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Central European Service for Cross-border Initiatives

1067 Budapest, Teréz körút 13.

Annex of public utility 2018

Short introduction of CESCO

Inspired by the French initiative of Mission Opérationnelle Transfrontalière (MOT), the Central European Service for Cross-border Initiatives (CESCI) was established in 2009 with the mission to promote and strengthen the cross border cooperation along the Hungarian borders as well as in Central and Southeastern Europe.

CESCO is a private law public benefit organization that advocates cross-border cooperation through the following activities:

- it **conducts research** in border studies and in specific border regions;
- it **designs territorial integrated strategies** and **takes part in cross-border programming**;
- it supports the **development of projects and institutions** in the border regions;
- it **prepares policy materials** both on national and EU level about the developmental initiatives in the border regions, as well as it **takes part in the relevant consultations and policy debates**;
- it helps to **improve the local stakeholders' preparedness** by transferring of knowledge.

CESCO's main objectives:

- to provide technical support for cross-border initiatives along the Hungarian borders, as well as for other countries in Central and Southeastern Europe;
- to improve the knowledge sharing practices between the euroregions, EGTCs and the local and regional authorities taking part in cross-border cooperation;
- to disseminate the best practices from Western Europe;
- to create a strategic cooperation with the relevant decision-preparing and decision-making EU authorities as well as the Northern and Western networks designed for similar purposes;
- strengthening the cohesion, peace and mutual collaboration among the nations of Central and Southeastern Europe by nurturing mutually beneficial partnerships.

The public benefit objectives of CESCO are the followings on the basis of the 1997 CLVI. tv.:

- activities related towards national and ethnic minorities in Hungary and Hungarians living beyond the borders,
- promoting Euro-Atlantic integration.

Office-holders in 2018:

Our honorary President is dr. Szilveszter E. Vizi, former President of the Hungarian Academy of Sciences.

The President of the Association is dr. Tamás Tóth, agricultural economist and professor of Szent István University.

Vice-presidents:

- dr. András Levente Gál, office manager attorney, former Permanent Secretary of State (Budapest)
- Zsuzsanna Fejes, Deputy Director, associate professor, University of Szeged, Faculty of Law and Political Sciences, Institute of International and Regional Studies

Members of the association's presidency in 2018:

- dr. Jože Gričar, professor emeritus of economics (University of Maribor, Slovenia)
- dr. Peter Kubičko, municipal and IT consultant (Slovakia)
- István Szabó, Vice President, Szabolcs-Szatmár-Bereg County Assembly

Members of the Supervisory Board:

- Kálmán Nagy (President), Vice President of Zala County Assembly
- István Oláh, cluster manager, CybAlr cluster
- dr. Attila Tilki, Member of Parliament, member of the Hungarian delegation of the Council of Europe

Our association has 48 members, most of them are local or county-level municipalities in Hungarian border regions. Moreover, professional organizations, EGTCs and individuals participate in the activities of CESCO.

Our Association continuously broadens the portfolio of its services targeting our members. The prime focus is on assisting the members in efficiently accessing the relevant information and knowledge. In 2018, we continued to regularly publish our bilingual newsletter apart from which we edited a separate newsletter for our members through which we shared more practical information.

All the professional events organized by CESCO are open for our members. In 2018, we organized for the second time a study trip to Bolzano in South Tyrol. Our study trip, between 15th-18th of October, took place with the participation of 3 interested professionals. During their journey, they visited the EURAC research institute with focus on border issues, Tyrol-South Tyrol-Trentino EGTC, as well as they visited the Provincial Council of South Tyrol.

In many cases, we help our members on the basis of individual requests, free of charge; we provide a 20% discount on our service fees. Within our EGTC program frame, we provided support to European groupings of territorial cooperation with Hungarian interests, including several of our members (see below). In 2018, we announced the translation of the county website into English for our county council members. Based on the received requests, we translated parts of the official website into English language for the following counties: Bács-Kiskun, Békés, Nógrád and Győr-Moson-Sopron. We did it free of charge. We should mention among our public tasks that CESCO is one of the caretakers of István Pálfi's legacy. It provides organizational and logistical support - without any extra charge – for managing student scholarships in 2018, announced by the István Pálfi Foundation and supported by the Ministry of Foreign Affairs and Trade.

This task includes the followings, like publishing the scholarship call, preparation of the incoming applications for decision, operation of information help desk, participation in the hearing of the candidates, dinner with the alumni (24th of May) and organizing a study trip to Brussels for scholars

(28th of June – 4th of July), as well as the selection of tutors for the winning applicants (we may also provide a tutor, namely Jaschitz Mátyás). We participated at the reporting of scholars on 19th of September.

Our association provided support for the Hét Határ Önkormányzati Szövetség, also initiated by István Pálfi, to support cooperation between local and cross-border municipalities; as well as for organizing the Festival in Szikince by Zalaba municipality. Our Association supports with 1650 Euros the capacity building training for cross-border cooperation of the Serbian municipalities, implemented by the CESC Balkans and the Council of Europe.

Our co-workers in 2018:

Melinda BENCZI: strategic planner, project manager, political scientist

Kitti DUBNICZKI: strategic planner, landscape architect

Éva GANGL: strategic planner, geographer, GIS-analyst

Teodor GYELNÍK: senior research fellow, political scientist

Roland HESZ: strategic planner, geographer

Enikő HÜSE-NYERGES: project manager and strategic planner, economist

Dr. Norbert JANKAI: senior legal adviser, lawyer, MBA

Viktória JÁNOSI: junior GIS-analyst, geographer

Mátyás JASCHITZ: director of planning, geographer

Bence JOSZKIN: junior planner analyst, geographer

Gyula OCSKAY: secretary general, political philosopher, economist

Éva ROMÁN: administrative assistant

Szilvia SZILÁGYI: project assistant, economist (BSc)

Annamária VAS: head of office, economist, HR manager

Our work was supported by 5 scholars during the year.

In 2018, following the establishment of the new Hungarian government, professional supervision of CESC was transferred from the Prime Minister's Office to the Ministry of Foreign Affairs and Trade.

Our annual general meeting was held under a new system on 17th of May 2018. In the previous years, the staff of CESC referred about the activities of the previous year's activities, but in 2018 those made a speech within the framework of reporting who were in contact with us through our services: dr. Pál Völner, Parliamentary State Secretary (Ministry of Justice), dr. Katalin Fekete, Head of Department (Ministry of Foreign Affairs and Trade), Julianna Máté Orbán, Director (Via Carpatia

EGTC), José Osete, Director (Association of French-Hungarian Initiatives), János Pacsai, Greek-Catholic Dean, initiator and coordinator of the program Szép Cserehát, as well as Veronika Dávid, member of CESCO, who reported about the study trip in Basque Country. Besides of the mentioned speakers, the directors of the other two CESCO organizations, CESCO Carpathia (Rudolf Bauer) and CESCO Balkans (Ervin Erős), also spoke at the meeting. By the time of the General Meeting, we published our Activity Report about 2017. It was published in Hungarian and English, in 200-200 copies.

During the year, the Supervisory Board held two meetings on 15th of May and on 12th of November. In order to ensure the proper functioning of our association, we prepared our data management informative in accordance with the new EU GDPR Regulation.

In 2019, CESCO will be functioning for 10 years, and we started the organization tasks of the anniversary conference in the second half of 2018.

In the following parts, we give a comprehensive overview of the activities of CESCO in 2018.

Cross-border research, scientific activities

SCIENTIFIC EVENTS

18th Europe of the 21st Century Conference (1-2 February 2018, Słubice – Poland)

Bence Jozskin planner analyst gave a lecture at the conference on cooperation between functional twin cities such as the two Komárom. Based on the lecture together with our colleague, Roland Hesz, he drafted a study which will be published this year in the conference book with the title of 'The emergence of twin cities in the de-bordering European urban space. Potentials and obstacles to functional integration in the case of Komárom-Komárno.

Cross-border governance workshops (21st February – 16th May 2018, Budapest – Hungary)

The KÖFOP-VEKOP major project (KÖFOP-2.1.2-VEKOP-15-2016-00001: Public Service Development Establishing Good Governance) launched in 2017 focused on the topic of good governance. Within the framework of the project, during the last year a series of lectures took place: David Newman, Professor of Ben Gurion University, Israel spoke about the border management on 21st of February; Katy Hayward, Professor of Queen's College in Belfast reflected on the Brexit's impact on the border dividing the Isle of Ireland on the 28th of March; while Olivier Kramsch, lecturer at Radboud University, Nijmegen shed light on the new perspectives for cross-border governance on the 16th of May. The lectures were recorded and edited into a volume, which we plan to publish in 2019. The foreword was written by our colleague Teodor Gyelnik.

Castle Talks (19-20 March 2018, Strasbourg – France)

For the first time we have been invited to the scientific workshop organized by the University of Strasbourg in the Pourtalès Castle twice every year. At the spring seminar, our Secretary General, Gyula Ocskay, gave a lecture on the border between East and West and took part in a roundtable discussion as well as commented on the presentations of the participating students.

CEECOM conference (30th May 2018, Szeged – Hungary)

CESCI held a presentation on EGTCs at the 11th Central and Eastern European Communication and Media Conference.

Baross Gábor Memorial Conference (6th July 2018, Esztergom – Hungary)

On the occasion of the 170th anniversary of the birth of the legendary Minister of Transport, Gyula Ocskay gave a lecture about the relationship between transportation and space.

ABS World Conference (10-14 July 2018, Vienna, Fertőrákos, Budapest – Austria & Hungary)

The Association of Borderlands Studies (ABS) – which is the most significant worldwide organization of border experts and researchers – organized its world conference in 2018 in Vienna and Budapest with around 500 participants. Our association was honoured and invited to the organizing consortium as a partner of the University of Vienna and Central European University. In the framework of this consortium, we were responsible to organize a field-trip on the way from Vienna, where the first two days took place, to Budapest which was the location of the second two-day program.

We provided a professional program for about 160 participants at the former Pan-European Picnic site, where they had the opportunity to understand the developments of the Hungarian border regime with the help of three lecturers. Béla Bartók, a historian, presented the changes of the borders in the 20th century, László Nagy, one of the main organizers of the former picnic, spoke about the actual events around the opening of the border, while Gyula Ocskay, Secretary General of our association, presented the developments since the change of the regime. The event required a great effort due to the total lack of available infrastructure on the site, this means that everything had to be installed there from electricity to water, including an event tent against the strong rays of the summer sun. Participants considered the program as a real success. The organisation of the World Conference was further assisted by our President, dr. Tamás Tóth, university professor as a member of the Scientific Committee, and our Secretary General, Gyula Ocskay as a lecturer.

PROJECT

H2020 COST

Martin Klatt, professor at the University of Southern Denmark, has set up a network of frontier researchers across Europe. CESCO staff were also invited to join the network and help to prepare a H2020 project aiming to develop the network. Our Director of Planning, Mátyás Jaschitz, took part in a workshop in Sønderborg on 25-26 January, where he agreed to coordinate one of the work packages. The application was unsuccessful, but the invited experts agreed in a resubmission.

PUBLICATIONS

Cross-Border Review 2018

The European Institute's scientific yearbook, which is now published on an annual basis, was released in 2018 with the involvement of an international authorship team. From 2016, an international editorial team of prestigious researchers is present, with James W. Scott's as an editor-in-chief. The publication, in which our researcher Teodor Gyelník wrote two reviews, was published in 300 copies, but is also available online on our website.

Overview of the EGTCs around Hungary

The volume of studies published in 2016 is our most successful publication. The volume presents the Hungarian EGTCs' policy, legal and economic-social background, as well as their successes and challenges. The volume was republished at the ABS event in 200 copies in 2018.

Critical dictionary of cross-border cooperation

Birte Wassenberg, a professor at the University of Strasbourg, is preparing the first critical lexicon on cross-border cooperation to which a total of 17 articles were compiled by our colleagues. While the project started in 2017, a significant part of the work fell to 2018.

Cross-border planning, programming

PLANNING TASKS

The first phase evaluation of cross-border programmes

The Ministry of Foreign Affairs and Trade not only oversees CESCO's professional work, but has been responsible for the national coordination and management of cross-border programs since 2018. Thanks to this, CESCO has been commissioned by the Ministry to prepare the first phase evaluation for the four Hungarian-led programs (Slovakia-Hungary and Hungary-Croatia INTERREG VA programs, Hungary-Serbia INTERREG IPA CBC, and Hungary-Slovakia-Romania-Ukraine ENI program). The compilation of documents assessing the progress of the programs concerned was a major challenge which required comprehensive data analysis and the preparation of dozens of interviews. With the exception of the ENI program, evaluations were completed by the end of 2018 and approved in 2019. Due to the late start of the ENI program, most of its evaluation will be carried out in 2019.

CULTACROSS – establishment of cross-border tourism development

Arrabona EGTC has commissioned our association to produce four documents forming the basis for cross-border tourism cooperation within the framework of the Slovak-Hungarian project called CULTACROSS. A comprehensive situation assessment (in Hungarian and Slovak) was prepared with a regional event and attraction inventory. Based on this, a tourism and marketing strategy as well as a risk analysis had been crafted. Győr, a then-candidate for the European Capital of Culture launched a cross-border cultural tourism development which we supported by organizing a study trip to the participants of the project in Linz (Austria) on 29-30 May, and we also joined the series of professional workshops of the project.

Preparatory study of the Hungarian-Croatian section of the V / c Helsinki corridor

At the end of 2018, we were commissioned by the Ministry of Foreign Affairs and Trade to develop a comprehensive study aimed at analysing the expected impact of the planned Hungarian M6 and Croatian A5 motorways in the near future, and examining the development potential of the new North-South corridor for the border region. At the end of the year, we started compiling the base map and collecting the necessary data.

INSIGHTS – management background for environmentally friendly and healthy tourism

As a subcontractor, we have been involved in the planning work for Integrated Slow, Green and Healthy Tourism Strategies, a project implemented with the leadership of Pons Danubii EGTC. The project supported by the Danube Transnational Program aims to improve the conditions for green, slow and healthy tourism in the Danube Region. In the framework of the project, realised by the participation of 8 regional and 2 professional partners, our task was to prepare a model study on regional tourism management.

Cross-border extension of the Digital Welfare Program

The extension of the Hungarian Digital Welfare Program to the Hungarians living beyond the border was envisaged by the Digital Welfare Program 2.0 strategy. CESCO has been commissioned in 2018 to prepare the necessary documents for the strategy's extension to the whole Carpathian Basin which meant a diverse set of tasks. Firstly, with the help of the involved subcontractors and experts, we made a comprehensive assessment of the digital knowledge and habits of the Hungarians living beyond the border and of the cross-border service network established after 2006 (e-Hungarian points). Based on this, two strategic documents were drawn up, which set out the directions and interventions of the next period. We had to make several summaries of the strategies for the different decision-making bodies as well as present them at the Information Conference on 11th of October in Siófok.

As organizers, we joined the smart urban training program for Hungarian leaders of local municipalities in the Carpathian Basin and co-ordinated the development of other sectoral plans (education, smart urban development, digital entrepreneurial cooperation) across the border to ensure synergies.

Development concept for Esztergom

In the past years, we have prepared several documents to promote the development of the city of Esztergom. In 2018, the Hungarian government decided to establish the Supreme Administrative Court in Esztergom. At the request of Pál Völner, State Secretary of the Ministry of Justice, we have prepared a brief background paper on the proposed urban developments which was followed by the preparation of a government decision planned for 2019 by drafting a comprehensive development concept, the work of which began in the autumn. In the framework of the planning we also made a map of the current urban developments.

Cross-border urban development concepts

We have begun to develop a number of concepts on behalf of the Ministry of Foreign Affairs and Trade to identify possible urban development projects that may be supported by the Ministry under its cross-border economic development program. In 2018, such concept was developed for the Slovak Komárno, the Romanian Salonta, the Slovenian Lendava as well as the drafting of such documents for several other cities has been started.

MAIN PROFESSIONAL EVENTS

The Development of the Romanian section of the Via Carpatia Trans-European Corridor (23rd March 2018, Oradea – Romania)

In the past years we have held many lectures and even prepared a background analysis on the planned north-south corridor linking the eastern regions of the European Union. By 2018 (partly with our help), the Romanian transport policy also took notice of this initiative and the first conference on the topic was organized where our colleague, Kitti Dubniczki, held a presentation.

Cross-border seminar on transportation (12th April 2018, Balassagyarmat – Hungary)

At the invitation of the Institute of Transport Science we took part and gave a lecture on the territorial aspects of Hungarian-Slovak border development projects at the second partner meeting of the project Peripheral Access (INTERREG Central program).

Spaces Crossing Borders (23-24 May 2018, Budapest – Hungary)

As a partner, we joined the organization of the first Central and Eastern European Planning Conference. The Spaces Crossing Borders event was held at Corvinus University thanks to the Central European branch of the European Council of Spatial Planners. On the second day of the conference we organized a panel on cross-border impact analysis. The panel was moderated by Jaschitz Mátyás, Director of Planning; the lectures were held by Anouk Bollen (University of Maastricht), Eduardo Medeiros (University of Lisbon), Zintis Hermansons (ESPON EGTC) and Gyula Ocskay (CESCI).

Smart cross-border cooperation for growth in Europe: Annual conference of AEBR (19-22 September 2018, Oulu – Finland)

The European Association of Border Regions (AEBR) held its annual general assembly and conference last year in Finland. Our association was represented by Mátyás Jaschitz, Director of Planning, who spoke about the theoretical background of cohesion-based planning and development in a round-table discussion.

B/ORDERS IN MOTION – Current challenges and future perspectives conference (15-17 November 2018, Odera-Frankfurt – Germany)

The B/orders in Motion Viadrina Center, located at the Viadrina University on the German-Polish border, organized a three-day conference involving renowned speakers on the nature and changes of borders, the institutionalization of cross-border cooperation and cross-border labour mobility. Our Director of Planning, Mátyás Jaschitz, gave a lecture on our experiences in planning at the EU's external borders.

Further professional events where we participated

Date	Location	Event
5th February, 2018	Osijek (HR)	Pannon EGTC international conference on territorial development
7th March, 2018	Budapest	ESPON conference on integrated territorial development in V4+2
9th April, 2018	Budapest	Guest lecture of Mátyás Jaschitz at the Faculty of Science at ELTE
20th April, 2018	Budapest	The kick-off meeting for the evaluation of cross-border programs
24-25 May, 2018	Debrecen	X. GIS Conference and Exhibition
30-31 May, 2018	Sofia (BG)	ESPON Seminar

Date	Location	Event
17th September 2018.	Paris (FR)	Territorial observation and assisting decision-making in cross-border regions (MOT's professional event)

PROJECT

We have submitted an application for the regional call of the Norwegian Fund (called: A BID for competitiveness in Central and Eastern Europe) on the subject of the integrated economic development of border cities. Our partners are the Technical University of Liberec (the Czech Republic), the ITIC (Institute for Territorial Innovations and Cooperation) (Bulgaria), the Norwegian Fjell Region Council and the French MOT. The evaluation of the two-round application was postponed to 2019.

PUBLICATION

Ocskay Gy., Jaschitz M. (2018) *Cohesion-based cross-border planning: a new methodology for integrated cross-border spaces*. **Journal of Cross-Border Studies** in Ireland. Vol 13, 91-102.

Cross-border Project Development

Territorial action plans for employment

The new tool, Territorial Action Plan for Employment (TAPE), developed by CESC staff in the framework of the Slovakia-Hungary INTERREG V-A program is a novel solution for the implementation of cross-border integrated developments. Its introduction has a lot of difficulties and it is a novelty for all actors, hence its use has to be learnt. Our association helped to develop 6 action plans in 2017. In accordance with the two-round application system, we helped to develop action plans for four TAPes in 2018 (we received support from the KÖFOP project of the Ministry of Foreign Affairs and Trade for one, while the others were helped free of charge). We also supported the Joint Secretariat with advice throughout the tender process.

Related events

Time	Location	Event
9 th May, 2018	Budapest	Negotiation about the NSKI action plan project
5 th June, 2018	Drégelypalánk	Negotiation about the action plan projects in Drégelypalánk
28 th June, 2018	Budapest	The stakeholder workshop of the secretariat before the announcement of the second round of action plan calls
2 nd August, 2018	Kassa (SK)	Project development workshop with the leaders of the Via Carpatia EGTC action plan projects
28 th August, 2018	Kassa (SK)	Project development workshop with the leaders of the Via Carpatia EGTC action plan projects
29 th August, 2018	Balassagyarmat	Project development workshop with the leaders of the Drégelypalánk action plan projects
30 th August, 2018	Esztergom	Project development workshop with the leaders of the Ister-Granum EGTC action plan projects
12 th September, 2018	Balassagyarmat	Project development workshop with the leaders of the Drégelypalánk action plan projects
18 th September, 2018	Nagyoroszi	Project development coordination about the planned action plan project of FESPIZZ Kft.
9 th October, 2018	Nagykürtös (SK)	Project development workshop with the leaders of the Drégelypalánk action plan projects
15 th October, 2018	Budapest	Last coordination with the management of Via Carpatia EGTC on TAPE projects

KÖFOP project development tender of the Ministry of Foreign Affairs and Trade

The Ministry of Foreign Affairs and Trade has won funding under the KÖFOP program for providing expert services to meet the project development needs of Hungarian-based EGTCs. Following the 2017 call, three tenderers were selected, who were involved in the implementation of the project through a framework contract – including our association. The Ministry announced the competition between the three partners on the basis of the expert requests, submitted by the EGTCs. In 2018, we had three project development tasks within this framework. Besides of the above-mentioned employment action plan (for the Ister-Granum EGTC), we prepared a project description for the RDV EGTC about the renewal of the genome of fruit trees, which can be submitted within the next Slovak-Hungarian call. Besides, we developed a territorial tourism database at the request of the Arrabona EGTC which can provide help for future development of tourism.

Professional events on the topic of project development on which we were present

Date	Location	Event
23 rd January, 2018	Budapest	Erasmus+ seminar
24 th September, 2018	Illmitz (AT)	ConnREG project workshop
27 th November, 2018	Budapest	DTP information day

Cross-Border Institutional Development

EGTC program

Since its foundation, our association has been actively involved within the governmental work on European groupings of territorial associations with Hungarian interest. Quarterly EGTC workshops, launched by us, are currently being funded by the Ministry of Foreign Affairs and Trade, but we are also involved within the organization of individual workshops in order to ensure the professional content, as well as we are present at those workshops. In 2018, three workshops were organized: on 8-9th of March in Tótszerdahely, on 21st of June in Budapest and on 22nd of November in Esztergom. We made a lecture at all three events and we contributed in designing of the program plan.

Outside the workshops, we provided assistance for the ad-hoc requests by the EGTCs. We provided support for the Pannon EGTC, Arrabona EGTC, RDV EGTC and BTC EGTC to update the membership map; we helped the MURABA EGTC to develop a Slovenian-Hungarian application. We helped the BTC EGTC to compile a tender for the B Solutions in Brussels, which was not successful.

During the year 2018, we were involved within the foundation process of two EGTC: the Novohrad-Nógrád Geopark participants initiated two meetings (11th of June and 13th of November) to establish a new EGTC; however, the establishment was not realized. We prepared the founding documents for the Bodrog-Latorca-Ung EGTC and which were submitted to the two relevant approval authorities.

Upon a request, we participated at the Supervisory Board meeting of the RDV EGTC on 19th of June in Tatabánya. On 14th of August, we visited the Gate to Europe EGTC in Nyíradon in order to negotiate about future development tasks. We made a presentation at the conference of the Mura EGTC on 8th of November in Semjénháza, and at the 10-year anniversary conference of the Ister-Granum EGTC on 23rd of November. The Gate to Europe EGTC organized an international conference on the topic of cross-border climate protection on 5th of December, we provided assistance in the preparation of the conference.

In 2017, we started to develop the so-called EGTC Monitor which will be an information platform regarding the European groupings of territorial cooperation. In 2018, we primarily developed the statistical database and its GIS-based appearance.

Euro-Côntrole Route EGTC

In 2015, CESCO won an expert mandate relating the planned establishment of the European grouping of territorial cooperation by the European national transport authorities. The process of establishing an organization with 13 member states is expected to be significantly slow. Nevertheless, it was finally possible to adopt the charter and the convention that could be considered as a definitive and they were submitted to the approval authority during 2018. CESCO professionally co-ordinated the coordination process and it prepared the Hungarian version of the two founding documents.

Community and network development at Cserehát

During the elaboration of the action plan for the employment of the Via Carpatia EGTC, we became familiar with the actors of the Szép Cserehát initiative. Since then we are working with them to

develop the most disadvantaged border area in Hungary. We not only helped to prepare the professional background document for the initiative and the cross-border employment action plan, but also supported community development through a successful EFOP project, organized networking workshops and also analysed previous (unsuccessful) development projects.

Professional events on the topic of project development on which we were present

Date	Location	Event
10 th January, 2018	Budapest	Professional consultation on the ferry project between Neszemély and Radvaň nad Dunajom at the Ministry of Foreign Affairs and Trade
6 th February, 2018	Brussels	Workshop meeting of the ECR EGTC

Policy Making

PARTICIPATION IN EUROPEAN POLICY MAKING

Boosting Growth and Cohesion in EU Border Regions

In September 2017, the European Commission's High Commissioner for Regional Policy published the Communication called *'Promoting growth and cohesion in the EU's border region'* containing EU actions and planned interventions to remove internal border legal barriers. Our association has played an active role in the preparation of the Communication through its involvement in the Cross-Border Review project and is also mentioned in the Communication in connection with the project on *Legal Accessibility*. In 2018, we also participated in the promotion of the Communication as well as the related 10-point Action Plan at the European Commission: a presentation was held in Bratislava (1st February) and in Drama, Greece (25th October) which was the last Commission promotion event.

We are also active members of the EU information platform created according to the Communication, and we regularly publish there news about CESCO's professional activities.

On behalf of the Committee of the Regions, Ádám Karácsony, the Hungarian delegate was given the task to prepare a report on the Communication to whom we provided professional assistance (in several rounds) between March and August: a background document was compiled for the representative, then unfamiliar with the topic, and beside giving him the necessary background ammunition, we commented the completed proposal on two rounds.

European Cross-border Mechanism (ECBM)

Since its foundation, we are members of the working group set up by the Luxembourg Presidency dealing with innovative solutions to tackle cross-border barriers. In this regard, we work closely with the Ministry of Foreign Affairs and Trade which also delegates a member to the council.

The working group had four meetings in 2018, all four in Brussels. The idea of possible introduction of the new instrument to the cohesion policy regulation package emerged for the first time on the 6th of February. On 3rd of May, DG Regio presented the draft regulation, and on 28th of June the EU document was published. The last workshop took place on 18th of December, where Member States' comments on the draft regulation were already presented. CESCO was present at each meeting, but it did not hold a presentation. Simultaneously, we wrote our own position on the draft regulation in August which we sent to DG Regio and the Ministry of Foreign Affairs and Trade.

On 27th June, DG Regio also organized a workshop in Brussels to analyse the expected spatial impacts of the ECBM tool with the participation of our colleague.

The draft regulation was submitted on behalf of the European Economic and Social Committee by the Hungarian representative Etele Baráth, for whom we helped to draft the report with a background paper and the synthesis of the most important aspects in June. On 28th of June our colleague, Enikő Hüse-Nyerges, gave a lecture at the related EESC committee meeting.

It is related to this topic that on 4th of December, Enikő Hüse-Nyerges also attended a seminar on cross-border health services in Brussels. We could include the experiences of the seminar into the

professional reports of our legal accessibility project. In addition, we participated in the implementation of the ESPON Cross-border Public Services project, which also aimed at reducing cross-border administrative barriers.

EU EGTC policy

Hungary has the most EGTCs whose activities are continuously supported by our association, we are actively involved in shaping the EU-level EGTC policy from the outset. In 2018, we were present at three related events. The EGTC Platform hosted a workshop on the territorial impact analysis of the EGTC instrument on 13th of March in Brussels with our active participation. On 3-4 May, COTER organized a conference in Athens, where we held a lecture on Hungarian EGTC policy. On 19th of September, the Hungarian Government and the Committee of the Regions organized for the first time a joint annual conference of the EGTC approval authorities, this time in Brussels. We were also present and helped the Ministry's preparatory work.

European white paper on rural development

A French-based international organization, Ruralité-Environnement-Développement (RED), requested our association to organize a workshop about the situation of Hungarian rural development. The free, closed workshop was attended by French speaking Hungarian rural development experts on 20th of June within the framework of a one-day study tour (21st of June). The theme of the event was the EU White Paper on Rural Development proposed by the RED. Our association organized the professional exchange and the study tour at the area of the LEADER Association of the Balaton Highlands (Nagyvázsony, Dörgicse, Balatonakali), to which one of our colleague also accompanied the French experts.

Mid-term evaluation of the ESPON program

In 2018, a mid-term evaluation of the EU's ESPON program took place. We participated in the consultation process as well as presented our own comments indicating the territorial imbalances of the program.

The EIB's EIAH's PILOT project in the border regions

The European Investment Advisory Hub, established by the European Investment Bank and the European Commission, identified border regions as a new area of intervention. Given the specificity of the subject, the Hub has asked the French MOT to prepare a background analysis that will uncover the financing and implementation conditions for cross-border integrated development, and thus help to create the right financing structure. MOT also invited CESCO to the project. Our association examines the possibilities and conditions for implementing integrated interventions along the Hungarian borders. The project kick-off meeting took place on 7th of November, after which we developed the methodology and template for the analysis with MOT.

PARTICIPATION IN SHAPING CENTRAL EUROPEAN POLICY

Legal accessibility between Visegrád Countries

With the support of the International Visegrad Fund, our project was launched to support the reduction of barriers of mobility between the four Visegrád countries by establishing a permanent joint mechanism. Our partners include: University of Szeged, CESCO Carpathia from Slovakia, Masaryk University from the Czech Republic and EUROREG Poland. On 17th of April 2018, the opening conference of the project was held in Szeged, opened by Zoltán Nemessányi, Deputy State Secretary of the Ministry of Justice and Péter Mezei, Dean of the Faculty of Law of the University of Szeged. Between 21st and 23rd of May, the project partners and the ministerial officials of the four concerned countries studied the functioning and the system of the Free Movement Council in Copenhagen and Malmö, established by the Nordic Council in 2014. Based on this, the study on the Northern model was prepared before the summer, and by the end of the year the analysis was prepared which introduced the adaptation of the Northern model by the Visegrad group. The project will be completed in 2019 by compiling a guide and a closing conference aimed to identify the direction of further steps.

Contribution to the implementation of the Danube Strategy

We have been involved in the implementation of the Danube Strategy since the launch of the macro-regional strategy, as a member of the Working Group on Priority Area 10. As part of this, we regularly participate at the meetings of the Danube Local Actors Platform (D-LAP). Two such events took place in 2018: on 22nd of March in Vienna and on 17th of October at the annual Danube Forum in Sofia.

In addition, we held a presentation on 24th of April at the Steering Group meeting of the PA10 area about our project SECCo2; and took part at the Hungarian Danube Strategy Inter-ministerial Committee meeting on 29th of May and 15th of November.

AEBR Expert group on external borders workshop (23rd April 2018, Iași – Romania)

Over the past few years we have managed to build a strategic relationship with the Association of European Border Regions (AEBR). Several joint initiatives and projects have been launched that significantly strengthen our international position. Since 2016, we have been more actively involved in the work of the EU expert group on external borders, which held its workshop in Iași, Romania, in 2018.

Our association was actively involved in co-organizing and conducting the professional event. Mátyás Jaschitz, Director of Planning, presented the development strategy of the Tisza EGTC, and Rudolf Bauer, Director of CESCO Carpathia, promoted the planned Kosice Platform for Eastern Partnership. Establishment of the platform was planned for the autumn, but it had to be postponed until 2019 due to the busyness of the most important participants.

PARTICIPATION IN NATIONAL POLICY-MAKING

Legal accessibility, third milestone

In 2016, we launched our Legal Accessibility initiative which aims to identify legal and administrative barriers across borders and to develop proposals in order to handle them. In the framework of the initiative, supported by the Ministry of Justice, we dealt with three topics in depth in 2018: the cross-border movement of ambulance cars, cross-border patient mobility and the evaluation of the EGTC instrument. We conducted interviews with the authorities of neighbouring countries regarding the transport of ambulances, and organized a professional meeting on 13th of November to explore what the regulatory background of each neighbouring country allows in this area. The results of our investigations were published in a summary report.

The health care zones (the so-called ZOASTs) on the Belgian-French border have achieved outstanding results at European level in terms of cross-border patient mobility. For this reason, we organized a one-week professional study trip to the Belgian-French and Dutch-German border regions with the participation of experts from the Ministry of Human Capacities, the National Health Insurance Fund and the Vaszary Kolos Hospital which already has cross-border experience. The lessons of the trip, taking place between 12th– 16th of November, were summarized in a workshop on 26th of November. Under the guidance of the project's external expert, dr. Tamás Balogh, we have summarized how we perceive the possibilities of implementing the western European patient mobility model within the Hungarian context.

Our third topic originally was to contribute to the revision of the EGTC Regulation, but the regulation will not be amended at the EU level in parallel with the development of the new Cohesion Policy Package. Nevertheless, with the help of a questionnaire and interviews, we gathered the experiences of the Hungarian EGTCs regarding the incorrect or exemplary application of the EU Regulation which were also summarized in a study.

PUBLICATION

Kitti Dubniczki summarized the Legal Accessibility initiative in an article compiled at the request of the journal of Falu, Város, Régió. The study is expected to be published in 2019.

Cross-border knowledge sharing

Szentgotthárd Forum (18th June 2018, Szentgotthárd – Hungary)

The two embassies, the Municipality of Szentgotthárd and the CESCO organized the fourth Szentgotthárd Forum supporting the Slovene-Hungarian cooperation. This year, the key topic of the seminar was the tool-kit for the economic and social development of abandoned and ageing areas, including the agrarian sector, silver economy and tourism. The afternoon panels were devoted to the problems and development potentials of the concrete border region this time. Beyond the actors of the direct border regions, we also invited representatives from the best practice areas of the two countries to the event.

Oradea seminar (18th October 2018, Oradea – Romania)

The "Oradea Process" aiming to professionally support the cooperation across Hungary-Romania border was launched in 2012 together with the French-Hungarian Initiative Association (Initiatives France-Hongrie) and the Metropolitan Region of Oradea (ZMO). In 2018, we organized the event for the fifth time. Unlikely the previous years, in 2018 the initiators chose not to organize a conference, but a seminar to further help the realization of concrete results. Speakers of the seminar were: Patrice Eyraud, who had previously worked in the French Ministry of Transport and currently an INFH expert, Julien de Labaca, the project manager of the Nouveau-Aquitaine Euskadi Navarre European Grouping of Territorial Cooperation (EGTC), Jean-Baptiste Schiber, the coordinator of the Strasbourg cross-border cooperation and transport experts from Hungary and Romania.

SECCo2: Youth for cross-border partnership and cohesion of Danube and Adriatic-Ionian macroregion

Together with the AEBR, the CESCO Balkans and the Institute of International Sociology of Gorizia, we were selected for funding by the Danube Strategic Project Fund. The project aimed to promote cross-border cooperation, mainly among the next generation, and in this way to continue the first SECCo project implemented in 2013-2014, discovered the frameworks and experiences of cross-border cooperation within the Danube Region. In the SECCo2 of 2018, we have developed a knowledge platform containing e-learning materials, a digital library on CBC, a resource map and a compilation of best practices on the one hand, and providing an on-line meeting point and the latest news for the practitioners of the two neighbouring macroregions. Within the framework of the project, we organized the 10th International Youth Forum on 29th-31st May, in Tivat, which contributed to the further development of the Young Leadership Platform launched by the AEBR – to which a guide was prepared as well.

The project results were also presented at the Annual Danube Forum on 17th of October in Sophia, then the DSPF Networking Event on 31st of October in Vienna.

Related events

Időpont	Helyszín	Rendezvény megnevezése
Date	Location	Event
29 th January, 2018	Budapest	Kick-off meeting of the SECCo 2 project
15 th February, 2018	Vienna	Kick-off meeting of the Danube Strategic Project Fund
22 nd June, 2018	Prešov (SK)	Cross-Border Dialogues IV: Enhancing the Cooperation in the EU Eastern Borderland conference
19-21 September, 2018	Oulu (FI)	AEBR Annual General Assembly

Development of our capacities

In order to be able to make our professional work efficient and useful for local communities, we also need to build our own capacities. To this end, we provided training opportunities for our two GIS experts, in addition we support the advanced and PhD studies of our employees.

On 2nd March, we organized a winter extreme tour for the second time, to the Kékes this time, which was reached by wading through nearly half meter of snow. On 3rd-5th September we held a team building training in Badacsony, aiming to strengthen cohesion within the working organization.

Similarly, we are also taking care of our international network established in 2015. There are regular consultations between the three CESCO organizations. Such an annual workshop took place in early January to coordinate our activities, and we participated at the CESCO Carpathia General Assembly on 6th May.

Central European Service for Cross-Border Initiatives (CESCI)

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Basic data needed for defining a public utility status

1) Contribution to fulfilling common social and individual needs

According to the data of the Public Utility Annex of the year 2018 related to target groups, the association's services are equally available to persons other than the association's board members, employees or volunteers.

2) Proper resources at disposal in respect of the former two closed business years (2018, 2019)

The following alternative conditions apply:

- a) the annual average budget surpasses HUF 1 million (de facto in 2017-2018: 191.614 thousand Ft)
- b) overall taxed outcome of the two years (baseline year) is not negative: 40.221 thousand Ft
- c) personal charges (expenses), - without taking into consideration officials' allowances, - are at least a quarter of all charges (expenses) (de facto in 2017-2018: 63,41 %)

3) Account of appropriate social support after the two previously closed business years

The following alternative condition applies:

- b) all expenses related to public utility activities make up at least half of all expenses on a two-year average (de facto in 2017-2018: 66,20 %)

Account of allocations by objectives

In 2018, our association has donated an amount of 1.650 EUR to the CESCİ Balkans for the preparation of their Leadership Academy, 1.000 EUR to the Municipality of Zalaba for the organisation of the Szikince Festival, and 2.5 million Ft to the Seven Borders Municipality Association for the development of the cross-border municipal cooperation.

Allocation to senior officers

No allocations were provided for senior officers in 2018.

Account of assets used for public utility activities

Equity: HUF 21.849 thousand Ft

Aim of utilization: public utility activities

Resource supply and social support indicators

Resource supply indicators	Fulfilment of indicator	Value
Ectv.32.par.(4) a) $(B1+B2)/2 > 1.000.000$ Ft	Yes	142.441 th. HUF
Ectv.32.par.(4) b) $K1+K2 \geq 0$	Yes	32.389 th. HUF
Ectv.32.par.(4) c) $(I1+I2-A1-A2)/(H1+H2) \geq 0,25$	Yes	0,6341
Social support indicators	Fulfilment of indicator	Value
Ectv.32.par.(5) a) $(C1+C2)/(G1+G2) \geq 0,02$	No	0,00
Ectv.32.par.(5) b) $(J1+J2)/(H1+H2) \geq 0,5$	Yes	0,6620
Ectv.32.par.(5) c) $(L1+L2)/2 \geq 10$ ps	No	0 ps

Basic data needed for defining a public utility status

	Previous year	Base Year
B. Total annual income:	108.239 th. HUF	176.643 th. HUF
D. Public utility income:	81.496 th. HUF	110.118 th. HUF
E. Normative grant:	0 th. HUF	0 th. HUF
F. Support from EU structural funds and CF:	0 th. HUF	0 th. HUF
G. Adjusted turnover:	0 th. HUF	0 th. HUF
H. Total expenditure:	94.280 th. HUF	157.548 th. HUF
I. Personal charges:	60.233 th. HUF	99.445 th. HUF
J. Public utility expenditure:	68.168 th. HUF	98.552 th. HUF
K. Profit/Loss after taxation:	13.902 th. HUF	18.487 th. HUF

L. Number of volunteers assisting the association's operation (in accordance with regulation LXXXVIII/2005 on public utility volunteer activity) (persons)

The association did not have any volunteers assisting in 2018.

Personal expenses

	1000 HUF	Previous year	Base year
A.	Personal charges	60 233	99 445
A.1.	Wage charges	44 134	71 372
A. 1 .A.	out of it: commissions	0	0
A. 1 .B.	out of it: honorarium	0	0
A.2.	Other personal charges	5 557	13 314
A.3.	Wage contributions	10 542	14 759
B.	Allocations by the association	0	0

TAX ID 18188071-2-42
Tribunal Budapest Capital Regional Court
Reg. number 01/01/10819

Central European Service for Cross-border Initiatives

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**Balance sheet for the simplified annual report of other organisations keeping
double-entry books**

2018

Accounting date: 31 December 2018
Type of balance sheet: Simplified annual report

Budapest, 10 May 2019

Managing Director

P.h.

The published data are not audited.

Central European Service for Cross-border Initiatives

TAX ID 18188071-2-42

Reg.number 01/01/10819

Balance sheet for the simplified annual report of other organisations keeping double-entry books

Balance sheet date: 31 December 2018

	1000 HUF	Previous year	Modification of the previous year	Actual year
01.	A. Fixed assets	1 180		1 229
02.	I. Intangible assets	311		111
03.	II. Tangible assets	869		1 118
04.	III. Financial investments	0		0
05.	B. Current assets	33 638		43 168
06.	I. Inventories	0		0
07.	II. Receivables	22 351		14 721
08.	III. Marketable securities	0		0
09.	IV. Liquid assets	11 287		28 447
10.	C. Prepaid expenses and accrued income	6		7
11.	TOTAL ASSETS	34 824		44 404
12.	D. Shareholders' equity	21 849		40 336
13.	I. Subscribed capital / Issued capital	0		0
14.	II. Retained profit	6 727		21 735
15.	III. Limited reserves	1 220		114
16.	IV. Evaluation reserves	0		0
17.	V. Profit/loss from basic (public) activities	13 328		11 566
18.	VI. Profit/loss from business activities	574		6 921
19.	E. Provisions	0		0
20.	F. Liabilities	12 860		3 580
21.	I. Subordinated liabilities	0		0
22.	II. Long-term liabilities	0		0
23.	III. Short-term liabilities	12 860		3 580
24.	G. Accrued expenses and deferred income	115		488
25.	TOTAL RESOURCES	34 824		44 404

The published data are not audited.

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**Profit and loss account
for public benefit organisations keeping double-entry books**

Reporting period 1 January 2018 - 31 December 2018

Budapest, 10 May 2019

Managing Director

P.h.

The published data are not audited.

Central European Service for Cross-border Initiatives

TAX ID 18188071-2-42

Reg.numbe 01/01/10819

Profit and loss account for public benefit organisations keeping double-entry books

Reporting period: 1 January 2018 - 31 December 2018

	1000 HUF	Previous year	Actual year
A.	Total revenues of public activity	81 496	110 118
A.1.	Subsidy for public activity	79 908	107 270
A.1 .A.	subsidy from the founder	0	0
A.1 .B.	subsidy from central budget	79 908	100 686
A.1.C.	subsidy from local budget	0	0
A.1.D.	other	0	6 584
A.2.	Amount of contracted grants	0	0
A.3.	Revenues of public activity	0	0
A.4.	Members' subscription	1 549	1 400
A.5.	Other revenues	39	1 448
B.	Revenues of business activity	26 743	66 525
C.	Total revenues (A+B)	108 239	176 643
D.	Costs of public activity	68 168	98 552
D.1.	Material type expenditures	20 026	30 958
D.2.	Payments to personnel	45 356	62 528
D.3.	Depreciation charge	427	664
D.4.	Other expenditures	1 997	4 241
D.5.	Expenditures of financial transactions	362	161
E.	Costs of business activity	26 112	58 996
E. 1.	Material type expenditures	9 863	18 974
E.2.	Payments to personnel	14 877	36 917
E.3.	Depreciation	210	407
E.4.	Other expenditures	984	2 599
E.5.	Expenditures of financial transactions	178	99
F.	Total costs (D+E)	94 280	157 548
G.	Pre-tax profit/loss (B-E vagy C-F)	631	7 529
H.	Tax liability	57	608
I.	After tax profit/loss from business activity (G-H)	574	6 921
J	After tax profit/loss from public activity (A-D)	13 328	11 566

The published data are not audited.