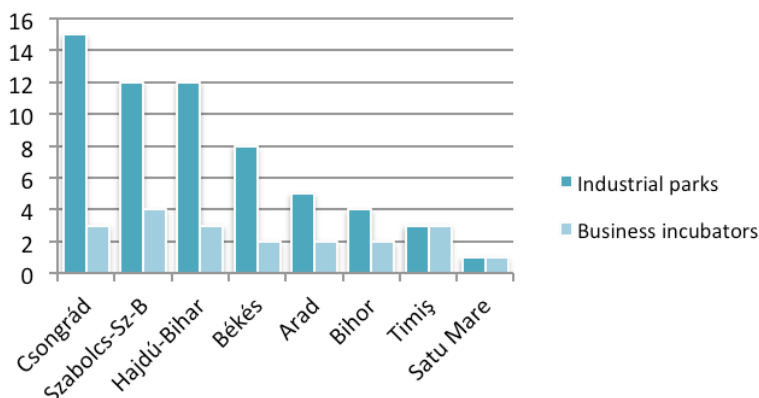
The location, the accessibility as well as the availability of quality workforce are clearly all essential preconditions for companies that intend to settle in an area. It is not surprising, then, that the really successful industrial parks – the ones with the highest occupancy rate - on both sides of the border are located next to the major cities – more specifically to the county capitals.

In addition to the above conditions, for investment decisions the availability of transportation and public utility infrastructure in the industrial park as well as the quantity and quality of services provided (e.g. operation of a Business Incubator in the park) are also important issues. The level of availability of internal infrastructure varies in the industrial parks presently operating in the area.

Incubators serve to strengthen the local businesses, to help SMEs. The first incubators were established in the early 1990s, both in Hungary and in Romania (mainly with the support of the European Union's PHARE programme.). Unfortunately though, many of the incubators established with international funding stopped working when the funding ended. There are a small number of positive examples – business incubators that became self-sustaining. The actual number of business incubators in the eligible area is about 20 (8 in Romania, 12 in Hungary). The currently operating incubators mainly attract start-up enterprises; on the other hand, there is a lack of business incubators that could support technology transfer processes and help the technology development of SMEs.



Figure 28 – Number of business infrastructure facilities in the eligible area in 2012



Source: Development strategies of the counties

#### 2.2.1.4 Cooperation of businesses

One of the key indicators of a healthy cross-border economy is the high level of business-to-business cooperations across the border. As the figures presented in Chapter 2.2.1.2, there has been active investment and trade relations between the two countries, although – partly as a result of the economic crisis – investments and foreign trade has not increased for quite some years. Instead of exploiting further the opportunities offered by cross-border cooperation, businesses have turned inside.

Promoting business to business cooperation has been part of the current programme: mainly chambers of commerce – but also other enterprise promotion institutions – implemented projects intended to bring businesses together – conferences, business meetings were organized. The often very low level of interest of businesses, however, has clearly signaled that businesses seek more specific opportunities – or even assistance over general presentations and business meetings.

While there are one-off events in place, there are no joint systems of enterprise promotion agencies to provide Romanian SMEs with hands-on, practical assistance in surveying and entering the market in Hungary and vice-versa. Cooperation of institutions is project based, no sustainable network has been established – but businesses want to use support when they actually need it and not when a project is being implemented.

#### 2.2.1.5 Information and communication technology, digital society

The use of ICT and the level of development of the digital society are key to create the conditions of smart growth. The analysis of this area – just like of some other non-traditional areas – is made difficult by the scarce availability of reliable data from the appropriate geographical level.

Still, using research results and European surveys it is possible to make some important observations. With regard to internet usage, as the Hungary-Romania ESPON Factsheet presents, „in terms of the percentage of individuals regularly using internet in 2011, the CBC area has lower values than EU27+4 space, all CBCs and Hungary, and slightly higher than Romania, with a medium internal disparity”<sup>22</sup>. (The share of individuals regularly using internet was 50% in the eligible area in 2011,

<sup>22</sup>ESPON Factsheet: Hungary-Romania, [http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128\\_fact-sheets/Factsheet\\_Hungary\\_Romania.docx](http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128_fact-sheets/Factsheet_Hungary_Romania.docx), retrieved on 20.06.2013



while the same figures for the EU27+4, Hungary and Romania were 71%, 62% and 35,5%, respectively.)

Another indicator that describes the proliferation of ICT infrastructure is the number IP addresses. As every computer connected to the internet has a unique identifying number (Internet Protocol or IP address), this figures shows the number of computers actually connected to the internet. Unfortunately, the figure available is from 2009, still, it is probably indicative to the current level of ICT development. This figure suggests that the entire eligible area is lagging behind in this area, with some intraregional differences: interestingly, Csongrád and Timis counties perform outstandingly in this area: the number of IP addresses per 1000 inhabitants in these counties fell into the „very high” category (actually this is the best category, with figures from 16.8 up to 461). The rest of the counties showed less positive picture: Arad, Békés and Bihor fell into the „moderate” category (from 4 to 7.9), while Hajdú-Bihar, Satu Mare and Szabolcs-Szatmár-Bereg belong to the „low” category (from 0 to 4)!<sup>23</sup> Again, here intraregional differences between the urban and rural areas can probably be experienced.

Number of households using high-speed internet connection also was an important indicator of ICT development level; although there are data in this field, they are much outdated, especially taken into account the dramatic proliferation of mobile internet devices (smartphones and tablets). Thus we have not used this figure.

It is also visible, that while the eligible area somewhat lags behind, changes are rapid in this area, driven mainly by market forces and the previously refered proliferation of mobile devices.

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<sup>23</sup>ESPON map: IP addresses / 1000 inhabitants in 2009.  
<http://www.espon.eu/export/sites/default/Documents/Publications/MapsOfTheMonth/MapMay2011/IP-addresses-2009.pdf>





## 2.2.2 Labour market

Looking at the activity rate, we can see that – with the exception of 2006 – the total number of economically active population in the eligible area decreases every year since 2001. Even with the correction of 2006, it could not avoid reaching its lowest value in the crisis year of 2009 with 1.36 million employed (34.0% of total population – compared to 48.0% in the EU27).

The share of total active population within total population shows a lower number for all counties than the EU average (48%). The figures are rather contradictory: although most Hungarian counties – except Hajdú-Bihar – experienced about 8% and 9% increase from 2001 to 2009, there was a setback in most Romanian counties. The worst change was experienced in Satu Mare: the share of active population sunk year-by-year, from 51.5% in 2001 to 28.5% in 2009. On the contrary – as a positive example –, Bihor grew by 12%.

By comparing the change in the total number of employed persons between 2004 and 2008, a rise in the case of three counties is observable (Csongrád, Satu Mare and Timiş). The biggest growth can be experienced in Timiş by 8%; in Csongrád and Satu Mare the respected development was 3% and 4%. The number of employed persons of Hungary decreased by 1%, in Romania it remained stable while within the same timeframe the total employment of the EU<sup>24</sup> rose by 6.8%. Szabolcs-Szatmár is at the end of the list with a 9% decline in the given period.

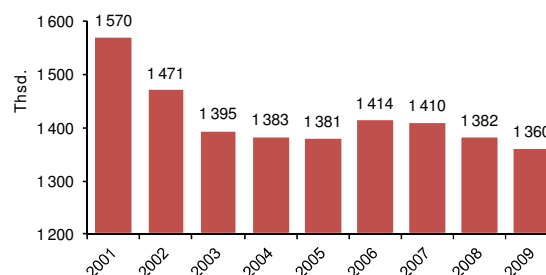
The figures of the distribution of employed persons among the sectors show that in Hungary percentage of people working in agriculture and construction (7%) is not significant and the country relies mainly on the services. In Romania the exceptionally high share of agriculture (32%) and low share of financial intermediation/real estate and public administration (5%) is remarkable. At regional level, the dominance of the industry (exc. construction) is evident, though the different services – especially the trade/hotels/restaurant/transport – also provide workplace for a large number of people (21%).

- **Agriculture**

The share of Békés is above the national and regional data by 20% while Timiş is below both the eligible area- and Romanian average as well.

- **Industry**

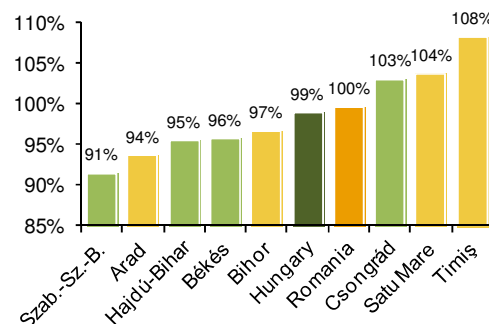
**Figure 29– Total number of active population in the eligible area\***



Source: Eurostat

\* Latest data available in the data bases

**Figure 30– Change in the number of employed persons between 2004 and 2008\***



Source: Eurostat

\* Latest data available in the data bases

<sup>24</sup> Calculated by LFS (resident population concept).



The low proportion of Timiş in agricultural employment is compensated with a high share within the industry (exc. constr.). Arad is also worth mentioning as the county with the highest percentage of employed persons in this sector. Generally, the share of the Romanian counties is relatively high compared to that of the Hungarians.

- **Services**

In terms of trade/hotels-restaurants and transport, Bihor performs better than the other counties with 22%, but in financial intermediation/real estate and public administration owns the lowest share. We need to point out Szabolcs-Szatmár-Bereg regarding the very high share of those people who work in public administration/activities of households.

Figure 31– Distribution of employed persons among sectors (2010)\*

	Agriculture	Industry		Services		
		Industry (exc. constr.)	Construction	Trade; hotels-restaurants; transport	Financial intermediation; real estate	Public admin.*; activities of households
Hajdú-Bihar	14%	18%	6%	24%	8%	29%
Szabolcs-Sz.-B.	13%	22%	6%	23%	5%	31%
Békés	20%	21%	5%	22%	5%	28%
Csongrád	13%	20%	7%	23%	7%	30%
Bihor	28%	26%	6%	22%	3%	16%
Satu Mare	45%	20%	6%	14%	3%	12%
Arad	22%	37%	5%	19%	4%	13%
Timiş	20%	31%	8%	22%	5%	15%
CBR	23%	25%	6%	21%	5%	20%
Hungary	7%	23%	7%	27%	11%	26%
Romania	32%	21%	8%	20%	5%	15%

Source: Eurostat

\* Latest data available in the data bases

\*\* Public administration and community services

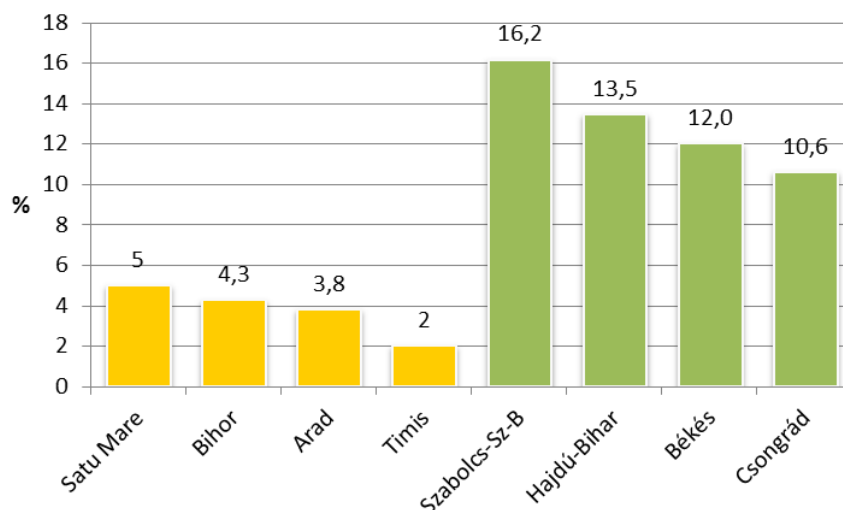
According to ESPON the long-term unemployment rate of the Hungary-Romania CBC area is somewhat higher than the EU-27+4 value, the other CBC areas and the Romanian national average. However, it is lower than the Hungarian national average ratio. Three out of four Romanian NUTS3 regions – namely Timis, Bihor and Satu Mare – have high employment rates, while Arad and Csongrád correlate to the European average. The other Hungarian regions – Békés, Hajdú-Bihar and Szabolcs-Szatmár-Bereg counties – suffer from outstandingly low employment rates. The ESPON DEMIFER project presents different scenarios for the change in number of persons in labour force between 2005 and 2050. Every demonstrated scenario presumes extremely high labour force reductions by 2050 for the complete CBC area.<sup>25</sup>

The figure below presents the unemployment rate of the eligible area. However, it should be note, that the unemployment rate of the Hungarian and Romanian cross-border counties are not comparable, because in Romania few people are registered as unemployment.

<sup>25</sup> ESPON Factsheet: Hungary-Romania, [http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128\\_fact-sheets/Factsheet\\_Hungary\\_Romania.docx](http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128_fact-sheets/Factsheet_Hungary_Romania.docx), retrieved on 20.06.2013



**Figure 32 – Unemployment rate in the cross-border counties (2012)**



Source: INS, KSH

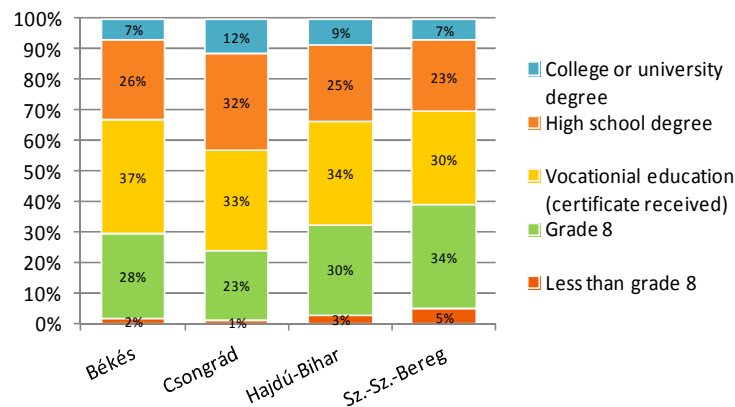
Looking at the distribution of unemployed people based on their highest educational level, we can see that in three Hungarian counties (Békés, Csongrád and Hajdú-Bihar) the unemployment rate is the highest among those who have completed vocational school.

Unemployment rate is the lowest in case of those inhabitants who have completed less than grade 8 (1-5%), or have a college or university degree (7-12%).

The Romanian statistics on the distribution of unemployed people by educational categories unfortunately uses slightly different classification. The data show that the large majority of the unemployed population have lower educational level – primary or vocational – also in the Romanian counties. The only exception is Timis county, where the proportion of unemployed people with lower educational level is significantly lower than in the other counties, while those with college or university degree represent higher proportion.

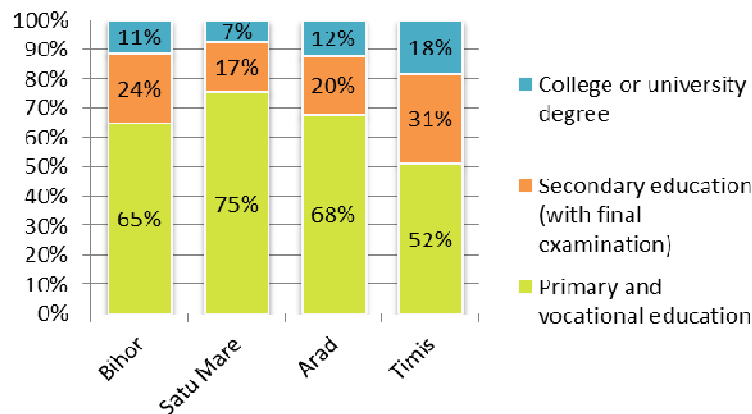


**Figure 33– Distribution of unemployed people by educational level in the Hungarian cross-border counties (2011)**



Source: KSH census data from 2011

**Figure 34– Distribution of unemployed people by educational level in the Romanian cross-border counties (2011)**



Source: INS data from 2011

The number of registered Romanian citizens with work permit in Hungary increased steadily between 2000 and 2005 (from 17,235 to 30,941), reaching its peak in the latter year. From there on, though, one can experience a gradual decrease. We only have data for the number of Romanian citizens with registered employment in Hungary; this figure was 4,056 in 2008, then suddenly increased to 12,725 in 2009. In 2009 the figure dropped to as low as 6,986, and from then a steady decrease can be experienced. The decrease in the above indicators is probably mainly due to the fact that the strengthening economy on the Romanian side of the border has better absorbed the labour force surplus available locally. With regard to the territorial distribution, the highest number of Romanian citizens has worked in Békés and Csongrád counties, with Hajdú-Bihar and Szabolcs-Szatmár-Bereg playing an insignificant role (at least this is reflected in the official figures). Altogether, the number of Romanian citizens with registered employment in the 4 Hungarian counties of the eligible area



slightly exceeded 1000 in 2012. By far the largest number of these people have been employed in agriculture.<sup>26</sup>

As the available data show, cross-border employment has fallen back drastically after a promising increase.<sup>27</sup> This is probably due to a combination of reasons – including, among others, the economic crisis, and also the absorption of Romanian workforce by the strengthening Romanian economy. Nevertheless, while there is a lack of reliable data, it is likely that the eligible area is far from exploiting the potentials of cross-border employment.

The European Commission's Background Paper on Cross-Border Labour Market Mobility in European Border Regions<sup>28</sup> classifies cross-border labour market mobility in four categories: high degree, medium high or medium degree, medium low degree and low degree, presented on a European map. According to this classification, cross-border labour market mobility is so negligible in the Hungary-Romania eligible border area that it does not reach the level even to qualify for the low level classification. (All the while the Hungary-Austria border area is characterized by high degree of cross-border labour mobility, and the Romania-Bulgaria border area also exhibits a fair degree of labour market mobility).

This same paper also highlights the most important obstacles that hinder labour market mobility; while – not surprisingly – wage differences and language issues are important, the majority of the obstacles are directly or indirectly related to the institutional and administrative systems. They include:

- Lack of information or insufficient information;
- Differences between the social security and taxation systems;
- Insufficient level of labour market integration (like for instance lack of common monitoring of the labour market or reliable joint statistics);

It even goes as far as to suggest that “the existing counselling networks and offers for frontier workers must be sustained, so that it would be possible to provide reliable, single-source information for cross-border employees in the future. Sufficient financial resources must be available for the maintenance of these services.”

As part of the current programme support for cross-border labour market measures was available. Unfortunately, though, there has been limited interest of the national labour market institutions, thus the fragmentation of funds resulted in minimal labour market impacts.

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<sup>26</sup>Source: National Labour Office of Hungary

<sup>27</sup> In the case of Oradea certain international migration processes occur, namely about 400 inhabitants from Oradea buy houses at the Hungarian side of the border because of lower property price (mainly in Biharkeresztes and Ártánd), but they continue to work in Romania (source: [Oradea Metropolitan Area](#)).

<sup>28</sup> Background Paper on Cross-Border Labour Market Mobility in European Border Regions, 2012. (<http://cor.europa.eu/en/activities/stakeholders/Documents/130214%20Background%20Paper%20draft%20EN.pdf>)

## 2.2.3 County specificities in economy and labour market<sup>29</sup>

The county specificities and the intra-county disparities in the field of economy and labour market are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>The county plays a significant role in the fruit production of Hungary</li> <li>Presence of traditional, characteristic products ("szabolcsi" apple, "nyírségi" potato, tobacco and sunflower, "szatmári" plum)</li> <li>Major international companies in rubber and plastic industry and in optomechatronic industry. (Nyíregyháza, Mátészalka)</li> </ul>	<ul style="list-style-type: none"> <li>The average gold crown value of agricultural land is well below the national average</li> <li>The industrial productivity in the county is merely half of the national average</li> <li>The inward investment per inhabitant is the second lowest in Hungary</li> <li>The value of investments per inhabitant lags significantly behind the average of the counties, the enterprises face funding difficulties</li> <li>Steady growth of unemployment rate for years, high proportion of long-term unemployed and unemployed school-leavers</li> </ul>	<ul style="list-style-type: none"> <li>The distribution of businesses exhibits the dominance of the county capital and some major cities, while the number of businesses is significantly lower in the peripheries</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>Hajdú-Bihar county has a significant agricultural potential, though this county with its extensive grasslands, reeds and fishponds (and less significant orchards and vineyards) differs from the rest of the Great Plain</li> <li>The industry of the county exhibits a balanced structure, the strong presence of pharmaceutical industry is a positive characteristic</li> <li>Debrecen is the leading economic centre in Eastern Hungary, with a strongly service-oriented metropolitan economic structure</li> <li>Food industry and light industry play a</li> </ul>	<ul style="list-style-type: none"> <li>The structural transformation has still not ended, which results in uncertainties and presents long-term risks in the labour market</li> <li>The level of industrialization of the county is lower than the national average (even without Budapest)</li> </ul>	<ul style="list-style-type: none"> <li>The most dynamic industrial companies are concentrated in the county capital, while the number of businesses able to provide competitive and stable employment is much lower in the peripheral areas of the county.</li> </ul>

<sup>29</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	traditionally important role in employment, but chemical industry and the production of pharmaceuticals are major employers		
Békés	<ul style="list-style-type: none"> <li>Békés county has the highest quality agricultural areas in Hungary</li> </ul>	<ul style="list-style-type: none"> <li>The local storage and processing capacities lag behind the actual agricultural production potential of the county</li> <li>The county's economy lags behind in national and also in regional comparison</li> <li>The average level of added value generated by the existing industrial plants remains below the national average</li> </ul>	<ul style="list-style-type: none"> <li>Inequalities in the distribution of businesses reflect the economic spatial structure: the county capital and its immediate surrounding is the economic centre, while Southern-Békés and the Northern-North-Eastern zone are peripheral areas</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>Processing industrial hubs with significant traditions and professional culture (Szeged, Hódmezvásárhely, Szentese)</li> <li>The number of enterprises and employees in food industry, RTD, tourism, construction industry, renewable energy, engineering and textile industry reaches and exceeds the level necessary to cluster development</li> </ul>	<ul style="list-style-type: none"> <li>Fragmented company structure (especially in agriculture)</li> <li>Low level of industrialization</li> </ul>	<ul style="list-style-type: none"> <li>Industry is heavily concentrated geographically, major enterprises are present only in the county seat and in some major cities</li> <li>Dynamic of economic development is concentrated to somepoint, area in the county; the socio-economic indicators of settlements show a dramatic divide in the county</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Stable industrial activity, even in the recession period</li> <li>Significant economic impact of foreign direct investments</li> <li>Satu Mare county has a significant agricultural potential, with favourable soil and climate for agricultural activities</li> <li>Important fruit production – Satu Mare county is the greatest strawberry producer from Romania</li> </ul>	<ul style="list-style-type: none"> <li>Economy is based mainly on activities with low added value, high rate of employment in activities with low added value (first place in the region) – agriculture plays a traditionally important role in employment</li> <li>Excessively fragmented structure of agricultural exploitations – dominance of small agricultural exploitations using less than 1 ha</li> <li>Insufficiently developed tertiary sector, in national and also in regional comparison</li> <li>Declining occupation rate, increasing proportion of long-term unemployment</li> </ul>	<ul style="list-style-type: none"> <li>Economic activities are concentrated in the county seat and in some major cities</li> <li>High rate of unemployment in rural areas</li> </ul>

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Bihor	<ul style="list-style-type: none"> <li>From the point of view of the economic development, Bihor County is one of the first ten counties (among 41) of Romania, according the GDP / inhabitant</li> <li>Major leading companies from food and beverage industry, of production of electronic and mechatronic parts, of building materials and from the textile branch ensure a wide labour market in the area (low unemployment rate)</li> <li>Significant agricultural potential</li> </ul>	<ul style="list-style-type: none"> <li>An unbalanced contribution of the main sectors to the county economy and to the labour market: 2,7% of the enterprises are linked to agriculture, 17,8% to industry and construction and 79,5% to the tertiary sectors (commerce, services, administration, education, health-care)</li> <li>The concentration of the major employers in just 2 or 3 towns creates distortions on the labour market</li> <li>The offer for high skilled workers and the high-schools graduates on the labour market is unsatisfactory, so that the unemployment is higher for them</li> </ul>	<ul style="list-style-type: none"> <li>A significant polarization of the economy is a characteristic of the county, Oradea being by far the leader and two other towns (Beius and Marghita) play also a significant role in the county's economy</li> </ul>
Arad	<ul style="list-style-type: none"> <li>Existence of the only terrestrial free zone, with the two locations (airport and Curtici)</li> <li>Existence of economical tradition (economical centres)</li> <li>Good quality of workforce</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient development of the food industry, resulting in low added value of the locally produced agricultural products.</li> <li>Deficit of highly qualified workforce</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient development of the service sector, especially in the rural area</li> <li>Weak representation of the banking system in the rural areas</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>The county has the second largest GDP in Romania, after Bucharest region</li> <li>The economy is dynamic (large number of active enterprises, new enterprises)</li> <li>There are several large foreign investors, especially in the automotive sector</li> <li>The economy is oriented towards commerce and services (commerce 57% of total county turnover), with industry on second place (25%)</li> </ul>	<ul style="list-style-type: none"> <li>Most of the companies are very small (&lt;10 employees) and largely dependent on market variations</li> <li>Industrial production oriented mainly toward external markets</li> <li>Economy not making use of the cluster effect/support</li> <li>Poor business infrastructure</li> <li>The county's industry is focused on several sectors (automotive, IT) and poorly developed on other sectors</li> <li>Local innovation and research capacity is not used for the development of local economy</li> <li>The agricultural potential is underused and agriculture related industry underdeveloped</li> <li>Work resources are not adequately prepared (training and education) for the market</li> </ul>	<ul style="list-style-type: none"> <li>Industry concentrated around Timisoara (capital of the county) and main urban areas</li> <li>Commerce and services are focused in urban areas</li> </ul>



Key sectors, industrial clusters in the eligible area:

County	Key sectors	Industrial clusters
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>– Agriculture (primarily vegetable and fruit production: apple, sour cherry, plum, potato, animal farming)</li> <li>– Food processing</li> <li>– Rubber and plastic processing, non-metallic mineral production</li> </ul>	<ul style="list-style-type: none"> <li>– Optomechatronical (Mátészalka)</li> <li>– Logistical (Záhony)</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>– Agriculture (primarily cereals and industrial crops, animal farming)</li> <li>– Food processing and light industry</li> <li>– Chemical and pharmaceutical production</li> <li>– Machine industry</li> </ul>	<ul style="list-style-type: none"> <li>– Pharmaceutical</li> <li>– Food industrial</li> <li>– Instrument manufacturers and developers</li> <li>– Information technology</li> <li>– Facility energetics, thermal energy and innovation, green technology, green industry</li> </ul>
Békés	<ul style="list-style-type: none"> <li>– Agriculture (primarily crops, cereals, animal farming)</li> <li>– Food processing</li> <li>– Engineering</li> <li>– Production of construction materials</li> </ul>	<ul style="list-style-type: none"> <li>– Tourism (health tourism)</li> <li>– Logistical</li> <li>– Engineering</li> <li>– Food industrial</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>– Agriculture (primarily crops: onion, garlic, root vegetables), animal farming</li> <li>– Food industry</li> </ul>	<ul style="list-style-type: none"> <li>– Food industrial (meat, crop, dairy)</li> <li>– Research</li> <li>– Tourism</li> <li>– Construction industry</li> <li>– Renewable energy</li> <li>– Engineering</li> <li>– Textile industry</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>– Agriculture (primarily cereals, vegetables and fruit production – the most important strawberry producer in Romania), animal farming</li> <li>– Food processing industry</li> <li>– Automotive industry</li> <li>– Electronics industry</li> <li>– Textile industry</li> <li>– Wood processing industry</li> </ul>	<ul style="list-style-type: none"> <li>– Even if a geographical concentration of firms can be noticed (in the field of furniture, textile and food processing industry, and also fruit production), there are no clusters in Satu Mare county</li> </ul>
Bihor	<ul style="list-style-type: none"> <li>– Food and beverage industry</li> <li>– Electronic and mechatronic components</li> <li>– Production of construction materials</li> <li>– Textiles, shoes, fabrics and plastic parts</li> <li>– Agriculture and forestry</li> <li>– Transports and logistic</li> </ul>	<ul style="list-style-type: none"> <li>– Food and beverages (South-East area)</li> <li>– Construction materials (Oradea &amp; Alesd)</li> <li>– Transports &amp; logistic (Oradea - Bors)</li> </ul>
Arad	<ul style="list-style-type: none"> <li>– Agriculture (one of the biggest cereal and vegetable fields in Romania)</li> <li>– Food industry</li> <li>– Tourism</li> </ul>	<ul style="list-style-type: none"> <li>– Agro food</li> <li>– IT&amp;C</li> <li>– Automotive/railway transport</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>– Industry (especially automotive, IT&amp;C, food processing, textiles)</li> <li>– Commerce and services (retail commerce and communication services especially)</li> <li>– Construction</li> </ul>	<ul style="list-style-type: none"> <li>– Automotive</li> <li>– IT&amp;C</li> <li>– Renewable energy</li> </ul>





## Box 2 – Conclusions– economy and labour market

Based on the analysis of the economy and labour market of the counties and the region, the following statements can be provided:

- The region owns a smaller portion of the two countries' GDP (11.3%) than its population share so the economic performance of the eligible area is relatively low compared to the other parts of the countries.
- Six of the eight counties have a smaller share of national GDP than population: only Arad and Timiș are more productive than their national average in this respect. In the Hungarian part Szabolcs-Szatmár-Bereg is regarded to be the only county the GDP share of which is much lower than its population share (by 2.5%).
- The position of Timiș is well-established as the county produces the biggest part (25.9%) of the total GDP of the eligible area.
- The development of the counties in the eligible area is far behind the EU level and according to the widely accepted threshold of 75%, the region is amongst the "less developed" ones within the EU.
- Between 2001 and 2010 all counties' GDP per capita rose: especially the Romanian counties experienced significant increase; however, the rise in Békés remained below the EU27 development.
- On a ten-year comparison, the overall GDP-share between the three main sectors did not change fundamentally. The Romanian counties' GDP depends more on industrial output, while the Hungarian counties own a larger share of GDP in services, especially to public administration and community services/activities of households.
- There is a trend of the decreasing proportion of agriculture, accompanied by corresponding rise of industry; services still uphold their leading position in this figure.
- With regard to business infrastructure, the number of industrial parks is much higher on the Hungarian side of the border, while the number of business incubators is quite similar. In addition to the sheer number, the rate of occupancy is also a crucial issue: it is obvious, that there are a number of facilities that are unused, while the ones around the bigger cities are better performing, with high occupancy rate; consequently any future business infrastructure development should rather focus on the better use of already existing facilities.
- The currently operating incubators mainly attract start-up enterprises; on the other hand, there is a lack of business incubators that could support technology transfer processes and help the technology development of SMEs.
- The eligible area is lagging behind in the level of development of ICT infrastructure in comparison to the EU24, with some internal differences, though the proliferation of mobile internet devices is likely to gradually close this gap.
- The labour market data show a negative picture: the total number of economically active population in the eligible area decreased since 2001 and the share of total active population within total population show a lower number for all counties than the EU average.
- Regarding the change of the employment rate between 2001 and 2009, Timiș experienced the biggest growth (8%) and Szabolcs-Szatmár the biggest decline (9%) in the given period.
- According to the changing importance of the different sectors, most of the border population is employed in the industry and services. This shows similarity with the distribution of the national GDP among the sectors as well.
- The long-term unemployment rate of the Hungary-Romania eligible area is somewhat higher than the EU-27+4 value, the other CBC areas and the Romanian national average, but it is



lower than the Hungarian national average ratio.

- Every scenario that aims to predict the change in number of persons in labour force between 2005 and 2050 presumes extremely high labour force reductions by 2050 for the complete CBC area.
- In the Hungarian counties most of the unemployed population belongs to the age group between 35 and 39. Still in Hungary the share of unemployed is the highest among those who have completed the 8<sup>th</sup> grade, vocational education or obtained a high school degree.

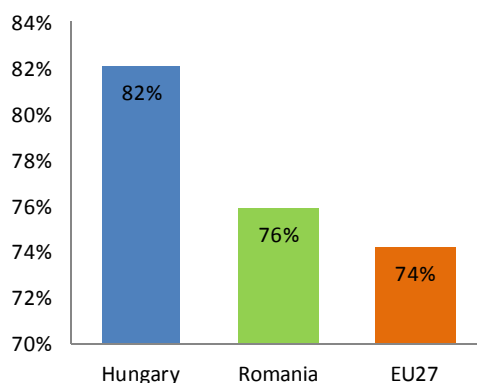


## 2.3 Education, research and development

### 2.3.1 Education

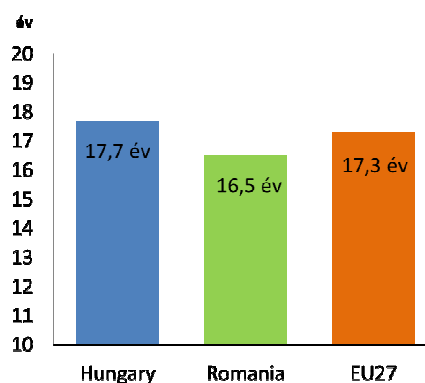
In 2011 among the age group of 25-64 the share of people with low educational attainment (pre-primary, primary and lower secondary education) reached 17.9% in Hungary and 24.1% in Romania, while the EU average was 25.8%. Therefore, the percentage of the total population having completed at least upper secondary education is 82.1% in the former and 75.9% in the latter country; both outperforming the EU average (74.2%). This indicator is especially relevant as it measures the share of the population that is likely to have the minimum necessary qualifications to actively participate in social and economic life. In 2011, 381.9 and 871.8 thousand people were enrolled in some kind of tertiary education. At the same time, in the age group ranging from 18 to 24, the relative proportion of early leavers from education and training was 11.5% in Hungary and 17.4% in Romania while the EU mean value is 12.8%. Still in 2010, school expectancy – an indicator illustrating the expected years of education over a lifetime – was 17.7 and 16.5 in Hungary and Romania, while the EU average is 17.3. According to the example on the Eurostat the meaning of school expectancy can be illustrated as follows: school expectancy for the age of 10 would be one year if all 10-year-old students (in the year of the data collection) were enrolled. If only 50% of 10-year-olds were enrolled, school expectancy for the age of 10 would be half a year.

**Figure 35– The share of the total population having completed at least upper secondary education (2011)**



Source: Eurostat

**Figure 36– School expectancy (2010)**



Source: Eurostat

According to the Hungarian census data from 2011, the share of the population who has not completed at least grade 8 is 1% in Hajdú-Bihar and Szabolcs-Szatmár-Bereg and 0% in Békés and Csongrád counties. The proportion of the population having completed at least grade 8 is over 60% in all four cross border counties. The share of the inhabitants who received at least a high school degree ranges from 26% (Szabolcs-Szatmár-Bereg) to 30% (Csongrád). In Csongrád county the proportion of people having at least a college or university degree reaches 10%, while in the other three Hungarian counties this ratio is 8 or 9%.

The Romanian census includes data in different structure regarding education levels, therefore the statistics are not fully comparable:

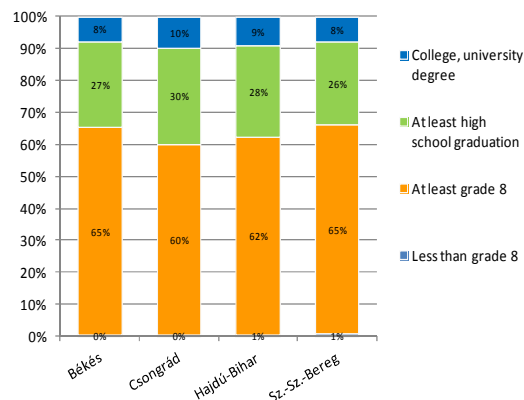
- low level - primary education, secondary education or no education;
- medium level - post-secondary school, vocational or technical education;



- high level - superior education.

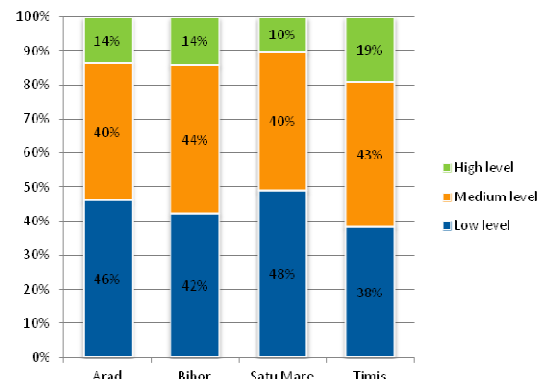
However, according to the below shown figure Timiș county has the best-educated population from the Romanian part of the eligible area, while in Satu Mare county the proportion of people with low education level is relatively high. Bihor and Arad counties' data accords more or less with the national average (low level – 44.2%, medium level – 41.4%, high level – 14.4%).

**Figure 37– Population structure in Hungary based on educational level (2011)**



Source: KSH census data from 2011

**Figure 38– Population structure in Romania based on education level (2011)**



Source: INS census data from 2011

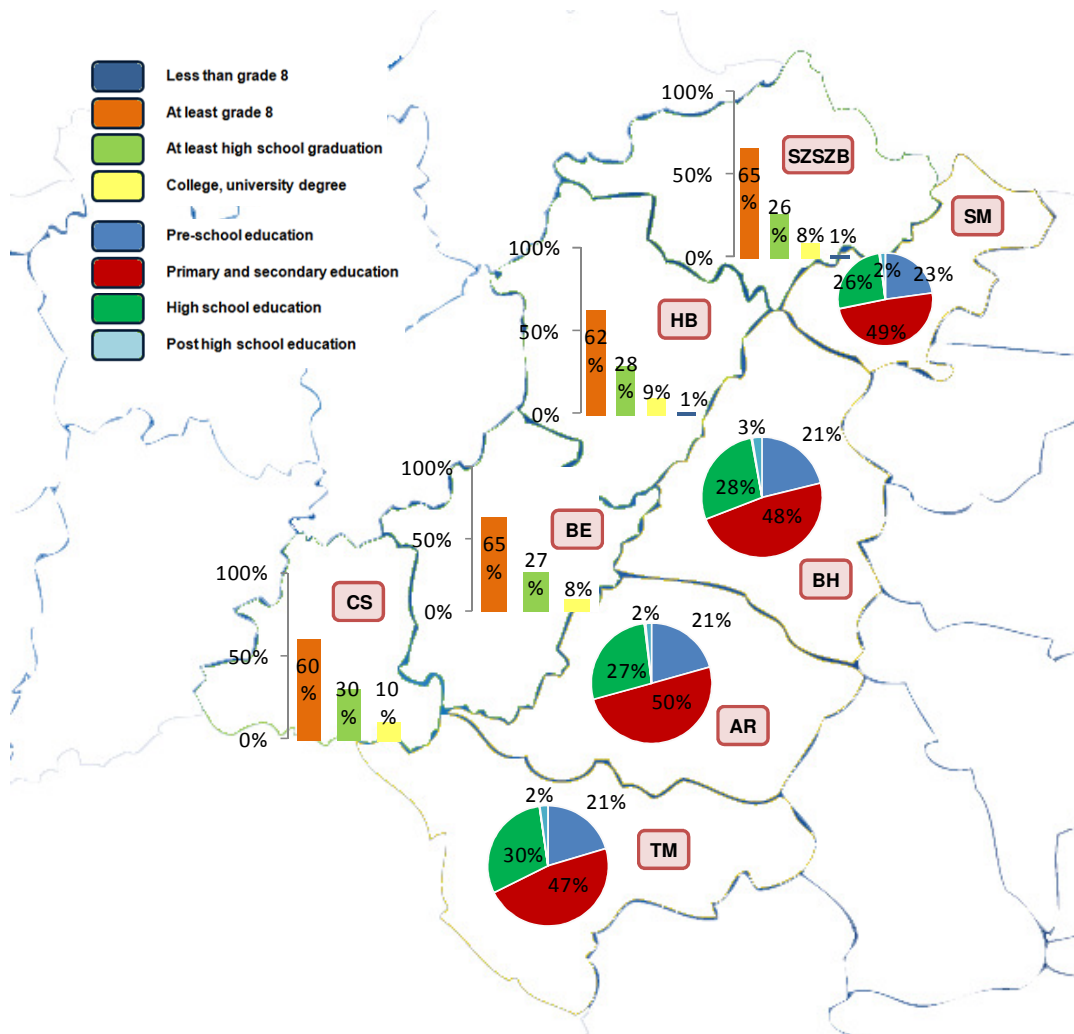
Despite its distance from the country centres the eligible area has a vivid academic life. In the Hungarian counties, two major universities can be found (University of Debrecen and University of Szeged) accompanied by another university and four colleges<sup>30</sup>. Four major universities are located in the Romanian part (West University of Timișoara, Polytechnic University of Timișoara, University of Oradea, Aurel Vlaicu University in Arad) with two other state universities and seven private institutions as well as branches of other institutions (e.g. of the Babes-Bolyai University of Cluj)<sup>31</sup>. Timisoara, with its altogether 9 higher education institutions is a major university centre not only of the eligible area, but also of the entire country. The overall number of active higher education students in the area approaches the 200,000 mark<sup>32</sup> which is about 5% of the population of the eligible area.

<sup>30</sup> Hungarian Ministry of National Resources: Higher education institutes in Hungary (<http://www.nefmi.gov.hu/felsooktatasi-intezmenyek>, retrieved on 08.03.2013)

<sup>31</sup> Romanian Ministry of Education, Research and Youth: List of higher educational institutions in Romania according to Government Decision 676/2007

<sup>32</sup> KPMG estimate

Figure 39– Educational level of the population in the counties of the eligible area



Source of data: KSH census data from 2011, INS

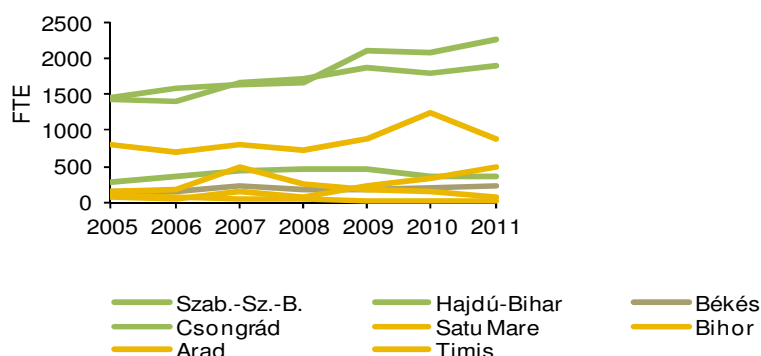


## 2.3.2 RTDI

Research, Technological development and Innovation are key segments of any region's development in the light of the EU2020 Strategy: one of its key objectives is smart growth – developing an economy based on knowledge and innovation.

The universities in the eligible area attract research and development activity. The presented figure also supports this statement: more than 6,200 people in the border region worked as full-time R&D employees in 2011. We can experience an increasing trend from 2005 as the figure reaches 20.94% of the two countries' combined R&D personnel.

**Figure 40– R&D personnel employed in the counties (full-time equivalent)\* (2011)**



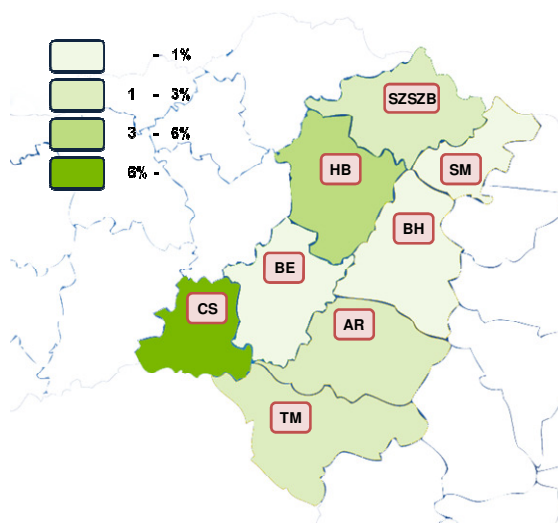
Source: KSH, INS

\*The number of those persons who are employed – partly or entirely spending their working hours – in R&D field (as researchers-developers, R&D supporting staff, other physical and non-physical staff) at the research centres, converted into the full-time of the R&D activity.

Two Hungarian counties, Csongrád and Hajdú-Bihar lead the list with 2,273 and 1,897 people, giving 67% of the total R&D personnel of the eligible area. This represents 6.7% and 5.6% share of the total R&D employees of Hungary, respectively. In Timiș 889 people worked in R&D in 2011 which is the highest number among the Romanian counties. The other five counties remain below the 400 threshold; Satu Mare scores the lowest, with only 23 full-time employed research personnel (2005: 92).

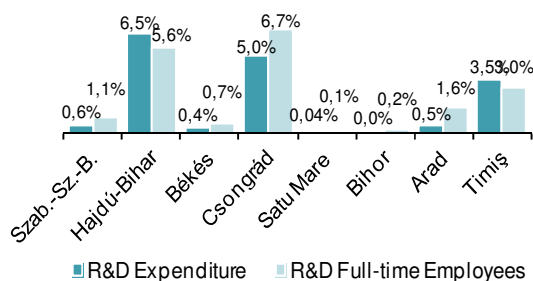
12.48% of the Hungarian R&D expenditure is in this area (2010: 13.4%), while the Romanian figure is merely 4.05%. If we have a deeper look at the counties' share of the R&D expenditure and full-time employees from these numbers, it reveals that most counties own a larger share in national staff than in invested capital. The three counties mentioned above, Hajdú-Bihar, Csongrád and Timiș emerge from the others both in terms of R&D expenditure and employees which correlates with the presence of the biggest universities (University of Debrecen in Hajdú-Bihar, University of Szeged in Csongrád; West University of Timișoara and Polytechnic University of Timișoara in Timiș). Out of these counties, Hajdú-Bihar and Timiș have a larger share of national expenditure than that of full-time employees, meaning they are more efficient in R&D than the national average.

**Figure 41– Percent of people employed in the R&D field, 2011, (map)**



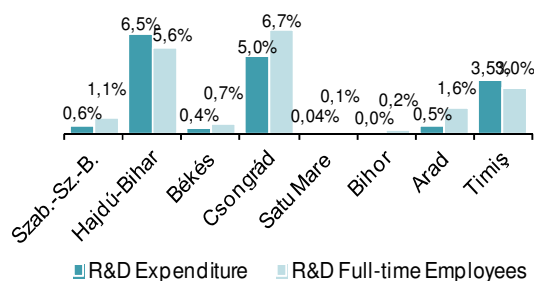
Source: calculated

Figure 42– Share of R&D numbers on a national comparison (2011)



Source: KSH, INS

Figure 43– Share of R&D numbers on a national comparison (2011)



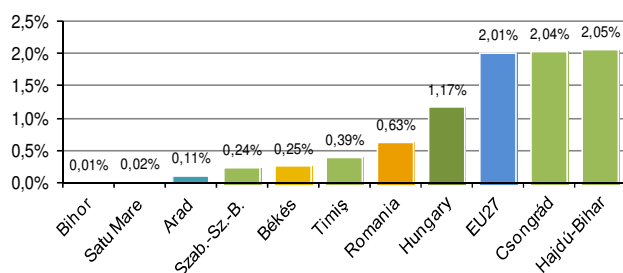
Source: KSH, INS

Comparing the total R&D expenditures of 2011 to 2010, the position of Arad is by far the best: the county increased its expenditures by 46%. If we are looking at a longer, seven-year interval (2005-2011) it becomes clear that

- the Hungarian counties expenditure grew at the same pace as the national average (to approx. 160%).
- two Romanian counties have experienced outstanding development in the past years: the R&D investments of Timiş and Arad grew faster than the national average.
- on the contrary, Satu Mare and Bihor suffered a decline in R&D investments within the given period: decreased by 45% and 41%, respectively. The situation of Bihor is exceptional since the county's R&D expenditures decreased dramatically by approx. 80% from 2010.

Despite the rise of R&D expenditure mentioned above, the expenditure in the share of GDP is rather low. Even the two countries' total R&D expenditures themselves are rather low, well below the EU27 average (2.01%): in Hungary 1.17% of GDP, in Romania only 0.63% of GDP is spent on this area. The share of the counties' R&D shows even lower numbers: besides Hajdú-Bihar and Csongrád, all counties remain below EU27 and national average. In Bihor and Satu Mare the number barely reaches 0.01% and 0.02% of the GDP. However, the two flagship counties' (Csongrád and Hajdú-Bihar) R&D expenditure share exceeds the EU27 number.

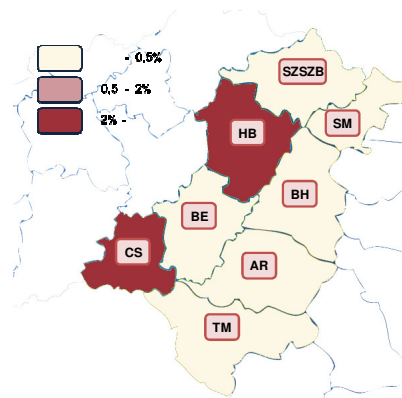
Figure 44– R&D expenditure in % of GDP



Source: KSH, INS, Eurostat; data for GDP from 2010\*

\* Latest data available in the data base

Figure 45– R&D expenditure in % of GDP (map)



Source: KSH, INS, Eurostat; data for GDP from 2010\*



The Final Report of ESPON's KIT (Knowledge, Innovation, Territory) applied research project<sup>33</sup> classifies European regions based on territorial patterns of innovation. According to this classification, two territorial patterns are visible in the eligible area:

- The majority of the eligible area can be classified as “creative imitation area”, exhibiting low knowledge and innovation intensity, entrepreneurship, and creativity, as well as high attractiveness and a high innovation potential.
- The South of the Romanian side of the eligible area is considered a “smart and creative diversification area”, characterized by a low degree of local diversified applied knowledge and limited internal innovation capacity, but a high degree of local competences, creativity and entrepreneurship; also, external knowledge is embedded in the technical and organizational capacities.

Finally, it should be noted that the Europe 2020 strategy sets as one of its five goals to raise total EU spending on R&D to 3% of GDP by 2020. Each member state made national commitments accordingly: Hungary dedicated itself to reach 1.8% while Romania's commitment even reaches 2%.

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<sup>33</sup> ESPON KIT - Knowledge, Innovation Territory applied research project, Final Report;  
[http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/KIT/FinalReport/KIT\\_Final-Report\\_final.pdf](http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/KIT/FinalReport/KIT_Final-Report_final.pdf)





### 2.3.3 County specificities in education, research and development<sup>34</sup>

The county specificities and the intra-county disparities in the field of education, research and development are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>There is an agricultural and molecular research institute of international standards at the College of Nyíregyháza</li> </ul>	<ul style="list-style-type: none"> <li>The average education level of the population is lower than the national average</li> <li>Weak innovation basis, the RTD results are not utilized by enterprises</li> <li>The higher education institutional capacity of the county lags behind the national average; the proportion of higher education students compared to the total population is low</li> </ul>	<ul style="list-style-type: none"> <li>RTD activities are concentrated in the county capital, carried out within the higher education institutions and in a small number of specialized research institutes</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>The county has an advanced educational structure.</li> <li>Debrecen is higher education, health-care and research centre of national (and international) importance</li> <li>The University of Debrecen is an internationally renowned educational and scientific institution</li> </ul>	<ul style="list-style-type: none"> <li>The average educational level of the county lags behind the national average</li> <li>The links between the RTDI organizations and the businesses are weak</li> </ul>	<ul style="list-style-type: none"> <li>The average educational level of the population is especially poor at the smaller settlements in the neighbourhood of the state border; the proportion of disadvantaged groups is also high at these settlements</li> <li>The key RTDI institutions are concentrated in Debrecen (University of Debrecen, Nuclear Research Institute of the Hungarian Academy of Science, and the related spin-off enterprises)</li> </ul>
Békés	<ul style="list-style-type: none"> <li>Higher education is present in as many as four towns of the county: Békéscsaba, Gyula, Szarvas and Orosháza</li> </ul>	<ul style="list-style-type: none"> <li>There are very limited RTDI capacities in the county</li> <li>There are weak links between the RTDI institutions of the county and the enterprises</li> </ul>	<ul style="list-style-type: none"> <li>The number of institutions involved mainly in RTD activities is low, they operate in the cities hosting higher education institutions</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>The proportion of graduated people and those with higher education degree is high</li> <li>Szeged is a major higher education, medical, and research centre, with a knowledge</li> </ul>	<ul style="list-style-type: none"> <li>The low utilization of the intellectual potential</li> <li>Except of Szeged and its surroundings the county has weak innovation performance</li> </ul>	<ul style="list-style-type: none"> <li>There are significant intra-county differences in educational level. The proportion of people with higher education degree is much higher in Szeged and</li> </ul>

<sup>34</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	concentration of international level, with outstanding research capacities in the fields of ICT, biotechnology, and laser technology		Hódmezővásárhely than the county average <ul style="list-style-type: none"> <li>RTDI capacities, resources and activities are concentrated exclusively in Szeged</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Existence of high-schools with tradition, well-known on regional even national level</li> <li>Creation of new branches of well-known universities, leading to the significant increase in the number of students</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of population with higher education is significantly lower than the national average</li> <li>Almost non-existing R&amp;D activities at county level</li> </ul>	<ul style="list-style-type: none"> <li>Higher education institutions are concentrated in the county capital</li> <li>Lack of qualified teachers in rural areas</li> </ul>
Bihor	<ul style="list-style-type: none"> <li>A various and good offer of educational institutions covering the hole county, from kindergartens to high-schools</li> <li>At all educational levels exists the possibility to study in his mother language or in other foreign languages</li> <li>Four high-schools in Oradea</li> </ul>	<ul style="list-style-type: none"> <li>A low adjustment between the high school curriculum and the labour market's expectation; as a result, the integration of the graduates at the offered labour places faces many difficulties</li> <li>The inadequate endowment of the laboratories and research capacities</li> <li>The RTDI resources and activities are limited and not directly linked to the SME's or other potential beneficiaries' needs</li> </ul>	<ul style="list-style-type: none"> <li>significant disparities between the urban and the rural environment concerning the secondary school graduates as a consequence of the social problems in the countryside; so the accessibility to higher education is limited for many young people</li> </ul>
Arad	<ul style="list-style-type: none"> <li>1 state university and 1 private university</li> <li>Various education field</li> <li>Traditional experience in research</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient co-operation between industry and research</li> <li>Lack of correlation of the educational system with the necessities of the economic development of the county</li> <li>Lack of efficient partnerships between education institutions and the business environment</li> </ul>	<ul style="list-style-type: none"> <li>The 2 universities in the county are located in the capital city Arad</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>4 state university and 5 private university, covering all education fields</li> <li>4 national research institutes, 5 other large research institutes, covering a large area of expertise</li> </ul>	<ul style="list-style-type: none"> <li>The number of young people in the education system is continuously decreasing</li> <li>Education not oriented toward market needs, number of unemployed people with high-education studies increasing</li> <li>Insufficient teachers and educators in the system, due to the small wages</li> </ul>	<ul style="list-style-type: none"> <li>High-education and research facilities located in the capital city of the county (Timisoara)</li> <li>Insufficient education resources (teachers and settings) in rural areas</li> </ul>



### Box 3 – Conclusions – education and R&D activity

Coming to the conclusion about the education and R&D activity of the region, it can be stated that

- The share of the total population having completed at least upper secondary education is above the EU27 average both in Hungary and Romania. However, school expectancy in Romania is below the EU27 value, and the relatively high number of early school-leavers also present a problem.
- There is a vivid academic life in the eligible area with several universities and colleges, giving opportunity to learn in higher education for more than 200,000 students.
- The counties with the largest universities – especially Hajdú-Bihar, Csongrád and Timiş - have a large number of R&D personnel employed, offering an excellent RTDI resource to capitalize on in the eligible area's economy.
- Concerning the level of R&D expenditure, most of the counties are lagging behind the EU27 average. However, Hajdú-Bihar and Csongrád in Hungary exceed the EU27 average, and the the Romanian counties – especially Timis and Arad – have constantly increased their R&D expenditures in recent years. These figures demonstrate that the primary RTDI centers are the universities of these four counties in the eligible area, offering an outstanding innovation potential.
- Most Romanian counties have experienced significant increase and the national goal within the Europe 2020 strategy aims to hold up this tendency.

## 2.4 Environment and climate change

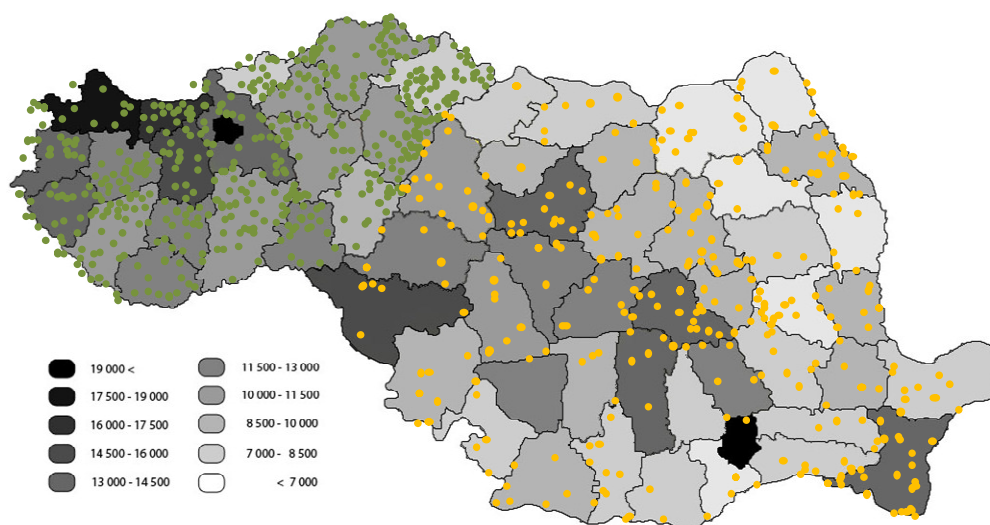
### 2.4.1 Environment

#### Protected areas

The eligible area is abundant in protected environmental areas, namely 159 Natura 2000 territories from which the vast majority is located in the Hungarian counties. The Hungarian part comprises more than 8500 km<sup>2</sup>, or approx. 17% of the total eligible area. The largest natural reserves of areas in the eligible area are in Hajdú-Bihar (Hortobágy) and Bihor (Apuseni Mountains).

Environmental cooperation between the two countries is led by the Expert Group for Environment within the Hungarian-Romanian Joint Commission, which was founded in 2003. A recent flagship of the cooperation and example of the countries' successful efforts, is the upgrade of the Cefa Natural Park (Natura 2000 territory) into a national park which directly connects the Romanian side to the Hungarian Körös-Maros National Park, forming jointly 13 000 hectares of national park territory.

Figure 46– Natura 2000 areas



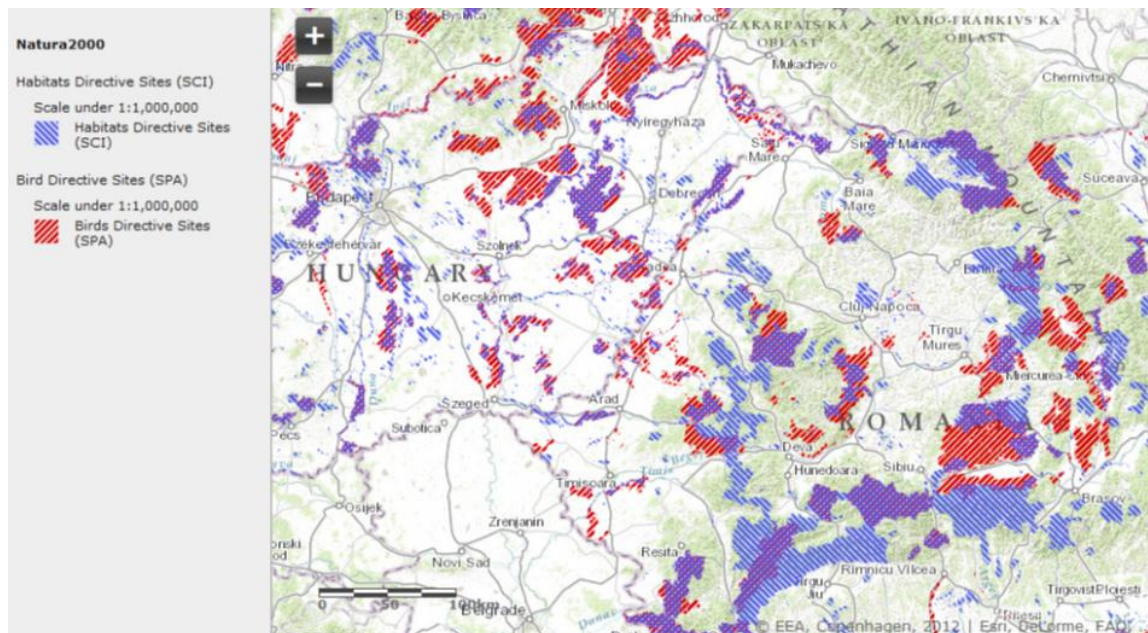
Source: KSH, INS, National documents

The main data of NATURA 2000 sites<sup>35</sup>:

- Total number of Special Protection Areas (SPAs)
  - in Hungary 56 (area is 13 741 km<sup>2</sup>)
  - in Romania 108 (area is 29 851 km<sup>2</sup>)
- Total number of Sites of Community Importance (SCIs)
  - in Hungary 477 (area is 14 413 km<sup>2</sup>)
  - in Romania 298 (area is 32 806 km<sup>2</sup>)

<sup>35</sup> More data is available at: <http://www.eea.europa.eu/data-and-maps/data/natura-2000>

Figure 47 – SCI and SPA sites in the eligible area



Source: European Environment Agency, <http://www.eea.europa.eu/data-and-maps/explore-interactive-maps/european-protected-areas>

Besides the Natura 2000 areas, we should also take a closer look at the carbon dioxide emissions of the two countries as one of the most relevant indicators of environmentally sustainable development. Under the Kyoto Protocol, Hungary has undertaken to reduce its GHG emissions by 6% compared to the average of the years 1985-1987<sup>36</sup>. Romania set an 8% reduction goal on the base year of 1989. After reaching its Kyoto target for the first commitment period (2008-2012), Hungary – and Romania as well – accepted the minus 20% target for the next session (2013-2020).

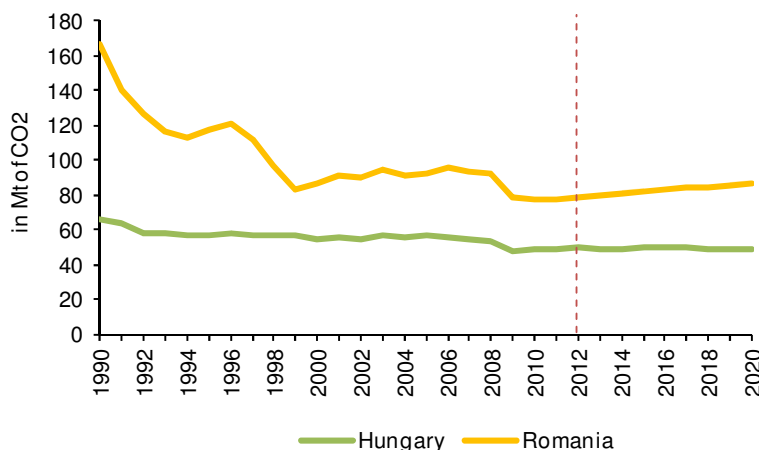
According to that, one can see from Figure below that the total CO<sub>2</sub> emissions from fuel combustion:

- Rapidly decreased since 1990 in **Romania**, reaching its lowest level of 76.9 Mt in 2010 (46% of the 1990 CO<sub>2</sub> level). However, an increasing trend can be experienced from 2010 on, with a projection of 86.4 Mt of CO<sub>2</sub> for 2020 (51.7% of 1990).
- On the other hand, the **Hungarian** emission-numbers stagnate within the 48 – 57 Mt range (74% - 87% of the 1990 level) with a major decline from 2008 to 2009 (from 53 Mt to 48 Mt). The trend seems to remain flat for the coming years as well.

<sup>36</sup> Hungary and Romania used an alternative base year instead of 1990 which was accepted by most of the parties.



Figure 48– Total CO<sub>2</sub> emissions from fuel combustion



Source: The Economist Intelligence Unit (EIU); data from 2012, prognosis for 2013-2020 by EIU

### Air quality, main pollution sources

Ambient air quality has to be monitored throughout the entire territory of all EU Member States. In the 2000-s the greenhouse gas emission per unit of energy use declined continuously in most of the EU member states, including Hungary and Romania as well. In recent years the air pollutants from heating has been reduced as a result of a major change in energy source.

The air quality in the eligible area is mainly good or average. In the relevant Hungarian counties the quality of the air is better than the national average, due to the structure of the economy (low rate of industry), while in the relevant Romanian counties it is average or mainly good (even though industrial activity and energy sectors are significant). Not surprisingly, locations where air pollution is higher can be found primarily in and around major cities and close to main roads.

The main pollution sources in the eligible area are:

- Traffic – road traffic is responsible for the large quantity of suspended and depositing particles.
- Industry – burning installations, thermal power stations (in Bihor, Arad, Timiș), hydrocarbon mining (in Csongrád, Békés), production of ceramic items (brick, tile, in Békés, Bihor), etc.
- Agricultural sources – uncontrolled burning of dry vegetation, odour emissions of farming / composting, dispersed pesticide / fertilizer, harvesting, crop drying and storage.
- Household sources – heating (burning wood, coal, gas, etc.).

### Water quality, main pollution factors

The water resource of the eligible area consists of surface waters – rivers, lakes – and underground waters.

Main pollution sources of surface and ground water are human activities – direct and indirect forms of municipal waste water discharge and diffuse pollution. The latter (nitrate, phosphorous, ammonium) comes from either agricultural (including livestock farming, eutrophication, use of chemicals) or industrial, or waste disposal activities (inappropriate insulation), but non-treated





surface runoff (in the form of oil derivatives, heavy metals or pesticides) can also cause this type of pollution.

Some parts of the public drinking water supply does not comply with the quality standards – such as regarding the boron, arsenic and ammonium concentration – furthermore, in case of more parts of the supply system the iron, manganese and nitrate content of the water exceeds the relevant thresholds.

The environmental state of the natural surface waters is good overall. The quality of Hungarian surface waters is determined by their stem from across the border. In the case of waters which forms the boundary or cut the boundary, in the past 10 years the water quality indicators has shown improved quality in 65%, while 35% has indicated a negative trend, so an overall improvement in the quality of water can be observed.

In addition to the national assessment of the surface water network in the field of transboundary water policy a several decade history of valuable cooperation need to be mentioned, secured by a bilateral interstate agreement dealing with the issues of floods, drainage water protection and emergency response activities related to transboundary water. Within the framework of the agreement regular water investigations are executed on both sides of the border (alternately on the Hungarian and on the Romanian side) also covering the joint investigation of occasional accidental pollution of natural waters. This provides a solid foundation for the future cooperation of relevant institutions in order to effectively tackle emergency situations.

#### **Soil quality, level of soil degradation**

The soil quality of the eligible area is from average to good in general; the types of soil provide favourable conditions for agricultural activities (the soil quality is the best in the eligible area in Békés and Arad counties).

Major sources of soil degradation include soil erosion due to wind, erosion due to water, landslides (especially in the hill areas, on grass lands and on deforested lands, and in the areas neighbouring the surface mining excavations), drought, regular excess of humidity in the soil. Yet other significant degradation factors are the extraction of mineral resources and the oil extraction industry (e.g. in Bihor, Arad, Timiș).

Processes related to soil contamination are closely related to the condition of the water and air pollution as well.

Soil pollution resulted from anthropogenic activities in the area is caused mainly by agricultural (pesticides, livestock origin) and industrial (hydrocarbons, ethylene, ammoniac, sulphur dioxide, chlorides, fluorides, oils, radioactive materials, waste product deposits, etc.) sources.

Based on estimates of the European fertilizer manufacturers association (Fertilizer Europe) the amount of active ingredients of fertilizer per one hectare of agricultural land is the highest in the Netherlands and Germany (147 and 134 kg/ha), and the lowest is in Portugal and Romania (30-30 kg/ha). The Hungarian value is 55 kg/ha (2010).

#### **Waste management, selective collection of waste, risk of pollution with dangerous waste**

The amount of municipal solid waste per capita in both countries is lower than the EU average (EU 502 kg/person, RO 365 kg/person, HU 413 kg/person) (Eurostat 2010). The same trend is observed in the case of packaging waste per capita as well.

The level of coverage with regular waste collection services is about 85-90 % in the relevant counties of the eligible area, the rate is significantly higher in the urban areas than in the rural areas.

In compliance with EU standards, the regional waste management systems in both countries have been developed in recent years. Simultaneously with the installation of modern waste disposal systems, the recultivation of small municipal landfills started and mostly finished.

Recycling rate of municipal solid waste is lower in Romania than in Hungary, and the rate is substantially below the EU average (39.6%) in both countries (HU 19.6%, RO 1.3%) (Eurostat 2010).

The rate of recycled and composted municipal solid waste is steadily increasing for years. It is mainly due to the increasing use of selective waste collection. Separate collection is increasingly available through selective waste yards, waste collection points and door-to-door transport of selectively collected waste in more and more settlements. Types of waste collected selectively in the eligible area are paper/cardboard, plastic, glass, metal; altogether, though, the rate of selectively collected waste out of the total amount of waste is still low in the counties of the eligible area.

The ratio of hazardous waste out of the total waste in Hungary (4.0%) is around the EU average (3.7%), while Romania has the lowest rate in the EU (0.3%) (Eurostat 2008).

The elimination and disposal of illegal landfills will remain a key task in the area.

### **Natural risks and risks from human activity**

Due to the geographical location, topography and climate, the most significant natural risk factors in the eligible area are floods and inland waters. The flood vulnerability of the cross-border counties is very high both in national and in international comparison.

Hungary and Romania have transboundary water agreement, in order to regulate the cooperation between the two countries, for the protection and sustainable use of transboundary waters.

The impact of climate change is experienced through an increase in intensity and frequency of extreme weather phenomena. Weather extremes – such as drought or sudden, heavy rains – cause serious ecological and economic problems in the area. The risk of drought is significant in Békés, Csongrád, Arad and Timiș counties.

Another type of natural risk is land sliding risk, which occurs especially in the hill areas, on grass lands and on deforested lands, and in the areas neighbouring the surface mining excavations (relevant counties in Romanian side of the border).

Human activities can reduce the effects of natural risks, mainly through improving the status of flood protection systems, dams, wastewater treatment, and reducing pollution activity of enterprises. The economic activities can have significant impact on the protected natural areas; the main factors that can threaten the nature are agriculture, forestry, transport, certain industrial sectors and tourism (see the main pollution factors of the air, waters and soil in the previous subchapters).

### **Measures implemented for nature protection**

In recent years several measures have been implemented in the eligible area aimed at nature protection, including:

- Hungarian-Romanian state-level cooperation (Joint Committee on the Environment, Hungarian-Romanian Water Commission)
- Implementation of Hungarian-Romanian joint projects in the subject of environment protection (Hungary-Romania Cross-Border Co-operation Programme)
- Elaboration of county (and in some cases city) level environment protection strategies
- Compliance with EU environmental regulations (e.g. protected natural areas, NATURA 2000 ecological network)

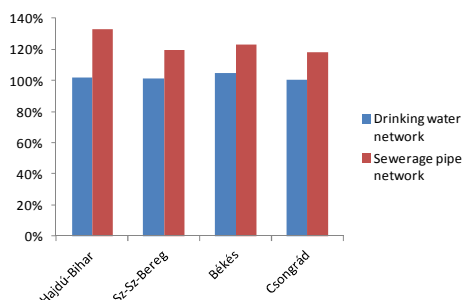


General environmental measures include the liquid and solid waste disposal, rainwater drainage and treatment as well.

## 2.4.2 Drinking water and sewerage

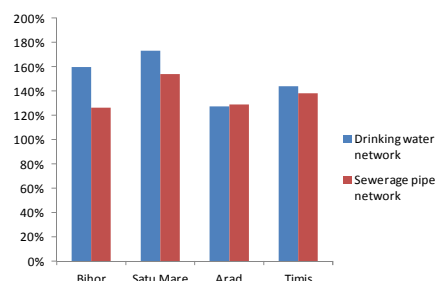
In the researched Romanian counties the average length of drinking water pipes was 1537 km in the base year and has reached an average of 2258 km by 2011. Considering the same period of time the length of the sewerage pipe network increased from 607 km to 811 km.

**Figure 49 – Relative increase of households having access to drinking water and sewerage pipe network in the Hungarian counties (2005-2011)**



Source: KSH

**Figure 50 – Relative increase of drinking water and sewerage pipe network length in the Romanian counties (2005-2011)**



Source: INS

Figure 49 demonstrates the relative increase of drinking water and sewerage pipe network length in the four Hungarian counties from 2005 to 2011. Sewerage pipe network augmented by 18 to 33% in the presented counties and Hajdú-Bihar achieved the best results. The development of the drinking water network is not so significant ranging from 0 to 5%. This is due to the fact that the rate of utility in the area was already over 95% and the drinking water supply was already satisfactory; therefore, only a slight decrease could be achieved. Comparing the above described figures in Romania between 2005 and 2011, there has been a significant increase in both drinking water (44-73%) and sewerage pipe network access (26-54%). It is clearly observable from the graph that Satu Mare outperformed the other Romanian counties in terms of relative development.

In 2011 in 40 settlements (out of 79) of Békés county the drinking water quality did not fulfil the legal requirements. The extremely high arsenic and nitrite content meant the biggest problem. Arsenic concentration exceeded the limit value in 40 settlements. Furthermore, in 13 settlements no arsenic remover technology was available. In the same year in Csongrád a national program aiming drinking water quality improvement was in progress. Here the high arsenic concentration was also a significant issue. Arsenic remover technology was unavailable; however, nitrite and nitrate concentration was below the approved limit. In Hajdú-Bihar in 26 settlements – which suffer from high arsenic concentration – arsenic remover technology was unavailable. Nonetheless, the area will be developed with the help of the national drinking water improvement program. In Szabolcs-Szatmár-Bereg county the availability of drinking water utilities for the inhabitants is almost 100%. However, the high concentration of arsenic was a problem in 22 settlements and in 4 parts of other settlements.<sup>37</sup>



To solve this problem a complex drinking water quality improvement program is implemented in the Hungarian part of the eligible area. Between 2007 and 2013 31 projects have got support in worth of 51 billion HUF.<sup>38</sup> At the Romanian side of the border the most significant water management issues identified in the Ier Valley / Cris river area are:

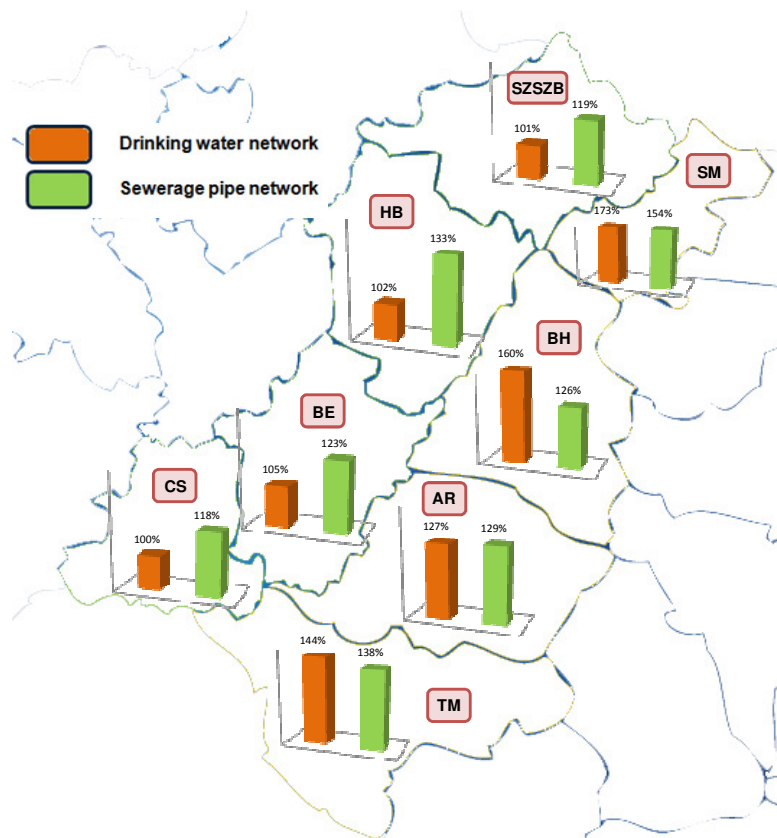
- Pollution caused by human communities : the low rate of population connected to collection systems and waste water treatment , improper operation existing treatment plants in the agglomeration , mismanagement household waste , lack of protection zones of water intakes for the population;
- Pollution caused by agricultural activities: nitrogen and phosphorus pollution mismanagement of manure from farms and households belonging municipalities declared areas vulnerable to nitrate pollution from agriculture.

The catchments area Ier / Cris has established a program of action that includes both basic measures and additional measures to achieve environmental objectives set for all water bodies in Romania.

There are a number of 126 water catchments of groundwater for consumption in the Cris basin area, of which, 89 catchments areas have sanitary protection established under the Government Decision 930/2005. One of these catchments (the Water Company Oradea) operates larger flows of 1.5 million m<sup>3</sup>/year.

Key problems refer particularly to nutrient pollution sensitive/protected areas. Total land located in vulnerable areas to nitrate pollution in the Ier / Cris catchments area is of 11,313.8 km<sup>2</sup>.

Figure 51– Relative increase of drinking water and sewerage pipe network in the eligible area, 2011, (map)



Source of data: INS, KSH

<sup>38</sup> Source: [www.nfu.hu](http://www.nfu.hu) (03.10.2013)



### 2.4.3 Energy

Romania had a total installed electricity-generating capacity of an estimated 23,452 mwe in 2012, making it the largest power generator in South-Eastern Europe. However, much of the existing installed capacity is over 20 years old, and 26% is actually non-operational. On the other side of the border, currently 19 big power plants and more than 270 small power plants (under 50 megawatts) operate with a built-in total capacity of some 9000 megawatts. The Hungarian power plant portfolio is also considerably outdated: the big power plants have an average age of more than 24 years; in the case of the small ones this is more than 10 years, which means that the average age is some 22 years. In line with this, the mean average of the power plants' efficiency is around 30-35 per cent, way below the desirable 50 per cent. Moreover, – taking into consideration the increasing energy consumption in the coming years –, Hungary should have an available capacity of 11-12,000 megawatts by the year of 2025.

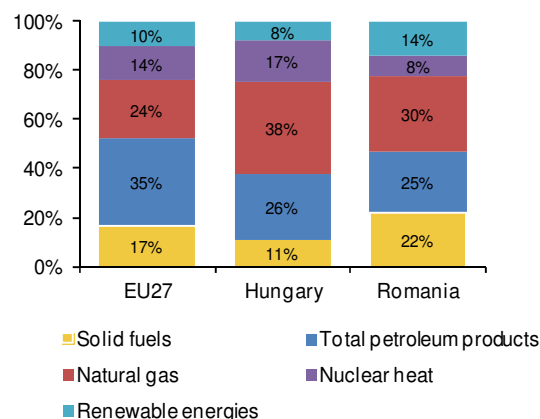
Having a look at the energy consumption of Romania, the gross domestic energy consumption per head is relatively low by EU standards, although it is expected to grow throughout the coming period (2013-2020), as the economy expands at a faster rate than in the richer EU countries. In Hungary, the total energy consumption was 25.8 m tonnes oil equivalent (mtoe) in 2011 (Romania: 38.1 mtoe) which is expected to rise steadily over the period of 2013 - 2020 as the economy recovers.

Regarding the distribution of the consumption by fuels, Romania relies mainly on natural gas while the share of renewable energies is remarkably high comparing to the Hungarian (8%) and EU27 (10%) data. We should also highlight the share of natural gas in Hungary, which is a significantly high figure compared to the EU27 and Romania. However, the share of this source – the petroleum products and nuclear energy as well –in the energy mix will decline modestly. Renewable energy will continue to grow, bringing the country closer to EU requirements by 2020.

Romania is committed to investing heavily in energy in 2013-20, including in the planned reactors 3 and 4 at Cernavoda, and in renewable resources including the €1bn investment in the Tarnita-Lapustesti hydropower plant, as well as the hydropower plants at Galati, Braila, Doicesti and the mini-hydropower plants in the Olt basin. For Hungary, the improvement of the energy efficiency will be the main priority, as the country is poorly endowed with natural resources and has to import more than half of its energy needs.

According to the ESPON database (2006), fuel costs of freight transport as a share of regional GDP are lower on the Northern (2.6%) and Southern Great Plain (2.54%) –where the four researched Hungarian cross border counties are located – than in the relevant Romanian regions. In the West Development Region this value reached 4.7%, while in the North-West it was 3.4%.<sup>39</sup>

Figure 52 – Gross inland energy consumption by fuel (2011)



Source: The Economist Intelligence Unit (EIU)

<sup>39</sup> ESPON Database: Fuel costs of freight transport, <http://database.espon.eu/db2/>, retrieved on: 21.06.2013.

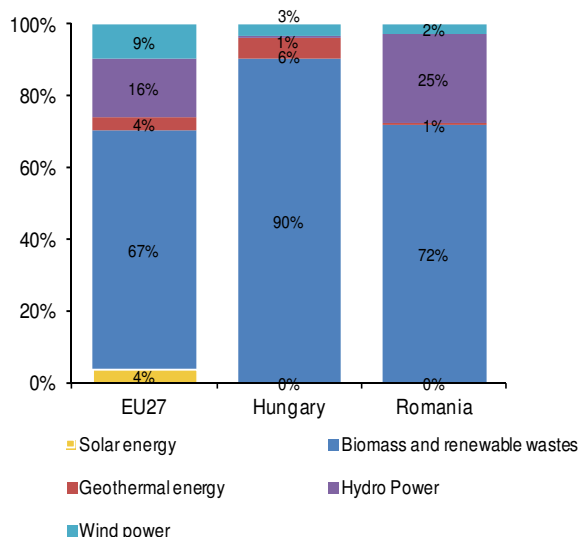


## 2.4.4 Renewable energy

In the year 2010 the share of renewable energy in the gross final energy consumption was 8.7% in Hungary and 23.4% in Romania. In accordance with the Europe 2020 targets, the former aims to reach a share of 13% by 2020. On the other hand, Romania is committed to satisfy 24% of its energy need from sustainable, renewable sources. The amount of renewable energy obtained from biomass and renewable wastes is far above the European average (67%) both in Hungary (90%) and Romania (72%).

In 2011 primary energy production reached 10,719 thousand tonnes of oil equivalent in Hungary and 27,783 thousand in Romania. The Southern and the Northern Great Plain – where the four relevant Hungarian counties are located – consume one-third of the total production (3447.84 thousand tonnes).

Figure 53 – Distribution of renewable energy production (2011)



Source: Eurostat

The Hungarian and Romanian counties have abundant water resources that can be used to produce hydroelectric power. However, in Hungary only 1% of the total renewable energy generated comes from hydroelectric facilities while in Romania this ratio is much more favourable (25%) significantly exceeding also the EU average (16%).

In Hungary the hydroelectric power station of Tiszalök – which is located in Szabolcs-Szatmár-Bereg county – is the most important such plant of the Great Plain. The power station generates approximately 45 million kWh/a renewable energy annually from the Tisza River. The Szamos, the Túr and the Kraszna rivers and the channel of Lónya also flow in the area offering great opportunity for hydropower generation. Water quality is far above the country average. This county used to have plenty of still water, but most of them were drained and only a few remained, like the lake of Nagyvasdás and Királytelek. The water supply of the area is able to satisfy the needs of the local industry and agriculture. From the 22 fully-functioning thermal wells 80% serve balneology. In Csongrád county 191 thermal wells operate with 46% agricultural and 15% industrial usage. Békés county has 136 fully functioning thermal wells that serve the agriculture and tourism by providing water for 24 thermal baths. Furthermore, merely 87% of the Hungarian exploitable water that can be used to generate geothermal energy is located on the Great Plain.<sup>40</sup>

According to the Hungarian National Renewable Energy Action Plan (NREAP) by 2020 14.65% of the total energy consumption will be fulfilled from renewable energy sources. The construction of the hydroelectric power station of Békésszentandrás – located on the Kőrös river in Békés county – started in 2011 and from its completion it will be able to ensure the targeted renewable energy rate for 54,000 people with the annual electricity production of 8.6 GWh.<sup>41</sup>

<sup>40</sup>Hydropower utilization in Hungary, [http://mta.hu/data/cikk/12/90/28/cikk\\_129028/89MayerViz.pdf](http://mta.hu/data/cikk/12/90/28/cikk_129028/89MayerViz.pdf) retrieved on 30.04.2013

<sup>41</sup>Construction of the small hydroelectric plant of Békésszentandrás, [http://siposfishingteam.blog.hu/2012/06/04/a\\_bekesszentandrasi\\_kisvizzeromu\\_epitese](http://siposfishingteam.blog.hu/2012/06/04/a_bekesszentandrasi_kisvizzeromu_epitese), retrieved on 30.04.2013



Romanian inland rivers provide 13,859 million cubic metres of annual water resources. Considering only the four major rivers (Tisa, Somes, Crisuri and Mures) it can be concluded that the four relevant counties have an annual water resource of 2410 cubic meters. Barcau and Crisana rivers and their affluent flow through Bihor county, Berzava and Timis rivers through Timis county, Cris and Mures through Arad county, while Crasna, Tur and Homorod and Somes provide abundant water supplies to Satu Mare county.

Romania has a great potential in exploiting geothermal energy and one of the most important source is located in Bihor county mainly in the area around Oradea city where the use of this energy type dates back to hundred years. After Greece and Italy, Romania has the third highest potential in geothermal capacity.

Thanks to its favourable geothermal attributes, Hungary has a great potential in geothermal energy production. However, only 0.28% of the total energy consumption is ensured with geothermal energy, and geothermal energy is not converted into electricity.<sup>42</sup>

In the four Romanian counties the global horizontal irradiation exceeds 1250 kWh/m<sup>2</sup> annually, which makes solar energy investment opportunities attractive. The Covaci Solar Park – located in Timis county – is still under construction. At its completion it will be the largest solar power plant of the country with a total of 480,000 solar panels and a cumulated capacity of 35 MW.<sup>43</sup> Satu Mare Solar Park construction is also in progress. When fully functioning, it will have a capacity of approximately 5 to 8 megawatts.<sup>44</sup>

In Hungary global horizontal radiation in the relevant counties exceeds 1320 kWh/m<sup>2</sup> annually; while Csongrád county has the most potential in solar energy production with an average annual radiation of 1360 kWh/m<sup>2</sup>. A yearly 480 kJ energy can be collected on every cm<sup>2</sup> as even during winter 66% of the summer ray quantity can be achieved. Regardless of Hungary's high solar energy potential, it lags behind Romania in production and number of future projects to increase production.

According to the research conducted by ESPON the Hungary-Romania CBC area somewhat outperforms the EU-27+4 and the other CBC areas regarding wind energy potential. They are also close to the level of national wind energy potentials. Wind energy production has a huge potential in Hungary, however, legal barriers may slow down the process as 25% of the country is a Natura 2000 area where obtaining permissions for power plant building is difficult.<sup>45</sup>

Romania is one of the 15 member states that have more than 1GW of installed wind plant capacity (exactly 1,905 GW) in 2012. The country was able to double its installed capacity between the year 2011 and 2012 thanks to extensive investment. In 2012 Romania ranked 15<sup>th</sup> among member states based on the market shares for new capacity installed during the year, which is around 7.5% of the EU's aggregate yearly capacity.<sup>45</sup>

### 2.4.5 Climate change

Climate change – and its potential negative effects – are important risks influencing the future development of EU regions. It is not surprising, thus, that improving the capacity to adapt to climate change is high on the agenda of the European Union. In fact, two out of five Europe 2020 headline

<sup>42</sup>Hungary is a world leader in geothermal energy, <http://zoldtech.hu/cikkek/20060221geoterm>, retrieved on 30.04.2013

<sup>43</sup>Could Romania be Eastern Europe's PV powerhouse? [http://www.pes.eu.com/4F7E3BE7-6A57-4AD0-9244-86A729644086/FinalDownload/DownloadId-040143948EAD6A20B299F8EB419D1722/4F7E3BE7-6A57-4AD0-9244-6A729644086/assets/misc\\_new/romania-finalpdf-765223001703.pdf](http://www.pes.eu.com/4F7E3BE7-6A57-4AD0-9244-86A729644086/FinalDownload/DownloadId-040143948EAD6A20B299F8EB419D1722/4F7E3BE7-6A57-4AD0-9244-6A729644086/assets/misc_new/romania-finalpdf-765223001703.pdf), retrieved on 30.04.2013

<sup>44</sup> 3 New wind farms for Romania, [http://www.energymatters.com.au/index.php?main\\_page=news\\_article&article\\_id=3535](http://www.energymatters.com.au/index.php?main_page=news_article&article_id=3535), retrieved on 30.04.2013

<sup>45</sup>Wind in power- 2012 European Statistics, [http://www.ewea.org/fileadmin/files/library/publications/statistics/Wind\\_in\\_power\\_annual\\_statistics\\_2012.pdf](http://www.ewea.org/fileadmin/files/library/publications/statistics/Wind_in_power_annual_statistics_2012.pdf), retrieved on 30.04.2013



targets (reducing greenhouse gas emissions and increasing renewable energy use) are directly linked to climate change.

While reliable hard data and information are still fairly scarce regarding climate change, fortunately there is an ever increasing body of evidence / research results that can be applied (not ignoring some level of uncertainties when dealing with climate change projections).

The ESPON Climate project introduces a standard set of indicators<sup>46</sup> to assess climate change and its impacts in Europe.

The first indicator is the “Aggregate potential impact of climate change” shows the weighted combination of physical, environmental, social, economic and cultural potential impacts of climate change. From this perspective, 5 out of the 8 counties (Arad, Bihor, Csongrád, Szabolcs-Szatmár-Bereg and Timis) face medium negative impact (the second worst category), Bihor and Satu Mare faces low negative impact, and only Csongrád county can expect no or marginal impact.

The adaptive capacity of the area is also a crucial issue. Unfortunately, the eligible area does not exhibit a positive picture: all the Romanian counties are characterised by the lowest overall capacity to adapt to climate change – in fact, they are amongst the lowest 25% of all European and CBC NUTS3 regions, while their Hungarian counterparts have just a slightly better situation by having low overall capacity to adapt<sup>47</sup>.

The combination of regional potential impact and the overall adaptive capacity of the given region present its vulnerability to climate change. Unfortunately, this indicator highlights a fairly unfavourable situation: all four Romanian counties plus Szabolcs-Szatmár-Bereg are characterized by medium level (second worst) negative impacts, Hajdú-Bihar and Csongrád exhibit low level of negative impacts, and only Békés county can exhibit no or marginal negative impacts.

The ESPON Climate study introduces a climate change typology of European regions, defining 5 distinct categories:

- Southern-central Europe (all the eight counties in the eligible area fall into this category)
- Northern Europe
- Northern-Central Europe
- Mediterranean region
- Northern-western Europe

Considering the climate change projections for Southern-central Europe regions, the eligible area can expect a strong increase in mean temperature, a strong decrease in frost days and also strong increase in summer days. With regard to precipitation, the region can also expect strong decrease of precipitation during summer months.

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<sup>46</sup> Source: ESPON Climate – Climate Change and Territorial Effects on Regions and Local Economies – Final Report [http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/CLIMATE/ESPON\\_Climate\\_Final\\_Report-Part\\_B-MainReport.pdf](http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/CLIMATE/ESPON_Climate_Final_Report-Part_B-MainReport.pdf)

<sup>47</sup> ESPON Factsheet: Hungary-Romania, [http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128\\_fact-sheets/Factsheet\\_Hungary\\_Romania.docx](http://www.espon.eu/main/Documents/Projects/ScientificPlatform/TerrEvi/20121128_fact-sheets/Factsheet_Hungary_Romania.docx), retrieved on 20.06.2013



## 2.4.6 County specificities in environment and climate change<sup>48</sup>

The county specificities and the intra-county disparities in the field of environment, energy and climate change are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>The county is rich in nature protection and NATURA 2000 areas</li> <li>The county has a major potential in the use of renewable energy sources (primarily biomass, geothermal energy)</li> </ul>	<ul style="list-style-type: none"> <li>Significant parts of the county are heavily exposed to floods, and the risk of excessive inland water is also high</li> <li>Use of renewable energy is minimal in the energy structure of the county</li> </ul>	<ul style="list-style-type: none"> <li>38 % of the county's area is endangered by flood</li> <li>Nearly two-third of the county's population lives in areas endangered by excessive inland water</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>Intact natural and landscape values, the majority of Hortobágy (Hortobágy National Park) is located in the county</li> <li>The county has outstanding geothermal potential</li> <li>The county has significant hydrocarbon resources</li> </ul>	<ul style="list-style-type: none"> <li>Untapped, unused renewable energy potential</li> <li>High volume of municipal solid waste, low level of selective waste collection</li> </ul>	<ul style="list-style-type: none"> <li>Differences in the risk of inland water in the county's area</li> </ul>
Békés	<ul style="list-style-type: none"> <li>High proportion of sunny hours in national comparison</li> <li>The county has significant thermal water and hydrocarbon resources</li> <li>The county has many protected areas, among them the Körös-Maros National Park</li> <li>The county has three types of renewable energy sources: geothermal, solar and biomass.</li> </ul>	<ul style="list-style-type: none"> <li>Significant risk of drought</li> <li>Frequent water shortage in the Körös river system.</li> <li>Increased risk of excessive inland water in certain parts of the county</li> </ul>	<ul style="list-style-type: none"> <li>There are significant differences in the availability, depth, and especially in the quantity of underground water in different parts of the county</li> <li>Shortage or low level of surface water resources in Southern Békés</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>Large number of thermal wells</li> <li>Excellent facilities for renewable energy sources (geothermal, biomass, solar)</li> <li>The most important exploitable hydrocarbon sources in the country</li> <li>Protected natural areas (Körös-Maros National Park)</li> </ul>	<ul style="list-style-type: none"> <li>The county's sewer network is not prepared for swings in water balance</li> <li>Significant risk of drought</li> <li>Risk of flood and inland water in the county</li> </ul>	<ul style="list-style-type: none"> <li>The air pollution is higher in cities and major transport routes</li> <li>There are significant differences in the level of selective waste collection between settlements</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Satu Mare county is rich in nature protection and NATURA 2000 areas</li> </ul>	<ul style="list-style-type: none"> <li>High consumptions of energy in industry, agriculture, services and transport</li> </ul>	<ul style="list-style-type: none"> <li>Significant difference regarding financing sources for environment protection</li> </ul>

<sup>48</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	<ul style="list-style-type: none"> <li>• High energetic potential, especially hydro-energetic and geothermal</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced valorisation of the energetic potential</li> <li>• Low level of selective waste collection, recycling and valorisation</li> </ul>	between urban and rural areas
Bihor	<ul style="list-style-type: none"> <li>• A large number of protected areas, with delimitation of sites and under the Natura 2000 Program (64 areas and the Natural Apuseni Mountains Park)</li> <li>• Very good cross-border co-operation agreements and projects in the domain</li> <li>• Significant resources of hydrocarbons, hydro-energy, geothermal waters</li> <li>• Increasing utilization of EU Programs for renewable energy: solar panels, biomass, geothermal, wind;</li> </ul>	<ul style="list-style-type: none"> <li>• There is no integrated waste management system in place in the county.</li> <li>• Undeveloped infrastructure for the treatment, recycling and re-use (transfer stations, authorized operators, adequate technology)</li> <li>• Existence of some polluted sites – as a heritage from the socialist period – that presents still risks for the environment in the former zones of the coal and bauxite mines as well in the closed uranium mine</li> </ul>	<ul style="list-style-type: none"> <li>• Existence in some areas of the risk of accidental pollution (especially for the rivers or lakes, by the river-side residents)</li> <li>• Degradation of the soils in exposed areas by torrents, earth falls</li> <li>• Threat of desertification in the County's North-West microregion</li> <li>• Threat of floods alongside the rivers Crisul Negru, Barcau, Crisul Repede</li> </ul>
Arad	<ul style="list-style-type: none"> <li>• Several water flows passing the county and forming basins</li> <li>• Slightly polluted or non-polluted areas</li> <li>• Development of the network for electric power</li> <li>• Important natural resources</li> </ul>	<ul style="list-style-type: none"> <li>• Obsolete heat and water supply systems</li> <li>• Inadequate neutralization of industrial and domestic waste</li> <li>• Polluting industrial branches, great energy consumers</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of methane gas in the majority of rural areas</li> <li>• Existence of non-corresponding systems for water purification, for collecting and recycling of industrial and domestic waste mainly in rural areas</li> <li>• The mountainous area boasts with picturesque landscapes, but with no utilities</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>• Potential for renewable energy, especially solar, biomass and thermal water available in several areas,</li> <li>• Several protected areas (natural landscapes and fauna) located in the county</li> <li>• 91% of total administrative units in the county have access to water distribution networks</li> <li>• There is a new waste collecting and treatment system with transfer stations to cover the whole county</li> </ul>	<ul style="list-style-type: none"> <li>• High costs implied for the use of some renewable energy sources (geothermal and thermal water)</li> <li>• No large classic energy resources (oil/gas/coal)</li> <li>• No large investments made for the use of renewable energy</li> <li>• Of the total 99 localities in the county, just 18 (mostly cities) have wastewater management systems</li> </ul>	<ul style="list-style-type: none"> <li>• Central energy distribution network available only in some cities</li> <li>• Gas distribution networks cover mainly urban areas and only 32% of the county's administrative units</li> </ul>





#### **Box 4 – Conclusions – environment, energy, climate change**

Based on the analysis about the environmental situation, energy sector and the climate change situation of the eligible area, we can state the followings:

- The natural environment and its protection is a key issue for both Hungary and Romania because of the extensive Natura2000 areas.
- Regarding the carbon dioxide emissions, the Romanian figures are showing increasing trend after reaching its lowest level in 2010. The Hungarian emission indicators have stagnated in the last years, and this trend seems to remain flat for the coming years as well.
- Between 2005 and 2011 significant development of sewerage pipe networks is observable in both countries. Regarding the improvement of the drinking water network, Romania outperformed Hungary. This is due to the fact that the Hungarian drinking water network was already satisfactory.
- In Hungary the most significant problem in connection with the drinking water quality is the high arsenic concentration. To improve the drinking water quality a complex program is in progress in the concerned settlements.
- In terms of energy mix, Romania consumes mainly natural gas and the share of renewable energies is remarkably high comparing to the EU27 and Hungary.
- In the researched Hungarian counties, though the share of natural gas is relatively high (38%), this is expected to decline – with the share of petroleum products and nuclear energy as well – in the period of 2013-2020.
- Regarding the distribution of renewable energy production the proportion of biomass and renewable wastes exceeds the EU27 average in both countries. The share of hydro power is also higher in Romania than the EU27 value; however, regarding the other energy types, both countries lag behind the EU27 average.
- The eligible area can expect – with some internal differences – low to medium level of negative impacts of climate change. This – combined with a generally very low capacity to adapt to the effects of climate change result in a fairly high level of vulnerability to climate change effects. More specifically, the increase of weather extremeties may result in increased risks of floods, while the significant increase of mean temperature can lead to frequent draught periods.
- The eligible area is rich in water resources – both surface water and groundwater. With the increasing global importance of water – if properly managed - this could be an important common asset of the area.
- While the eligible area is rich in thermal water, it is far from being used to its full potential for energy-generating purposes.
- The conditions for harvesting solar power are also above average in the eligible area – significant advances are made in this field on the Romanian side, while the Hungarian part is lagging behind. Altogether, better use of solar energy also offers an important potential.



## 2.5 Infrastructure and mobility

### 2.5.1 Transport infrastructure and mobility

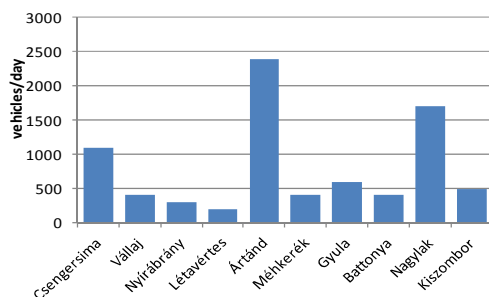
Hungary and Romania share a 450-kilometre-long border section with several main road and railway links. There are a total of 10 roadway (and 5 railway) border crossing points in use between the two countries at an average distance of 45 km and further crossing facilities are planned to promote smooth cooperation between economic regions on either side<sup>49</sup>. According to plans, 8 further road border crossing may be opened which means that there will be a border crossing point at every 26.5 kilometres in average. These crossing points are already finished or will be finished by 2013 since they were financed through the 2007-2013 HURO CBC Programme. Surveys suggest that there might be public demand for the establishment of further 57 border crossings. Should they be built, there would be a border crossing point at every 6.7 kilometres, which is considered more than satisfactory even according to Western-European standards<sup>50</sup>. Unfortunately, though, Romania still has not joined the Schengen Area, which means that the border check points still will be upheld, and the newly built 8 additional border crossing roads may not be opened yet.

Many Romanian settlements in the cross border region suffer from low degree of accessibility and the discontinuity of networks, which may unnecessarily increase travel times. The low number of bridges on the Maros river is a typical example for the unsatisfactory infrastructure. If someone wants to travel from Nadlac to Sânnicolau Mare, the person has to cross the border and return to Romania on the Makó-Kiszombor route (53 km). The other option without crossing the border is to travel through Arad; however, in this case the distance is twice of the Hungarian route (108 km). With the construction of the Saint Gerard Bridge at Magyarcsanak the distance between the two previously mentioned settlements would decrease by 50%. In many cases –especially in Romania – the roads parallel to the border are in poor condition and require modernization. It would be technically justified to create a network which connects not only the cross border settlements, but takes into consideration the related network elements as well. The Hungarian Transport Administration is currently working on a project in the CBC region which aims to identify the critical issues of the transport system considering for instance the length of the road network, the quality of the pavement and the cross-sectional flow. Results of the project will be publicly available next year. It is clear from the above written that there is a need for further development of the transport infrastructure in the cross border region even if areas are not directly connected to the border. Annex 6.3 demonstrates the transportation map of the cross border area. Settlements marked with blue are the ones that are already connected with the border crossing points, while the red ones are linked by the newly built points. The railway system in the cross border area is presented by brown lines. The orange lines indicate the highways with the highest transit traffic, while the green interrupted lines show the motorways that are planned to be built in the future. After joining the Schengen area, among the 18 available cross border points the shortest distance will be 5 km (located in the South, between Csanádpalota-Nadlak and Nagylak-Nadlac) while the largest will be 47 km (located in the North, among Csengersima-Peta and Vállaj-Urziceni cross points). It can be clearly seen from the map, that the most important and busiest routes were already covered by the first 10 cross points. Furthermore, the two new motorways crossing the border will be built in areas where the gap between the border crossing points was the largest.

<sup>49</sup>Plans of the Hungarian Government to open new border crossings to Romania, [http://www.hirado.hu/Hirek/2012/10/01/16/ Govt\\_plans\\_to\\_open\\_new\\_border\\_crossings\\_to.aspx](http://www.hirado.hu/Hirek/2012/10/01/16/ Govt_plans_to_open_new_border_crossings_to.aspx), retrieved on 21.03.2013

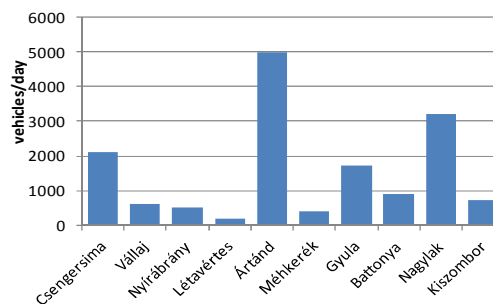
<sup>50</sup>New border crossing points could be opened between Hungary and Romania, <http://www.kormany.hu/en/ministry-of-national-development/news/new-border-crossing-points-could-be-opened-between-hungary-and-romania>, retrieved on 21.03.2013

**Figure 54– Number of vehicles per day travelling towards Hungary through the different border crossing points (2011)**



Source: Traffic data provided by analysts

**Figure 55– Number of vehicles per day travelling towards Romania through the different border crossing points (2011)**

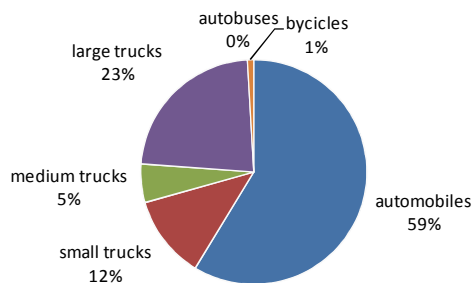


Source: Traffic data provided by analysts

Approximately 15 thousand vehicles cross one of the ten border crossing points towards Hungary, and 11 thousand towards Romania a day. Ártánd –in cases of both directions – accounts for almost one-third of the total daily transit traffic. The three busiest border crossing points are Ártánd, Nagylak and Csengersima where more than 65% of the vehicles travelling to Romania and 67% of the ones heading towards Hungary pass by. This means that 70% of the borders crossing points are dealing with less than 35% and 33% of the total daily traffic, respectively.<sup>51</sup>

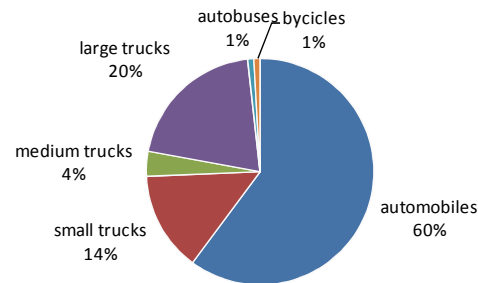
The distribution of vehicles passing the border crossing points on a daily basis is quite similar in both directions. The total share of automobiles travelling towards Hungary and Romania is 59% and 60%. Trucks represent 40% and 38% of the total transit traffic while autobuses and bicycles are the least significant with a share of 1% or less.

**Figure 56– Number of vehicles per day travelling towards Hungary based on vehicle types (2011)**



Source: Traffic data provided by analysts

**Figure 57– Number of vehicles per day travelling towards Romania based on vehicle types (2011)**



Source: Traffic data provided by analysts

Infrastructure development is one of the most important links between the two EU member states, providing hundreds of opportunities for cross-border cooperation. The TEN-T network improvement got high priority in the last years within the EU.

<sup>51</sup>Based on traffic data provided by analysts



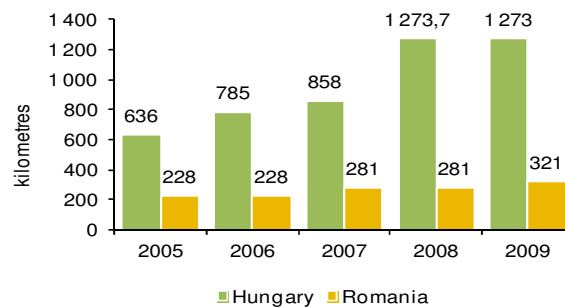
In **Romania**, the TEN-T network is continuously expanding: out of the 14 projects conducted between 2006 and 2011, 3 was realised in 2011. Last year, five other routes were approved, covering both rail and road infrastructure: Timisoara-Sebes-Turda-Targu-Mures-Iasi-Ungheni, Calafat-Craiova-Alexandria-Bucuresti, Bors-Turda and Constanța-Tulcea-Braila-Galați. Following the decision, the total length of the Trans-European Transport Network will double the road transport mode and will increase by 40% the rail transport mode<sup>52</sup>.

In **Hungary**, 25 TEN-T projects were launched between 2006 and 2011 (3 in 2011). One recent implementation success from 2012 can be highlighted in the field of air traffic, as Hungary finished a project aiming the construction of a new Air Traffic Control Centre (ATCC).

One of the TEN-T elements is the area of **public roads**. If we take a look at the roads between the county seats of the eligible area, we can see the most unpleasant data in case of the Nyíregyháza - Satu Mare line in terms of average speed (57.3 km/hour) but the situation is the same in the case of the other connectors (except the Nyíregyháza - Timișoara line<sup>53</sup>, none of them reach the 70 km/hour threshold). Within the countries, the connections between the capitals show different picture: in Romania, Bucuresti can be reached with about 77 km/hour average speed from the county seats, while in the case of Budapest the average speed is approx. 95 km/hour – mainly as a result of the motorway on the Nyíregyháza – Debrecen– Budapest line.

Regarding the motorways, in the past ten years significant improvements have been accomplished and further developments are planned. On the Romanian side, two motorways are currently under construction which will connect the Romanian capital with Budapest: A1 from Bucuresti to Timișoara, Arad and Nadlac (connecting to M43) and A3 from Bucuresti to Cluj and Oradea (M35). In Hungary, by 2007 all major cities in the region with the exception of Békéscsaba (Szeged, Debrecen, Nyíregyháza) were connected to Budapest by motorways; the motorways between Debrecen and Oradea (M35), Szeged and Nadlac (M43), Nyíregyháza and Záhony are currently under way<sup>54</sup>.

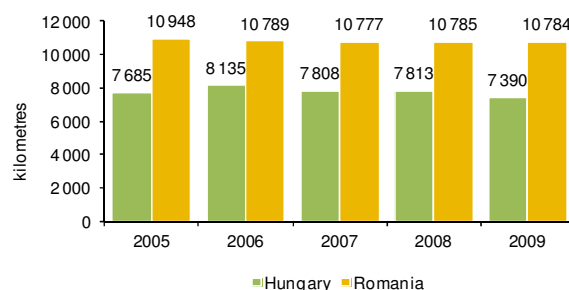
Figure 58– Length of motorways between 2005 and 2009\*



Source: Eurostat

\* Latest data available in the data bases

Figure 59– Length of railway lines between 2005 and 2009\*



Source: Eurostat

\* Latest data available in the data bases

<sup>52</sup> Trans-European Transport Network extended to five routes in Romania, <http://www.regiuneavest.ro/en/press-articles/page/id/463/>, retrieved on 21.03.2013

<sup>53</sup> According to the Google Maps the smallest distance between Nyíregyháza and Timișoara is 303 km, while it takes 4,3 hours to travel from one city to the other by taking the E573 road followed by the E79, E671, A1 and E70. Therefore, the average travel speed is 70 km/h.

<sup>54</sup> For further details see: <http://www.nif.hu>



It should be added, that the above mentioned constructions are aimed at establishing appropriate West-East transport connections, giving the counties a gateway character in this respect. Currently there is no large North-South motorway construction planned, which would directly connect the eligible area's counties. On the other hand, this also means economic development possibilities, as it can be seen in the rise of new logistics centres in the area (e.g. Railport Arad, Timișoara Intermodal Freight Centre, Trimodal Logistics Base at Airport Debrecen).

Figure 60– Length of railway lines and public roads, 2010

County	Railway lines (km)	National public roads (km)	Local public roads (km)	Public roads total (km)
Arad	469	405	1 855	2 260
Bihar	500	525	2 450	2 975
Satu Mare	218	267	1 380	1 647
Timis	795	563	2 367	2 930
<i>Romania region</i>	<i>1 982</i>	<i>1 760</i>	<i>8 052</i>	<i>9 812</i>
<b>Romania</b>	<b>10 785</b>	<b>16 552</b>	<b>65 834</b>	<b>82 386</b>
Békés	445	1 465	8 628	10 093
Csongrád	310	1 444	7 670	9 114
Hajdú-Bihar	469	1 669	9 130	10 799
Szabolcs-Sz.-B.	391	2 152	9 090	11 242
<i>Hungary region</i>	<i>1 615</i>	<i>6 731</i>	<i>34 518</i>	<i>41 249</i>
<b>Hungary</b>	<b>7 575</b>	<b>31 628</b>	<b>169 236</b>	<b>200 864</b>
<b>CBR</b>	<b>3 597</b>	<b>8 491</b>	<b>42 570</b>	<b>51 061</b>
<b>Romania and Hungary (total)</b>	<b>18 360</b>	<b>48 180</b>	<b>235 070</b>	<b>283 250</b>

Source: Regional statistical yearbook, 2010 - 2011

The share of public roads is much higher in the Hungarian counties: approx. 80% of the public roads are located at the Hungarian side resulting infrastructural inequality (Figure 60).

Road public transport between Hungary and Romania is very limited. The Hungarian public transportation company, Hajdú Volán operated a bus line between Debrecen and Orade. There is one bus departing from Debrecen in the morning, returning in the afternoon, covering the 82 km distance in 2 hours 20 minutes. The local public transportation company from Oradea, OTL, has a daily bus service between Oradea and Biharkeresztes early in the morning and afternoon (travel time approximately one hour, distance 20 km). Although there was a line between Szeged and Arad operated by Tisza Volán, but this service was stopped already in 2006. From Romania, private companies run smaller buses between Romania and Hungary.

In 2011, 200 thousand passengers travelled back and forth to Romania on the five **railway** lines used in passenger traffic. Currently altogether 18 pairs of trains per day passes the Hungarian-Romanian border. It is worth mentioning, that back in 2005 the number of passengers crossing the border through railways was twice as much. Railway traffic is insignificant compared to the road traffic. According to KSH annually 1.2 million tonnes of goods travels from Hungary to Romania and vice versa.

From the five railways crossing the border the ones passing through the border crossing points of Biharkeresztes and Lőkösháza are the busiest. 10 trains pass the former and 12 the latter crossing point on a daily basis. Only one track is available in case of all five rail routes, while solely the railway between Békéscsaba and Salonta is electrified; which suggests that there is still room for further development.

TEN-T covers the area of railways, as well which can be the target of further developments. The current and proposed national plans of the countries (primarily the operational programs for 2007-13 and the expected programs for 2014-20) envisage great results in the development of the system, and the railways are seen as playing a crucial role in developing a competitive and sustainable transport system. The subject of building a high-speed line in Romania, and the extension of the current TEN-T network was always on the agenda: 7 sections of the conventional railway network in Romania and a new high speed line on route Budapest - Bucharest - Constanta (crossing the border region) are in planning phase. In the foreseeable future the European Commission will finance feasibility studies for the high-speed projects and the implementation is estimated to start from 2017<sup>55</sup>. Furthermore, we can mention a successful local initiative, the tram train system between Szeged and Hódmezővásárhely (construction began in 2011); a similar one is being planned between Szeged and Makó<sup>56</sup>.

18.4% of the Romanian railway lines located in the eligible counties (Figure 60), which is a higher ratio than the share concerning the territory (11.9%) and the population (9.8%). In contrast, the Hungarian data show a more balanced - but in this specific case a less favourable - situation: share of the eligible counties in the railway lines 21.3%, in the territory 23.7% and in the population 18.8%.

Figure 63 presents the shortest travel times among the different cross border county capitals in case of rail transport. Travel options are best between Békéscsaba and Arad as the required travel time is less than two hours. The estimated average travel speed is the lowest between Nyíregyháza and Satu Mare. The best approximated average travel speed was observable in case of the railway between Szeged and Timisoara; however, the geodesic distance between the two county capitals is approximately 102 km, half of the railway distance. Travelling among the two cities takes at least five hours and one change of train at Békéscsaba. Therefore, there would be a great demand for railroad improvement in the CBC region to shorten travel time between the county capitals.

With a new railway connecting Timisoara and Szeged the distance would be reduced by half, while the travelling time would decrease to approximately 1.5 hours instead of the currently necessary 5 hours. Furthermore, the new railway line would enable the population of Szeged to easily access the airport of Timisoara. Passengers would be able to approach the airport of Timisoara by train in approximately 1.5 hours, while more than 2 hours are currently necessary to travel to the Airport of Budapest. In addition to this, there would be a huge demand for the construction of a new railway line connecting Debrecen and Oradea as well. With the new route the distance would

**Figure 61– Passenger traffic between Hungary and Romania (number of passengers per year)**

	From Hungary	Towards Hungary	Total
2005	155,593	164,066	319,659
2011	95,194	100,400	195,594

Source: Based on information provided by the Hungarian Transport Administration

**Figure 62– Railways crossing the Hungarian-Romanian border**

Railway number	115	105	101	128	120
From-to	Mátészalka - Carei	Debrecen - Valea lui Mihai	Püspökladány - Oradea	Békéscsaba - Salonta	Budapest - Arad
Border crossing point	Tiborszállás	Nyírábrány	Biharkeresztes	Kötegyán	Lőkősháza
Daily number of passenger trains crossing the border	4	6	10	4	12
Railway electrification	No	No	No	Yes	No
Number of tracks	1	1	1	1	1

Source: Based on information provided by the Hungarian Transport Administration

<sup>55</sup> High Speed Railway Lines Implementation Handbook, retrieved on 21.03.2013

<sup>56</sup> [http://www.delmagyar.hu/szeged\\_hirek/szeged8211mako\\_busz\\_vasut\\_tramtrain/2312430/](http://www.delmagyar.hu/szeged_hirek/szeged8211mako_busz_vasut_tramtrain/2312430/), retrieved on 13.03.2013

decrease to around 60-70 km instead of the current 106 km, while the needed travel time would fall to only one hour.

Figure 63– Railroad connection among county capitals

County capitals	Travel time (h:min)	Estimated distance	Estimated average travel speed	Note
Szeged - Timisoara	5:04	205 km	40 km/h	One change is necessary at Békéscsaba
Békéscsaba - Arad	1:43	51 km	30 km/h	
Debrecen - Oradea	2:44	106 km	39 km/h	
Nyíregyháza - Satu Mare	3:38	107 km	29 km/h	One change is necessary at Debrecen

Source: Elvira, MÁV Direkt, CFR

The **air transport** in the eligible area: there are five international airports (Debrecen – DEB, Arad – ARW, Oradea – OMR, Satu Mare – SUJ, Timișoara – TSR), two domestic airports<sup>57</sup> (Nyíregyháza, Szeged) and three non-public airports<sup>58</sup> (Békéscsaba, Hajdúszoboszló, Szentes) in the region. The most significant one is in Timișoara (Traian Vuia International Airport) with 1035929 passengers in 2012<sup>59</sup>. There are regular daily flights to three foreign countries; nevertheless, there is currently no direct passenger flight to any Hungarian city from Timișoara<sup>60</sup>.

Finally, we should mention the field of **water transport**. The improvement of the inland waterway axis Rhine/Meuse – Main – Danube's navigability is the 18<sup>th</sup> from the 30 TEN-T priority projects, giving high importance for this topic. In the frame of the Danube Strategy Romania coordinates three priority areas out of the 11 and there is a vivid interaction between the two countries.

<sup>57</sup> <http://www.hungaryairport.hu/>, retrieved on 13.03.2013

<sup>58</sup> <http://www.airportaar.ro/index.php>, retrieved on 13.03.2013

<sup>59</sup> <http://newsair.ro/declinul-carpatair-a-lovit-direct-in-traficul-aeroportului-timisoara.html>, retrieved on 15.03.2013

<sup>60</sup> Data retrieved on 13.03.2013





## 2.5.2 County specificities in infrastructure and mobility<sup>61</sup>

The county specificities and the intra-county disparities in the field of infrastructure and mobility are summarised in the following table.

County	Specificities		Intra-county disparities
	2.5.2.1 Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>• Strong logistical capacity supporting the East-West transit transport</li> <li>• The county has good external accessibility both on roads and railway</li> </ul>	<ul style="list-style-type: none"> <li>• Access by public transport to many smaller settlements and certain parts of the county capital is poor</li> <li>• In some areas major roads crossing settlements present high level of environmental burden and high risk of accidents</li> </ul>	<ul style="list-style-type: none"> <li>• The small number of river crossing options on the river Tisza increase isolation of villages in the Szatmár-Bereg area</li> <li>• The internal road and railroad network of the county exhibits duality: while the main lines are of good quality and conditions, smaller roads and side tracks are of poor quality and outdated</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>• Good geographical position: the major transit lines Eastern-Hungary cross the county. Debrecen is one of the major railway hubs in Hungary.</li> <li>• There is an international airport in Debrecen</li> </ul>	<ul style="list-style-type: none"> <li>• The transit demand exceeds the existing capacity of main transit roads of the county, while the railway network and the airport have major excess capacities</li> <li>• A large number of smaller roads in the county (outside and inside of settlements) are in need of improvement</li> </ul>	<ul style="list-style-type: none"> <li>• There are a large number of smaller settlements from where either the microregional centre or the county capital cannot be reached by public transport</li> </ul>
Békés	<ul style="list-style-type: none"> <li>• The most important railway link between Hungary and Romania – which is also part of the TEN-T IV transit corridor crosses the county</li> </ul>	<ul style="list-style-type: none"> <li>• The county has poor transit links to both the capital and the neighbouring counties</li> </ul>	<ul style="list-style-type: none"> <li>• There are major differences in the road coverage and the general condition of roads between the central part of the county (better served with roads) and the Northern / Southern areas (with poor road coverage)</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>• Outstanding accessibility of Szeged from Budapest both via roads and railway</li> <li>• Well organized road public transport</li> </ul>	<ul style="list-style-type: none"> <li>• High proportion of poor quality roads (mainly byroads)</li> <li>• The density of main roads is significantly below the national average</li> <li>• Crucial parts of the railroad network towards Romania and Serbia are lacking hindering both passenger and freight transport</li> </ul>	<ul style="list-style-type: none"> <li>• The byroads in the county are of extremely poor condition – the rehabilitation of only the roads linked to the major networks has taken place</li> <li>• There are still existing byroads without solid surface</li> </ul>

<sup>61</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	2.5.2.1 Advantages	Disadvantages	
Bihor	<ul style="list-style-type: none"> <li>The network of European roads that crosses the county ensures good connections to the other Romanian counties and to Hungary(E60, E79, E671)</li> <li>A relative good developed railway network (density of 62,8km /1000km2)</li> <li>Existence of the Oradea Airport which could represent a major access &amp; departure point for tourists and local people</li> <li>Accessibility for the cross-border movement due the five points for border passing along the RO/HU frontier</li> </ul>	<ul style="list-style-type: none"> <li>Any Pan-European transit corridor not crosses the county</li> <li>Bad condition of the majority of the roads crossing the county or linking the settlements (only about 600 km from 2230 are modernised)</li> <li>Except Oradea, no other towns or villages have bypass roads to improve the mobility conditions</li> </ul>	<ul style="list-style-type: none"> <li>The access infrastructure to many settlements and objectives, mainly in the S-E mountains, is undeveloped or in bad conditions</li> <li>Significant number of Isolated small settlements (mainly in the Apuseni mountains) have no access to public transport, by road or by railway, what is a hindering factor for the people's mobility. (It is important to note, though, that the number of affected population is fairly modest).</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Satu Mare County has a strategic geographical position, offering potential for development</li> <li>Satu Mare City has an airport with the longest runway in Transylvania (2500 m)</li> </ul>	<ul style="list-style-type: none"> <li>Peripheral position of the county to the major transportation corridors</li> <li>Lack of a ring-road for Satu Mare City, the major traffic node of the county</li> <li>Railway infrastructure is in extremely bad condition</li> </ul>	<ul style="list-style-type: none"> <li>Secondary national and county roads are in poor condition</li> </ul>
Arad	<ul style="list-style-type: none"> <li>Positioning on the Pan-European corridor No. IV</li> <li>Existence of an international airport</li> <li>Existence of a cargo terminal</li> <li>Relative development of the transport network (roads, railways)</li> </ul>	<ul style="list-style-type: none"> <li>Lack of a modern infrastructure, small density of modern roads</li> <li>Very short highway</li> </ul>	<ul style="list-style-type: none"> <li>County roads are in poor condition</li> <li>Roads in rural areas are not modernized</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>Good geographic position</li> <li>Relatively good road network, especially between cities</li> <li>Crossed by Bega river, with high potential for water transport between Timis and Serbia.</li> <li>Large logistic centres located in the area (especially the Hungarian-Romanian border)</li> </ul>	<ul style="list-style-type: none"> <li>Railway transportation not-efficient and in need for modernization</li> <li>Not enough cross border connections</li> <li>The road infrastructure in the border region is not modernized</li> <li>No intermodal system for human transport</li> </ul>	<ul style="list-style-type: none"> <li>Roads in the rural areas are not modernized</li> <li>Railway transportation does not cover all main localities in the rural areas</li> <li>Public transport not available for all rural areas</li> </ul>



#### **Box 5 – Conclusions – infrastructure and mobility**

In accordance with the analysis, the following main conclusions may be drawn:

- The busiest cross border points considering the number of vehicles per day travelling towards Hungary or Romania are Ártánd, Nagylak and Csengersima.
- Vehicles passing the cross border points are mostly automobiles (59% towards Hungary, 60% towards Romania), trucks (40% towards Hungary, 38% towards Romania), while the share of autobuses or bicycles is not significant (0-1%).
- Infrastructure development forms an important part of the cross-border cooperation.
- The improvements are ongoing within the region. Both countries are planning to construct connecting motorways although the completion date is often many years ahead.
- There is no north-south motorway constructions planned which would directly connect the whole region.
- The gateway transport character provides opportunity to specific industries, e.g. logistics.
- There are currently five railroads that cross the Hungarian-Romanian border. The analysis suggests that further development of the railway system would be beneficial.

## 2.6 Tourism and leisure

### 2.6.1 Accommodation, attractions

#### Accommodation capacity, overnights stays

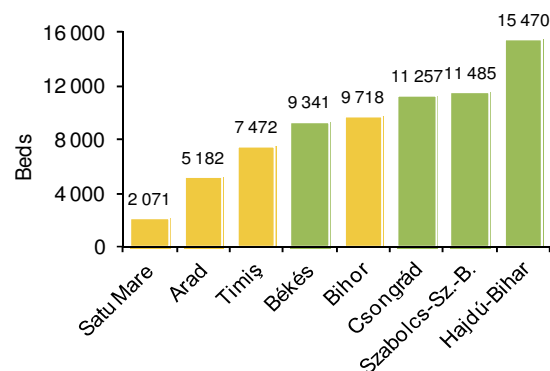
The tourism of the area has great importance in each country which could arise from the dominance of the sector in the national GDP production and employment.

The capacity of accommodations (in beds) is a useful indicator to measure the development of the counties' tourism. Having a look at Figure 64, it can be seen that the Hungarian counties had larger capacity in 2011 than their Romanian counterparts. Three Hungarian counties, Hajdú-Bihar, Szabolcs-Szatmár and Csongrád are taking the lead with – in the same order – 15,470, 11,485 and 11,257 beds.

Most of the numbers range between 9,000 and 15,000. Satu Mare and Arad are relatively back at the rank with 2,071 and 5,182 beds, respectively, in 2011. However, Arad achieved outstanding results between 2006 and 2011: the county increased its bed-capacity by 22%. With this, Arad is just slightly behind Békés and Timişboth of which increased their capacity – in this order – by 24% and 26% within the period. In the case of Hajdú-Bihar, Bihor and Satu Mare, a decreasing trend was experienced by 1%, 8% and 14%.

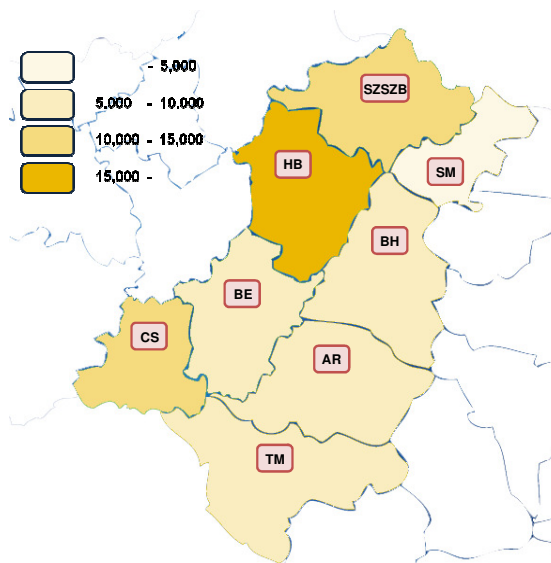
On national level, it can be stated that the number of beds available in Hungary and Romania reached the similar level (around 310 thousand) by 2010. The positions of the countries slightly changed: Hungary showing an increasing, Romania a decreasing trend – thus by 2011 there was a significant gap between the capacity of Hungary (340,402) and Romania (278,503).

Figure 64– Tourist accommodation capacity, 2011



Source: KSH, INS

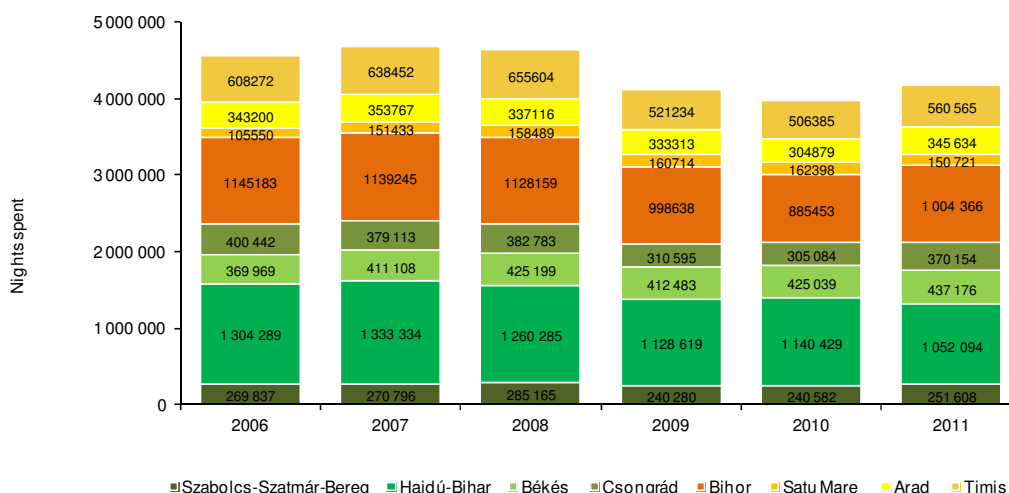
Figure 65– Touristic accommodation capacity (map)



Source of data: INSSE and KSH



Figure 66– Nights spent in tourist accommodations (2006-2011)



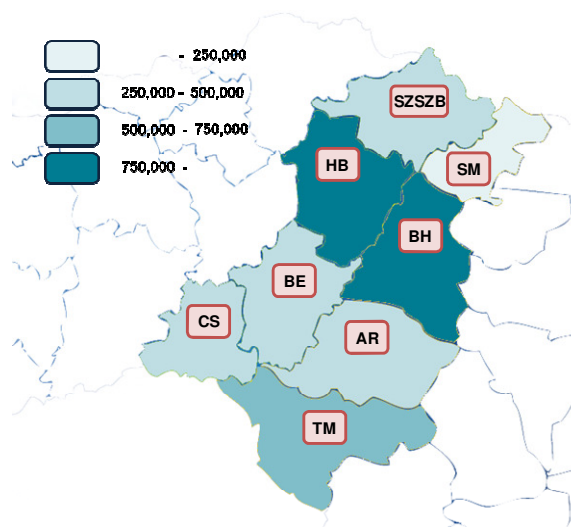
Source: KSH, INS

Despite the large difference in capacity, the counties on both sides of the border attract each year a comparably similar amount of visitors. The total number of nights spent in the eligible area stagnated around 4,100 and 4,600 thousand between 2006 and 2009; in 2010 there was a setback in the figures – almost to the 2004 level –but in 2011 the region reached the level of the previous year's again.

Concerning the counties, Hajdú-Bihar can be regarded as the leading touristic county in the Hungarian part with a number of more than a million nights spend. It is tightly followed by Bihor from the Romanian side, while the third county in the ranking, Timisis significantly behind, with approx. 560 thousand.

Out of this, the share of nights spent by foreigners in Hungary was always around 50% in the previous years, exceeding even the EU27 average while in Romania this number reaches only 19%.In the eligible area though, almost 80% of the visitor nights spent belonged to domestic guests.

Figure 67– Number of nights spent in touristic accommodations (map)



Source: INSSE and KSH

### Touristic attractions (cultural, natural)

The eligible area is rich in **touristic attractions** - both in **cultural** and in **natural** heritage. One can find here a diverse pool of attractions: the entire eligible area has quality thermal water and remarkable natural landscapes, as well as numerous nature conservation areas. The cultural heritage of the area includes various historical monuments, churches, original ethnographical and folklore elements. Built on the excellent geothermal conditions, the various well-established spa facilities are also important touristic attractions.



The most prominent (cultural and national) touristic attractions - values - in the eligible area include (without being exhaustive):

- Arad: well-balanced relief (the hill-plain-mountain alternation), natural protected areas, historic and architectural monuments (citadels, castles, monasteries, churches), watermills, ethnographic centers, Neptun Beach in Arad, etc.
- Békés: Körös, Berettyó Rivers, burial mounds, castle and spa of Gyula, etc.
- Bihor: 4 main rivers (Crișul Repede, Crișul Negru, Barcău, Ier), lakes, waterfalls, caves, Apuseni Mountains National Park, natural protected areas, architectural and historic monuments (eg. religious buildings, wooden churches), spas of Băile Felix and Băile 1 Mai, etc.
- Csongrád: Tisza, Körös, Maros rivers, historical site of Ópusztaszer, archeological sites, protected monuments (e.g. in Szeged, Hódmezővásárhely, Csongrád), etc.
- Hajdú-Bihar: Hortobágy Natural Park (World Heritage), old burial sites, Árpád-era temple ruins, churches, bridges (e.g. nine-arch stone bridge in Hortobágy), the largest spa in Europe (Hajdúszoboszló), etc.
- Satu Mare: remarkable natural landscapes, cultural institutions (eg. North Theatre in Satu Mare), historical sites (e.g. cathedral, churches, reservation of the free Dacians, castle of the Karolyi family in Carei, open-air museum in Negrești Oaș), spa of Tășnad, etc.
- Szabolcs-Szatmár-Bereg: Tisza River, Szatmár-Bereg region, medieval churches, watermill, castles (e.g. Szabolcs, Tizadob, Vaja), spa, village museum and zoo in Nyíregyháza-Sóstó, etc.
- Timiș: karst relief, natural reservations, medieval castles and citadels, architectural and monastery structures (e.g. Timișoara), spa of Buziaș, etc.

### Major types of tourism and related events

In the eligible area the balneary and health tourism is significant (numerous spa), based on the existence of mineral and thermal water. Further typical types of tourism in the area are cultural tourism (medieval monuments, architectural buildings, religious tourism), rural (and ethnographic) tourism, active and sports tourism (eg. water sports). In certain counties hunting and fishing tourism is available, while the area of mountains (in Romania) are great for hiking trips, winter sports, and speleological tourism. Besides the above mentioned types of tourism, in some part of the eligible area is favourable for business tourism or transit tourism.

Altogether, while there are many similarities in terms of attractions between the two sides of the border, there are also many complementary features. For instance, while the thermal spas are in a more advanced status in the Hungarian side, the Romanian mountains offer possibilities (active, adventure, bike, skiing) that are not available in the Hungarian part of the eligible area.

In addition to physical places, attractions, a rich offer of touristic events and festivals (gastro, music, theatre, dance, wine and other drinks, ethnography, religious, etc.) has developed in the area in recent years. Many of these festivals attract people also from outside the area and are internationally renowned (e.g. Cantemus International Choral Festival in Nyíregyháza, Debrecen Flower Carnival, traditional fairs in Hortobágy, Sausage Festival of Csaba, Szeged Open-Air Festival in Hungary and Samfest Jazz Festival in Satu Mare, George Enescu Music Festival in Oradea, International Theatre Festival in Arad, The Festival of Hearts international folklore festival in Timișoara in Romania). With a stronger coordination, exchange of information and cross-promotion the touristic events of the area are also potentially strong attractions (even on international level) complementing and enhancing the physical attractions.

Although a number of projects have been implemented in recent years in the field of tourism using EU funds (also from the CBC programme), there is still a lot to do to exploit the potential of the area and turn it into an attractive touristic destination. The main challenges of the tourism sector include



both infrastructural and organisational deficiencies, in Hungary and Romania alike. Insufficient infrastructure (poor quality or missing roads, lack of touristic road signs) complicate the accessibility of certain destinations. Various conditions of ecological tourism are not in place (most importantly, visitor centres). While the spas and other infrastructure elements related to health tourism are quite developed in Hungary, this is not the case on the Romanian side of the border; tapping the touristic potential of thermal water is hindered by the rundown infrastructure. The quality and availability of tourism services, in general is poor, with the exception of the primary touristic centres. A further problem is the continuous degradation of the cultural-artistic heritage.

In addition to infrastructural deficiencies, there are other issues that hinder the better use of touristic potential, including the insufficient and not properly coordinated promotion of touristic values, lack of information and tourist maps and the lack of synchronization between conditions. In certain Romanian counties the level of infrastructure development of the mountain areas is insufficient; the network of chalets and shelters is limited.

Coordination across the border is also largely lacking – many of the natural and historic values, touristic facilities are standalone attractions, rather than integral parts of a solid package. This is a problem, as these values are in themselves are not strong enough to attract tourists. Co-financed from the current programme, there are some initiatives to establish cross-border touristic programme packages, providing promising initial results.

## 2.6.2 County specificities in tourism and leisure<sup>62</sup>

The county specificities and the intra-county disparities in the field of tourism and leisure are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>There are touristic centres of national and international importance in the county (e.g. Sóstó, Nyírbátor, Máriapócs, Szatmár-Bereg region)</li> <li>The county capital is a tourism destination of international importance</li> </ul>	<ul style="list-style-type: none"> <li>The occupancy rate of commercial accommodations, the number of visitor nights and the average number of visitor days spent are all below the respective national average</li> <li>Though the county is rich in touristic values (cultural heritage, natural values, attractions), these attractions are currently not competitive on international level</li> </ul>	<ul style="list-style-type: none"> <li>The tourism of the county is geographically concentrated, this is reflected in the number of the attractions, accommodations and visitor nights</li> <li>The Nyírség attracts 53 % of all the visitors arriving to the county. Each of the remaining four mezoregions (Bereg, Rétköz, Nyírmézőség and Szatmár) only represents 8-15% of the visitor traffic</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>Increasing number of visitors, primarily in health tourism</li> <li>Hajdúszoboszló is one of the most visited health tourism destination in Hungary (thermal spa)</li> </ul>	<ul style="list-style-type: none"> <li>Lack of regional marketing activities and complex tourism programme packages</li> </ul>	<ul style="list-style-type: none"> <li>The geographical distribution of accommodations is excessively concentrated: 85 % of all beds are located in Debrecen and Hajdúszoboszló as a result of the spas and other attractions</li> </ul>
Békés	<ul style="list-style-type: none"> <li>Békés county has attractions, built and national values and thermal water of national importance</li> <li>The average number of visitor days exceeds the national average</li> <li>One of the most visited tourism destination, Gyula (Castle spa, castle, numerous museums, events, festivals) is located here</li> </ul>	<ul style="list-style-type: none"> <li>The number of commercial accommodations is low</li> <li>The proportion of foreign visitors, as well as visitor nights is very low</li> </ul>	<ul style="list-style-type: none"> <li>The majority of commercial accommodations (and, as a consequence, the visitor nights) in Békés county are concentrated in Gyula, Szarvas and Orosháza because of the high density of the touristic attractions</li> <li>During the summer, 60-70% of the visitors of the spa are Romanians spending in the city only one day</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>Advanced, internationally attractive event and conference tourism</li> <li>Frequented thermal spas</li> <li>National and historical memorial park</li> </ul>	<ul style="list-style-type: none"> <li>In spite of the major touristic attractions, the average stay of visitors is short, tourism revenues are limited</li> </ul>	<ul style="list-style-type: none"> <li>The touristic attractions and therefore the accommodations (and the visitor nights) are concentrated in Szeged</li> </ul>

<sup>62</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	(Szeged Open-air Festival, Ópusztaszer)		
Bihor	<ul style="list-style-type: none"> <li>The diversity and the great number of tourism attractions: from the ancient architectural monuments of Oradea to the wonderful caves of the Apuseni Mountain</li> <li>Many sources of mineral and geothermal waters and the adequate tourism infrastructure (Bai Felix, Stana de Vale)</li> <li>Various relief forms that allows many possibilities for health tourism, walking in the mountains, mountaineering, extreme sports, hunting, etc.</li> <li>A national centre for tourism promotion in Oradea (2013)</li> </ul>	<ul style="list-style-type: none"> <li>Part of the monuments – natural or historical – are not preserved and good upkeep or renewed (caves, buildings, citadels, wooden churches)</li> <li>Poor quality and reduced number of the specific services in the area</li> <li>Some type of accommodation – youth hostel, B&amp;B pensions, rural houses – are quasi absent in the region's offer</li> <li>As a consequence, the number of foreign tourists and/or the number of days/tourist spent in Bihor is reduced</li> </ul>	<ul style="list-style-type: none"> <li>A inhomogeneous distribution of the accommodation offer (following the concentration of the touristic attractions): more than 80% are located in Oradea and Baile Felix &amp; 1 Mai</li> <li>The access infrastructure to some important tourism objectives, more far from Oradea, is in a bad condition</li> <li>The info-points for tourists are only placed in Oradea and two other towns and their capacity to offer support is very reduced</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Satu Mare county is rich in thermal and mineral waters, possesses favourable natural conditions for tourism activities</li> <li>The county has rich folk traditions, and characteristic traditional food products (e.g. Zetea palinca, Nachbil wines)</li> <li>Rich cultural heritage: castles of national importance (e.g. Károlyi castle from Carei, Aradud castle, Lónyai castle from Mediesu Aurit), churches and memorial houses</li> </ul>	<ul style="list-style-type: none"> <li>Poorly developed tourist infrastructure and services, still low quality of tourist services</li> <li>Lack of touristic exploitation of protected natural areas, insufficient exploitation of wellness resources</li> <li>Lack of proper territorial marketing for the promotion of Satu Mare county as a cultural and health tourist destination</li> </ul>	<ul style="list-style-type: none"> <li>The majority of the accommodations (and visitor nights) are concentrated in Satu Mare city (85%) – as a consequence of the concentration of touristic attractions</li> </ul>
Arad	<ul style="list-style-type: none"> <li>Existence of the necessary conditions for summer and winter tourism</li> <li>Existence of several tourist traditional centers, including spas</li> <li>Rich folkloric, cultural and cuisine traditions, Lunca Mureşului Reservation, areas for hunting</li> <li>Long tradition in transit and business tourism</li> </ul>	<ul style="list-style-type: none"> <li>Lack of a unitary system of administration of the protected areas which should allow tourism in these areas</li> <li>Low level of tourist education concerning eco-tourism</li> <li>Insufficient touristic information</li> <li>Progressive decay of the cultural-touristic patrimony</li> </ul>	<ul style="list-style-type: none"> <li>Weak notions of management, legislation, computer processing and internet, the insufficient knowledge of foreign languages concerning rural tourism</li> <li>Low number of qualified persons in tourism in the rural areas, and of organizations for promoting rural tourism</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>The capital city (Timisoara) is a major business centre and attracts business tourists</li> </ul>	<ul style="list-style-type: none"> <li>Low use of existing tourists accommodation settings</li> <li>Business tourism facilities still lack some high-end</li> </ul>	<ul style="list-style-type: none"> <li>Tourist accommodation settings in rural areas have only local clients, and low</li> </ul>





County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	<ul style="list-style-type: none"> <li>• Rural tourism has developed somewhat in the last years</li> <li>• There are several protected areas that have great tourism potential</li> <li>• Great potential for cultural tourism</li> </ul>	<ul style="list-style-type: none"> <li>• features (golf courses, spa)</li> <li>• Most historical buildings require extensive rehabilitation</li> <li>• Underdeveloped spa tourism, old infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• efficiency</li> <li>• Timisoara is the main touristic centre regarding the attractions, accommodations and visitor nights</li> </ul>



#### **Box 6 – Conclusions – Tourism and leisure**

According to what has been presented above, the following key conclusions can be stated:

- Although the Hungarian counties have a larger accommodation capacity, the counties on the two sides of the border have a similar number of visitor nights spent each year.
- The tourists in the eligible area are overwhelmingly of domestic origin: the share of foreign visitors is fairly low in the eligible area, much lower than the EU27 or even the Hungarian average, just 1% higher than the Romanian national average.
- The eligible area is rich in (potential) touristic attractions – mainly natural and cultural heritage sites. In order to become exciting attractions, however, many of these are rundown and require investments aimed at their improvement, as well as related touristic facilities, services and proper communication.
- The main types of tourism in the eligible area include spa and health tourism, cultural tourism, active and sports tourism as well as rural tourism.
- There is a rich offer of attractive events in the eligible area, but these are neither properly coordinated (not even on national level, let alone across the border) nor professionally marketed.
- In the eligible area one can see many standalone propositions, but not really well-designed, also internationally competitive cross-border programme packages and tourism destinations.



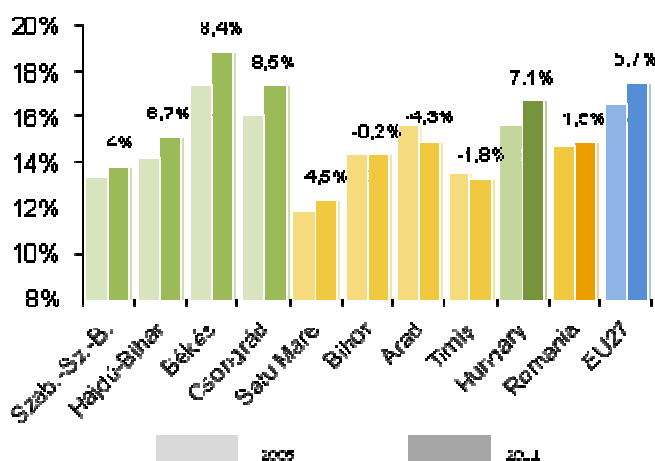
## 2.7 Society and health-care

### 2.7.1 Society

As it can be seen from a previous chapter discussing the demographic attributes of the eligible area, the cross border counties have an aggregate population of 4 million people. Based on the most recent data available in the Eurostat database (2011), the vast majority of the countries' population is between the age of 15 and 64. The share of population over 65 years is the highest in Békés, surpassing both the national and regional average.

As the ageing of the European population is one of the main themes of WHO/Europe's 2012 activity, it is also worth looking at the change of the share of elderly people (65+) within the total population. According to the latest population census (2011) we can see that the counties do not have such a large proportion of people above the age of 65 (see Figure 68). However, considering the data from 2005, this proportion is increasing in the eligible area.

Figure 68– Change in the share of people above 65 within total population (2005 and 2011)



Source: Eurostat

Figure 69– Life expectancy at birth, 2010

There is a minor decreasing trend experienced in Arad and Timiș. The number reaches significantly higher levels in Békés and Csongrád; the latter surpasses even the EU27 average (and both counties surpass the Hungarian national average). The data concerning birth and mortality rates (see detailed in Figure 6) as well as life expectancy at birth are suitable indicator for the general health situation of the society (Figure 69). The data of the latter are deep below the EU-average (females – 82.9 years, males – 77 years) in both countries. Counties with high ratio of disadvantaged population show a little bit more unfavourable picture.

County	Average life expectancy at birth	
	males	females
Arad	69,1	74,4
Bihor	68,7	75,9
Satu Mare	66,1	75,2
Timiș	70,2	77,1
Romania region	68,5	75,6
<b>Romania</b>	<b>69,7</b>	<b>77,3</b>
Békés	69,6	78,0
Csongrád	71,4	78,3
Hajdú-Bihar	70,5	78,2
Szabolcs-Sz.-B.	68,8	77,5
Hungary region	70,1	78,0
<b>Hungary</b>	<b>70,5</b>	<b>78,1</b>
CBR*	69,3	76,8
Romania and Hungary (total)	<b>70,1</b>	<b>77,7</b>

Source: Regional statistical yearbook, 2010



Figure 70 presents that the leading causes of death are diseases of the circulatory system: in each county more than half of the deaths are caused by these. In Romania proportion is higher, nears 60%. The number can be reduced by healthier living and by early detection – prevention campaigns play an important role in this process. Contrarily, proportion of neoplasms is higher in the Hungarian counties (cc. 25% in Hungary and 20% in Romania).

Figure 70– Deaths by main groups of causes of death, 2011

County	Neoplasms	Diseases of			External causes of morbidity and mortality	Other causes of death	Total
		circulatory system	respiratory system	digestive system			
Arad	1 211	3 404	449	276	247	247	5 834
Bihor	1 449	4 403	438	359	276	285	7 210
Satu Mare	888	2 641	181	270	208	229	4 417
Timis	1 614	4 537	403	246	264	623	7 687
<i>Romania region</i>	<i>5 162</i>	<i>14 985</i>	<i>1 471</i>	<i>1 151</i>	<i>995</i>	<i>1 384</i>	<i>25 148</i>
<b>Romania</b>	<b>48 356</b>	<b>151 538</b>	<b>12 460</b>	<b>14 499</b>	<b>10 524</b>	<b>14 062</b>	<b>251 439</b>
Békés	1 408	2 996	213	251	269	348	5 515
Csongrád	1 373	2 819	226	301	351	467	5 584
Hajdú-Bihar	1 668	3 278	265	285	364	369	6 252
Szabolcs-Sz.-B.	1 591	3 282	434	335	401	439	6 505
<i>Hungary region</i>	<i>6 040</i>	<i>12 375</i>	<i>1 138</i>	<i>1 172</i>	<i>1 385</i>	<i>1 623</i>	<i>23 856</i>
<b>Hungary</b>	<b>33 274</b>	<b>64 250</b>	<b>6 594</b>	<b>7 306</b>	<b>6 719</b>	<b>10 036</b>	<b>128 795</b>

Source: Regional statistical yearbook, 2011 (Hungary); Tempo-online data base, 2011 (Romania)

## 2.7.2 Social inclusion, poverty

The EU 2020 Strategy is aimed at delivering smart, sustainable and *inclusive* growth. The issue of social inclusion and poverty is even present in the related headline targets: one of the objectives of the strategy is to lift 20 Million people out of poverty.

With regard to measuring poverty and exclusion – while the information base gradually develops – there are difficulties to obtain comparable data on the same geographical level. Currently, the following three main poverty and exclusion indicators are used and measured in the European Union:

1. The number (or rate) of people at risk of poverty;
2. The number (or rate) of persons not able to afford four of the nine items indicative of material deprivation;
3. The number (or rate) of persons living in households where adults work less than 20% of full time year.

Although Eurostat collects and publishes data on these indicators, the use of these data for the eligible area is somewhat problematic, as the data are available on NUTS2 level. Still, it is possible to make some important observations with regard to poverty and exclusion, using the more precise figures available on national level and figures indicative to broader categories on NUTS2 level, as the differences are likely not between NUTS3 level counties withing the regions, but rather between rural and urban areas.)

In 2011 31% of the total Hungarian population were at risk of poverty, severely materially deprived or living in households with very low work intensity, while this indicator reaches 40.3% in Romania. Both figures are far above the EU average; however, trends are more favourable in Romania as the percentage of people at risk of poverty or social exclusion has been declining since 2007, while the contrary is observable in case of Hungary. The number of severely deprived people is 2,278 thousand and 6,286 thousand in Hungary and Romania. Housing cost overburden rate – defined as the

percentage of the population living in a household where the total housing costs represent more than 40% of the total disposable household income – is 11.8% in Hungary and 9.9% in Romania. In 2011 the percentage of the population living in an overcrowded household was 47.1% in the former and 54.2% in the latter country; both significantly underperforming the EU mean value of 16.9%.<sup>63</sup>

Looking at the European maps<sup>64</sup> of the above mentioned indicators, further observations can be made on NUTS2 level. The rate of people at risk of poverty falls between 15 and 19,9 % in the concerned Hungarian regions of the eligible area as well as in Arad and Timis counties (West region), which is the middle category in Europe. Unfortunately, Bihor and Satu Mare as parts of the North-West region are in a worse position, falling into the second worst category of between 20 and 24,9 %.

Interestingly, the “Low Work Intensity Indicator”<sup>65</sup> shows an entirely different picture: while the four Hungarian counties are in the category with the highest rate of people with low work intensity in all Europe (between 15 and 27,4 %), the indicators for the Romanian side of the border area depict a more favourable situation. Arad and Timis counties (or, their respective NUTS2 region) belong to the second best category (rate between 7,5 and 9,9 %), Bihor and Satu Mare counties actually fall into the best category in Europe (rate between 1,8 and 7,4%)!

With regard to severe material deprivation, one can experience a different situation again: 6 out of the 8 counties of the eligible area (Bihor, Békés, Csongrád, Hajdú-Bihar, Satu Mare and Szabolcs-Szatmár-Bereg) belong to the category with the highest rate of people with severe material deprivation (between 20 and 44,2%), and only Arad and Timis counties enjoy a slightly better position, falling into the category with a rate between 10 and 19,9 %).

These figures – as already indicated above – most likely hide major intra-county (or, rather, intra-eligible area) differences, with urban areas – primarily larger cities having significantly better positions and rural – especially peripheral – areas with even higher figures.

According to international researches<sup>66</sup> poverty mainly affects children. Increasing activity and employment rate is very important to reduce (child) poverty. It also requires, inter alia, development and operation of infant nurseries. **Error! Reference source not found.** shows that this subsystem of social care is more developed in Hungary: number of active infant nurseries as well as number of infants enrolled is much lower in the Romanian counties.

**Figure 71– Number of active infant nurseries and infants enrolled 2011**

County	Number of active infant nurseries	Infants enrolled
Arad	7	199
Bihor	17	556
Satu Mare	8	311
Timis	12	523
<i>Romania region</i>	<i>44</i>	<i>1 589</i>
<b>Romania</b>	<b>289</b>	<b>17 377</b>
Békés	33	1 378
Csongrád	41	2 102
Hajdú-Bihar	38	1 804
Szabolcs-Sz.-B.	34	1 646
<i>Hungary region</i>	<i>146</i>	<i>6 930</i>
<b>Hungary</b>	<b>689</b>	<b>36 685</b>

Source: Regional statistical yearbook, 2011;  
Tempo-online data base, 2011; INS-statistical yearbook, 2011

<sup>63</sup> Eurostat

<sup>64</sup> Source: Interim Report of the ESPON TiPSE (The Territorial Dimension of Poverty and Social Exclusion in Europe) project (NUTS3-level data are not available.)

<sup>65</sup> The indicator **persons living in households with low work intensity** is defined as the number of persons living in a [household](#) having a work intensity below a threshold set at 0.20.

The **work intensity** of a household is the ratio of the total number of months that all working-age household members have worked during the income [reference year](#) and the total number of months the same household members theoretically could have worked in the same period.

<sup>66</sup> [http://www.unicef.org/socialpolicy/index\\_childpoverty.html](http://www.unicef.org/socialpolicy/index_childpoverty.html)

### 2.7.3 Health-care

In Hungary, currently there are 175 hospitals which is a relatively high number compared to the population. Out of this, 22 are located in the Hungarian part of the eligible area.

The biggest ones are the university and county hospitals, namely J6sa Andr6s Hospital in Ny6regyh6za (Szabolcs-Szatm6r-Bereg), Hospital of the University of Debrecen (Hajd6-Bihar), Hospital of University of Szeged (Csongr6d) and R6thy P6l Hospital in B6k6csaba (B6k6s). In Romania, 503 operational hospitals can be found – from the 54 hospitals of the eligible area the biggest ones are Spitalul Jude6ean (Satu Mare), Spitalul Clinic Jude6ean (Arad), Spitalul Clinic Jude6ean de Urgen6a Oradea and Spitalul Clinic Municipal Oradea (Bihor), Spitalul Jude6ean Timi6oara and Spitalul Clinic Jude6ean de Urgen6a Timi6oara (Timi6).

Figure 72– Number of hospitals and hospital beds, 2010

County	Number of hospitals	Number of hospital beds	No. of hospital beds per ten thousand inhabitants
Arad	14	2 146	47,1
Bihor	16	4 045	68,2
Satu Mare	5	1 741	47,8
Timis	19	5 503	81,1
<b>Romania region</b>	<b>54</b>	<b>13 435</b>	<b>64,2</b>
<b>Romania</b>	<b>503</b>	<b>132 004</b>	<b>61,5</b>
B6k6s	5	2 479	67,6
Csongr6d	7	3 014	71,2
Hajd6-Bihar	6	3 738	69,1
Szabolcs-Sz.-B.	4	3 908	69,7
<b>Hungary region</b>	<b>22</b>	<b>13 139</b>	<b>69,5</b>
<b>Hungary</b>	<b>175</b>	<b>71 216</b>	<b>71,1</b>
<b>CBR</b>	<b>76</b>	<b>26 574</b>	<b>66,8</b>
<b>Romania and Hungary (total)</b>	<b>678</b>	<b>203 220</b>	<b>66,3</b>

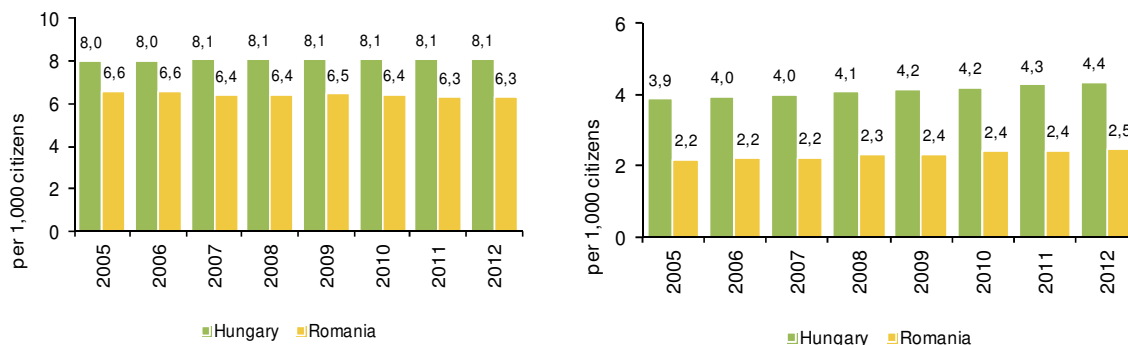
Source: Regional statistical yearbook, 2010

A closer look at the facilities and staff of the hospitals:

- In **Hungary** 8.1 beds were available per 1,000 citizens in 2012. The numbers show decreasing trend between 2000 and 2011, utmost in Csongr6d. The number of doctors of the country was 34,736 in 2011; concerning the Hungarian counties of the eligible area, the majority of them, 2,272 people worked in Hajd6-Bihar. With this, 4.4 doctors were available per 1,000 citizens on national level.  
Poor health-care indicators partly reflect serious structural problems in the Hungarian health-care system, including an excessive supply of hospital beds for acute care, as well as a shortage of beds for long-term illnesses.
- The largest reductions in the availability of hospital beds were recorded – together with other countries – in **Romania**, which may reflect, among others, economic constraints, increased efficiency through the use of technical resources, a general shift from inpatient to outpatient treatments, and shorter periods spent in hospital following an operation. In line with the significantly decreasing expenditures, there were 6.3 hospital beds available per 1000 citizens in 2012 which is a relatively low number. Moreover, 2.5 doctors are available per 1,000 citizens.

Examining the county-level data (Figure 70) large differences can be identified: the number of hospital beds per ten thousand inhabitants varies between 47.1% and 81.1% - particularly the Romanian data show significant inequality.

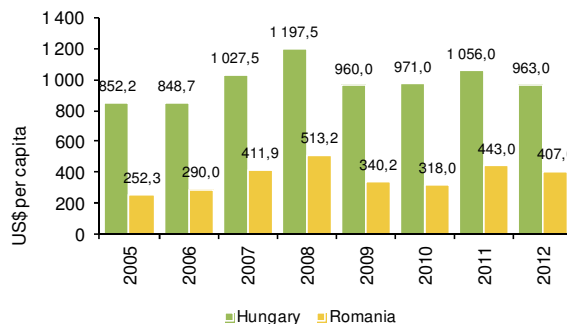
Figure 73– Number of hospital beds and doctors per 1,000 citizens



Source: The Economist Intelligence Unit (EIU)

Because of the expenditure reduction, problems arise in the maintenance of the health system, investment in new equipment, thus in access to services, especially for low-income groups. According to this, public satisfaction with the health care system is extremely low. At around US\$963 in 2012, total per capita spending on health-care in Hungary is high in regional terms. In spite of the rising tendency in both countries, the Hungarian indicator still reaches almost twice the value of the Romanian number (US\$407)<sup>67</sup>.

Figure 74– Per capita total private and public expenditure on health



Source: The Economist Intelligence Unit (EIU)

The average EU level on health care spending is 8.5% of GDP. Comparing to this, Hungary spent 7.6% of its GDP on health-care in 2012 which stagnates from 2009. A mild recovery can be seen from 2010, expenditure is expected to reach 2008 levels again in 2013. In the coming years the health-care system will still require more spending on structural changes in order to bring standards of care closer to west European norms.

Figure 75– Healthcare spending (% of GDP), 2009 - 2012

	2009	2010	2011
<b>Romania</b>	<b>5,6%</b>	<b>5,9%</b>	<b>5,8%</b>
<b>Hungary</b>	<b>7,7%</b>	<b>7,8%</b>	<b>7,7%</b>

Source: World Bank

In Romania, per capita total expenditure on health was estimated US\$407 in 2012, which is low even by the standards of the Eastern European Region. Annual health-care spending is expected to increase gradually in 2011-14 (2012: 5.3%) as Romania recovers from the economic crisis, to about 5.8% of the GDP by 2014. However, this will still be well below average EU levels of 8.5% of GDP. Moreover, regional differences in health-care spending are significant, with spending per head about twice as high in the capital, Bucharest, as in the North-eastern of the country.

The level of cross-border “health-migration” is a phenomenon that is difficult to quantify, as only certain parts of the treatments are delivered officially through the public health-care systems. Still, from interviews conducted in the eligible we can conclude that every year significant number of Romanian citizens travel to Hungary to use the services of Hungarian health-care institutions. Official figures from the Hungarian National Health Insurance clearly support this notion.

<sup>67</sup>Global Health Observatory Data Repository, <http://apps.who.int/ghodata/>





Between 2000 and 2012 the number of Romanian citizens registered in the Hungarian healthcare system shows a steady growth until 2010, then a slight decline, but still remains solid. It is also clear, that the healthcare institutions located in the Hungarian counties of the eligible area are important recipients of this health-related migration: more than 32 % of all Romanian patients registered in Hungary (4763 out of 14222; over 60 % of the in-patients and only 20% of the out-patients) received treatment in the eligible area in 2012.<sup>68</sup>

The county with by far the highest number of patients from Romania is Csongrád, but Szabolcs-Szatmár-Bereg and Hajdú-Bihar are also important, with Békés playing less significant role. Interestingly, while in Csongrád the number of Romanian patients has doubled between 2000 and 2012, Szabolcs-Szatmár-Bereg has demonstrated the most “dynamic growth”: an almost fivefold increase in the number of Romanian patients in the same period!

While there is clearly a migration process in place, its financing by the National Health Insurance is also problematic: though the related EU directive will enter into force on October 25, 2013, there are no specific bilateral regulations and systems in place to ensure the efficient implementation of the Directive.

Between 2007 and 2013 18 cross-border health projects were established in the eligible area. These aimed at all parts of the health system: prevention, diagnostics, surgery, acute care, rehabilitation.<sup>69</sup>

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<sup>68</sup>Source: National Health Insurance, Hungary

<sup>69</sup>[www.huro-cbc.eu](http://www.huro-cbc.eu)

## 2.7.4 County specificities in society and health care<sup>70</sup>

The county specificities and the intra-county disparities in the field of society and health-care are summarised in the following table.

County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
Szabolcs-Szatmár-Bereg	<ul style="list-style-type: none"> <li>Basic conditions of hospital services are good, the number of hospital beds (proportional to population) exceeds the average of Hungarian counties</li> </ul>	<ul style="list-style-type: none"> <li>The number of general practitioners and pediatricians per 10.000 inhabitants is low, patient flow is high</li> <li>The general health status of the population is worse than the national average, the average life expectancy at birth is one of the lowest in Hungary</li> </ul>	<ul style="list-style-type: none"> <li>The number of physicians (proportional to population) is higher in townships.</li> </ul>
Hajdú-Bihar	<ul style="list-style-type: none"> <li>In Debrecen a prestigious Medical University Clinic operates, with high quality specialised medical services</li> <li>University level medical education is available locally in the county seat.</li> </ul>	<ul style="list-style-type: none"> <li>Unbalanced territorial coverage of hospital care: hospitals operate only in two cities.</li> </ul>	<ul style="list-style-type: none"> <li>In rural areas the availability of GPs is poor</li> </ul>
Békés	<ul style="list-style-type: none"> <li>The in-patient care in the county is appropriate, major infrastructure developments have taken place in recent years, infrastructural conditions have improved considerably</li> </ul>	<ul style="list-style-type: none"> <li>On national comparison, the general health status of the county's population is rather unfavourable</li> </ul>	<ul style="list-style-type: none"> <li>There are major differences in the number of inhabitants per one general practitioner across the county</li> </ul>
Csongrád	<ul style="list-style-type: none"> <li>In Szeged a prestigious Medical University Clinic operates with high quality specialised medical services</li> <li>The number of inhabitants per one general practitioner is relatively low.</li> <li>University level medical education is available locally in the county seat.</li> </ul>	<ul style="list-style-type: none"> <li>High patient flow in outpatient care institutions.</li> <li>High proportion of population (in national comparison) suffer from diseases that are among the leading causes of death (cancer, hypertonia, stroke).</li> </ul>	<ul style="list-style-type: none"> <li>Specialized health services are predominantly concentrated in the county capital</li> </ul>
Satu Mare	<ul style="list-style-type: none"> <li>Significant investments and interest of public authorities in the development of health-care infrastructure in the last few years</li> <li>Existence of private social care institutions (e.g.</li> </ul>	<ul style="list-style-type: none"> <li>Number of general practitioners per 1000 inhabitants is significantly lower than the national and regional average</li> <li>Number of beds in hospitals per 1000</li> </ul>	<ul style="list-style-type: none"> <li>Social care services are predominantly concentrated in the county capital</li> <li>Lack of medical care institutions/cabinets in a great number of rural localities</li> </ul>

<sup>70</sup> The primary sources of information presented in the county specificities table are the development strategies of the eligible counties



County	Specificities		Intra-county disparities
	Advantages	Disadvantages	
	Caritas Organisation, Hans Lindner Foundation), well-known for their long-range and diversified social care activities	inhabitants is significantly lower than the national average and lower than the regional average • Migration of qualified health care personnel	
Bihor	<ul style="list-style-type: none"> <li>From the statistic point of view, the county has a good situation: the number of hospital beds/1000 inhabitants is 7,70, higher as the North-West region's average; also the number of two doctors / 1000 inhab. is superior</li> <li>The number of hospitals, medical clinics, consulting rooms and laboratories covers the necessities of the population</li> <li>The University Oradea has a medicine faculty that ensures the graduates for the local health-care network</li> </ul>	<ul style="list-style-type: none"> <li>The majority of the infrastructure in this field, both buildings and equipment, are physical and moral worn out, so that major investments are required</li> <li>Because the health-care budget was more and more cut, as well specialists as young graduates begun to leave the county and the country too; so, some specialties and hospitals are suffering from lack of doctors</li> </ul>	<ul style="list-style-type: none"> <li>The accessibility of the rural population to the health-care services is limited because the medical providers are located mainly in Oradea and other towns</li> <li>Some medical services are available only in Oradea (or even only in Cluj)</li> </ul>
Arad	<ul style="list-style-type: none"> <li>Existence of private health institutions</li> <li>Good health services in Arad city</li> <li>Various medical specialties in Arad city</li> </ul>	<ul style="list-style-type: none"> <li>Health "tourism" to Hungary (Szeged)</li> <li>Low number of general practitioners per 1000 inhabitants</li> <li>Low number of beds/1000 inhabitants</li> </ul>	<ul style="list-style-type: none"> <li>Existence of mono-industrial areas being restructured, thus creating social issues</li> <li>Insufficient level and quality of health services in rural areas</li> <li>Insufficient level of health personnel in rural areas</li> </ul>
Timiș	<ul style="list-style-type: none"> <li>Has the largest and most modern General Hospital in the Western part of Romania</li> <li>Very modern and performing emergency service</li> <li>All medical specialties represented in hospital and ambulatory care</li> </ul>	<ul style="list-style-type: none"> <li>Decreasing number of staff working in the medical profession, due to small wages and poor working conditions</li> <li>High cost of medical services for the population</li> <li>Medical equipment and facilities require modernization</li> <li>The continuous decrease in the quality of medical services</li> </ul>	<ul style="list-style-type: none"> <li>Hospital and ambulatory care settings located in urban areas (especially Timisoara)</li> <li>Medical care not available in several rural areas</li> </ul>



### **Box 7 – Conclslions – society and the health-care**

The main findings of the analysis about the situation of the society and the health-care system are:

- The population of the eligible area is aging; however, a minor decreasing trend is observable in Arad and Timis counties.
- There is no major difference in the share of people above 65 as the proportion of the total population between the counties. However, having a look at the historical data, in most of the counties – with the exception of Bihor, Arad and Timiş – there was a significant increase. The largest change can be seen in Csongrád by 8.5%.
- Both in Hungary and in Romania the share of the population at risk of poverty, severely materially deprived or living in households with very low work intensity are far above the EU average. However, trends are more favourable in Romania as this ratio has been declining since 2007, while the contrary is observable in case of Hungary.
- In terms of health-care, there is a major difference between the conditions (facilities and staff) of the two countries which partly derives from the differences in per capita total spending, but also the low level of investments in infrastructure development in the Romanian side of the eligible area. Currently, the quality of healthcare services is higher in Hungary, which results in health-care migration between the two countries – mainly from Romania to Hungary.
- Mutual financing of healthcare services by the National Health Insurance systems

### 3 Lessons learnt from the HURO CBC Programme 2007-2013

The content of this chapter derives from the results of the ongoing evaluation of the HURO CBC Programme 2007-2013. For this reason the lessons learnt will be incorporated as soon as the results are available.

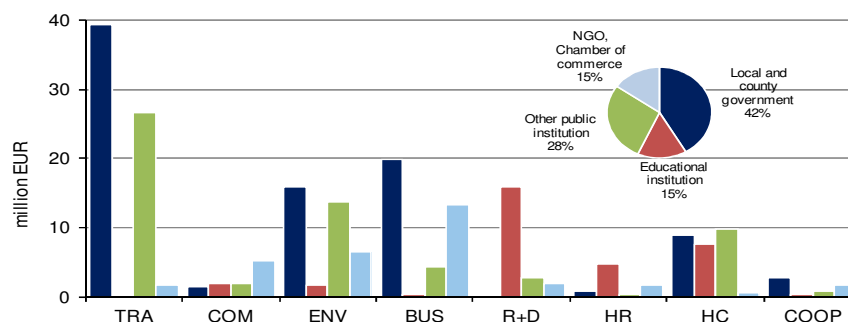
#### Summary information on the programme

In the frame of the Programming period 2007-2013 several different types of interventions have been supported. The experiences gained from these interventions can provide important inputs to the design of the 2014-2020 programme. Four major groups of beneficiaries have been identified in the HU-RO CBC Programme:

- Local and county government
- Educational institution
- Other public institution
- NGO, Chamber of commerce

Figure 76 shows the division of committed ERDF funds among these four major types of beneficiaries (see pie chart), and their share of funding within each key area of intervention (block chart).

Figure 76 – Beneficiary division of committed ERDF funds by KAI (EUR million)



Source: KPMG (based on IMIS dataset, 31.12.2012)

In the 2007-2013 Hungary-Romania Cross-border Cooperation Programme the following 9 thematic areas were covered:

- **Business cooperation (BUS)** – Support for cross-border business cooperation: Resources are mostly linked to local and county governments and NGOs.
- **CB Communication (COM)** – Improvement of cross-border communication: NGOs and Chambers of commerce are taking the lead, though local and county governments, educational institutions and other public institutions have a fair share of committed resources as well.
- **Education and labour market (HR)** – Cooperation in the labour market and education – joint development of skills and knowledge: Mainly supports educational institutions, but projects led by NGOs and governments can be found as well.
- **R+D, innovation** – Promotion of cooperation in the field of R+D and innovation: Mostly supports educational institutions.

- **Environment (ENV)** – Protection of environment: The committed funds are mostly concentrated between local and county governments and other public institutions, but NGOs have a fair share too.
- **CB Transport (TRA)** – Improvement of cross-border transport facilities: Supports mainly local and county -governments and other public institutions. In the Hungarian side the main beneficiary was NIF Zrt. (Hungarian Infrastructure Developer).
- **CB Tourism** – Support for tourism and leisure in cross-border area.
- **Cooperation between communities (COOP)** – Cooperation between communities: The low volume of committed funds is distributed mostly between local and county governments and NGOs, and chambers of commerce.
- **Health Care and risk prevention (HC)** – Health care and prevention of common threat: The allocated funds are concentrated proportionally among local and county governments, educational institutions and other public institutions, which major group includes the health care institutions.

The following table presents the links between the thematic areas investigated in the STA and the 9 thematic areas covered by the Programme 2007-2013.

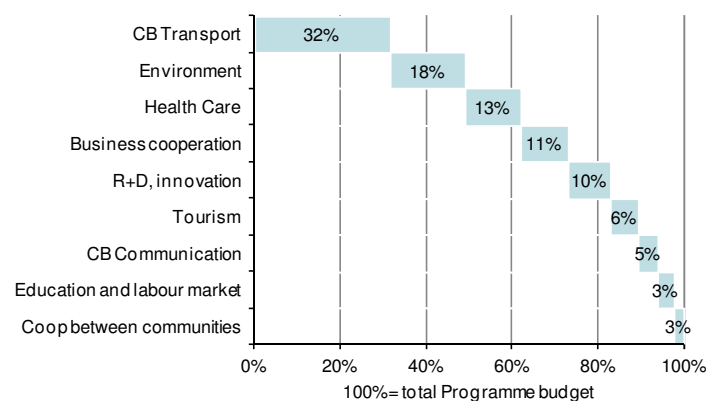
**Figure 77 –Links between the Interventions of the HUORO Programme 2007-2013 and the thematic areas covered by the STA**

Thematic areas investigated in the STA	Thematic areas of the HU-RO CBC Programme (2007-2013)
Economy and labour market	<ul style="list-style-type: none"> <li>• Business cooperation</li> <li>• CB Communication</li> <li>• (Education and) labour market</li> </ul>
Education, research and development	<ul style="list-style-type: none"> <li>• Education (and labour market)</li> <li>• R+D, innovation</li> </ul>
Environment and climate change	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
Infrastructure and mobility	<ul style="list-style-type: none"> <li>• CB Transport</li> </ul>
Tourism and leisure	<ul style="list-style-type: none"> <li>• CB Tourism</li> </ul>
Society and health-care	<ul style="list-style-type: none"> <li>• Cooperation between communities</li> <li>• Health Care and risk prevention</li> </ul>

Source: Evaluation Report (2007-2013)

Figure 75 shows the distribution of the committed funds by thematic areas in the Programming period 2007-2013. Almost one-third of the total budget has been used for CB transport development. Environment and health-care related projects have also absorbed a significant part of the total budget: together they have accounted for another third of the total funds. The smallest amounts of funds were committed to Cooperation between communities and Education and labour market. Both have reached a share of around 3%.

**Figure 78– Distribution of the committed funds of the HUORO Programme 2007-2013**



Source: IMIS (31.12.2012)

## Summary of general lessons

The ongoing evaluation revealed several different factors, which describe the character of the Programme, and provide useful experiences for the planning of the next programming period.

- The nine thematic areas and the large number of project categories have resulted in the Programme becoming fragmented. This led to less focus and the interventions could not reach a critical mass in certain areas. In addition, a wide variety of projects have required a broad spectrum of specific knowledge from the managing staff, which is difficult to mandate in the constraints of the Programme.
- The Programme has highly focused on infrastructure developments. 78% of the total budget supported this type of projects. However, the programming period 2007-2013 had limited focus on the actual utilisation of the facilities created.
- The Programme has supported the preparatory phase of several CB infrastructure developments (studies and plans). Considering the existence of studies and plans, in the next programming period the programme may support the implementation of the investment projects already prepared, as several of these plans will not be realised without further resources from the next programming period.

## Key lessons by thematic areas

Thematic areas	Types of projects	Key conclusions
Business cooperation	<ul style="list-style-type: none"> <li>• Business infrastructure development</li> <li>• Cooperation between businesses</li> </ul>	<ul style="list-style-type: none"> <li>• In several cases the business facilities established serve rather local needs, with limited cross-border impact;</li> <li>• The soft activities (trainings, conferences, exhibitions) have a stronger cross-border character;</li> <li>• The long-term utilisation of many of the business infrastructure facilities may be difficult;</li> <li>• There is limited motivation of the SMEs to take part in business cooperation initiatives due to the low visibility of the activities;</li> <li>• Lack of sectoral focus on key sectors of the region led to limited impact;</li> </ul>
Cross-border communication	<ul style="list-style-type: none"> <li>• Broadband development</li> <li>• WiFi network development</li> <li>• Community access programme</li> <li>• Cross-border newscast</li> </ul>	<ul style="list-style-type: none"> <li>• Limited interest of potential beneficiaries;</li> <li>• Several of the projects are driven by existing local needs rather than real cross-border needs;</li> <li>• As a result of the intervention several homepages have been created with similar content. Between these homepages the cooperation is limited;</li> </ul>
Labour market	<ul style="list-style-type: none"> <li>• Labour market</li> <li>• Vocational training and life-long learning</li> </ul>	<ul style="list-style-type: none"> <li>• The open character of the call invited several small NGOs with limited outreach to apply;</li> <li>• In most cases the key employers of the area have not been involved or at least consulted;</li> <li>• The relatively high number of fragmented small projects has not been able to elicit a significant labour market impact;</li> </ul>
Education	<ul style="list-style-type: none"> <li>• Higher education</li> <li>• Primary and secondary education</li> </ul>	<ul style="list-style-type: none"> <li>• Many higher education projects involving joint training, joint doctoral programmes and introduction of joint curriculum have adequate cross-border character;</li> <li>• The cooperation of primary and secondary schools – aimed at joint activities of students – are important as</li> </ul>





Thematic areas	Types of projects	Key conclusions
		<p>they bring people together at an early age, and thus have a strong cross-border character;</p> <ul style="list-style-type: none"> <li>Considering the small size of projects of primary and secondary education, in most cases the application and implementation procedures created an unproportional administrative burden;</li> <li>Overall, this intervention can actually strengthen the real cooperation of educational institutions;</li> </ul>
Research and development	<ul style="list-style-type: none"> <li>Non-region specific research activity</li> <li>Region-specific research activity</li> </ul>	<ul style="list-style-type: none"> <li>Majority of the beneficiaries are universities;</li> <li>Support to research centre development projects have had overlaps with mainstream programmes;</li> <li>Lack of sectoral / thematic focus in the support of research and development projects has resulted in limited impacts while making the evaluation process more demanding from professional point of view;</li> <li>Several of the R&amp;D projects are rather opportunity-driven and have had a limited real cross-border character;</li> </ul>
Environment and climate-change	<ul style="list-style-type: none"> <li>Protection of nature and natural values</li> <li>Water management</li> <li>Waste management</li> <li>Studies and plans</li> </ul>	<ul style="list-style-type: none"> <li>High relevance due to the cross-border nature of the key issues;</li> <li>Water and waste management projects implemented in the immediate proximity of the border have a clear cross-border nature, while the ones more remote from the border have served rather local needs;</li> <li>Projects supporting studies and plans foster a common approach for problems which are affecting both side of the border. Several of these projects expect resources from the next programming period and without further support will not be implemented due to the lack of resources;</li> </ul>
Infrastructure and mobility	<ul style="list-style-type: none"> <li>Border-crossing road construction</li> <li>Road construction</li> <li>Border-crossing bicycle road construction</li> <li>Bicycle road construction</li> <li>Studies and plans</li> </ul>	<ul style="list-style-type: none"> <li>Almost one-third of the funds supported CB Transport infrastructure development. However, no resources remained to enhance the traditional mobility (e.g. public transport, multimodal logistic solution);</li> <li>The project selection was carried out on competitive basis, led by applicant's activity. Thus, could not be based on a joint strategy of the region;</li> <li>There was no interest for railway development due to the limited budget;</li> <li>The Programme will double the border crossings between Hungary and Romania. However, these crossings cannot be opened permanently due to the Schengen Rule and the lack of a Bilateral Agreement.</li> <li>The cycle path infrastructure developments also aim to improve the tourism potential, health- and living conditions and the labour market of the area, besides improvement of accessibility;</li> </ul>
Tourism and leisure	<ul style="list-style-type: none"> <li>Development of tourism attraction</li> <li>Religious tourism development</li> <li>Promotion of tourism attraction</li> <li>Thematic routes</li> </ul>	<ul style="list-style-type: none"> <li>Projects with a joint thematic concept and with a common strategy could reach a higher impact and contain a higher CB character;</li> <li>Typically, the thematic routes possess a high CB character, as these projects create well established connections among the attractions from both sides of the border;</li> </ul>



Thematic areas	Types of projects	Key conclusions
		<ul style="list-style-type: none"> <li>• In case of promotion activities, projects introducing a joint brand, theme and / or focusing on common target groups could reach a higher impact;</li> <li>• Several of the promotion activities could not reach a critical mass; therefore, had a lower visibility and could achieve a limited impact;</li> </ul>
Cooperation between communities	<ul style="list-style-type: none"> <li>• Cooperation in social affairs</li> <li>• Organising a “village-day”, preserving traditions</li> <li>• Organising joint sport events</li> <li>• Preserving and exploring common cultural and historical heritage</li> </ul>	<ul style="list-style-type: none"> <li>• The cooperation between communities in the border area has a strong CB dimension. Contrary, the sustainability of these projects is low compared to the other interventions;</li> <li>• From an administrative point of view the application and implementation procedures are rather complicated for the beneficiaries, especially when considering the small grant amounts;</li> <li>• In overall, this type of intervention requires small amount from the Programme’s budget, and significantly increases the visibility of the Programme;</li> </ul>
Health care and risk prevention	<ul style="list-style-type: none"> <li>• Health care</li> <li>• Risk prevention</li> </ul>	<ul style="list-style-type: none"> <li>• There is a high need for health care infrastructure developments in the region; however, this could be supported from mainstream Programmes as well;</li> <li>• The soft activities (e.g. knowledge transfer, surgery with a joint team) possess a high CB character;</li> <li>• There is a high need for cross border health care services in the region. However, there are still questions regarding the regulatory environment, consistency with the national health care strategies and the transparency of the joint treatments;</li> </ul>



## 4 Specific territorial categories in the eligible area

### 4.1 Introduction

The Hungary-Romania eligible cross-border area consists of 8 NUTS 3 level counties – 4 in Romania and 4 in Hungary. The eligible area, however, is not an area with unified characteristics; on the contrary, **there are different geographical areas with distinct characteristics.**

**Their identification within the eligible area is important, as they face unique challenges,** that often require special treatment. Although many of these challenges may not be addressed as part of a cross-border cooperation programme, but the identification of these areas can nevertheless contribute to **orientating and coordinating cooperation initiatives, the identification of partners with similar characteristics and challenges.**

While identification of such territories is clearly beneficial for supporting strategic decisions, from a methodological perspective it is not an easy task, given that for some of them, not the same classification exists in the two countries. Using a combination of EU level classifications and national approaches, we have identified the following key categories:

- Main urban centres – functional urban areas (of national or regional importance)
- Poor areas
- Mountain areas
- Areas struck by population decline
- Areas with risk of flood

Mountain areas are only present on the Romanian side of the border. Poor areas and mountain areas are mostly rural areas, and they partly overlap (in Romania), as many of the mountain areas are also poor areas.

### 4.2 Functional urban areas

Number of territories	Total population in Hu eligible area	Total population in Ro eligible area	Total population in the eligible area	% of the eligible area's total population	Source of classification - Hungary	Source of classification - Romania
10	783.032	1.185.489	1.968.521	33,7%	ESPON	ESPON

According to the ESPON factsheet – Hungary-Romania<sup>71</sup>, „in a European perspective, the programme area is mainly characterised by intermediate regions (in-between rural and urban) and rural regions.”

There are altogether 8 + 1 main urban centres (urban centres of national or regional importance) in the border area – Arad, Oradea, Satu Mare and Timisoara in Romania and Békéscsaba, Debrecen, Nyíregyháza, Szeged and Hódmezővásárhely in Hungary. Timisoara is the only one of the existing urban centres considered as Metropolitan European Growth Area. As the ESPON Factsheet concludes: “Furthermore, there are no major urban agglomerations in close proximity to the programme.”

<sup>71</sup> ESPON Factsheet Hungary-Romania (ESPON Project TERREVI, November 2012)

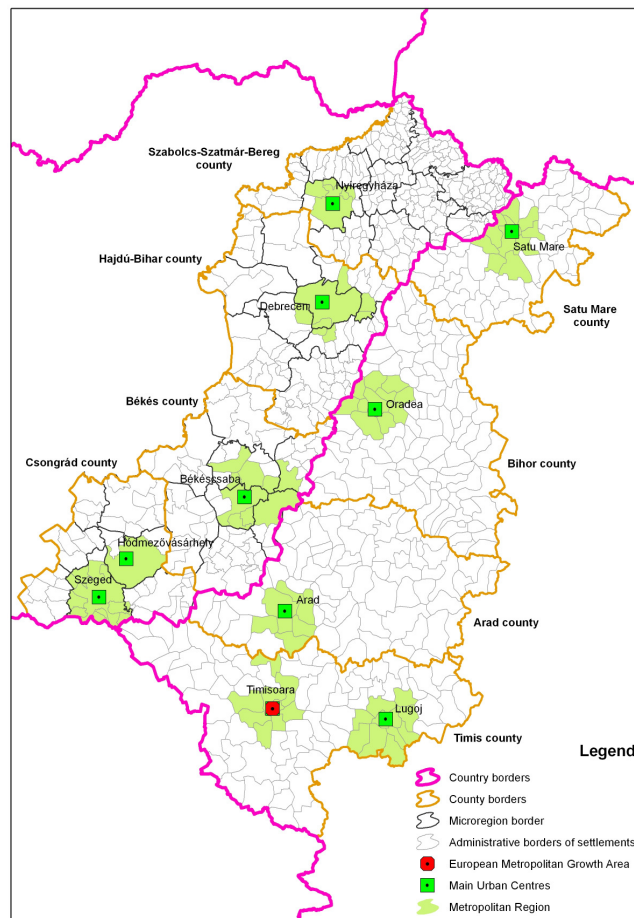
The urban centres of the eligible area concentrate the majority of economic resources of the area; these are the centres of employment, education, healthcare and cultural life and different services in the eligible area, and they also host the majority of the county level institutions.

These urban centres form functional urban areas with the surrounding settlements to a certain level already today: there are strong employment, commuting and service relations between them, and potentially these links will further strengthen in the future. On the map above, we have indicated these functional groups of settlements.

In Romania, there are proposals for functional metropolitan metropolitan areas. On this basis, there are five urban areas on the Romanian side of the border (the county seats plus Lugoj in Timis county). Some of these in fact (Timisoara, Oradea and Satu Mare) are practically already existing functional metropolitan areas.

In Hungary, the Central Statistical Office carried out the (currently still valid) demarcation of “urban settlement groups” in August, 2003. The investigation resulted in the identification of 21 urban settlement groups in Hungary, precisely indicating the list of settlements belonging to each.

Figure 79– Functional urban areas in the eligible area\*



\*The list of settlements belonging to this specific territorial category is presented in Annex 6.4.

Out of these 21, 4 are located in the border area (the county seats); additionally, Hódmezővásárhely, which is a town with county rights, is also presented on the map, forming the basis of a future joint functional area with Szeged.

As some of these centres are located in the proximity of the border (Oradea and Satu Mare in Romania, and to a lesser extent, Arad in Romania, Szeged, Békéscsaba and Debrecen in Hungary), **they have a strong potential for extending their natural catchment area across the border in a mutually beneficial way.**

In response to the relative lack of urban centres, the ESPON factsheet referred to earlier points out, that: “Following the settlement patterns there are potentials within the programme area to further strengthen the development of non-metropolitan cross-border regions centres on the smaller urban areas. In this respect, the number of border-crossings per 100 km border can possibly be an issue. At present the number of border-crossings per 100 km is below the average for European cross-border regions.” The study also concludes, that **there is a major potential in the stronger integration of these regions** (that are mostly lagging behind and relatively peripherally located from their capitals or

the growth poles). It also states that the **non-metropolitan smaller urban areas represent an important target for the programme with a major potential to further explore the benefit of cross-border cooperation.**

If ITI becomes an accepted implementation tool both in Romania and in Hungary, supporting cross-border cooperation of these territories using ITI may be considered.

### 4.3 Poor areas

Number of localities	Total population in Hu eligible area	Total population in Ro eligible area	Total population in the eligible area	% of the eligible area's total population	Source of classification - Hungary	Source of classification - Romania
Not relevant (due to different levels of classifications)	346.231	340.035	686.266	17,4%	311/2007. (XI. 17.) Gov. Decree on the classification of preferred regions	WB - Local Human Development Index, LHDI (2010/2011)

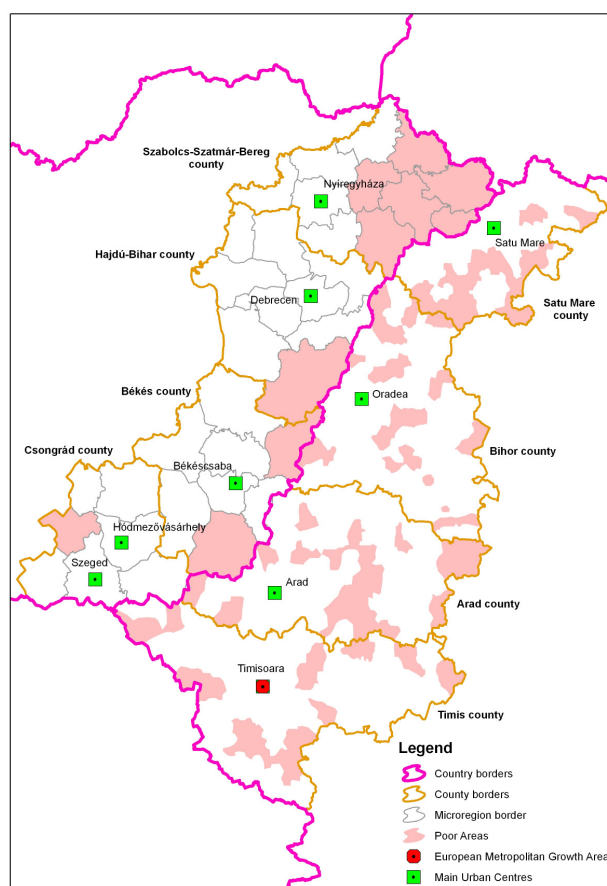
Unfortunately, one can find a multitude of areas in the eligible area struck by poverty. While this is a fact, it is difficult to properly identify these regions, as there is no standard classification in place – yet. A World Bank project aimed at poverty mapping is under way in both countries – in a bit more advanced phase in Romania, but the final outputs of this initiative are not available. Nevertheless, given the importance of this phenomenon (even one of the headline targets of the Europe 2020 strategy is aimed at reducing poverty), highlighting poor microregions, communities in the eligible area needs to be done.

While there is no classification system standard for both countries, there are methodologically sound classification systems both in Hungary and in Romania.

Following careful investigation of possible systems, in Romania the classification based on the World Bank's Local Human Development Index, (LHDI) was selected, while in Hungary we used the classification serving as the basis for Least Developed Microregions Programme.

While these are different systems, they are both acceptable methods for indicating poor areas.

Figure 80– Poor areas in the eligible area\*



\*The list of settlements belonging to this specific territorial category is presented in Annex 6.4.

**In Romania**, the regional development policies for poor areas are included in the National Anti-Poverty and Social Inclusion Plan adopted in 2002 (adapting to the national conditions the European Council of Nice provisions). The localities on the map include the poor settlements in the Romanian eligible area (small cities and communes) as to the WB Report on Local Human Development Index, LHDI (2010/2011).

This index which is calculated at the level of localities basically has three main components:

- Health of citizens;
- Access to knowledge and education;
- Income.

**In Hungary**, the 311/2007. (XI. 17.) Government Decree on the classification of preferred regions presents a list of least developed microregions. This classification is based on a combined indicator, which includes:

- Economic indicators;
- Infrastructure indicators;
- Social indicators;
- Employment indicators.

This classification system identifies three categories of disadvantaged microregions:

- Disadvantaged microregions – those with the combined indicator lower than the national average.
- (Within these) – least developed microregions – those with the lowest combined indicator, altogether populated by 15% of the total population of Hungary;
- (Within these) – least developed microregions to be supported by a complex programme – those with the lowest combined indicator, altogether populated by 10 % of the total population of Hungary.

We used this latter category to identify the poor microregions in the Hungarian eligible area: these belong to the most depressed microregions in Hungary that are inhabited by the poorest communities. There are exactly 10 such microregions, and the relevance of this selection for the programme is also supported by the fact that – as can be clearly seen on the map – all of these microregions, without exception, are peripheral areas located on the Hungary-Romania border.

**The number of people** living in poor areas is almost identical on the two sides of the eligible area (340.035 in Romania and 346.231 in Hungary). This means that 17,4% of the total population of the eligible area actually lives in poor areas (the population of the poor areas on the Romanian side is 16,3% of the population of the Romanian eligible area; the same figure for Hungary is 18,5%).

While the distribution of poor areas is fairly „balanced” across the counties in the Romanian eligible area, these areas are actually strongly concentrated in the Hungarian eligible area: 6 out of 10 – with 62,8% (!) of the population of poor areas in the Hungarian eligible area – are located in Szabolcs-Szatmár-Bereg county.

These areas can be characterized with struggling economy, underdeveloped infrastructure and services, compromised accessibility, low income of people, social problems, often high proportion of extremely poor roma communities, strong outmigration.

**Therefore, there is a need for sustainable development of such poverty areas both in the Romanian and the Hungarian side of the eligible areas. Where these regions are in the immediate proximity of the border, there is a good potential for the cross-border cooperation programme to provide support to joint initiatives to develop poor areas.**

For the development of contiguous cross-border poor areas, the use of CLLD methodology may be considered.



## 4.4 Mountain areas

Number of localities	Total population in Hu eligible area	Total population in Ro eligible area	Total population in the eligible area	% of the eligible area's total population	Source of classification - Hungary	Source of classification - Romania
38	0	191.500	191.500	4,8%	-	NPRD 2007-13

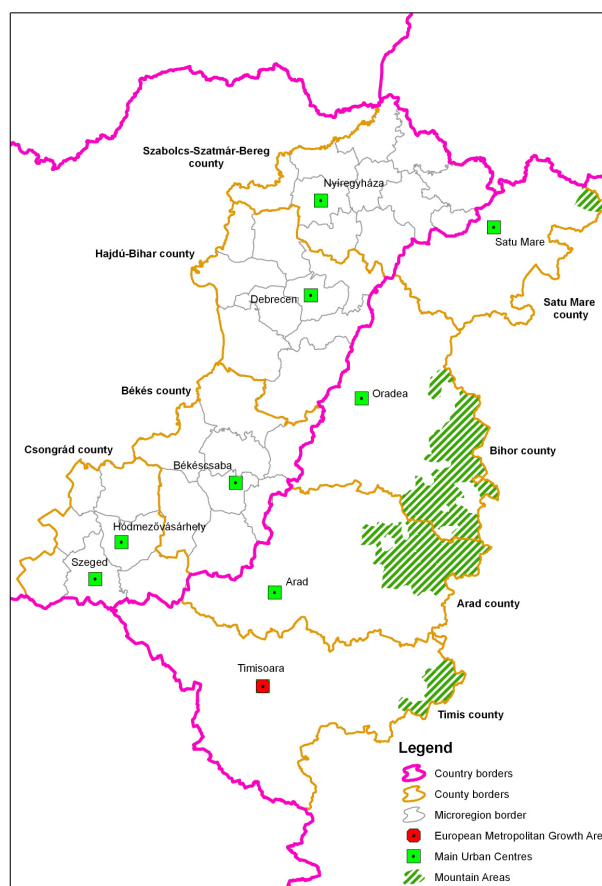
Mountain areas are localities that also require special attention and interventions. As the map clearly presents, mountain areas are exclusively located on the Romanian side of the eligible area, and all of them are fairly remotely located from the border.

Their population is also modest (at least compared to that of the urban centres and poor areas – 4,8% of the total population of the eligible area).

Mountain areas are those where the agricultural production is affected by climate and by geographic relief that lead to this difficulties, that is caused by:

- average altitude of 600m, which determines the extremely difficult weather conditions and substantially shorter growing season;
- average of altitude between 400-600m, which affects difficult climate, with average of slopes over 15%, that makes impossible to mechanize or require the use of expensive special equipment.

Figure 81– Mountain areas in the eligible area\*



\*The list of settlements belonging to this specific territorial category is presented in Annex 6.4.

Protection needs for landscape conservation and development of mountain environment, and this requires actions to protect the land, careful and sustainable exploitation of the natural resources and also conservation of biodiversity, historical monuments and archaeological sites. Regarding the development of the mountain communities providing incentives for farmers and encouraging compatible tourism activities, such as agritourism would also be of utmost importance.

Given, however, that **these areas are only present on one side of the border, and, even there, they are not located in the proximity of the border, their relevance for cross-border cooperation is quite limited.**

The mountain areas could be subject to CLLD-based approaches, but for the same reasons even if CLLD plans are put into place, they are not supposed to be funded from the cross-border cooperation programme.



## 4.5 Areas struck by population decline

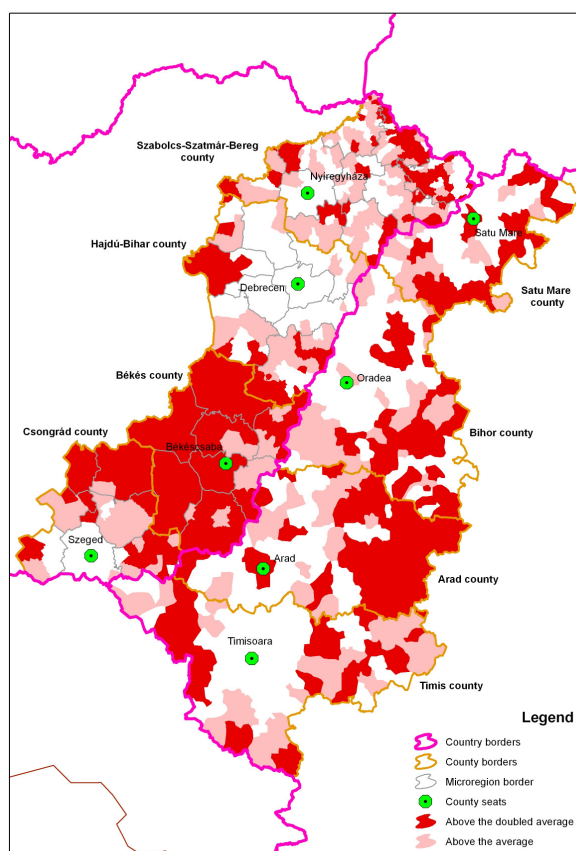
	Number of territories	Total population in Hu eligible area	Total population in Ro eligible area	Total population in the eligible area	% of the eligible area's total population	Source of classification
The level of decline exceeds the border area average (3,84%)	494	971.216	1.106.113	2.077.329	53,03%	Calculated population decline from national census
The level of decline exceeds the double of the average (7,68%)	285	501.258	634.925	1.136.183	29%	

Population decline is a major challenge threatening the future of communities in many places both in Romania and Hungary, a phenomenon that needs to be dealt with and requires the adjustment of development policies (managing shrinkage rather than growth).

In order to identify these territories in the border area, we have used population data from the last two censuses (2002 and 2011 in Romania, 2001 and 2011 in Hungary), using the following process:

- We have collected population data from both censuses on LAU2 level for the entire border area.
- We have used the difference to calculate the level of decline.
- We have calculated the average level of decline for the entirety of the border area.
- We have identified two levels of population decline:
  - Localities where the level of decline exceeds the border area average (3,84%) – these are territories with above average population decline;
  - Localities where the level of decline exceeds the double of the average (7,68%) – these are considered territories with significant level of decline.

Figure 82– Areas struck by population decline in the eligible area\*



\*The list of settlements belonging to this specific territorial category is presented in Annex 6.4.

We used the data produced to indicate both levels on the map – and this has produced a frightening picture, showing that population decline is a major phenomenon in the border area, both in Romania and in Hungary. As expected, the phenomenon is more prominently present in the rural areas, and

some of the county seats (with the exception of Arad, Békéscsaba and Satu Mare) actually has not faced a decline. Interestingly, the areas facing significant level of decline are more extensive than the areas with above average decline.

The territories facing significant level of decline are located away from the border, on the Eastern part of the counties in Romania, whereas they concentrate in the neighbourhood of the border in Hungary. Altogether, the level of decline is higher on the Hungarian side of the border.

Comparing the counties, it is clear that Bihor and Timis from Romania, Hajdú-Bihar in Hungary perform better from this perspective. On the other end of the scale, we can see Békés county: practically the entire territory of the county faces dramatic level of population decline; between the two censuses the county has actually lost nearly one-tenth of its total population (9,51%)!

## 4.6 Areas with risk of flood

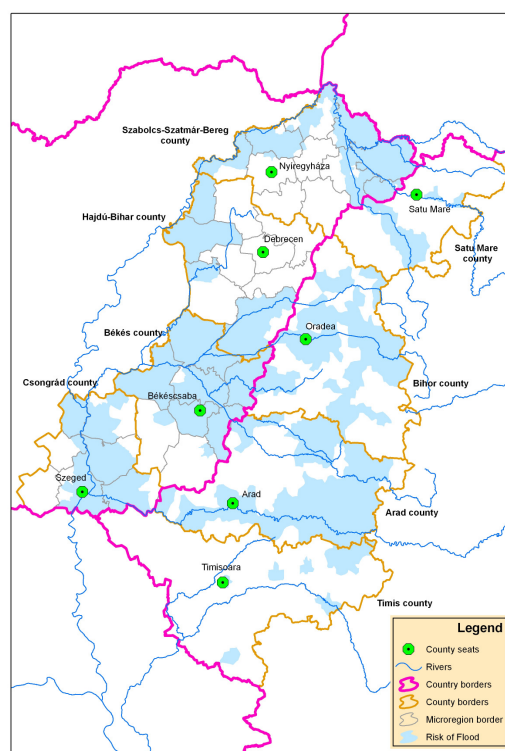
Number of localities	Total population in Hu eligible area	Total population in Ro eligible area	Total population in the eligible area	% of the eligible area's total population	Source of classification - Hungary	Source of classification - Romania
376	964.190	1.101.355	2.065.545	52,73%	18/2003 – XII.9. decree Ministry of Environment and Ministry of Interior	Section V of Law no. 575 of 22 October 2001

Natural hazards are also issues that are worth considering in territorial planning. While there are numerous potential natural hazards, in the border area, and from the perspective of cross-border cooperation flood is the major factor to be taken into account.

The border area is rich in surface water – which is an important asset offering good potentials – but also a risk factor, when it comes to the prospect of floods. Unfortunately, weather extremities in recent years again have turned the attention to this issue.

Both in Romania and in Hungary, there is a solid legislative background supporting the identification of the areas with risk of flood. In Romania, Section V of Law no. 575 of 22 October 2001 on the Approval of the Spatial Planning of the National Territory presents the list of localities threatened by various natural hazards – including flood. In Hungary, there is a joint decree of the Ministry of Environment and Ministry of Interior (18/2003 – XII.9.) containing the list of settlements

Figure 83–Areas with risk of flood in the eligible area\*



\*The list of settlements belonging to this specific territorial category is presented in Annex 6.4.



threatened by flood.

We used these two documents to present the areas threatened by flood on the map.

The map shows that both the Romanian and the Hungarian side equally face flood risk, and also that the Southern part of the border area is slightly more exposed to flood than the Northern part. From among the county seats, Debrecen, Nyíregyháza, Satu Mare and Timisoara are not threatened by flood risk, while the rest of the county seats – Arad, Békéscsaba, Oradea and Szeged face this risk.

The map also indicates that there are some cross-border areas actually threatened by flood risk (between Arad-Békés, Békés-Bihar, Bihar-Hajdú-Bihar; and, to a lesser extent, between Arad-Csongrád and Satu Mare-Szabolcs-Szatmár-Bereg).



## 5 Summary conclusions

While the analysis provides a detailed account of the current situation of the eligible area, it is important to draw some crucial initial conclusions that (i) build on information and evidence from various sources (ii) contribute to a better understanding of the eligible area, and (iii) drive the process towards the identification of a genuinely joint and genuinely cross-border strategy.

### General remarks

The Hungary-Romania eligible area is an area inhabiting nearly 4 Million people, that exhibits important differences between the two sides of the border, between various parts of the region, and also between urban and rural areas.

Despite major advancements in recent years, including Hungary's and then Romania's accession to the European Union, as well as the use of (though fairly modest amount) EU funds to improve the conditions of cross-border cooperation, the state border is still a major obstacle, and the eligible area is far from operating as one single eligible area: there are still a number of physical and also soft obstacles to extended cooperation. In addition to these obstacles, however, there are also many untapped potentials. Thus, any initiative, aimed at enhancing cooperation should (also in accordance with the relevant ETC draft regulation) focus on removing the most important obstacles and on the better use of some of the key joint potentials.

It is clear, though, that only so much can be done with specific interventions on regional level to foster cooperation; in order to move towards a cooperation area with strong links, there are a lot of things that can (and should) be carried out only on intergovernmental level. Harmonization of regulations, rules, protocols, elimination of unnecessary administrative obstacles are all measures that do not cost a lot of money, but can have major positive impacts.

Also, anyone looking at the eligible area, from outside needs to realize, that while there is a general intention to enhance cooperation, currently both sides are immersed in dealing with their own challenges and focus on their own unique development needs; in general, the eligible area is characterised by an interesting duality.

**In Romania**, the eligible area's **economic performance is relatively strong**, exhibiting a positive trend of development; employment level is high (even in European comparison), while unemployment is not really an issue - on the contrary, in some parts (usually in bigger cities) there's a constant lack of workforce. **In sharp contrast with this dynamic development**, though, the quality and development level of roads and communal infrastructure, the infrastructural background of public services, and even the quality of public places and the general condition of the built environment in urban areas are often rundown. Despite the efforts and investments made during recent years, there's still a lot to do to improve even basic infrastructure.

On the Hungarian side, the situation is quite different, or, one might even say, the opposite: certainly with intraregional differences, but in general the eligible area is characterised by a struggling economy, low employment level and high level of unemployment. There is a sharp contrast here, as well: despite having a modestly performing economy, the Hungarian side of the eligible area (again, with internal differences) exhibit a fairly developed infrastructure - accessibility of major centres (except Békéscsaba and Gyula) is rather good (motorways are present in most places), there are no major gaps in communal infrastructure, the physical conditions of public services are mostly good and many of the urban centres have even been rehabilitated.



Even with the best intentions, this strong duality clearly affects expectations and development priorities: while the Hungarian side is interested in interventions more directly benefiting the economy, the Romanian side is focused on improvement of general infrastructure.

It is also clear from our investigations, but also based on experiences from cross-border areas elsewhere in Europe, that the free, uninterrupted, natural move of people and goods is an indispensable pre-requisite of cooperation. This certainly requires the existence of appropriate transport links, but, maybe even more importantly, Romania needs to become part of the Schengen zone as soon as possible.

### Specific conclusions

The entire area is characterised by a **rural-urban duality**: there are urban centers (mainly the county capitals) that are the focal points of economic development, while there are rural microregions that are lagging behind (especially the remote and peripheral ones). (Interestingly though, according to an ESPON classification,<sup>72</sup> only Timisoara can be considered as a "Metropolitan European Growth Area"<sup>73</sup>). Even though some of the bigger cities (Arad, Oradea and Satu Mare are located close to the border, their catchment area actually stops at the state border. In the case of Oradea certain cross-border migration processes occur, namely, inhabitants from Oradea buy houses on the Hungarian side of the border, but they continue to work in Oradea. Altogether, the **potential offered by the major cities as large markets (altogether 1 Million people) could be better utilized**.

As referred to above, rather different scenarios can be seen in the two countries with regard to **economic development processes**: while the Romanian counties present excellent dynamics in GDP development over the past 10 years, exceeding even the national average, their Hungarian counterparts (with some internal differences) are constantly even below the modest Hungarian national average. Altogether, the entire eligible area is still below the EU 27 average with regard to the level of GDP. Real business-to-business, **economic cooperation is quite modest** across the borders, definitely below the real potential. This is the result of a mixture of poor accessibility, administrative difficulties and also trust deficiencies.

With regard to **employment**, again we see major differences - there's a very low employment rate of most of the Hungarian counties (except Csongrád), while the Romanian counties in general show a favourable picture even in European comparison, with Arad slightly lagging behind. Unemployment is a major problem in most of the Hungarian counties, but basically a non-issue in their Romanian counterparts - they rather face shortages from time to time. Despite these supply-demand imbalances, there is very **modest labour market cooperation** - administrative obstacles, mobility difficulties and language issues hinder addressing the labour market issue on cross-border level. In addition, long-term studies suggest long-term decrease of workforce in the area.

The presence of **strong higher education institutions** both in Romania and Hungary is an important asset and also potential of the area. Stronger real cooperation and better integration of these prestigious universities in the eligible area's economic fabric would be necessary. The universities are the focal points also of RTDI activities. In terms of the number of employees and research budget, the University of Szeged and the University of Debrecen are the key players here - but other higher education institutions also have important capacities. Unfortunately, the involvement in applied

<sup>72</sup> ESPON 1.1.1 Potentials for polycentric development in Europe - project report. [http://www.espon.eu/export/sites/default/Documents/Projects/ESPON2006Projects/ThematicProjects/Polycentricity/fr-1.1.1\\_revised-full.pdf](http://www.espon.eu/export/sites/default/Documents/Projects/ESPON2006Projects/ThematicProjects/Polycentricity/fr-1.1.1_revised-full.pdf)

<sup>73</sup> Four types of Metropolitan European Growth Areas (MEGAs) were identified within the ESPON research project based on indicators for each of four qualities (mass, competitiveness, connectivity, knowledge basis). Timisoara is one of the 23 areas in the Category 4 MEGAs. According to the project report "Timisoara has the role of a transport node of national significance", and it is the only city within the cross border area enough important at the level of EU territory.



research and development is limited, and practically no cross-border business-to-university links exist.

The eligible area, has a **diverse natural environment**, and is **rich in protected areas** - among others, many NATURA 2000 areas. Generally, the pollution level is modest, although the dynamic industrial development on the Romanian side potentially risk increasing pollution. Solid waste is a problem in the entire area - currently only a very limited part is used, the rest are dumped in landfills, though recultivation is taking place and selective collection increases gradually. Drinking water is of good quality, although in certain parts high arsenic and nitric concentrate create problems. In Romania, insufficiencies in the sewage system create a major risk.

The area is also **rich in surface waters**, with generally good water quality, which offer excellent potentials for both touristic and energy generation purposes - and certainly carry some risks of flood and pollution. In addition, the eligible area has a remarkable geothermal capacity, but currently this is mainly used in spas, thus it is an untapped potential for generating renewable energy. In general, the Romanian side is more advanced when it comes to generating renewable energy - in addition to surface waters and geothermal water, the area has strong solar potential, and the use of wind energy can also be considered in certain areas.

While the area has good potential for generating energy from renewable sources, the **potential negative impacts of climate change still pose an important risk**. Unfortunately, most of the area has modest adaptive capacity and thus is quite vulnerable to climate change.

When it comes to cross-border cooperation, **mobility is a crucial issue**, which of course requires proper transport infrastructure in place. Romania and Hungary share a 450 km long borderline, currently with 10 road and 5 railroad border-crossing points, with 8 further being built. Unfortunately though, until Romania's joining the Schengen zone these additional crossing points will not increase capacity in lack of specific bilateral agreements. The current level of cross-border traffic is fairly limited, the existing infrastructure can cope with this level of traffic without major problems. On the other hand, once Romanian becomes member of the Schengen zone, increase in the cross-border traffic can be expected.

Unfortunately, the **majority of border-crossings** happen by passenger cars and lorries, the most polluting forms of transport. Railway play an insignificant role, the railroad infrastructure is rundown, even between the large cities with extremely long access times, while bus public transport is practically non-existent. The eligible area is well provided with airports, but these are not part of a cross-border multimodal system that would contribute to the more efficient utilization of these capacities.

The **health-care system of the area is quite unbalanced**: in Hungary, the general condition and the level of equipment of health-care facilities (especially hospitals) is better, than on the Romanian side. This results in "health-care migration" - many Romanian residents living in the proximity of the border travel to Hungary for treatments - but this process is not properly organized or coordinated, and its financing is also problematic (even though the related EU directive has entered into force recently).

The eligible area is **rich in historical and cultural values** that can potentially become touristic attractions - although many of these need rehabilitation. With regard to touristic offer, the area has similarities, but also many complementary elements - for instance, Hungary offers advanced infrastructure for spa tourism, whereas in Romania one can find good conditions for mountain-related active tourism. This complementary offer could become a proposition that is competitive also on international level.

Altogether, we can conclude that, although there are various factors that hinder cooperation - including many on which the programme has little effect (the most prominent example of which could be Romania's delayed accession to the Schengen Zone, or the harmonization of labour market



regulations, or even health-care financing systems), there are of course numerous challenges (as summarized above) that could be eliminated or at least reduced with funding from the programme. These – together with the many common potentials presented, can provide a solid basis for a joint development strategy.

Naturally, given the currently different key challenges for the two sides highlighted above, preparing a good programme that really delivers will require compromises from both parties, and also the acknowledgement that there are many investments that should be the subject of mainstream programmes, as they have very little to do with cross-border cooperation;

Altogether, the programme – even with its limited budget – can still effectively contribute to the joint development of the area – especially if national level decisions and joint actions are also taken to ensure better conditions for cooperation.





## 6 Annex

### 6.1 Danube strategy

Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
<b>Connecting the Danube Region</b>	<ul style="list-style-type: none"> <li>To improve mobility and multimodality</li> </ul>	<ul style="list-style-type: none"> <li>Inland waterway transport</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of infrastructure and economic performance of waterway navigation</li> </ul>	<ul style="list-style-type: none"> <li>To complete the implementation of TEN-T Priority Project 18 on time and in an environmentally sustainable way</li> <li>To invest in waterway infrastructure of Danube and its tributaries and develop the interconnections</li> <li>To modernise the Danube fleet in order to improve environmental and economic performance</li> </ul>	<ul style="list-style-type: none"> <li>PA 1A:               <ul style="list-style-type: none"> <li>Increase the cargo transport on the river by 20% by 2020 compared to 2010.</li> <li>Solve obstacles to navigability, taking into account the specific characteristics</li> </ul> </li> <li>To invest in waterway infrastructure of each section of the Danube and its navigable tributaries and establish effective waterway infrastructure management by 2015</li> <li>Develop efficient multimodal terminals at river ports along the Danube and its navigable tributaries to connect inland waterways with rail and road transport by 2020.</li> </ul>
			<ul style="list-style-type: none"> <li>Improvement of the organisational framework and human resources for inland waterway navigation</li> </ul>	<ul style="list-style-type: none"> <li>To coordinate national transport policies in the field of navigation in the Danube basin</li> <li>To support Danube Commission in finalising the process of reviewing the Belgrade Convention</li> <li>To develop ports in the Danube river basin into multimodal logistics centres</li> <li>To improve comprehensive waterway management of the Danube and its tributaries</li> <li>To promote sustainable freight transport in the Danube Region</li> <li>To implement harmonised River Information Services (RIS)</li> <li>To invest in education and jobs in the Danube navigation sector</li> </ul>	



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
		<ul style="list-style-type: none"> <li>Rail, road and air transport</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of access to and connectivity</li> </ul>	<ul style="list-style-type: none"> <li>To bring to completion the TEN-T (rail and road) Priority Projects crossing the Danube Region, overcoming the difficulties and the bottlenecks including environmental, economic and political, particularly in the cross-border sections</li> <li>To implement the Rail Freight Corridors forming part of the European rail network for competitive freight</li> <li>To enhance cooperation between air traffic stakeholders in order to prepare a plan to implement shorter plane routes</li> <li>To ensure sustainable metropolitan transport systems and mobility</li> <li>To improve the regional/ local cross-border infrastructure and the access to rural areas</li> </ul>	<ul style="list-style-type: none"> <li>Implement harmonised River Information Services (RIS) on the Danube and its navigable tributaries and ensure the international exchange of RIS data preferably by 2015.</li> <li>Solve the shortage of qualified personnel and harmonise education standards in inland navigation in the Danube region by 2020, taking duly into account the social dimension of the respective measures.</li> <li>PA 1B:</li> <li>Improved travel times for competitive railway passenger connections between major cities;</li> <li>Implementation of the 4 Rail Freight Corridors crossing the Danube Region as planned within 3 or 5 years and possible inclusion of a new corridor with added value of linking together the EU and non-EU member states' railway systems; Development of efficient multimodal terminals at Danube river ports and dry ports to connect inland waterways with rail and road transport by 2020.</li> </ul>
			<ul style="list-style-type: none"> <li>Multimodal links</li> </ul>	<ul style="list-style-type: none"> <li>To develop further nodal planning for multimodality</li> <li>To develop further Intelligent Traffic Systems by using environmental-friendly technologies, especially in urban regions</li> </ul>	



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To encourage more sustainable energy</li> </ul>	<ul style="list-style-type: none"> <li>Energy systems</li> </ul>	<ul style="list-style-type: none"> <li>Energy infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>To develop a joint position of the region regarding the changes which could be introduced in the framework of the TEN-E Policy review and the modalities of the new Energy Security and Infrastructure Instrument, especially regarding the energy infrastructure gaps</li> <li>To ensure that actions are coherent with the general approach of the Energy Community and explore synergies between the Energy Community and the Danube Strategy processes</li> <li>To enforce regional cooperation with a view to develop and implement the North-South gas interconnection projects</li> <li>To develop gas storage capacities</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of national targets based on Europe 2020 energy targets</li> <li>Remove existing bottlenecks in energy transport in countries of the EU Strategy for the Danube Region in order to allow reverse flow of gas by 2015</li> <li>Strengthen cooperation of the Energy Community countries with international financial institutions to upgrade the EC countries' energy infrastructure and energy markets by 2015</li> </ul>
			<ul style="list-style-type: none"> <li>Energy markets</li> </ul>	<ul style="list-style-type: none"> <li>To tap possible cooperation opportunities with the Energy Community</li> <li>To cooperate to implement the Regional network integration and the New Europe Transmission System (NETS) in line with the feasibility study</li> <li>To build a working relationship with the Central Eastern European Forum for Electricity Market Integration; this could be enlarged to neighbouring countries</li> </ul>	



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
			<ul style="list-style-type: none"> <li>• Energy efficiency and renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>• To extend the use of biomass (e.g. wood, waste), solar energy, geothermal, hydropower and wind power</li> <li>• To reinforce the Carpathian Convention to share best practices on using biomass for energy purposes</li> <li>• To implement the National Renewable Energy Action Plans and to prepare a Danube Region Renewable Energy Action Plan</li> <li>• To explore the possibility to have an increased energy production originating from local renewable energy sources to increase the energy autonomy</li> <li>• To develop a comprehensive action plan for the sustainable development of the hydropower generation potential of the Danube River and its tributaries (e.g. Sava, Tisza and Mura Rivers)</li> <li>• To develop and set up pre planning mechanism for the allocation of suitable areas for new hydro power projects</li> <li>• To promote energy efficiency and use of renewable energy in buildings and heating systems including by renovating district heating and combined heat and power facilities as required by Energy Performance of the Buildings Directive and Renewable Energy Directive</li> <li>• To encourage the Energy Community members/observers in adopting and implementing the Renewable Energy Directive</li> <li>• To facilitate networking and cooperation between national authorities in order to promote awareness and increase the use of renewable energies</li> <li>• To provide local authorities, businesses and citizens in the Danube Region consultative support with issues relating to mitigation of climate change and energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To promote culture and tourism, people to people contacts</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>Cultural heritage</li> </ul>	<ul style="list-style-type: none"> <li>To build on cultural diversity as strength of the Danube Region</li> <li>To enhance cooperation and contacts between people of different origins, to encourage creativity, and provide a driving force for cultural innovation and economic development, based on heritage, traditions and tourism</li> </ul>	<ul style="list-style-type: none"> <li>Develop a Danube Brand for the entire Danube Region based on already existing work by 2015.</li> <li>Support the implementation of a harmonized monitoring system dedicated to tourism, able to provide complete and comparable statistical data in all the 14 states part of the EUSDR</li> <li>Develop new and support existing Cultural Routes relevant in the Danube Region.</li> <li>Develop green tourist products along the Danube Region.</li> <li>To create a "Blue Book" on Danube cultural identity.</li> <li>Ensure the sustainable preservation of cultural heritage and natural values by developing relevant clusters, and networks of museums, interpretation and visitors centres within the Danube Region.</li> <li>Promoting exchange and networking in the field of contemporary arts in the Danube Region.</li> </ul>
			<ul style="list-style-type: none"> <li>Tourism</li> </ul>	<ul style="list-style-type: none"> <li>To develop the Danube region as a European brand</li> <li>To establish the Danube Region as important European tourist destination</li> <li>To promote short-stay weekend tourism and recreation, as well as longer stays</li> <li>To further develop the navigation and port system for Danube river cruise ships and private yachts</li> <li>To further develop and intensify Activity Tourism</li> <li>To further enhance interconnection and cooperation in education and scientific and research activities for tourism</li> <li>To improve planning and infrastructure for tourism</li> <li>To support the improvement of the quality of tourism products</li> <li>To promote sustainable tourism</li> <li>To promote wellness tourism in the Region</li> <li>To collect existing data on cultural activities and establishing a comprehensive data base giving an overview of cultural activities in the Danube Region</li> <li>To promote cultural exchange and exchange in the arts</li> </ul>	



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
Protecting the environment in the Danube Region	<ul style="list-style-type: none"> <li>To restore and maintain the quality of waters</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>No sub areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>To implement fully the Danube River Basin Management Plan</li> <li>To greatly strengthen cooperation at sub-basin level</li> <li>To continue to invest in and support the information collection systems already developed by ICPDR</li> <li>To continue boosting major investments in building and upgrading urban wastewater treatment facilities across the Danube Basin, including measures to build capacity at the regional and local level for the design of such infrastructure</li> <li>To establish buffer strips along the rivers to retain nutrients and to promote alternative collection and treatment of waste in small rural settlements</li> <li>To foster and develop an active process of dialogue and cooperation between authorities responsible for agriculture and environment to ensure that measures are taken to address agricultural pollution</li> <li>To legislate at the appropriate level to limit the presence of phosphates in detergents</li> <li>To treat hazardous substances and contaminated sludge with the newest and best available technology and to develop and promote remediation measures for hazardous producing or abandoned industrial sites and waste deposits</li> <li>To assure the proper control and progressive substitution of substances that are considered problematic for Danube Region</li> <li>To reduce existing water continuity interruption for fish migration in the Danube river basin</li> <li>To promote measures to limit water abstraction</li> <li>To strengthen general awareness and facilitate exchange of good practice in integrated water management issues in the Danube Basin among decision-makers at all levels and among the population of the Region</li> <li>To promote measures aimed at reducing knowledge deficits, developing and transferring tools, methods</li> </ul>	<ul style="list-style-type: none"> <li>Achieve the management objectives set out in the Danube River Basin Management Plan</li> <li>Reduce the nutrient levels in the Danube River to allow the recovery of the Black Sea ecosystems to conditions similar to 1960s by 2020</li> <li>Elaborate a Danube Delta Analysis Report by 2013 as a step towards completion of the Delta management Plan, which shall be adopted by 2015</li> <li>Secure viable populations of Danube sturgeon species</li> <li>Elaborate, adopt and implement the sub-basin management plans, such as Sava, Tisza and Prut sub-basins</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To manage environmental risks</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>No sub areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>To develop and adopt one single overarching floods management plan at basin level or a set of flood risk management plans coordinated at the level of the international river basin</li> <li>To support wetland and floodplain restoration as an effective mean of enhancing flood protection, and more generally to analyse and identify the best response to flood risk (including “green infrastructure”)</li> <li>To extend the coverage of the European Floods Alert System (EFAS) system to the whole Danube river basin, to step up preparedness efforts at regional level (including better knowledge of each other's national systems) and to further promote joint responses to natural disasters and to flood events in particular, including early warning systems</li> <li>To strengthen operational cooperation among the emergency response authorities in the Danube countries and to improve the interoperability of the available assets</li> <li>To continuously update the existing database of accident risk spots (ARS Inventory), contaminated sites and sites used for the storage of dangerous substances</li> <li>To develop rapid response procedures and plans in case of industrial accidental river pollution</li> <li>Anticipate regional and local impacts of climate change through research</li> <li>To develop spatial planning and construction activities in the context of climate change and increased threats of floods</li> </ul>	<ul style="list-style-type: none"> <li>Implement Danube wide flood risk management plans - due in 2015 under the Floods Directive – to include significant reduction of flood risk by 2021, also taking into account potential impacts of climate change</li> <li>Update of the accidental risk spots inventory at the Danube River Basin level by 2013</li> <li>To address the challenges of water scarcity and droughts based on the 2013 update of the Danube Basin Analysis and the ongoing work in the field of climate adaptation, in the Danube River Basin Management Plan to be adopted by 2015</li> </ul>





Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To preserve biodiversity, landscapes and the quality of air and soils</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>Preservation of biodiversity and landscapes"</li> </ul>	<ul style="list-style-type: none"> <li>To contribute to the 2050 EU vision and 2020 EU target for biodiversity</li> <li>To manage Natura 2000 sites and other protected areas effectively</li> <li>To protect and restore most valuable ecosystems and endangered animal species</li> <li>To explore together the appropriateness of reviewing the Convention Concerning Fishing in the Waters of the Danube</li> <li>To develop green infrastructure in order to connect different bio-geographic regions and habitats</li> <li>To reduce the spread of invasive alien species (IAS)</li> <li>To decrease the input of pesticides into the environment of the Danube Region</li> <li>To remove safely obsolete pesticides and other obsolete chemicals in the area of Danube Region</li> <li>To prepare and implement transnational spatial planning and development policies for functional geographical areas (river basins, mountain ranges etc.)</li> </ul>	<ul style="list-style-type: none"> <li>To halt the deterioration in the status of all species and habitats covered by EU nature legislation and achieve a significant and measurable improvement, adapted to the special needs of the Danube Region by 2020.</li> <li>By 2020, ecosystems and their services are maintained and enhanced by establishing green infrastructure and restoring at least 15% of degraded ecosystems, including degraded soils.</li> <li>Secure viable populations of Danube sturgeon species and other indigenous fish species by 2020.</li> <li>By 2020, Invasive Alien Species and their pathways are identified and prioritised, priority species are controlled or eradicated, and pathways are managed to prevent the introduction and establishment of new Invasive Alien Species.</li> </ul>
			<ul style="list-style-type: none"> <li>Preservation and improvement of the quality of soils</li> </ul>	<ul style="list-style-type: none"> <li>To ensure appropriate treatment of solid waste</li> <li>To create standardised and compatible information on land cover on transnational basis</li> <li>To raise awareness about soil protection</li> </ul>	
			<ul style="list-style-type: none"> <li>Improvement of air quality</li> </ul>	<ul style="list-style-type: none"> <li>To decrease air pollutants</li> </ul>	



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
			<ul style="list-style-type: none"> <li>• Education of people on the value of natural assets, ecosystems and the services they provide</li> </ul>	<ul style="list-style-type: none"> <li>• To raise awareness of the general public, by acknowledging and promoting the potentials of natural assets as drivers of sustainable regional development</li> <li>• To educate children and young people</li> <li>• To build capacities of local authorities in the environment-related matters</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
Building the prosperity in the Danube Region	<ul style="list-style-type: none"> <li>• To develop the knowledge society through research, education and information technologies</li> </ul>	<ul style="list-style-type: none"> <li>• No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>• No sub areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>• To cooperate in implementing the flagship initiative “Innovation Union of the Europe 2020 Strategy” in the Danube Region countries</li> <li>• To coordinate better national, regional and EU funds to stimulate excellence in research and development, in research areas specific for the Danube Region</li> <li>• To strengthen the capacities of research infrastructure</li> <li>• To strengthen cooperation among universities and research facilities and to upgrade research and education outcomes by focusing on unique selling points</li> <li>• To develop and implement strategies to improve the provision and uptake of Information and Communication Technologies in the Danube Region</li> <li>• To draw up internet strategies</li> <li>• To use e-content and e-services to improve the efficiency and effectiveness of public and private services</li> <li>• To stimulate the emergence of innovative ideas for products and services and their wide validation in the field of the Information Society, using the concept of Living Labs</li> </ul>	<ul style="list-style-type: none"> <li>• The list of targets was extended at the third SG meeting and, at the moment, it counts the set of following targets, principally in line with umbrella strategy EUROPE 2020, also expected to be reached by the Danube Region countries before year 2020:</li> <li>• To invest 3% of GDP in Research and Development by 2020</li> <li>• Broadband access for all EU citizens in the Region by 2013</li> <li>• increase the number of patents obtained in the Region by 50%</li> <li>• Greater share of EU population age 30-34 with tertiary education – aiming towards 40% by 2020</li> <li>• To reach 20% of academic mobility by 2020.</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To support the competitiveness of enterprises, including cluster development</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>No sub areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>To foster cooperation and exchange of knowledge between SMEs, academia and the public sector in areas of competence in the Danube Region</li> <li>To improve business support to strengthen the capacities of SMEs for cooperation and trade</li> <li>To support enterprises through high performing training and qualification schemes</li> <li>To prioritise the effective implementation of measures provided for under the Small Business Act for Europe</li> <li>To improve the competitiveness of rural areas and in particular of the agricultural sector</li> <li>To eliminate cross border barriers and bottlenecks to people and business – Seamless Europe for a liveable Danube Region</li> <li>To improve framework conditions for SMEs in areas where competitive infrastructure is missing</li> </ul>	<ul style="list-style-type: none"> <li>Establishing a cluster network for the EUSDR (identification of the founded institutions in this connection, as well as the existing networks)</li> <li>Improvement of the vocational training, subject to participation by the private sector (a dual system of practice and theory) through pilot projects (identifying the potential institutions, as well as the partners and projects)</li> <li>Improvement of the technological transfer through establishing measures like consulting services by chambers and other institutions or organizations, typically in cooperation with the Priority Area Coordinator 7 (PAC 7)</li> <li>Better use of environmental technologies, like for example: sewage treatment, refuse disposal, generation of energy from renewable sources, etc., first of all, through determination of the regional decision-makers concerning submission of the applications</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To invest in people and skills</li> </ul>	<ul style="list-style-type: none"> <li>No main areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>No sub areas were defined</li> </ul>	<ul style="list-style-type: none"> <li>To enhance performance of education systems through closer cooperation of education institutions, systems and policies</li> <li>To foster cooperation between key stakeholders of labour market, education and research policies in order to develop learning regions and environments</li> <li>To support creativity and entrepreneurship</li> <li>To support the mobility of workers, researchers and students through implementing the European Qualification Framework</li> <li>To jointly analyse implementation gaps in life long learning (LLL) policies and exchange best practices in implementation</li> <li>To improve cross-sector policy coordination to address demographic and migration challenges</li> <li>To fight poverty and social exclusion of marginalised communities in the Danube Region, especially the Roma communities</li> <li>To implement the actions undertaken in the Roma Decade and to establish further actions to be implemented</li> </ul>	<ul style="list-style-type: none"> <li>Contribution to the 'Education and Training 2020' strategic framework and its four strategic objectives</li> <li>Contribution to the achievement of EU 2020 targets, in particular with regard to smart and inclusive growth</li> <li>Efficient cooperation between relevant actors through involvement and extension of existing regional cooperation networks and initiatives.</li> <li>To foster creative partnerships at the interface of education, training and culture.</li> <li>Contribution to the improvement of labour markets and social inclusion in the region.</li> <li>Contribution to higher synergies of education systems and labour market demands on all levels.</li> <li>Establishment and implementation of a small project funding mechanism.</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
Strengthening the Danube Region	<ul style="list-style-type: none"> <li>To step up institutional capacity and cooperation</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>To combat institutional capacity and public service related problems in the Danube region</li> <li>To improve trust of citizens and stakeholders in political authorities</li> <li>To establish a Danube Civil Society Forum</li> <li>To ensure sufficient information flow and exchange at all levels</li> <li>To facilitate the administrative cooperation of communities living in border regions</li> <li>To build Metropolitan Regions in the Danube Region</li> <li>To review bottlenecks relating to the low absorption rate of EU funds and to ensure better coordination of funding</li> <li>To support the development of local financial products for business and community development</li> <li>To examine the feasibility of a Danube Investment Framework</li> </ul>	<ul style="list-style-type: none"> <li>Maximum 4 weeks for business start-up permissions by 2015</li> <li>Establishing benchmarks for e-government and reducing excessive bureaucracy by 2012</li> <li>Establishing a platform including Civil Society Organisations and open governance networks by 2013</li> <li>Facilitate a network of metropolitan areas and systems of cities by 2014</li> <li>Establish a Danube Financing Platform by 2013</li> </ul>



Pillars	Priority areas	Main areas	Sub areas	Actions	Targets
	<ul style="list-style-type: none"> <li>To work together to promote security and tackle organised and serious crime</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>To support the Danube states in the administrative cooperation and improvement of qualifications of law enforcement, judicial authorities and other services.</li> <li>To improve target collection and share key criminal information; to draw a picture of the most significant threats in the countries involved; to produce a Serious and Organised Crime Threat Assessment (OCTA) for the Danube Area</li> <li>To strengthen the cooperation of Europol with Southeast European Co-operative Initiative – Regional Centre for Combating Trans-border Crime</li> <li>To develop further well-functioning border-management systems</li> <li>To intensify the prosecution of Internet crime (cybercrime)</li> <li>To explore possibilities to extend the current pilot projects on exchange of advanced customs information in the Region</li> <li>To explore possibilities to extend the current pilot projects on exchanges of advanced customs information in the Region</li> <li>To address the topic of better managing migration issues in the Danube Region</li> <li>To continue demining in the mine-suspected areas of the Danube area</li> <li>To improve food security</li> <li>To establish standardised operational procedures for joint activities in case of transboundary technical-technological water traffic accidents</li> </ul>	<ul style="list-style-type: none"> <li>Efficient exchange of information between relevant law enforcement actors by 2015 with the aim of improving security and tackling serious and organised crime in the 14 countries</li> <li>Effective co-operation between relevant law enforcement actors by 2015</li> <li>Promoting the rule of law - Assistance for participating countries by deepening and promoting the idea of the rule of law and strengthening and developing further democratic structures. Promoting (legal) certainty for the people by fighting against corruption</li> </ul>



## 6.2 Thematic objectives and related investment priorities

Thematic Objective	Investment priorities
<b>1. Strengthening research, technological development and innovation</b>	<p>(a) enhancing research and innovation (R&amp;I) infrastructure [...] and capacities to develop R&amp;I excellence and promoting centres of competence, in particular those of European interest;</p> <p>(b) promoting business [...] investment in innovation and research, and developing links and synergies between enterprises, R&amp;D centres and higher education, in particular product and service development, technology transfer, social innovation and public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation [...] supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production in Key Enabling Technologies and diffusion of general purpose technologies;</p>
<b>2. Enhancing access to and use and quality of ICT</b>	<p>(a) extending broadband deployment and the roll-out of high-speed networks and supporting the adoption of emerging technologies and networks for the digital economy;</p> <p>(b) developing ICT products and services, e-commerce and enhancing demand for ICT;</p> <p>(c) strengthening ICT applications for e-government, e-learning, e-inclusion, e-culture and e-health;</p>
<b>3. Enhancing the competitiveness of SMEs</b>	<p>(a) promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators;</p> <p>(b) developing and implementing new business models for SMEs, in particular for internationalisation;</p> <p>(c) supporting the creation and the extension of advanced capacities for product and service development;</p> <p>(d) supporting the capacity of SMEs to engage in growth and innovation processes;</p>



Thematic Objective	Investment priorities
<b>4. Supporting the shift towards a low-carbon economy in all sectors</b>	<ul style="list-style-type: none"> <li>(a) promoting the production and distribution of renewable energy sources;</li> <li>(b) promoting energy efficiency and renewable energy use in enterprises;</li> <li>(c) supporting energy efficiency and renewable energy use in public infrastructures, including in public buildings and in the housing sector;</li> <li>(d) developing and implementing smart distribution systems at low and medium voltage levels;</li> <li>(e) promoting low-carbon strategies for all types of territories, in particular urban areas, including the promotion of sustainable urban mobility and mitigation relevant adaptation measures;</li> <li>(f) promoting research, innovation and adoption of low-carbon technologies;</li> <li>(g) promoting the use of high-efficiency co-generation of heat and power based on useful heat demand;</li> </ul>
<b>5. Promoting climate change adaptation, risk prevention and management</b>	<ul style="list-style-type: none"> <li>(a) supporting [...] investment for adaptation to climate change;</li> <li>(b) promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems;</li> </ul>
<b>6. Protecting the environment and promoting resource efficiency</b>	<ul style="list-style-type: none"> <li>(a) addressing the significant needs for investment in the waste sector to meet the requirements of the Union's environmental acquis;</li> <li>(b) addressing the significant needs for investment in the water sector to meet the requirements of the Union's environmental acquis;</li> <li>(c) protecting, promoting and developing cultural and natural heritage;</li> <li>(d) protecting and restoring biodiversity, soil protection and restoration and promoting ecosystem services including NATURA 20001 and green infrastructures;</li> <li>(e) action to improve the urban environment, [...] regeneration of brownfield sites and reduction of air pollution;</li> <li>(f) promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector, soil protection or to reduce air pollution;</li> <li>(g) supporting industrial transition towards a resource-efficient economy and promoting green growth;</li> </ul>





Thematic Objective	Investment priorities
<b>7. Promoting sustainable transport and removing bottlenecks in key network infrastructures</b>	(a) supporting a multimodal Single European Transport Area by investing in the Trans-European Transport Network (TEN-T) network; (b) enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure; (c) developing environment-friendly and low-carbon transport systems including river and sea transport, ports and multimodal links [...]; (d) developing and rehabilitating comprehensive, high quality and interoperable railway system; (e) developing smart gas and power distribution, storage and transmission systems;
<b>8. Promoting employment and supporting labour mobility</b>	(a) development of business incubators and investment support for self-employment, micro-enterprises and business creation; (b) supporting employment friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources; (c) local development initiatives and aid for structures providing neighbourhood services to create new jobs, where such actions are outside the scope of Regulation (EU) No [...] /2012 [ESF]; (d) investing in infrastructure for public employment services; <i>(ETC<sup>74</sup>) integrating cross-border labour markets, including cross-border mobility;</i> <i>(ETC) joint local employment initiatives and joint training;</i>

<sup>74</sup>Amendment based on the ETC regulation.



Thematic Objective	Investment priorities
<b>9. Promoting social inclusion and combating poverty</b>	<p>(a) investing in health and social infrastructure which contribute to national, regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based services;</p> <p>(b) support for physical [...] economic and social regeneration of deprived urban and rural communities and areas;</p> <p>(c) support for social enterprises;</p> <p><i>(ETC) promoting gender equality and equal opportunities across borders, as well as promoting social inclusion across borders</i></p>
<b>10. Investing in education, skills and lifelong learning by developing education and training infrastructure<sup>75</sup></b>	<i>(ETC) developing and implementing joint education and training schemes</i>
<b>11. Enhancing institutional capacity and an efficient public administration support of actions in institutional capacity and in the efficiency of Public administration supported by the ESF<sup>76</sup></b>	<i>(ETC) promoting legal and administrative cooperation and cooperation between citizens and institutions an efficient public administration</i>

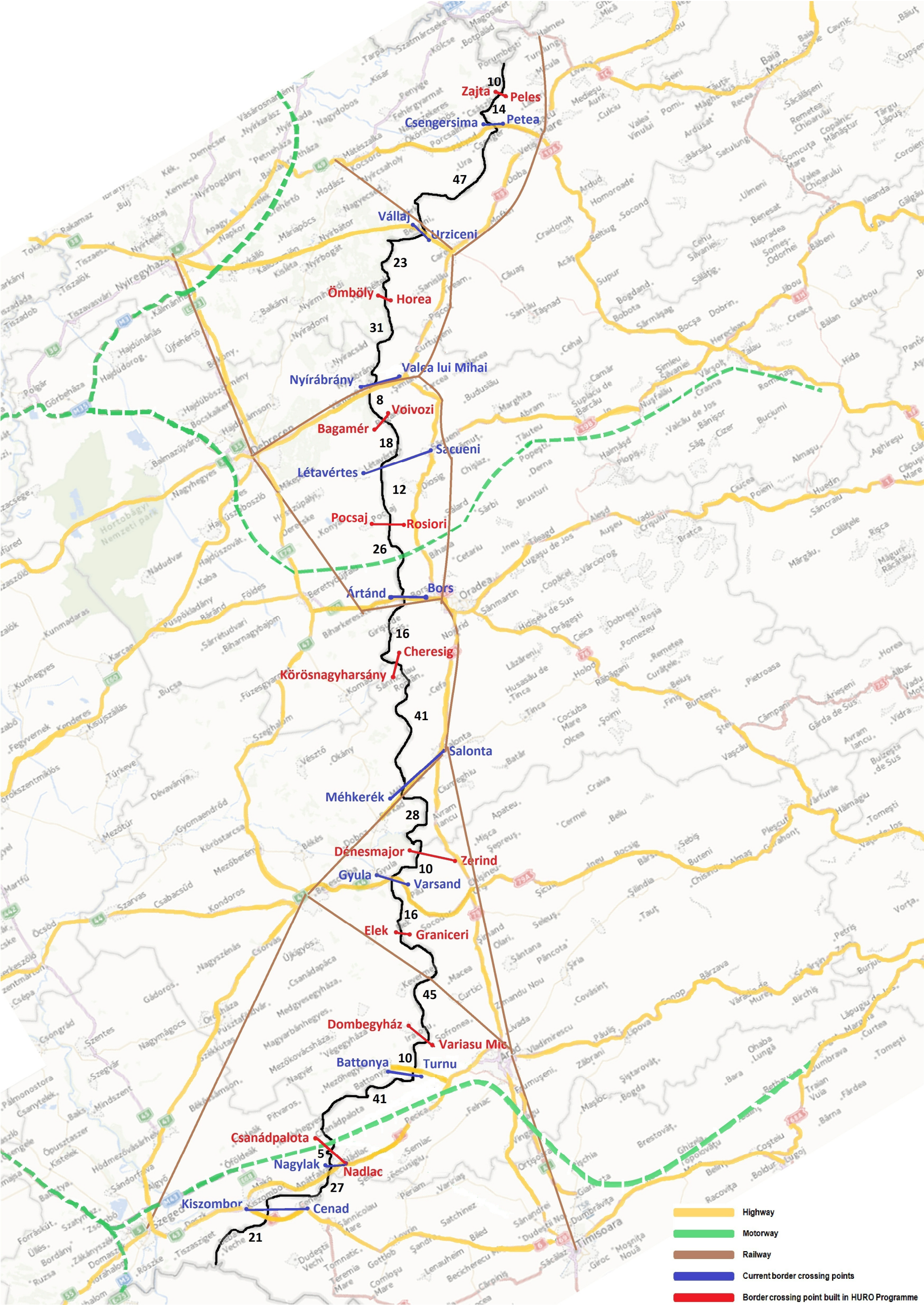
<sup>75</sup> No investment priorities are defined by the EC under this thematic objective.

<sup>76</sup> No investment priorities are defined by the EC under this thematic objective.





# 6.3 Cross border area crossing points map







## 6.4 List of settlements belonging to specific territorial categories

### Functional urban areas

#### Hungary

Szabolcs-Szatmár-Bereg County			
<b>Nyíregyháza</b>	Nyírpazony	Nyírtelek	Nyírtura
Kótaj			

Hajdú-Bihar County			
<b>Debrecen</b>	Hajdúbagos	Mikepércs	Újléta
Bocskai kert	Hajdúsámson	Sáránd	Vámospércs
Ebes			

Békés County			
<b>Békéscsaba</b>	Csabaszabadi	Murony	Újkígyós
Békés	Doboz	Sarkad	
Gyula	Mezőberény	Szabadkígyós	

Csongrád County			
<b>Szeged</b>	Domaszék	Szatymaz	Kübekháza
Algyő	Klárafalva	Tiszasziget	Röszke
Deszk	Sándorfalva	Újszentiván	Zsombó

#### Romania

Satu Mare County			
<b>Satu Mare</b>	Culciu	Lazuri	Terebesti
Ardu	Doba	Odoreu	
Agris	Dorolt	Paulesti	

Bihar County			
<b>Oradea</b>	Cetariu	Nojorid	Toboliu
Biharia	Girisu de Cris	Sanmarin	
Bors	Ineu	Santandrei	



Arad County			
Arad	Frumuseni	Sofronea	Zadareni
Fantanele	Livada	Sagu	Vladimirescu

Timis County			
Timisoara	Giarmata	Ortisoara	Sacalaz
Dumbravita	Giroc	Parta	Sanmihaiu Roman
Ghiroda	Mosnita Noua	Remetea Mare	Sag
Lugoj	Costeiu	Gavojdia	Victor Vlad Delamarina
Boldur	Criciova	Stiucia	
Barna	Darova	Traian Vuia	

## Poor areas

### Hungary

Szabolcs-Szatmár-Bereg County			
Apagy	Jánkmajtis	Nyírbogát	Rápolc
Aranyosapáti	Jármi	Nyírcsaholy	Rohod
Baktalórántháza	Kántorjánosi	Nyírcsászári	Rozsály
Barabás	Kérsemjén	Nyírderzs	Sonkád
Bátorliget	Kisar	Nyírgelse	Szamosangyalos
Beregdaróc	Kishódos	Nyírgyulaj	Szamosbecs
Beregsurány	Kisléta	Nyíribrony	Szamoskér
Berkesz	Kisnamény	Nyírbócsa	Szamosújvár
Besenyőd	Kispalád	Nyírkarász	Szamosújvár
Botpalád	Kisvarsány	Nyírkáta	Szamosújvár
Cégénydányád	Kisszekeres	Nyírkércs	Szamoszeg
Csaholc	Kocsord	Nyírlugos	Szatmárcseke
Csaroda	Komlódtótfalu	Nyírmada	Tákos
Császló	Kölcse	Nyírmeggyes	Tarpa
Csegöld	Kömörő	Nyírmihálydi	Terem
Csenger	Laskod	Nyírparasznya	Tiborszállás
Csengersima	Levelek	Nyírpilis	Tiszaadony
Csengerújfalu	Lónya	Nyírtass	Tiszabecs
Darnó	Magosliget	Nyírtét	Tiszacsécse
Encsencs	Magy	Nyírvasvári	Tizakerecseny
Fábiánháza	Mánd	Ófehértó	Tizakóród



Szabolcs-Szatmár-Bereg County			
Fehérgyarmat	Máriapócs	Olcsva	Tiszaszalka
Fülesd	Márokpapi	Olcsvaapáti	Tiszavid
Fülpösdaróc	Mátészalka	Ópályi	Tisztaberek
Gacsály	Mátyus	Ökörítőfülpös	Tivadar
Garbolc	Méhtelek	Ömböly	Tunyogmatolcs
Géberjén	Mérk	Őr	Túristvándi
Gelénes	Milota	Panyola	Túrricse
Gemzse	Nábrád	Papos	Tyukod
Gulács	Nagyar	Pátyod	Ura
Győrtelek	Nagydobos	Penészlek	Uszka
Gyügye	Nagyecsed	Penyige	Vaja
Gyüre	Nagyhódos	Petneháza	Vállaj
Hermánszeg	Nagyszekeres	Piricse	Vámosatya
Hetefejércse	Nagyvarsány	Pócspetri	Vámosoroszi
Hodász	Nemesborzova	Porcsalma	Vásárosnamény
Ilk	Nyírbátor	Pusztadobos	Zajta
Jánd	Nyírbétek	Ramocsaháza	Zsarolyán

Hajdú-Bihar County			
Ártánd	Darvas	Körösszegapáti	Told
Bakonszeg	Esztár	Magyarhomorog	Újiráz
Bedő	Furta	Mezőpeterd	Váncsod
Berekböszörmény	Gáborján	Mezősas	Vekerd
Berettyóújfalu	Hencida	Nagykerek	Zsáka
Biharkeresztes	Kismarja	Pocsaj	
Bojt	Komádi	Szentpéterszeg	
Csökmő	Körösszakál	Tépe	

Békés County			
Almáskamarás	Kisdombegyház	Méhkerék	Sarkad
Battonya	Körösnagyharsány	Mezőgyán	Sarkadkeresztúr
Biharugra	Kötegyán	Mezőhegyes	Újszalonta
Dombegyház	Kunágota	Mezőkovácsháza	Végegyháza
Dombiratos	Magyarbánhegyes	Nagybánhegyes	Zsadány
Geszt	Magyardombegyház	Nagykamarás	
Kaszaper	Medgyesbodzás	Okány	
Kevermes	Medgyesegyháza	Pusztatottlaka	



Csongrád County			
Baks	Csengele	Ópusztaszer	Pusztaszer
Balástya	Kistelek		

## Romania

Satu Mare County			
Andrid	Craidorolt	Pir	Terebesti
Ardud	Hodod	Sacaseni	Valea Vinului
Bogdand	Homoroade	Sauca	
Cauas	Livada	Socond	
Cehal	Negresti Oas	Tasnad	

Bihor County			
Alesd	Cherechiu	Sacuieni	Spinus
Beius	Copacel	Salacea	Stei
Boianu Mare	Dragesti	Salonta	Tamaseu
Buduslau	Husasu de Tinca	Sambata	Valea lui Mihai
Bulz	Lazareni	Sarbi	Varciorog
Capalna	Nucet	Simian	Vascau
Cetariu	Rabagani	Sinteu	Viisoara

Arad County			
Chisineu-Cris	Halmagiu	Petris	Taut
Bata	Ineu	Plescuta	Ususau
Conop	Lipova	Santana	Varfurile
Curtici	Nadlac	Sebis	
Halmagel	Pancota	Silindia	

Timis County			
Buzias	Bara	Ohaba Lunga	Tormac
Deta	Ciacova	Pietroasa	Birda
Jimbolia	Faget	Recas	Valcani
Sannicolau Mare	Gataia	Secas	



## Mountain areas

### Romania

Satu Mare County
Certeze

Bihor County			
Alesd	Cabesti	Lunca	Stei
Borod	Curatele	Nucet	Suncuius
Bratca	Cristioru de Jos	Pietroasa	Tarcaia
Budureasa	Draganesti	Rieni	Vascau
Bulz	Finis	Rosia	
Campani	Lazuri de Beius	Sinteu	

Arad County			
Almas	Chisindia	Hălmagiu	Plescuta
Archis	Dezna	Hălmăgel	Sebis
Brazii	Dieci	Ignesti	Vârfurile
Buteni	Gurahont	Moneasa	

Timis County		
Nadrag	Pietroasa	Tomesti

## Areas struck by population decline

### Hungary

Szabolcs-Szatmár-Bereg County			
Localities where the level of decline exceeds the border area average (3,84%)			
Anarcs	Geszteréd	Nagyhalász	Rétközberencs
Aranyosapáti	Gulács	Nyírbátor	Szabolcsbáka
Baktalórántháza	Győrtelek	Nyírbogát	Szakoly
Balkány	Gyulaháza	Nyírcsászári	Szamosbecs
Beregdaróc	Gyüre	Nyírdersz	Szamossályi
Berkesz	Jánkmajtis	Nyírgelse	Szamosszeg
Besenyőd	Kékcse	Nyíribrony	Timár
Beszterec	Kemecse	Nyírbákó	Tiszabездéd
Csenger	Kisvárdá	Nyírkércs	Tiszadada
Darnó	Kocsord	Nyírlugos	Tiszanagyfalu





Szabolcs-Szatmár-Bereg County			
Localities where the level of decline exceeds the border area average (3,84%)			
Demecser	Kölcse	Nyírtass	Tiszavasvári
Dombrád	Laskod	Nyírtelek	Tornyospálca
Encsencs	Magy	Nyírtét	Tunyogmatolcs
Eperjeske	Mándok	Nyírvasvári	Tyukod
Érpatak	Mátészalka	Ófehértó	Újfehértó
Fábiánháza	Mérk	Papos	Újkenéz
Fülpösdaróc	Nagyar	Paszab	Vállaj
Gégény	Nagydobos	Pátyod	Vásárosnamény
Gemzse	Nagyecsed	Rakamaz	Zsurk
Localities where the level of decline exceeds the double of the average (7,68%)			
Ajak	Hetefejércse	Olcsvaapáti	Tiszabercel
Balsa	Jánd	Ökörítőfülpös	Tiszacsécse
Barabás	Kállósemjén	Ömböly	Tiszadob
Bátorliget	Kálmánháza	Panyola	Tiszaeszlár
Benk	Kérsemjén	Penészlek	Tizsakóród
Buj	Kisnamény	Penyige	Tiszaogyorós
Cégénydányád	Komoró	Petneháza	Tiszaszalka
Csaroda	Kömörő	Pócspetri	Tiszaszentmárton
Császló	Lónya	Rohod	Tivadar
Csegöld	Lövőpetri	Szabolcs	Túristvándi
Csengerújfalu	Mánd	Szamosangyalos	Ura
Fehérgyarmat	Márokpapi	Szamoskér	Vámosatya
Fülesd	Mátyus	Szamosatárfalva	Vámosoroszi
Garbolc	Nábrád	Szamosújlak	Záhony
Gávavencsellő	Nagyhódos	Tákos	Zajta
Géberjén	Nagykálló	Tarpa	Zsarolyán
Gelénes	Nemesborzova	Terem	
Gyügye	Nyírlövő	Tiborszállás	
Hermánszeg	Olcsva	Tiszaadony	

Hajdú-Bihar County			
Localities where the level of decline exceeds the border area average (3,84%)			
Bakonszeg	Görbeháza	Konyár	Tépe
Berettyóújfalu	Hajdúdorog	Nyírábrány	Tetétlen
Biharkeresztes	Hencida	Nyírmártonfalva	Újszentmargita
Földes	Kaba	Pocsaj	Zsáka



Hajdú-Bihar County			
Localities where the level of decline exceeds the border area average (3,84%)			
Fülöp	Kismarja	Püspökladány	
Gáborján	Kokad	Sáp	
Localities where the level of decline exceeds the double of the average (7,68%)			
Ártánd	Egyek	Nagykerek	Told
Bedő	Folyás	Nagyrabé	Újiráz
Bihardancsháza	Hortobágy	Szentpéterszeg	Váncsod
Bojt	Komádi	Szerep	Vekerd
Csökmő	Körösszakál	Tiszacsege	
Darvas	Mezőpeterd	Tiszagyulaháza	

Békés County			
Localities where the level of decline exceeds the border area average (3,84%)			
Almáskamarás	Doboz	Kaszaper	Sarkad
Békés	Gyula	Kunágota	Zsadány
Localities where the level of decline exceeds the double of the average (7,68%)			
Battonya	Füzesgyarmat	Köröstarcsa	Okány
Békéscsaba	Gádos	Körösújfal	Orosháza
Békéssáms	Gerendás	Kötegyán	Örménykút
Békésszentandrás	Geszt	Lőkösháza	Pusztaföldvár
Bélmegyer	Gyomaendrőd	Magyarbánhegyes	Pusztatottlaka
Biharugra	Hunya	Magyardombegyház	Sarkadkeresztúr
Bucsa	Kamut	Medgyesbodzás	Szabadkígyós
Csabacsúd	Kardos	Medgyesegyháza	Szarvas
Csabaszabadi	Kardoskút	Méhkerék	Szeghalom
Csanádapáca	Kertészsziget	Mezőberény	Tarhos
Csárdaszállás	Kétegyháza	Mezőgyán	Telekgerendás
Csorvás	Kétsoprony	Mezőhegyes	Tótkomlós
Dévaványa	Kevermes	Mezőkovács	Újkígyós
Dombegyház	Kisdombegyház	Murony	Újszalonta
Dombiratos	Kondoros	Nagybánhegyes	Végegyháza
Ecsefalva	Körösladány	Nagykamarás	Vésztő
Elek	Körösnagyharsány	Nagyszénás	



Csongrád County			
Localities where the level of decline exceeds the border area average (3,84%)			
Algyő	Csanádalberti	Kistelek	Pitvaros
Ambrózfalva	Csengele	Kiszombor	Szegvár
Apátfalva	Ferencszállás	Kübekháza	
Ásotthalom	Földeák	Mindszent	
Balástya	Hódmezővásárhely	Ópusztaszer	
Localities where the level of decline exceeds the double of the average (7,68%)			
Árpádhalom	Eperjes	Nagyér	Pusztaszer
Baks	Fábiánsebestyén	Nagylak	Ruzsa
Csanádpalota	Felgyő	Nagymágocs	Székkutas
Csanytelek	Királyhegyes	Nagytóke	Szentes
Csongrád	Kövegy	Óföldeák	Tömörkény
Derekegyház	Magyarcsanád	Öttömös	Pusztaszer
Dóc	Makó	Pusztamérges	Ruzsa

## Romania

Satu Mare County			
Localities where the level of decline exceeds the border area average (3,84%)			
Andrid	Hodod	Pir	Turulung
Apa	Oras Ardud	Sanislau	Urziceni
Berveni	Orasu Nou	Sauca	Vama
Cauas	Petresti	Tiream	
Localities where the level of decline exceeds the double of the average (7,68%)			
Bixad	Homoroade	Oras Negresti-Oas	Santau
Bogdand	Mediesu Aurit	Oras Tasnad	Supur
Camarzana	Municipiul Carei	Pomi	Turt
Cehal	Municipiul Satu Mare	Sacaseni	Valea Vinului

Bihar County			
Localities where the level of decline exceeds the border area average (3,84%)			
Astileu	Copacel	Municipiul Oradea	Salacea
Batar	Dobresti	Olcea	Simian
Boianu Mare	Holod	Oras Valea Lui Mihai	Suncuius
Bratca	Lunca	Pietroasa	Suplacu De Barcau
Cefa	Madaras	Pocola	Tulca



Bihor County			
Localities where the level of decline exceeds the border area average (3,84%)			
Ciumeghiu	Magesti	Rieni	
Localities where the level of decline exceeds the double of the average (7,68%)			
Abram	Carpinet	Oras Nucet	Sarbi
Balc	Ceica	Oras Stei	Sinteu
Borod	Chislaz	Oras Vascau	Soimi
Brusturi	Cociuba Mare	Pomezau	Tarcaia
Bulz	Cristoriu De Jos	Popesti	Tauteu
Buntesti	Curatele	Rabagani	Uileacu De Beius
Cabesti	Derna	Remetea	Vadu Crisului
Campani	Lazuri De Beius	Rosia	
Capalna	Municipiul Marghita	Sambata	

Arad County			
Localities where the level of decline exceeds the border area average (3,84%)			
Barsa	Macea	Secusigiu	Sistarovat
Cermei	Oras Chisineu-Cris	Seleus	Tarnova
Craiva	Oras Curtici	Sicula	Zabrani
Ghioroc	Oras Sebis	Simand	
Localities where the level of decline exceeds the double of the average (7,68%)			
Almas	Carand	Ignesti	Plescuta
Apateu	Chisindia	Moneasa	Savarsin
Archis	Dezna	Municipiul Arad	Taut
Barzava	Dieci	Oras Ineu	Varadia De Mures
Bata	Graniceri	Oras Lipova	Varfurile
Beliu	Gurahont	Oras Nadlac	Zerind
Birchis	Halmagel	Oras Santana	
Bocsig	Halmagiu	Peregu Mare	
Brazii	Hasmas	Petris	

Timis County			
Localities where the level of decline exceeds the border area average (3,84%)			
Biled	Darova	Jebel	Oras Sannicolau Mare
Birda	Denta	Manastur	Pietroasa
Boldur	Dudestii Vechi	Margina	Racivita
Cenei	Dumbrava	Moravita	Sanpetru Mare
Checea	Fibis	Nitchidorf	Tomesti



Timis County			
Localities where the level of decline exceeds the border area average (3,84%)			
Costeiu	Gavojdia	Oras Faget	Varias
Criciova	Giera	Oras Gataia	
Localities where the level of decline exceeds the double of the average (7,68%)			
Balint	Fardea	Municipiul Lugoj	Traian Viua
Banloc	Ghizela	Ohaba Lunga	Uivar
Belint	Gottlob	Oras Buzias	Victor Vlad Delamarina
Brestovat	Jamu Mare	Otelec	
Carpinis	Lenauheim	Pesac	
Curtea	Lovrin	Topolovatu Mare	

## Areas with risk of flood

### Hungary

Szabolcs-Szatmár-Bereg County			
Aranyosapáti	Gyüre	Nemesborzova	Tiszadada
Balsa	Hermánszeg	Nyírbogdány	Tiszadob
Barabás	Hetefejércse	Nyírcsaholy	Tiszaeszlár
Benk	Ibrány	Ökörítőfülpös	Tiszakanyár
Beregdaróc	Jánd	Olcsva	Tizsakerecseny
Beregsurány	Jánkmajtis	Olcsvaapáti	Tizsakóród
Berkesz	Kék	Ópályi	Tizsalök
Beszterec	Kékcse	Panyola	Tizsamogyorós
Botpalád	Kemecse	Paszab	Tizsanagyfalu
Buj	Kérsemjén	Pátroha	Tizsarád
Csaholc	Kisar	Pátyod	Tizsaszalka
Csaroda	Kishódos	Penyige	Tizsaszentmárton
Császló	Kisnamény	Porcsalma	Tizsateleik
Csegöld	Kispalád	Rakamaz	Tizsavasvári
Csenger	Kisvárdá	Rápolc	Tizsavid
Csengersima	Kisvarsány	Rétközberencs	Tizstaberek
Csengerújfalu	Kisszekeres	Rozsály	Tivadar
Cégénydányád	Kölcse	Sonkád	Tunyogmatolcs
Darnó	Kömörő	Szabolcs	Túristvándi
Demecser	Kótaj	Szabolcsveresmart	Túrricse
Döge	Lónya	Szamosangyalos	Tuzsér
Dombrád	Magosliget	Szamosbecs	Tyukod



Szabolcs-Szatmár-Bereg County			
Eperjeske	Mánd	Szamoskér	Újdombrád
Fábiánháza	Márokpapi	Szamossályi	Újkenéz
Fehérgyarmat	Mátészalka	Szamosatárfalva	Ura
Fényeslitke	Mátyus	Szamosújlak	Uszka
Fülesd	Méhtelek	Szamosszeg	Vállaj
Fülpösdaróc	Mérk	Szatmárcseke	Vámosatya
Gacsály	Mezőladány	Szorgalmatos	Vámosoroszi
Garbolc	Milota	Tákos	Vásárosnamény
Gávavencsellő	Nábrád	Tarpa	Vasmegyer
Géberjén	Nagyar	Tiborszállás	Zsarolyán
Gégény	Nagydobos	Timár	Zsurk
Gelénes	Nagyecsed	Tiszaadony	Záhony
Gulács	Nagyhalász	Tiszabecs	Zajta
Győröcske	Nagyhódos	Tiszabercel	
Győrtelek	Nagyszekeres	Tiszabездéd	
Gyügye	Nagyvarsány	Tiszacsécse	

Hajdú-Bihar County			
Bakonszeg	Furta	Magyarhomorog	Told
Balmazújváros	Gáborján	Mezőpeterd	Újiráz
Berettyóújfalú	Görbeháza	Mezősas	Újszentmargita
Bojt	Hencida	Nádudvar	Újtikos
Csökmő	Hortobágy	Pocsaj	Váncsod
Darvas	Kismarja	Polgár	Vekerd
Egyek	Körösszakál	Szentpéterszeg	Zsáka
Esztár	Körösszegapáti	Tiszacsege	
Folyás	Komádi	Tiszagyulaháza	

Békés County			
Békés	Elek	Körösladány	Okány
Békéscsaba	Füzesgyarmat	Körösnagyharsány	Sarkad
Békésszentandrás	Geszt	Köröstarcsa	Sarkadkeresztúr
Bélmegyer	Gyomaendrőd	Körösújfalú	Szabadkígyós
Biharugra	Gyula	Kötegyán	Szarvas
Bucsa	Hunya	Lőkősháza	Szeghalom
Csabacsúd	Kamut	Méhkerék	Tarhos
Csabaszabadi	Kardos	Mezőberény	Telekgerendás



Békés County			
Csorvás	Kertészsziget	Mezőgyán	Újkígyós
Dévaványa	Kétegyháza	Murony	Újszalonta
Doboz	Kétsoprony	Nagykamarás	Vésztő
Ecsegfalva	Kondoros	Örménykút	Zsadány

Csongrád County			
Algyő	Felgyő	Makó	Szeged
Apátfalva	Ferencszállás	Maroslele	Szegvár
Baks	Földeák	Mártély	Szentes
Csanytelek	Hódmezővásárhely	Mindszent	Tiszasziget
Csongrád	Kiszombor	Nagylak	Tömörkény
Derekegyház	Klárafalva	Óföldeák	Újszentiván
Deszk	Kübekháza	Röszke	
Dóc	Magyarcsanak	Sándorfalva	

## Romania

Satu Mare County			
Acas	Berveni	Craidorolt	Odoreu
Apa	Capleni	Moftin	Supur
Beltiug			

Bihor County			
Abram	Chislaz	Municipiul Beius	Santandrei
Abramut	Ciuhoi	Municipiul Marghita	Sarbi
Astileu	Copacel	Municipiul Oradea	Soimi
Auseu	Derna	Municipiul Salonta	Spinus
Balc	Dobresti	Nojorid	Suncuius
Biharia	Draganesti	Oras Alesd	Suplacu De Barcau
Boianu Mare	Finis	Oras Sacueni	Tauteu
Borod	Girisu De Cris	Osorhei	Tetchea
Bratca	Hidiselu De Sus	Pomezeu	Tileagd
Brusturi	Holod	Popesti	Tulca
Buduslau	Ineu	Rabagani	Uileacu De Beius
Bulz	Lugasu De Jos	Sacadat	Vadu Crisului
Buntesti	Madaras	Salard	Viisoara
Cetariu	Magesti	Sanmartin	





### Arad County

Almas	Conop	Oras Ineu	Socodor
Archis	Craiva	Oras Lipova	Taut
Barsa	Dezna	Oras Nadlac	Urusau
Barzava	Dieci	Oras Pecica	Varadia De Mures
Bata	Fantinele	Paulis	Varfurile
Beliu	Felnac	Petris	Vladimirescu
Birchis	Gurahont	Pilu	Zabrani
Brazii	Hasmas	Plescuta	Zerind
Carand	Misca	Savarsin	
Cermei	Moneasa	Secusigiu	
Chisindia	Municipiul Arad	Semlac	

### Timis County

Balint	Dumbrava	Margina	Topolovatu Mare
Criciova	Gavojdia	Municipiul Timisoara	
Denta	Manastir	Oras Faget	



## 6.5 List of negotiations, workshops and interviews performed within the framework of HURO programming

### Interviews

Date	Consultation / meeting	Interviewee, organization represented
06.03.2013	Interview - Hungarian Ministry of National Economy	Nándor Horkay - National Planning Office
06.03.2013	Interview - Hungarian Ministry of Foreign Affairs - Budapest Danube Contact Point	Kis Parciu Péter, Danube Contact Point
06.03.2013	Interview - Békés county, Békéscsaba	Zoltán Farkas, President- Békés County Council; Miklós Hanó, Vice-Mayor, Békéscsaba
11.03.2013	Interview - City of Nyíregyháza	Tímea Kósa, Vice-mayor, Nyíregyháza
13.03.2013	Interview - Arad county	Petru Nicolae Iotcu, President of County Council
14.03.2013	Interview - City of Oradea	Ciprian Barna, Director of Metropolitan Area
19.03.2013	Interview - City of Debrecen	Dr. László Papp -Vice Mayor, Debrecen; László Dancs - Managing Director, EurorégióHáz
19.03.2013	Interview - City of Arad	Levente Bognár, Vice-mayor, Arad
20.03.2013	Interview - Hajdú-Bihar county	Sándor Bodó -President, Hajdú-Bihar County
21.03.2013	Interview - Hungarian Ministry of Public Administration and Justice	Annamária Gyöngyvér Oláh, dr. Alíz Nagyvárad Orsolya Milován, Réka Brendus
25.03.2013	Interview - Hungarian Ministry of National Development	Renáta Shiraishi - Ministry of National Development, Development Coordination Department
25.03.2013	Interview - Széchenyi Programme Office, Hungary	Ildikó Czéghér - operative director; Ferenc Márkus, Róbert Beleznai
26.03.2013	Interview - Hungarian Ministry of National Economy	Ádám Móricz - Ministry of National Economy, Department for Regional Development Planning, Imre Csalagovits, Péter Kalmár - National Planning Office
26.03.2013	Interview - Romanian Ministry of Transport	Serban Tupa (Ministry), Adrian Dragomirescu (CFR), Irina Ionescu (CNADR)
27.03.2013	Interview - Csongrád county	Anna Magyar - President, Csongrád County Council
27.03.2013	Interview - City of Szeged	Dr. Ágnes Igaz - Head of Development Office, Tünde Kiss -Manager of International Relations Sándor Nagy, expert
27.03.2013	Interview - City of Hódmezővásárhely	Dr. Csaba Markó, Head of Department
27.03.2013	Interview - City of Satu Mare	Andrea Koncz - Head of the International Relations Department, Jankó-Szép István - Expert in the Regional Development at Satu Mare City Hall
28.03.2013	Interview - Hungarian Government Commissioner - Danube Strategy	Medgyesy Balázs DRS Government Commissioner
28.03.2013	Interview - City of Timisoara	Aura Junie (Head of EU Projects, Municipality of Timisoara)
18.04.2013	Interview - Romanian Ministry of Regional Development and Public Administration	Anamaria Marinescu, Teofil Gherca



## Workshops

Date	Consultation	Organizations represented
06.03.2013	<b>County workshop - Békés County</b>	City of Békéscsaba, Hungarian Road Management Company, Körös-Maros National Park, City of Gyula, City of Sarkad, Dél- SZéchenyi Program Office; City of Békés, Békés County Chamber of Engineers, Békés County Chamber of Commerce, Békés County Council, City of Arad, Hungarian National Rural Network
12.03.2013	<b>County workshop - Szabolcs-Szatmár-Bereg County</b>	Szabolcs-Szatmár-Bereg County Council, Upper Tisza Water Management Directorate, Upper Tisza Environmental Protection Agency, PRIMOM Enterprise Promotion Foundation; City of Nagykálló, Hajdú-Bihar County Council, College of Nyíregyháza, Szabolcs-Szatmár-Bereg County Chamber of Commerce, Szabolcs-Szatmár-Bereg County Chamber of Agriculture, North Great Plain Regional Development Agency, Hungarian Road Management Company, Szabolcs-Szatmár-Bereg County Development Agency; Széchenyi Programme Office; City of Nagyecsed
13.03.2013	<b>County workshop - Arad County</b>	Mures Floodplain Natural Park, Socodor Municipality, Lipova Town Hall, Santana Town Hall, Nadlac Town Hall, Aurel Vlaicu University Arad, Ususau Municipality, County Hospital Arad, Arad County Council, Arad City Hall, Arad Museum Complex, Arad County Library, Vasile Goldis University Arad, Bekes County Council, Arad County Cultural Centre, Joint Technical Secretariat
19.03.2013	<b>County workshop - Hajdú-Bihar County</b>	Municipality of Bagamér, Hungarian Railways (MÁV Zrt.), VÁTI Debrecen Office; Bihor County Council; Reformist Church; "Európa Kapu" EGTC; Bihor County Council; Municipality of Pocsaj, City of Debrecen, City of Biharkeresztes, Euro-Régió Ház Kft., Hajdú-Bihar County Chamber of Commerce, Hajdú-Bihar County Development Agency; Hajdúszoboszló Tourism Company, MODEM Nonprofit Kft., Municipality of Létavértes, North Great Plain Regional Development Agency, Déri Museum
20.03.2013	<b>County workshop - Satu Mare County</b>	Muzeul Judetean SM; DGASPC; Primaria Negresti-Oas; CJSM; CARITAS SM; Scoala de Arte SM; ANIF Filiala SM; Asociatia Interaction2050; Promaria SM; Colegiul Tehnic "E.Zamfirescu" Satu Mare; Primaria Tasnad; BRECO; Biblioteca Judeteana SM; Administratia Bazinala de Apa Somes-Tisa; Agenda Setting SRL; Camera de Comert si Industrie SM; Fundatia H. Lindner; SJV SM; Asociatia Com. Crasna Domanesti; HURO JTS
27.03.2013	<b>County workshop - Csongrád County</b>	City of Szeged, Csongrád County Council, Hungarian Railways (MÁV Zrt.), Hungarian Investment and Trade Agency, Csongrád County Chamber of Commerce, Csongrád County Chamber of Agriculture, University of Szeged, South Great Plain Development Agency, Csongrád County Environmental Protection Agency, Hungarian Road Management Company, Lower Tisza Water Management Directorate, Csongrád County Facility Management Centre
28.03.2013	<b>County workshop - Timis County</b>	Representatives of municipalities, civil and business sector invited by the County Council
02.04.2013	<b>County workshop - Bihor County</b>	Representatives of municipalities, civil and business sector invited by the County Council



Date	Consultation	Organizations represented
09.04.2013	<b>Thematic workshop (Békéscsaba)</b>	Ministry of Regional Development and Public Administration-Romania, Ministry of Transport – Romania, Romanian National Company of Motorways and National Roads, Satu Mare County Council, Timis County Council, Arad County Council, Bihor County Council, Adivest, Avdipt, Municipality of Timisoara, Timis County Emergency Association, Chamber of Commerce, Industry and Agriculture – Timis County, „AUREL VLAICU” University of Arad, Vasle Goldis Western University of Arad, County Hospital Arad, Arad county Cultural Center, Bihor County Hospital, Ministry of National Development – Hungary, Ministry of Human Resources – Hungary, Ministry of National Economy, Hungary, Ministry of Public Administration and Justice - Hungary, Ministry of Foreign Affairs – Hungary, Békés County Council, Csongrád County Council, Hajdú-Bihar County Council, Szabolcs-Szatmár-Bereg County Council, Transport Development Coordination Centre – Hungary, KEÁT, Európai Közös Jövő Építő EGTC , BTC EGTC - Mórahalom, Körös-Trade Kft., College of Nyíregyháza, Szabolcs-Szatmár-Bereg County Development and Environmental Agency, Municipality of Nyíregyháza, Municipality of Csenger, Municipality of Fehérgyarmat, North Great Plain Regional Development Agency – Hungary, BRECO Oradea, HURO Joint Technical Secretariat, VÁTI Nonprofit Kft.,

#### Further consultations

Date	Consultation	Interviewee / participant - organization represented
31.01.2013	<b>Interview - National Planning Office</b>	Imre Csalagovits
10.05.2013	<b>Ministry of Regional Development and Public Administration</b>	Anamaria Marinescu
20.05.2013	<b>Meeting of Romanian Counties, Oradea</b>	Stef Mihai Adrian, President, Satu Mare County, Cornel Popa, President, Bihor County, Vasile Marian, Vice-President, Timis county
22.05.2013	<b>Consultation with Romanian National Authority</b>	Anamaria Marinescu, Magdalena Voinea, Roxana Racovita
23.09.2013	<b>Technical meeting - Bucharest</b>	

#### JWG meetings

Date	Partner/Institution/Location	Main topics covered
02.04.2012	<b>1st JWG meeting - BUDAPEST</b>	Legislative overview of of the CP, presentation of the ToR
26.09.2012	<b>2nd JWG meeting - BUCHAREST</b>	Status of Partnership Agreement, ToR for the Ex Ante and SEA evaluation
02.07.2013	<b>3rd JWG meeting - SZEGED</b>	Introduction of the consortium, presentation of the IR
06.06.2013	<b>4th JWG meeting - SATU MARE</b>	Amendments to STA, presentation of CTS version 0



## 6.6 List of abbreviations used

County name	County abbreviation
Szabolcs-Szatmár-Bereg	SZSZB
Satu Mare	SM
Hajdú-Bihar	HB
Bihar	BH
Békés	BE
Arad	AR
Csongrád	CS
Timis	TM



***The content of the Strategic Territorial Analysis “Strategic planning based on the analysis of the eligible programme area of Hungary and Romania CBC Programme” does not necessarily represent the official position of the European Union.***