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An in-depth 300 paged analysis was prepared for Tisza EGTC as a prerequisite for the interventions proposed. However, in order to make it accessible for wider circle of stakeholders willing to improve the situation in the region the authors suggested and contributed to preparing of a shorter version of this document. The purpose of this document is to summarize results of the general situation analysis as well as to give a brief insight into the strategic plan.

COHESION ANALYSIS

Our situation analysis that underlies the development of the strategy (in line with the anticipations of the EU budget cycle 2014-2020) was based on cohesion aspects; and while conducting the cohesion analysis we grouped our findings into territorial, economic and social categories. Within the territorial cohesion we analysed landscape, cross-border and institutional spatiality.

The classic sectoral approach has been largely outlined in the section of economic cohesion by means of an integrated approach highlighting common and complementary economic features of the region with a special emphasis on deficiencies, discordance as well as on opportunities and infrastructural potential. While through the social cohesion we analysed demographic and social situation in the region, existing social relations, labour migration and employment prospects. Following the summary of the cohesion challenges identified, we concluded the work underlying the strategy with exploring of the planning framework (of different levels) affecting the region, and in doing so we secured matching of our material to all relevant local, regional and national plans and programmes as well as the EU plans and programmes. This slightly unconventional situation assessment method even in the regional and sectoral contexts serves better identification of integrated development opportunities and strategic justification of the developments.

Territorial cohesion

One of the basic ideas of the situation assessment approach was that the large development territory was regarded as an integral whole already at the stage of the situation assessment of the development strategy. Consequently, where relevant, our analysis extends far beyond the narrow sense of the region taking into account the region's interconnections, domestic and national relations as well as impact of the adjacent Romanian and Slovak regions in the process of territorial cohesion analysis. While analysing the situation, we sought to discover the region in a wider context justifying the issue of territorial cohesion in the context of attitudes.

We analysed the situation related phenomenon on the basis of several relevant territorial approaches taking into account landscape, functional, cross-border singularities as well as those of the settlement network.

The **landscape conditions** of Tisza EGTC situated at the junction of the Great Hungarian Plain and the North-eastern Carpathians are determined by the duality stemming from the different nature of these two great regions. The western part of the Great Plain covers the entire territory of Szabolcs-Szatmár-Bereg county, while 17% area of Zakarpatska oblast also belongs to the Great Plain.

Concerning **mineral resources** the mining industry is not significant in lowland areas. Mining of metallic minerals (gold, lead, zinc, copper and barite) on Berehovo hills is currently not profitable; however, extraction of raw materials for building industry (gravel, stone, clay and sand) is of local importance. Rock salt is the most important mineral resource in the Carpathians, extraction of which was completely suspended a few years ago.

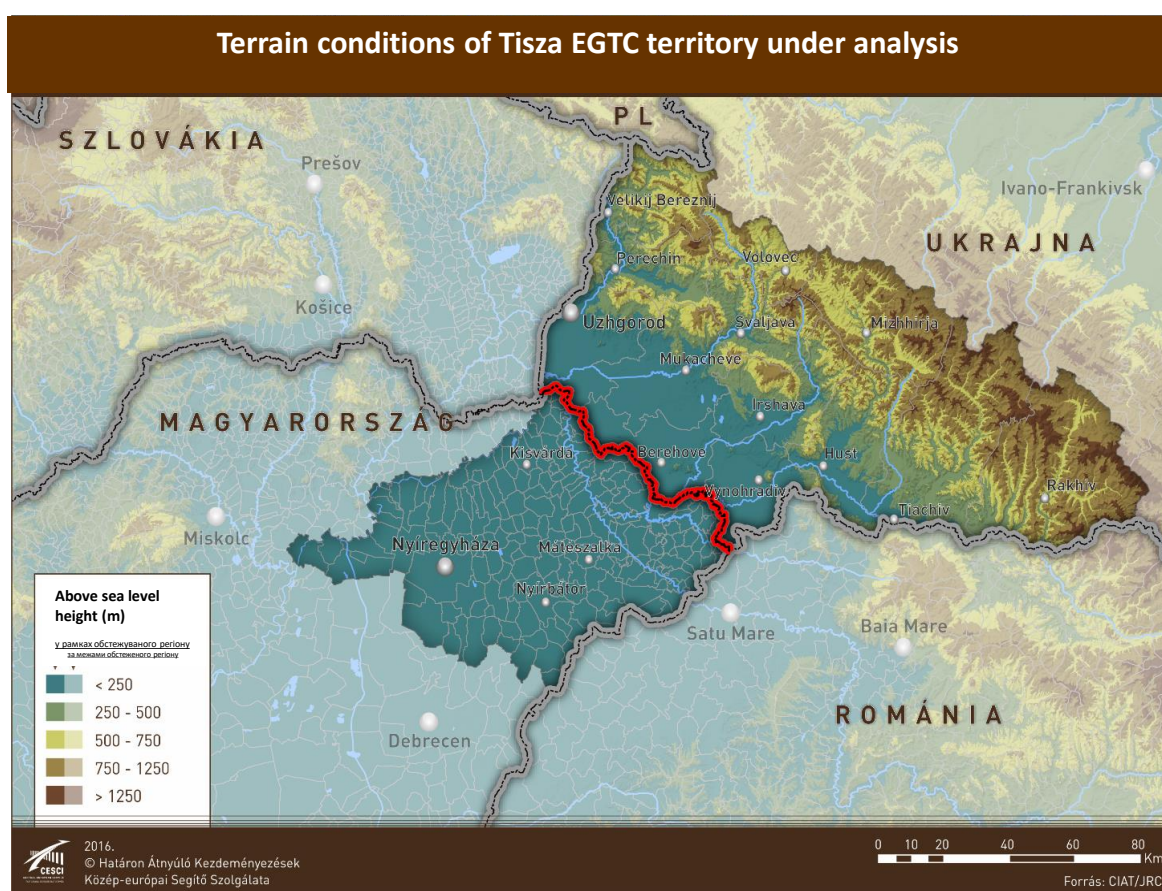


Fig. 1: Terrain conditions of Tisza EGTC territory under analysis

Climatic conditions correspond to the terrain duality of the region. The average annual temperature is 9-10.5°C; average annual precipitation makes up 580-700 mm on flat terrain. In highlands of the Carpathians, the annual average temperature fluctuates around the freezing point and annual rainfalls exceed 1,500 mm.

Global climate change predicts a decline in rainfalls and at the same time forecasts their hectic distribution that can lead to frequent droughts, floods and hails.

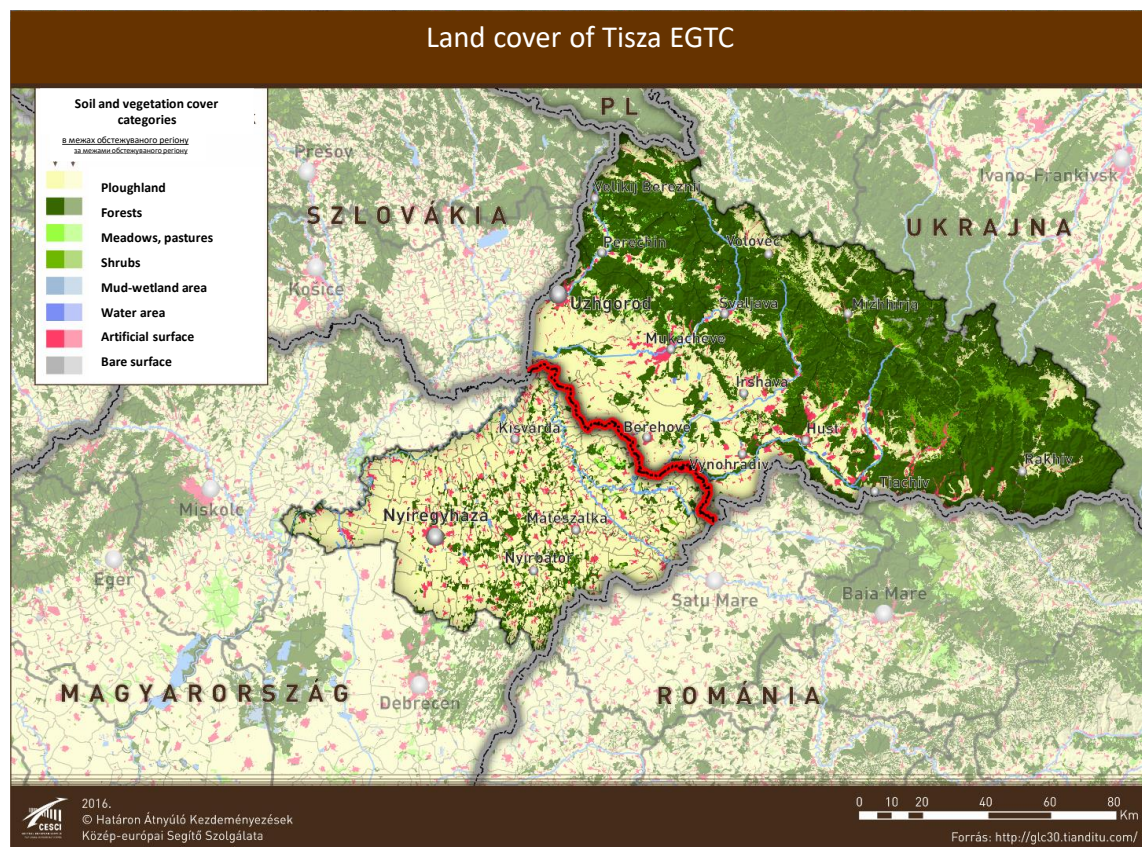


Fig 2.: Land cover of Tisza EGTC

In terms of **land use** in Szabolcs-Szatmár-Bereg County, arable lands covering 70% total area as well as planted orchards play the most important role. Meadows and pastures is a typical land use format at Tisza floodplains. Based on the terrain conditions of Zakarpattya a relatively small area is considered suitable for agriculture, but arable lands and plantations together cover a half of the total area. Livestock breeding and forestry is typical for highlands. Processing of berries and herbs of the forests reveals further potential.

National parks are situated only on the Ukrainian side in Tisza EGTC: the *National Nature Park „Synevyr”*, *Uzhanin National Nature Park* as well as the *National Nature Park «Wonderland»*. There is national protected landscape area *Szatmár-Bereg*, protected area "*Kesznyéten*" as well as other smaller protected areas.

Construction of the **water supply network** was almost completed in Szabolcs-Szatmár-Bereg County in the late 90ies; however, the level of sewerage system development is still low in small villages. The *Programme to improve water quality* was introduced in settlements that faced problems of drinking water in the early 2000s and as the result drinking water is being improved each year.

In the Ukrainian part of Tisza EGTC, the issue of pipeline drinking water, sewerage and sewage treatment is much more problematic. The drinking water network was constructed only in towns and some urban-type villages and it needs reconstruction. While on the Hungarian territory of

Tisza EGTC the system of sewage treatment facilities in most cases operates in accordance with the three-step chemical treatment method, in Zakarpattya, still only in larger towns, it is carried out by means of mechanical or biologic purification; however, the lack of waste waters collecting, disposal and treatment is typical. Furthermore, the Ukrainian side faces substantial problems in waste management. The problem of collecting and utilization of solid domestic waste is practically not solved; the village councils of almost 120 settlements have no funds to maintain legal landfills, while infrastructural barriers hamper development of the system in many cases. At the same time, the rate of households involved in waste collection exceeds 88% (2012) in Szabolcs-Szatmár-Bereg County.

The EGTC has modest reserves of **fossil fuels**. The natural gas and brown coal deposits are of little significance in the Carpathians. However, lignite in Velyka Beyhan' has economic significance owing the germanium in its composition. The great potential is revealed in **renewable energy resources** (solar energy, wind- and hydropower, geothermal energy sources, biomass).

Both utilization of natural resources and solving of environmental problems could be one of the tasks for Tisza EGTC. It could have sense for the bilateral cooperation to provide environment-friendly services (e.g. water supply, waste water treatment, waste management or energy engineering modernization), where Tisza EGTC could play the role of the coordinator or even maintainer of the institution.

Urban centres are the driving force of cross-border interaction; thus, revealing their agglomerations holds important lessons to be learnt. The so-called **gravity models** show that some theoretical urban agglomerations of the region intersect with the state borders in many places presenting a great potential for networking and cooperation.

Along with the expansion of some agglomerations the hierarchy of settlements of the border region characterized by triple division is an essential aspect too. The **county seats** – Uzhhorod and Nyiregyháza are at the top of the hierarchy of towns. Mukachevo, Berehovo, Vynohradiv and Khust as well as Kisvárd and Mátészalka belong to the **middle, the so-called functional level of towns**. These middle-level towns together with the small towns compositing the third level of the towns hierarchy (for instance, Fehérgyarmat, Vásárosnamény, Chop and Irshava) form a multi-centre and even cross-border network of settlements. The structural singularity of small and medium-sized towns' level is the significant potential for cohesion-enhancing by spatial organization that provides for networking between some centres, clear spatial organization and functions distribution.

As regards **the cross-border use of some functions** it is worth to mention that the EGTC is able to establish and maintain medical, educational and other institutions as well as to support the existing institutional cooperation. Nowadays, there is a significant demand for foreign propositions in the sphere of **healthcare, education, vocational trainings and higher education**. The issue of **public transport** is also a problem, better transport connections between Zakarpattya and Szabolcs-Szatmár-Bereg County could lead to significant improvements for the EGTC region.

The border crossing capacity of the state border Hungary-Ukraine is determined by the fact that Ukraine is neither EU member state nor member of the Schengen Area. This constitutes a major obstacle for border crossing of economic nature. At the same time, the border is widely exposed to

illegal border crossing, black trade and VAT frauds. However, the **Free Trade Agreement** between Ukraine and the EU in force since the 1st of January 2016 could be considered a favourable condition.

The **average daily traffic data** shows that Záhony-Chop checkpoint is the busiest one. The importance of Záhony checkpoint is also evidenced by the fact that besides Beregsurány checkpoint it is the only border checkpoint on the state border Hungary-Ukraine, which is ready to serve freight traffic (over 3.5 t). The **geographic location** of the five checkpoints for motor transport and distribution of their capacities are relatively balanced, so contacts and interaction are complicated primarily by the strict border regime.

The state border Ukraine-Hungary can be crossed by **public transport** only at one place, i.e. Záhony-Chop checkpoint; the IC train Budapest-Chop-Budapest once a day is one of such connections, the other one – passenger train Záhony-Chop five times a day. The number of passengers is relatively low and the destination varies depending on the time of the day.

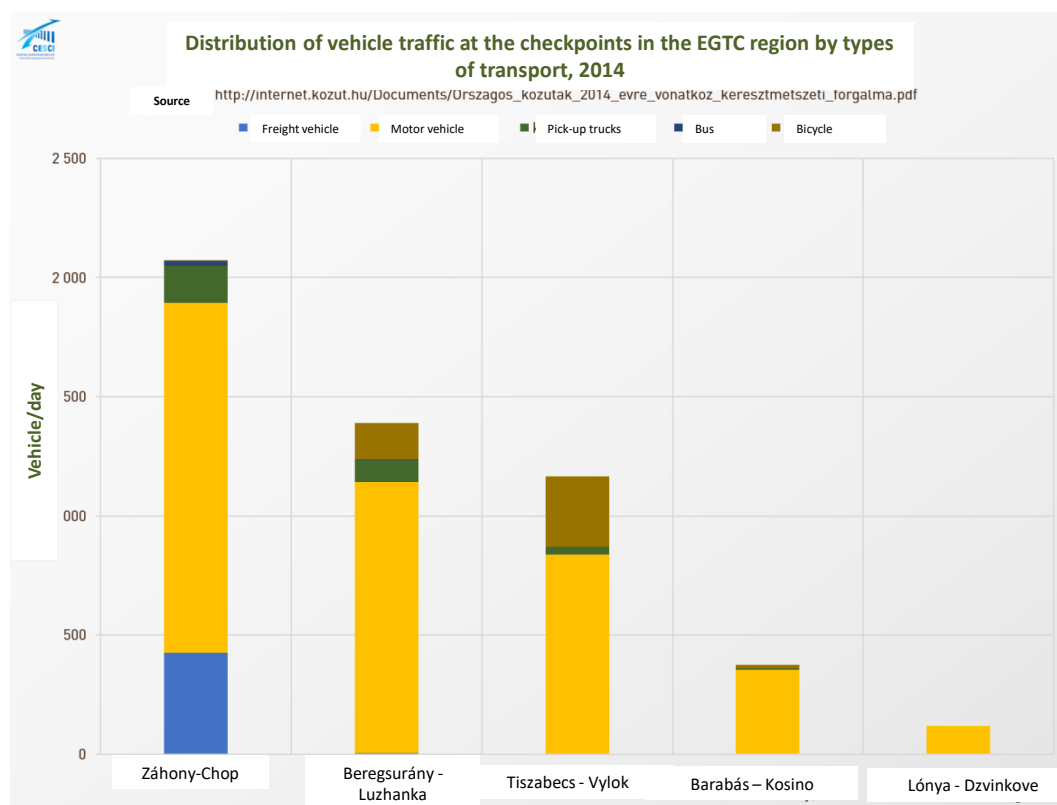


Fig. 3: Distribution of vehicle traffic at the checkpoints in the EGTC region by types of transport, 2014

The studies have shown that shopping is the most spread reason for border crossing, followed by recreational trips, private affairs as well as, to a lesser extent, economic activities not related to shopping tourism as well as business affairs, employment and education.

Economic cohesion

This chapter considering Tisza EGTC region in its broader sense seeks to answer the question, which are those conditions complementing each other or lacking concurrency, the strengthening of which or solving the problems of which would make this area a consolidated region with integrated economic orientation in the future.

The cross-border region plays an important role in the **European rail transit traffic** as it is situated on the path of the transport corridor Southwest-Northeast connecting the basins of the Adriatic and the Mediterranean seas with the states of the former Soviet Union.

The logistic potential of this region is also determined by the fact that narrow-gauge (1,435 mm) and wide-gauge (1,520 mm) tracks meet here. However, the total rail goods traffic in Záhony region shows a decline tendency since the regime change, the volume of goods handled has fallen from 15-16 million tons in the early 2000s to five thousand tons.

A significant amount of **goods supplied from Ukraine** is formed by bulk commodity, ferrous metals, iron ore and concentrates, while export covers a range of other goods (79.5%), as well as foodstuff (15.4%). Along with the railway connection, the so-called Mediterranean corridor includes **road transport elements**. The motorway M3 built from Budapest to Vásárosnamény, which belongs to the main transport network TEN-T, reaches the boundary region from the Hungarian side, and the international highway M06 – from the Ukrainian side. However, the cohesion of the border region is largely weakened due to the poor state of the economic infrastructure on the Ukrainian side, including the secondary roads network.

We are trying to provide within this chapter a comprehensive presentation of the economic situation of the parties involved in cooperation, to explore the economic bases of both counties as well as which local or possible resources and potential can cooperation rely on in the present or future. Our situation analysis has been divided into three major economic sectors (agriculture and forestry, industry and services).

The role of agriculture in the region analysed is undisputable: the agrarian industry holds a prominent place in the structure of economy on both sides of the border. In Zakarpattya, 7.9% GDP and 9% - in Szabolcs-Szatmár-Bereg County come from this sector. However, while agriculture is of crucial importance in the less industrialized rural areas on the Ukrainian side, the majority of population on the Hungarian side considers it merely as a supplement to the primary income.

The key problem of Zakarpattya is an inefficient production system based on an extensive approach and characterized by the lack of expertise and capital, obsolete machinery and in many cases unsolved land ownership issues. One more problem is also the strong asymmetry between the food industry capacities of the two parties. Szabolcs-Szatmár-Bereg County hosts a range of food processing plants and the bulk of the cultivated raw materials are being processed in the region. On the other hand, fruit processing, dairy farms and slaughterhouses as well as infrastructure for storing and cooling raw materials do not meet local needs in Zakarpattya. Major capacities remained only in mineral water bottling, production of beverages and soft drinks, industrial wine production as well as canning, milling and baking industries.

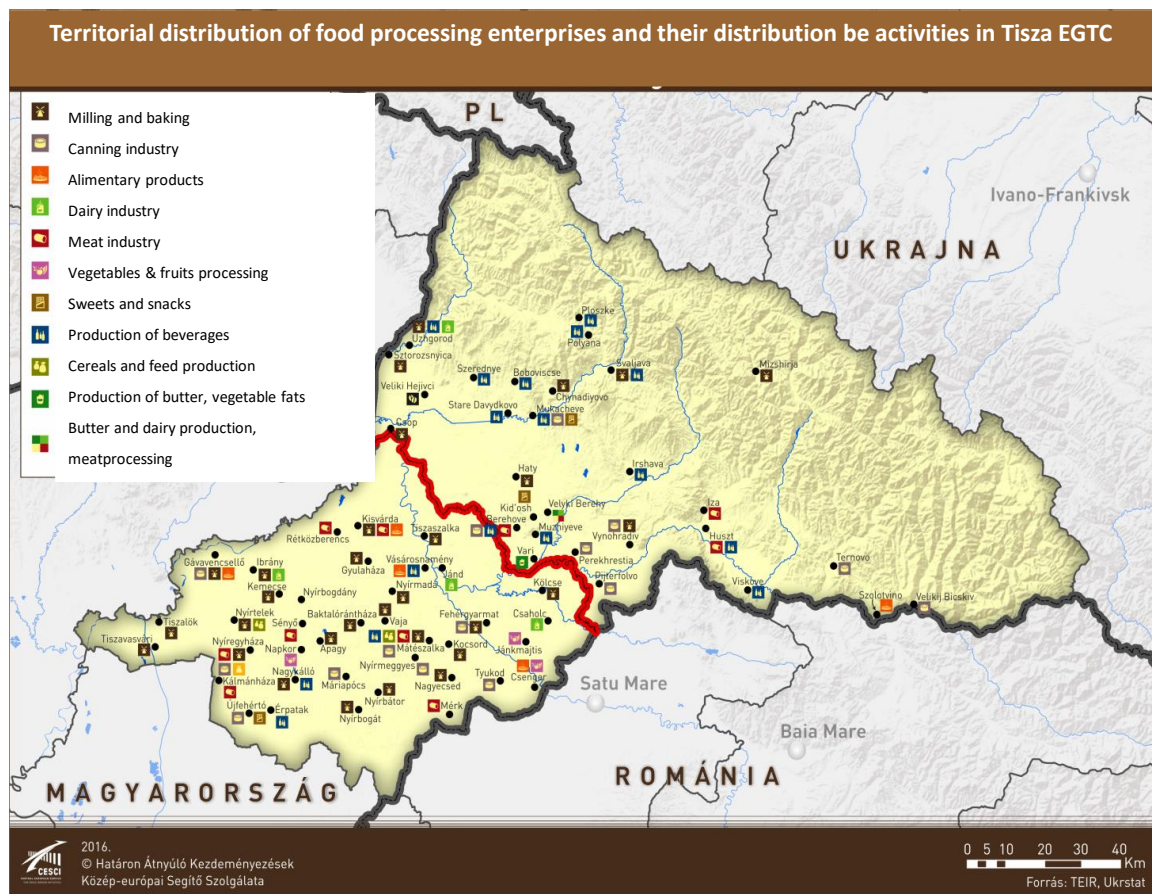


Fig.4: Territorial distribution of food processing enterprises and their distribution by activities in Tisza EGTC

The situation is similar with local products. There are several organizations dealing with local products in Szabolcs-Szatmár-Bereg County (e.g. Local Product Cluster of Szabolcs-Szatmár-Bereg region, Association for Live Tisza, Szatmári Szilvaút), but there are no such initiatives in Zakarpattya.

In general, the Ukrainian part faces serious structural problems affecting the entire value chain. In this regard, Tisza EGTC could play an important role in management of structural problems of local agricultural production, processing and marketing, i.e. low production technology, broken and fragmented production structure, shortages of capital and professionals as well as the lack of sectoral and inter-sectoral cooperation.

In the context of industrial production situations are absolutely different on two sides of the border; Zakarpatska oblast was traditionally more industrialized and agriculture has always been typical for the Great Hungarian Plain areas.

However, the industry in Zakarpattya suffered a significant decline in the transition period reaching only 67% production volumes of 1990 even in the year of 2000. The dynamic growth at the turn of Millenniums has shown substantial fluctuations either below or above the average national level (Table 1). Along with the economic and political crises that hit the whole country, the structural crisis within the industry, deteriorating productivity due to low level of capital

investments and the strong foreign and domestic (East-Ukraine) competition are the reasons for deteriorating industrial indicators.

Table 1: Change in volume of industrial production by years, as a percentage of the previous year
Source: <http://www.ukrstat.gov.ua/>

	2009	2010	2011	2012	2013	2014	2015
Ukraine	78.1	111.2	107.6	98.2	95.7	89.9	87
Zakarpatska oblast	50.7	142.9	101.8	101.4	96.9	106.1	79.7

The traditionally less industrialized Szabolcs-Szatmár-Bereg County has undergone significant changes since 1990. Numerous industrial parks were established in settlements, of which the best known is the LOGIN Park in Nyiregyháza, but there are also significant industrial parks operating in Kisvárd, Mátészalka, Vásárosnamény, Fehérgyarmat, Nyírbátor and Csenger and in the village of Nyírbogdány. The industrial sector employed about 18,000 people in the county in, while 3,649 joint ventures and 2,729 private ventures were registered in the building and other industries.

In Zakarpattya, the industry is characterized by a kind of duality: on the one hand, well-equipped mostly foreign-owned large enterprises employing hundreds or even thousands people, and on the other, in many cases, poorly equipped medium or most likely small companies suffering from the shortage of capitals and expertise.

The Hungarian-Ukrainian industrial and trade relations in the region have increased considerably in the recent years. Hungarian capital investments volume in Zakarpattya grew dynamically during the 2000s (Table 2). However, the dynamic growth of trade in goods and FDI dropped by 2014 due to the Ukrainian economic and political crises.

Table 2: Forming Hungarian direct investments portfolio in Zakarpattya
Source: Imre G. 2014

Year	Million USD
1995	2.4
2000	16.4
2005	25.8
2006	27.2
2007	30.2
2008	32.3
2009	34.7
2010	32
2011	31.7
2012	28.9
2014	23.7

In general, Szabolcs-Szatmár-Bereg County and Zakarpatska oblast have made different ways in the context of industrial production over the past decades, so their industries are rather disproportionate. This hinders exploitation of benefits offered by potential ties and synergies.

The tertiary sector is presented in the economies of both border sides of Tisza EGTC to a similar extent. It produces 63.4% GDP in Szabolcs-Szatmár-Bereg County, employs people in the largest proportion in the following sequence – health and social care, public administration and defence as well as trade and vehicle repair.

Distribution of revenues from services is uneven in Zakarpattya, more than a quarter of them falls to Uzhhorod, and 23% - to Mukachevo district. Transport has the largest share in the structure of services, then come postal and delivery services, telecommunication and information services as well as medical services. As per the data of 2011, about 58% people employed in Zakarpattya worked in the service sector. In the context of employment, trade and servicing are the most significant (21%) but education, healthcare, communal and personal services are still important for employment.

Within the tertiary sector of economy tourism and related services play a major role on both sides of the border that means a great potential for cooperation. The Ukrainian and Hungarian parts of the EGTC are different but still they have the rich spiritual and cultural heritage as well as impressive natural environment. Primary wellness tourism, skiing, architectural and natural heritage are the main tourist attractions, but transit and shopping tourism are significant too.

Within the framework of the PHARE programme, Neighbourhood Programme Hungary-Slovakia-Ukraine 2004-2006, as well as ENPI CBC Programme Hungary-Slovakia-Romania-Ukraine 2007-2013 several CBC tourism projects have been already implemented. However, defects of tourism infrastructure, the lack of skilled staff in tourism sector as well as low level of knowledge of foreign languages still mean a problem.

Social cohesion

As the third pillar of our approach based on cohesion policy we will assess situation in Tisza EGTC region through the prism of social cohesion. In this context, we shall present classic demographic potentials, interethnic peculiarities, social cooperation in the region and the issues related to labour movement and employment. Here, in the first place, we are looking for interconnectivity and connectivity opportunities but emphasizing on the subjects, development of which requires different approaches from each country.

Population of Tisza EGTC was 1.825 million people (1.258 million on the Ukrainian side and 0.577 million on the Hungarian side) in 2012. On the Hungarian side, population of Nyiregyháza (120 000 inhabitants) is far beyond population of other settlements, and inhabitants of only 5 small towns exceeds 10 000 people (Nyirbátor, Újfehértó, Tiszavasvári, Mátészalka and Kisvárda). The territorial differences in population density are related to settlement sizes. The border areas of the Hungarian side in the EGTC are less inhabited, while on the Ukrainian side – the mountainous areas.

As far as the age composition of population concerned it is worth to mention that the indicator of active aged population was considered to be favourable in 2012 with a relatively high share of working age population in the region. In the Hungarian settlements, active age people (between the ages of 15 and 64) account for more than 60% population, while on the Ukrainian side – 70% on average. Based on the aging index (below 15 years and above 65 years ratio), the Ukrainian side is more youthful in its age structure, it had more juveniles than senior citizens in all districts in 2012. The number of seniors exceeds young citizens in a quarter of settlements on the Hungarian side, but the age structure is considered young due to a significant proportion of the Roma population characterized by higher natural reproduction.

From the point of view of migration the EGTC has a negative balance in general, migration gain is observed only in a small number of settlements. The reasons for migration include the lack of employment opportunities, lower wages, more difficult living conditions as well as political and economic crises on the Ukrainian side. Selective migration is also a problem, i.e. higher proportion of more mobile social groups (dual citizenship, young and middle-aged men and women). Measures aimed to prevent migration and effectively manage it in order to secure preserving of social base for initiatives is a key prerequisite for the EGTC success in the future.

Unemployment of the two countries as a rule is affected by specific macroeconomic tendencies. After the regime change, Hungary has adapted to market economy in a relatively short time, while Ukraine faced a protracted crisis.

The Ukrainian economy reached its lowest point in 1999; and only economic development of 2000 improved employment conditions for active aged people, which lasted until the crisis of 2008. In Hungary, employment rate has significantly improved owing to direct foreign investments until the millennium turn, but then the growth slowed down and only a small share of foreign investments came to the eastern part of the country.

The recent economic crisis has affected both Hungary and Ukraine, but while a rapid recovery period has taken place in Hungary, Ukraine has fallen into recession again since 2013. Although the indicator of Szabolcs-Szatmár-Bereg County is the highest among the Hungarian regions (13.5%), and the value of Zakarpattya (10.5%) belongs to the Ukrainian midfield, these two figures cannot be directly compared due to methodological reasons. Similar to some other counties, there is a strong difference between urban and rural areas, to the benefit of the former, in Szabolcs-Szatmár-Bereg County, while in Zakarpattya – the dividing line is between mountainous and lowland areas. In addition to the official statistic data, the grey economy and illegal employment are remarkable in Zakarpattya.

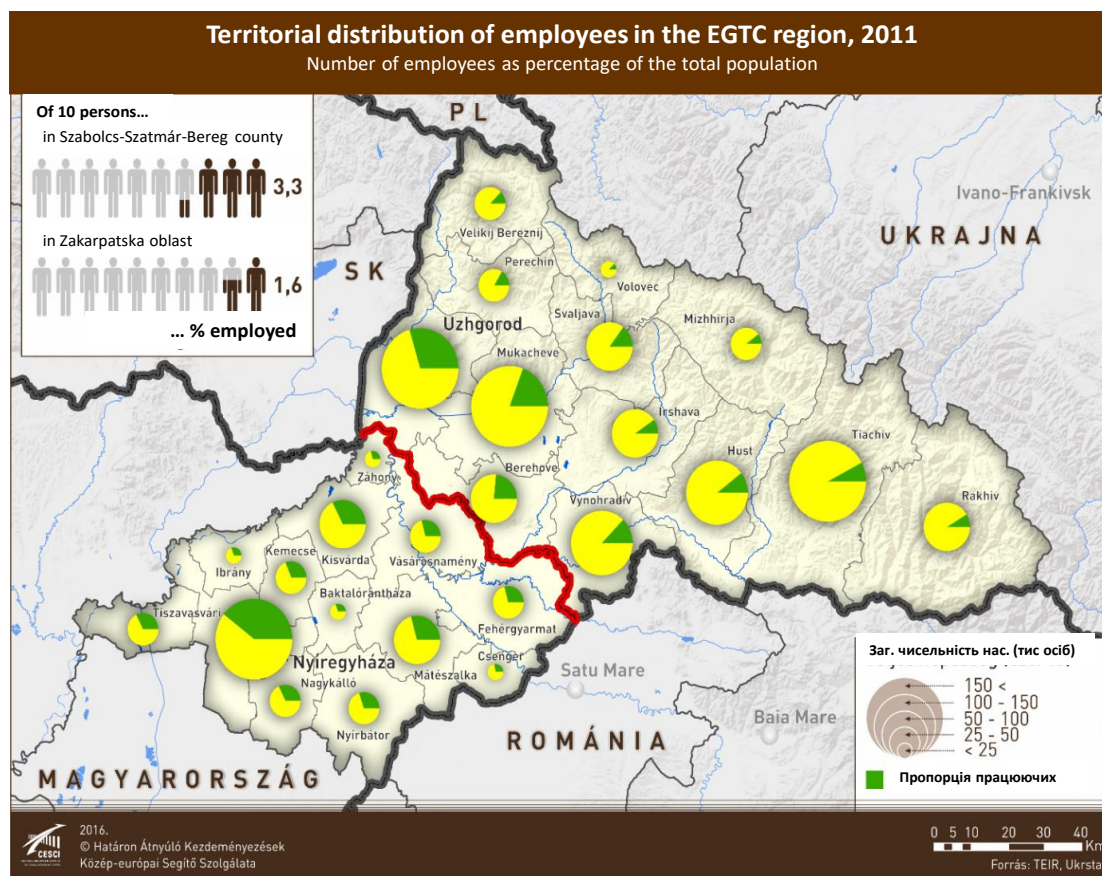


Fig. 5: Territorial distribution of employees in the EGTC region, 2011

With regard to wages, there is more than threefold difference between Ukraine and Hungary, between Zakarpatska oblast and Szabolcs-Szatmár-Bereg County.

Along with the low wages one more problem lies in the high share of social benefits within the population's income structure. Substantial migration is also a direct consequence of the low averages wages in the region. In the light of measurable wages differences, Szabolcs-Szatmár-Bereg County could be a destination point for guest workers from Zakarpattya but unpredictability and substantial time consumption for border crossing impede daily labour movement.

Assessing Tisza EGTC territory from the ethnic point of view it can be said that mainly Hungarian communities living on both sides of the border could play the role of a liaison. However, the ethnic composition of the region – primarily of Zakarpattya – is much more varied.

According to the Census of 2001¹ on the Ukrainian side the share of 8 nationalities exceeded 0.1% total population: Ukrainians (80.5%), Hungarians (12.1%), Romanians (2.6%), Russians (2.5%), Roma (1.1%), Slovaks (0.3%) and Germans (0.1%). In accordance with the varied ethnic composition, the distribution by religious denomination also shows a diverse picture with the largest denominations by sequence Orthodox, Greek Catholic, Reformed and Roman Catholic churches.

¹ Comparing of real situations is complicated by the fact that there was no census was carried out on the Ukrainian side since 2001.

The largest nationality in Zakarpattya is presented by **Ukrainians**, including **Ruthenians**, although the latter are not recognized by Ukraine as a separate nationality (Slovakia and Hungary do recognize them). During the Census of 2011 about 300 people considered themselves Ruthenians, and about 1100 – Ukrainians in Szabolcs-Szatmár-Bereg. Ruthenians in five, Ukrainians in four settlements have also established self-governance of national communities that favour development of cross-border contacts.

Three-fourths of the Zakarpattya **Hungarians** live in an approximately 20 km wide area along the border, but creating the majority only in Berehivskyi district. In recent years, the interethnic Hungarian and Ukrainian connections have shown a revival, and the prestige of the Hungarian language has increased. At the same time, the Ukrainian language knowledge is still a problem for the Hungarian community, so the Russian language appears as an intermediary mainly among generations of middle-aged and older people.

As per official data, about 14 000 **Roma** people live in Zakarpattya, but according to alternative sources their number exceeds 40 000 people; while in Szabolcs-Szatmár-Bereg – over 44000 people. Living conditions of Roma people are more favourable on the Hungarian side due to more developed social care system and public employment.

The EGTC could favour expanding of the range of social interaction and strengthening of the existing ties by means of numerous tools and initiatives. In order to promote communications it is necessary to improve knowledge of the language of other nation as well as in order to overcome language barriers it is necessary to secure multilingual informing on the Ukrainian side.

Factors strengthening and weakening cohesion

The table below is aimed to set up a system of strategic objectives. The adopted challenge–response method identifies potential territorial challenges and assigns strategic responses to them. These responses do not imply individual projects and may be considered as interventions with integrated logic or complex programmes.

Table 1. Factors of cohesion and related strategic responses

Weakens cohesion	Strengthens cohesion	Strategic response
increasing flood risks, defensive, dam based flood control	existing flood control cooperation, landscape management opportunities	exploitation of landscape management potentials
financial and administrative burden in Ukraine, inadequate environmental capacities	environmental expertise and professional experience	environmental management cooperation (including waste management)
energy deficit	feasible shift to renewable resources, energy modernisation	promotion of renewable energy resources
poor water utility service (particularly in Ukraine)	cooperation in drinking water supply and wastewater treatment	coordination of public utility services
significant environmental risks, sources of pollution	joint risk prevention, rehabilitation programs	raising public awareness, joint actions on environment protection
rivalry and uncoordinated, parallel logistics capacities	establishment of an industrial and logistics zone in Záhony-Chop region	industrial and logistics cooperation
weak inter-corporate relations and cooperation, bureaucratic obstacles	existing joint ventures, local business knowledge	support for economic networking
poor industrial infrastructure, incubation services, investment and business promotion in Ukraine	interest in investment opportunities, industrial zones to be developed	joint investment promotion and business development (“incubators”)
Schengen border with strict border control	border crossing points development opportunities	support for border infrastructure investments
city influencing zones split by the border	functions suitable for harmonisation	development of the EGTC’s institutional relations and its institutional role
poor access to cross-border healthcare services	access to cross-border healthcare services	improvement of cross-border healthcare services (for health and medical tourism)

Weakens cohesion	Strengthens cohesion	Strategic response
rudimentary cross-border polycentric municipal cooperation area	town-twinning in development	Inter-municipal knowledge transfer within the grouping
significant differences in Hungarian and Ukrainian vocational training standards	cross-border migration of students and lecturers to Hungary, know-how in Hungary	cross-border vocational training, adult education management (practical training in Hungary, guest lectures, etc.)
students' one-way migration to Hungary, human capacities weakening the attractiveness of each side of the border	higher education capacities and cooperation	joint curriculum development and course profile planning
unemployment and skilled labour shortage	cross-border commuting	regional employment cooperation
aging and emigration on the rise	upgradeability of the social and welfare system	improvement of the social economy (including silver economy)
rudimentary agricultural manufacturing industry in Ukraine	relatively developed agricultural manufacturing industry in Hungary	increasing the degree of processing of agricultural produces, common capacity building
lack of sectoral and inter- sectoral collaboration	presence of agents who represent smaller producers and coordinate production	cooperation between sales and production
significant differences between the two countries in the development of agricultural technologies and devices	agricultural expertise in Hungary, more favourable species structure, knowledge transfer	establishment of a common knowledge base (agricultural innovation and technology cooperation)
low value added production, dependence on external manufacturing capacities	manufacturing industry based on raw materials of Eastern markets	manufacturing industry improvement based on Eastern markets
rich traditions, intellectual cultural heritage	competent event and festival management in Hungary	harmonised cultural heritage management
absence of common tourism branding, marketing and destination management	successful cross-border initiatives, connectivity and attractiveness of tourist attractions	cross-border integrated tourism development (of destination management, services and infrastructure)
low level of foreign language proficiency and multilingualism	bilingualism in Zakarpattya	language education development

INTEGRATED DEVELOPMENT STRATEGY

Theoretical framework of planned development

Tisza EGTC development strategy is based on the following principles:

- the hierarchy of factors determining development of the region;
- the principle of territorial cohesion;
- moving sectoral aspects into the background;
- the principle of innovation;
- integrated approach; and,
- a special location arising from the specific frontier situation of the EGTC and on the external EU border.

We should distinguish three types of factor groups **determining development of the region**: global (broad-based) factors (e.g.: climate changes, economic crisis), meso-level factors (for instance, innovations, management potentials, coordination) as well as endogenous (local) factors. The Strategy puts a special emphasis on the endogenous opportunities as they are at the disposal of local actors and are not influenced from outside; however, we should also pay attention to the action mechanisms of the other two factor types.

Implementation of the territorial cohesion principle creates and reveals a system of strategic projects; its overall goal is territorial capacity building, while its mission is to formulate such projects that would serve strengthening of economic, social, but mainly territorial cohesion; it concerns such intervention areas that have some cross-border, regional dimensions; highlights such initiatives that strengthen long-term sustainable cooperation, i.e. focusing on such territories that strengthen internal cohesion.

As far as we mean a territorial plan, **the sectoral aspects are moved into the background** in the process of strategic planning. It is worth to point out, although the sectoral aspects play only a secondary role and the crucial point is demonstration of synergy effects observed between them, this does not mean that the intervention packages have no sectoral significance; these interventions should be capable to attract classic sectoral sources.

In the process of planning the **innovation principal** was emphasized in the form of a structural innovation (cooperative association) on the one hand, and in the form of content innovation for challenges formulated on the other.

The essence of an **integrated strategic approach** is when development of the region requires several interrelated interventions they can be organized into a larger programme package and individual elements can be simultaneously implemented under common management process. The interventions proposed by this Strategy compose such small-scale programmes.

Development of the Strategy described below alters due to the **special frontier location** of Tisza EGTC. An EGTC operated on the external EU and Schengen border has such a great potential and tasks as well as factors strengthening and weakening cohesion that an EGTC functioning on the internal border does not have.

Objectives of the planned developments

Development scenarios

Formulating of governance framework indicates fulfilment of the strategic objectives. From this perspective, we have outlined three potential scenarios:

- according to the **erosion scenario**, the EGTC fails to perform the role it has been assigned to;
- according to the **maximalist scenario**, not only does it accomplish its initial objectives, but it also gains a leader role in the cohesion process of the Ukrainian-Hungarian border region, or even of the wider Tisza region; and,
- according to the **optimal scenario**, successful cooperation depends on the exploitation of endogenous resources, the favourable geographic and geopolitical position, the integration of the regional labour market, knowledge accumulation and transfer, the common cultural heritage and the settlements' observed willingness to cooperate.

The optimal scenario outcome depends to a large extent on *the success of the cross-border regional development of this EGTC as an institution in a rural and strongly agricultural region on the periphery of European integration, characterised by persistent labour market problems, rather poor knowledge transfer and limited bargaining power.*

Endogenous objective sources

In accordance with the principles above and the findings of our cohesion analysis, we assume that the EGTC development objectives can be formulated on the basis of the following local and potential energies:

- Landscape potential and geographical position (agricultural and tourism potential);
- Geopolitical position (external borders, the Eastern opening – proximity of Eastern markets);
- Labour force (sources, vocational training opportunities);
- Skills (knowledge transfer);
- Cultural heritage, openness; and,
- Willingness of settlements to cooperate (town-twinning programmes).

Strategic Objectives

The hierarchy of objectives consists of two levels: the overall objective and specific objectives. The overall, ultimate objective is to **create a border region with high level of EU integration**. To this end, the region as well as its agents shall be coordinated in a way that specific objectives

contribute to the European integration process and to benefiting from this integration. Integration at European level includes the bilateral integration of cooperating parties in the EGTC region, for a regionally, economically and socially integrated region. Thus, the EGTC has a mission of supporting Ukraine's European integration, which can be further encouraged by EU-supported developments, including

- the accession to European transport and economic networks,
- environmental interventions with a special focus on Tisza river,
- the facilitation of border crossing,

all aimed at strengthening cohesion between either side of the border. The EGTC plays an important role in facilitating access to EU law, EU institutions and the Single Market, and in involving the Western Ukrainian region into economic development and governance process of the European Union.

The strategy also includes four **horizontal objectives** in parallel with the specific ones. These objectives contribute to the creation of an integrated cross-border region which:

- **is able to adapt to climate change;**
- **has increased border permeability;**
- **better retains population; and,**
- **promotes knowledge transfer.**

The four **specific objectives** supporting the overall objective:

- **SC_01 To enhance common acting capacity in environmental issues;**
- **SC_02 To develop a cross-border network economy;**
- **SC_03 To increase regional employment potential by the integration of labour markets; and,**
- **SC_04 To protect and promote regional values and mutual understanding.**

Functions of Tisza EGTC

The strategic plan of the EGTC includes objectives and interventions that aim to identify and support its **potential role as a regional institution**. In the light of the above, the strategy focuses on the following four functions of Tisza EGTC:

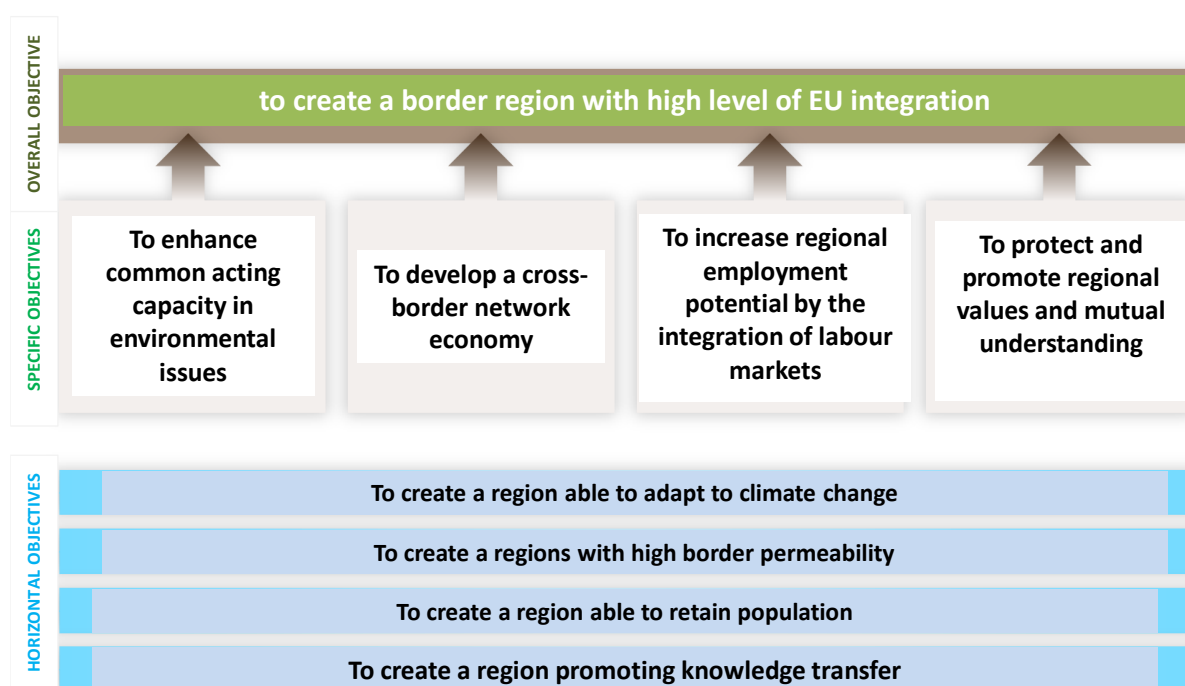
1. **Promotion of Euro-Atlantic integration.** The grouping functions as an interface of exchange of integration experience, active knowledge transfer, dissemination of good practices, ensuring Ukraine's presence in the EU as well as its candidacy in the political agenda, and reducing the degree of separation by the border.
2. **Resources coordination.** Having an independent legal entity in both countries, not only does the EGTC improve absorption capacity on either side of the border, but it also ensures the legal use and transfer of the EU and other funds.
3. **Promotion of inter-institutional coordination.** In this respect, the grouping supports the institutionalised, strategic, long-term cooperation of stakeholders in the cross-border

region that would be something more than temporary partnerships and would apply a strategic approach.

4. **Institution maintenance.** The EGTC's independent legal entity recognised by both states is its most important advantage compared with other regional cooperations. As a result, it may establish businesses and institutions, employ staff and thus exploit regional competences on both sides of the border.

Strategy instruments are designed to support these functions.

The structure of objectives presented above and the elements of the intervention plan are integrally related to ensure the realisation of the optimal scenario.

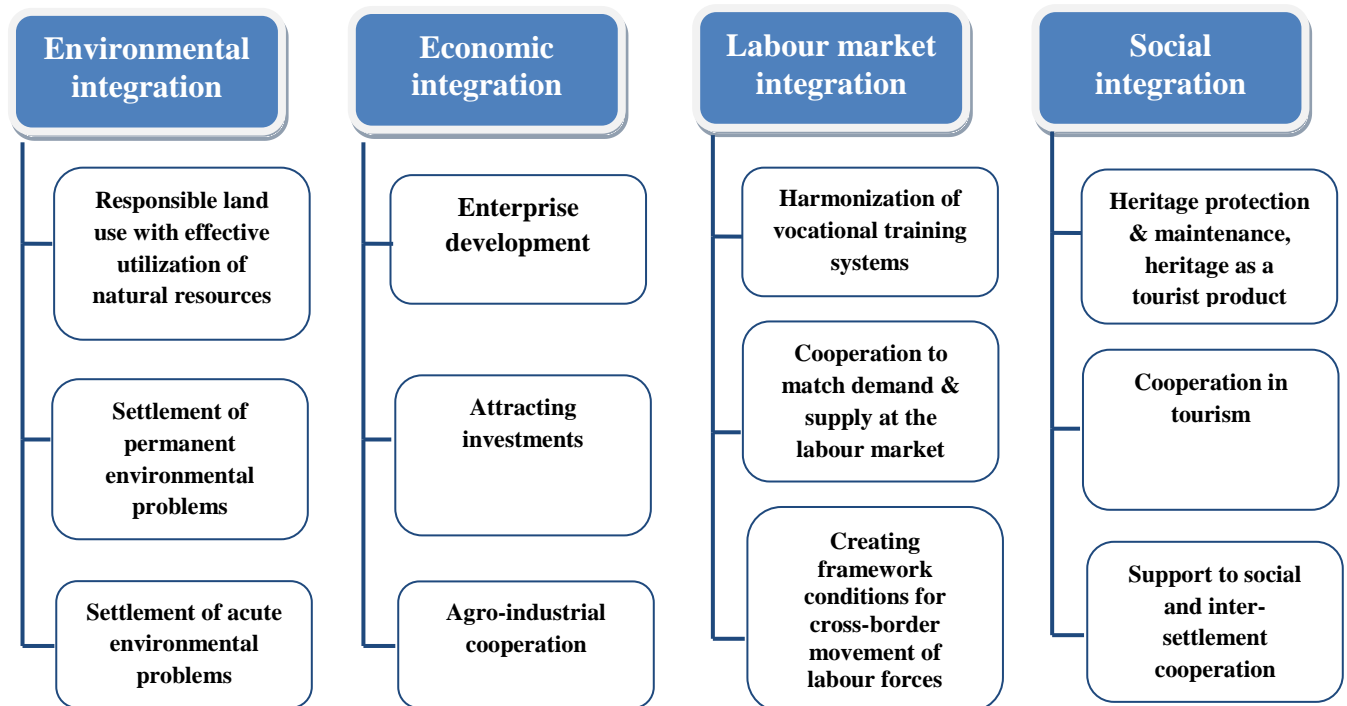


Proposed priority axes

The overall objective and four specific objectives are supported by the following instruments: priority axes, integrated interventions and actions.

- **PT_01** environmental integration;
- **PT_02** economic integration;
- **PT_03** labour market integration; and,
- **PT_04** social integration.

Interventions are organised around four priority axes, each made up of three integrated interventions with a varying number of actions.



Actions along the **environmental integration** axis aim at a more efficient use of natural resources, exploitation of landscape potential, raising of environmental awareness, and environmental claim validation, served by actions related to waste management, water utility services and landscape rehabilitation through the following integrated interventions:

- Activities included into **efficient use of natural resources** by means of applying of European environmental directives and standards, more ecological landscape and environmental management will help to achieve the goal of removing or at least mitigating, among other things, the environmental damage the activities of the second and third interventions have to address.
Elements: environmental awareness-raising campaigns for local population; developing a cross-border system of flood basin landscapes management based on local landscape and responding to climate changes, efficient energy use.
- The second intervention is aimed at **permanent environmental problems**. Harmonization of stakeholders in the region, institutional ties and transfer of knowledge.
Elements: elaboration of cost-effective waste management system in Zakarpattya involving Hungarian partners; as well as securing complex services of water supply and sewerage.
- The third intervention focuses on **acute environmental problems**, and in response to specific environmental damage decisions for renewal of natural landscape being elaborated and implemented.

Elements: creating a joint database of acute environmental problems; identifying of areas that need rehabilitation of natural landscape of cross-border impact; as well as developing and implementing pilot projects aimed at natural landscape rehabilitation.

The **economic integration** axis includes business environment development, support for the establishment and growth of businesses, integrated regional marketing activities, strengthening of economic and investment relations, the exploitation of the region's strategic position between the West and the East markets, promoting manufacturing and higher added-value industries; and in particular, attention is paid to comprehensive agricultural support programmes including the cooperation between marketing and production, and setting up of a knowledge base. The priority axis consists of three integrated interventions:

- **Business activity development** provides assistance to businesses interested in agricultural industry, who might also become successful investors in the region.
Elements: creating a network of consultants and mentors (platform); developing business skills; forming service packages for enterprise development; arranging campaigns for enterprise activity promotion; presentation of best practices; establishing business incubators and centres on both sides of the border.
- In combination with this **encouraging of investments** establishes business contacts with external and internal actors including with actors of agricultural sector.
Elements: establishing a business club; carrying out market analysis; support of an integrated administration of single window system to assist investors; regional marketing; as well as support to coordinated activities attractive for investors.
- **Agro-industrial integration** coordinates activities of agricultural economy actors at the level of production and distribution while their establishment, growth and expansion of their network also favoured by two other integrated interventions.
Elements: establishing a platform of agricultural cooperation; transfer of special knowledge in agricultural industry; founding an agricultural academy: launch of a farmers training programme; functioning of agricultural knowledge base; as well as regional coordination of agricultural production and sales (cooperation agreement, contract relationships).

The elements of **labour market integration** are the enhancement of employment both within and across the borders, access to qualified personnel, unemployment reduction, the alignment of training capacities and labour supply and demand matching.

The EGTC plays a prominent role in the economic cohesion, forming situation at the labour market of the border region. Moreover, legitimacy of the whole EGTC and ability of population retention in the region are threatened by current fragmentation of the labour market. The lack of coordination between demand and supply as well as training system creates an unfavourable situation. At present, distance travel, migrant workers and migration are often more attractive than employment within the border area. The interoperability of the border labour market is hampered by a number of factors. All these problems increase the shortage of skilled workers.

Responding to these problems the priority axis contains three integrated interventions:

- **Harmonization of vocational training systems** primarily focuses on secondary/ school-based education development. Its key task is to establish cooperation of vocational schools, securing skilled and qualified labour forces on the basis of high-quality training.
Elements: establishing cooperation of vocational schools on both sides of the border; detecting and assessing differences between the two systems of vocational training; transfer of knowledge and experience of the Hungarian side; development of infrastructure and acquiring tools/inventory necessary to raise the education level; cross-border integration of training structure; harmonization of professions taught and places of employment.
- The second intervention – **cooperation to match demand for labour forces and proposal** builds on involvement of the key labour market actors and its main task is to match demand and supplies, to reduce labour market anomalies as well as to eliminate administrative and information barriers on the way towards employment in the cross-border space.
Elements: establishing and coordinating labour platforms with involvement of education institutions (higher and secondary education), work and employment institutions, economic chambers and major employers; as well as forming and functioning of an integration labour group/organization at the labour market closely interacting with the platform.
- **Securing of framework conditions for cross-border movement of labour forces** includes such significant activities, which support border crossing commuting through coordinated territorial transport and border crossing points' infrastructure development that would play an important role in labour market integration.
Elements: establishing a cooperation platform in transport development as well as developing and implementing pilot projects in border transport development.

The **social integration** axis includes preservation of architectural and spiritual cultural heritage, management of tourism attractions, strengthening of regional identity, promotion of civil and inter-municipal cooperation and initiatives; all aimed at boosting the main cohesive force: regional identity.

The three Priority Axes are essentially aimed at strengthening of social and economic cohesion with preference to economic development, while the integrated interventions of this priority axis are specifically aimed at supporting of social cohesion. Their significance lies in the fact that without creation and strengthening of fundamental social trust and relationships system, none economic or institutional cooperation will become successful; the legitimacy of the entire EGTC is largely determined by the extent to which the integration of the society living on both sides of the border can be promoted. The priority axis for social integration includes three interventions:

- **Heritage protection, maintenance and heritage as a tourism product** owing to reconstruction activities and tourist routes development creates a basis for cooperation in tourism that will be organized within the second intervention. So while the first intervention focuses on conservation, restoration and preservation of the building stock, the second includes transformations into attractions, the linkage of the heritage objects and the organization of relevant services.

Elements: preserving and restoring architectural heritage in the service of tourism and local communities; promoting, preserving and up-to-date presenting of industrial heritage; cultural heritage management by exploiting the potential of the region's varied ethnic identity; as well as setting up a network of thematic routes presenting the architectural, cultural and industrial heritage of the region.

- The spread cooperation in the sphere of tourism is justified in several respects. Tourism is a source of revenues for local communities and contributes to the survival and exploitation of the rich heritage. Heritage-based tourism can effectively strengthen social cohesion as cultural events and heritage elements contribute to strengthening of regional identity, increasing social interaction and, thus, mutual cognition and acceptance.

Elements: development of tourist services; as well as tourist destinations management, forming one common tourist image of the region.

- **Support to social and inter-settlement cooperation** creates a civic sphere and cooperation among settlements, which could support and put spirit into previous interventions while citizens and settlements could generate new initiatives.

Elements: cooperation within events organization, strengthening cross-border social relationships; support to civil initiatives and networking as well as support to cross-border relations among settlements.

Map of financial resources

This chapter deals with international and EU resources that could be used for interventions and activities outlined in the Integrated Development Strategy of the EGTC. The available financial resources were defined for the lowest level of actions.

The following financial resources could be involved for financing:

- HUSKROUA
- Transnational Cooperation Programmes
 - Danube Transnational Cooperation Programme
- Direct Brussels resources
 - COSME
 - Erasmus+
 - LIFE+ programme
 - Horizon 2020
 - Creative Europe
- Non-EC financial resources
 - Visegrad Fund
 - Central European Initiative
 - European Youth Fund
- Other funds

It is significant to outline that often activities are not able to fill one project with content so it is advisable to group activities in a flexible way that would respond to a definite call for proposals. By this approach we would like to achieve adaptability of projects to middle-term changes of the support system or perhaps to changing development needs.

See the resource map at the end of the document.

Management of Strategy implementation

The EGTC as a model of communities' governance and development includes three task levels:

- *Political level* refers to decision making processes within the EGTC, potential officials and interrelation of these elements. In case of Tisza EGTC it includes chairmanship, co-chairmanship, general assembly and the supervisory board.
- *Strategic level* means joint development activities workshops. These workshops formulate and implement the planned joint projects, interventions. This level is not the same as the decision-making level, as a rule it integrates implementation related tasks. Currently, the EGTC does not have a separate body specifically designed to carry out professional job, the statutes of the grouping devote such tasks neither to the director nor to the secretariat.
- *Administrative level* means the level of day-to-day operation of the grouping. The secretariat of the EGTC (possibly secretariats) is managed by the Director and the Deputy Director. The administrative functions, of course, are also related to the political and strategic-professional activities of the grouping, but it only gives its administrative base: decisions are not taken here, and the secretariat involved at the strategic level for administrative issues.

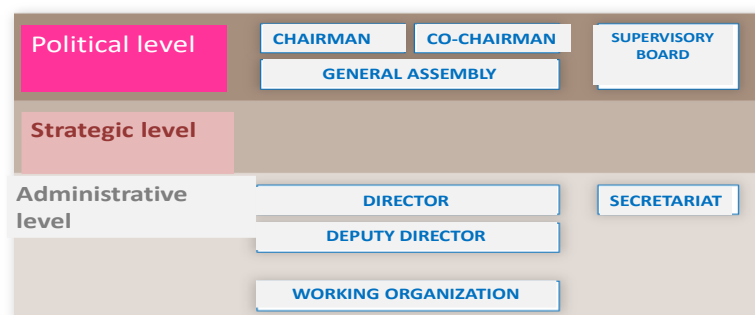


Fig 6: EGTC management structure

Thus, the EGTC's management structure does not include any body responsible for implementation of the Strategy! Within the structure available director, deputy director and secretariat are considered competent actors to a certain extent, at the same time we propose to establish a separate strategic management team within the EGTC structure.

Management should be organized according to four strategic functions of the grouping (support to Euro-Atlantic integration, coordination of financial resources; promotion of inter-institutional cooperation; maintenance of institutions) in a complex way. Complexity provides an opportunity for clear separation of individual functions, on the one hand, the concentration of human resources, which at the same time makes more realistic implementation of individual interventions

of the strategy on the other. The functions complexity requires their subdivision for implementation and management also securing adequate coordination.

The structure proposed mainly focuses on the first three functions (support to Euro-Atlantic integration, coordination of financial resources; promotion of inter-institutional cooperation). The fourth function – maintenance of institutions – has been only mentioned as elaboration of management systems of the EGTC's institutions should be done individually on case-by-case basis.

The establishment of Tisza EGTC has received positive feedback from the EU institutions as it was the first such EGTC, which also involves a third country as a partner, and especially Ukraine, which considered a priority country in the Eastern Partnership. This positive assessment should be upheld, it is necessary to maintain, strengthen the existing and to establish new relations with as many institutions, referents for the EU political issues as possible as this can increase the prestige of the grouping and improve assessments of Hungary and Ukraine. In order to make this marketing work successful it is necessary to gain support from governments of both countries that could be secured by an intergovernmental memorandum; on the other hand, contacts should be maintained in English; it is worth to consider an opportunity to establish a permanent representation in Brussels. In order to reduce financial burden of the EGTC Hungary could provide relevant capacities. The representative office would guarantee presence of the EGTC employing at least one person fluent in English and know the institutional system of the EU:

- Official EGTC representation at the EU institutions (maintaining of contacts, permanent presence, participation in political events);
- Organizing events, workshops, fairs and expos by the employees of EGTC;
- Providing information services to the EGTC members concerning Brussels policy, calls for proposals ;
- Establishing partnerships (at the level of the EGTC, office as well as different sectoral actors of the EGTC); and,
- Promoting tourist and investment opportunities of the region, organizing workshops for investments; and,
- Information activity related to Ukraine's entry to the EU.

Strategy Implementation Timeline

Timeline of the activities planned is determined by several factors. The most important is the nature of the project. Based on their nature activities are subdivided into groups in the following way:

- a) partner and potential identification;
- b) supporting activities;
- c) small and medium-scale investments; and,
- d) large-scale investments.

See the timeline at the end of the document

ANNEXES

MAP OF FINANCIAL RESOURCES (TABLE)

Intervention	Activity	Programme	Priority/sub-programme
Environmental integration			
Responsible land use with effective exploitation of natural resources	Environmental awareness raising campaigns for local population on the following subjects: <ul style="list-style-type: none"> Problems related to water pollution of Tisza river and their cross-border impacts; Importance of waste management hierarchy observance; and, Energy efficiency. 	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
		Visegrad Fund	Environment
		European Youth Fund	Pilot activity
		Central European Initiative	Climate, environmental protection and province development
	Developing a cross-border floodplains landscape management system responding to landscape potential and challenges arising from climate change: <ul style="list-style-type: none"> Developing a floodplains landscape management strategy; Implementation a strategy based pilot project 	LIFE	Adapting to climate changes
		Visegrad Fund	Environment
	Efficient use of energy resources (use of renewable energy, energy refurbishment of public institutions), including: <ul style="list-style-type: none"> Assessment of renewable energy sources, energy potential mapping; Elaboration of energy strategy; Developing energy projects; and, Implementation of pilot projects. 	H2020	ELENA
		Danube Transnational Cooperation Programme	3.2. Increasing energy security and energy efficiency
		HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes

Intervention	Activity	Programme	Priority/sub-programme
Settlement of permanent environmental problems		Central European Initiative	Energy efficiency, renewable energy sources
		Eastern European Fund	Energy efficiency and environment
	<p>Elaboration of cost-effective waste management system in Zakarpattya involving Hungarian partners, including:</p> <ul style="list-style-type: none"> Identifying and reconciling special needs in waste recycling with waste recycling capacities on both sides of the border; Establishing regional company(ies) for waste recycling and disposal; and, Regional coordination for elimination of illegal landfills. 	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
		Visegrad Fund	Environment
	<p>Securing integrated services of water supply and waste water disposal:</p> <ul style="list-style-type: none"> Transfer of best practices; Establishing partnerships in water supply and waste water disposal; Economic and energy efficiency assessment of water treatment plants; Preparing cost estimates and technical documentation; and, Spreading innovations and alternative technologies of water treatment. 	LIFE	Environment and efficient exploitation of natural resources
		HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
		Visegrad Fund	Environment

Intervention	Activity	Programme	Priority/sub-programme
Settlement of acute environmental problems	Setting up a joint database of acute environmental problems	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes 4.1. Preventing man-made and natural disasters
		Visegrad Fund	Environment
	Identification of areas with cross-border impact that need natural landscape restoration	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
	Developing and implementing pilot projects aimed at restoration of natural landscape: <ul style="list-style-type: none"> • Solotvyno • Muzhiyevo 	HUSKROUA	Environmental protection, reduce impact of climate changes, adapting to climate changes

Intervention	Activity	Programme	Priority/sub-programme
Economic integration			
Business activity development	Setting up a consultants and mentors network	Visegrad Fund	Regional development, enterprise and tourism
	Business skills development: <ul style="list-style-type: none"> • Optional courses at higher education institutions; • Several-day intensive trainings with certificates issued; • Advanced training at postgraduate education institutions, trainings of managers; and, • Support to teaching finances and economics to younger generations. 	Erasmus +	1. Mobility for education
		COSME	Erasmus for young entrepreneurs
		Visegrad Fund	Training and capacity building
		CEI EBRD	Knowledge exchange programme
	Compiling service packages for business activity development: <ul style="list-style-type: none"> • presentation and offering services of businesses development in the region; • complex assistance to start-ups and state registration of businesses: business idea generation and development, start-up (e.g.: classification by economic activity types, identifying core product/service); decision making, determining legal and organizational frameworks and principles (e.g.: legal form, statutes); identifying formal steps and procedures of start-up; environmental conditions, choice of location, establishing initial business contacts, search of potential partners; • project management, financial support management, calls for proposals monitoring, preparing of applications; • accounting services, tax and pay-roll consultancy; • business planning and business development consultancy; • legal counselling; and, • translation and interpretation services. 	Visegrad Fund	Regional development, enterprise and tourism
	Arranging business activity promotion campaigns: presentation of good practices and success stories	Visegrad Fund	Regional development, enterprise and tourism
	Establishing business incubation infrastructure, business centres on both sides of the border	-	-

Intervention	Activity	Programme	Priority/sub-programme
Encouraging investments	Establishing a business club <ul style="list-style-type: none"> Investment awards 	Visegrad Fund	Regional development, enterprise and tourism
	Carrying out market analysis	Visegrad Fund	Regional development, enterprise and tourism
	Support to an integrated administration of the single window system to assist investors	Visegrad Fund	Regional development, enterprise and tourism
	Regional marketing activities: <ul style="list-style-type: none"> Organizing events to attract investments; Professional activities and lobbying to improve accessibility of the region; and, Development of an integrated electronic economic and information platform. 	Danube Transnational Cooperation Programme	4.1. Building institutional capacity to manage the key social challenges
		Visegrad Fund	Regional development, enterprise and tourism
		Eastern European Fund	Local economy development
	Support to investments-friendly measures: <ul style="list-style-type: none"> Setting a up an incentives system for use of region's functions; Setting incentives for economic management, improvement of settlements (tax reliefs, free land supply); and, Developing an incentives scheme for events management, rent of space for holding events. 	Eastern European Fund	Local economy development

Intervention	Activity	Programme	Priority/sub-programme
Agro-industrial integration	Establishing an agricultural cooperation platform	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
	Transfer of special knowledge in agricultural industry; establishing an agricultural academy; launch of training programmes for farmers	HUSKROUA	2. Environmental protection, reduce impact of climate changes, adapting to climate changes
		CEI EBRD	Knowledge exchange programme
		Visegrad Fund	Training and capacity building
	Securing agricultural knowledge base: <ul style="list-style-type: none"> Evaluation of proposals from organizations dealing with researches in agricultural science and nutrition as well as needs of regional agriculture; Support to advanced agricultural innovation researches responding to regional needs; Technologies transfer for professional support of investments increasing production efficiency; Set up and maintenance of the agro-meteorological system of forecasting and analysis; and, Establishing model and training farms. 	Erasmus +	2. Knowledge alliances
		Horizon 2020	Food security, sustainable agricultural development
		Danube Transnational Cooperation Programme	1.1 Improving framework conditions for equal access to knowledge
		Visegrad Fund	Scientific exchanges and cooperation within researches
	Regional coordinator for agrarian production and marketing (cooperation agreement, contractual relations) <ul style="list-style-type: none"> Production harmonization (e.g. task of production setup, joint use of agricultural machinery); Revealing marketing opportunities and intermediation; Developing projects related to storing and cooling capacities; Support to capacity expanding investments/ regional processing industry; Encouraging distribution network establishing (collection, delivery). 	-	-
		-	-

Intervention	Activity	Programme	Priority/sub-programme
Labour market integration			
Harmonization of vocational training systems	Encouraging cooperation of vocational schools and training institutions on both side of the border: <ul style="list-style-type: none"> Organizing professional round table discussions; and, Organizing open days. 	Visegrad Fund	Institutional cooperation Training and capacity building
	Identification of things in common and differences between the two systems of vocational training	Visegrad Fund	Institutional cooperation
	Specific skills and experience transfer from the Hungarian side: <ul style="list-style-type: none"> Study tours, teachers and students exchange programmes; Improvement of teaching materials, guest teacher programmes; and, Methodology transfer of dual system for vocational training. 	Erasmus +	2. Strategic partnerships
		Danube Transnational Cooperation Programme	4.1. Building institutional capacity to manage the key social challenges
		CEI EBRD	Knowledge exchange programme
		Visegrad Fund	Institutional cooperation Training and capacity building
	Development of infrastructure and acquiring of means necessary to raise the education level	-	-
	Cross-border integration of teaching structures: harmonization of professions taught and places of employment <ul style="list-style-type: none"> coordinating the training supply; joint curriculum development; organizing and running apprenticeships; establishing scholarship programs 	Visegrad Fund	Training and capacity building
cooperation to match demand for labour forces and proposal	Setting up and operating a labour platform involving education institutions (higher and secondary), labour and employment institutions, economic chambers and major employers. Tasks of the platform:	Erasmus +	2. Knowledge alliances

Intervention	Activity	Programme	Priority/sub-programme
	<ul style="list-style-type: none"> assessing requirements of employers to training on the basis of education institutions and forwarding them to education policy makers; elaborating adult and retraining programmes; study tour programmes elaborating; and, coordinated career orientation and talent management activities. 		
	Forming and coordinating working group/organizations for labour market integration in close interaction with the platform. Its tasks: <ul style="list-style-type: none"> labour market monitoring, tendencies analysis covering the region; cross-border information services related to employment; support to equivalence analysis; and, intermediary and recruitment services. 	-	-
Securing of framework conditions for cross-border movement of labour forces	Establishing a platform for cooperation in transport development: <ul style="list-style-type: none"> developing projects of harmonized transport development; and, information activities (lobbying) on needs of cross-border transport development. 	HUSKROUA	3.1. Improving transport infrastructure to secure free movement of people and properties
	Elaboration and implementation of pilot border transport development projects	HUSKROUA	3.1. Improving transport infrastructure to secure free movement of people and properties

Intervention	Activity	Programme	Priority/sub-programme
Social integration			
Heritage protection, maintenance and heritage as a tourist product	Preserving and restoring architect heritage for tourism and local communities: <ul style="list-style-type: none"> transfer of knowledge in heritage protection, architectural and art landmarks restoration; reconstruction of religious buildings of different denominations; multifunctional use, reconstruction of palaces (e.g.: Palaces of the Count Lónya in Som and Batrágy, Palace of the Ocskalyi Family in Velyka Bakta, Palace of Perényi in Chopivka village and in Nove Selo); development of folk architectural landmarks and preserving its value; reconstruction and use for tourism castles of special significance (Khust, Nevytske, Mukachevo, Kisvárdá and Szabolcs) 	Creative Europe	Cooperation projects
		HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region
		Visegrad Fund	Cultural and common identity
	Protection, preserving, promotion and modern presentation of industrial heritage	HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region
	Maintenance of cultural heritage via exploitation of potential given by the varied ethnic composition of the region: <ul style="list-style-type: none"> activity aimed at real multilingualism (multilingual information boards, internet portals); and, establishing of Ukrainian and Hungarian language centres on both sides of the border, launch of foreign language courses 	Visegrad Fund	Cultural and common identity Training and capacity building
		European Youth Fund	Pilot activity
	Setting up a network of thematic routes for presentation of architectural, cultural and industrial heritage of the region: <ul style="list-style-type: none"> further development of the existing routes, modern presentation of the heritage (e.g.: organizing heritage presentation tours, further development of the Mediaeval Church Way); and, identifying new thematic routes for presentation of industrial 	HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region
		Visegrad Fund	Regional development, enterprise and tourism

Intervention	Activity	Programme	Priority/sub-programme
	and cultural heritage (e.g.: Handicrafts route and thematic routes related to various ethnic groups)		
Cooperation in tourism	Development of tourist services, including: <ul style="list-style-type: none"> cooperation in the sphere of healthcare and recreational tourism on the basis of water (in case of treatment course establishing a cross-border service station, development of medical services based on thermal resorts and water treatment, establishing a centre for sanatorium treatment); establishing a joint thermal cluster of the EGTC; development of active tourist services and infrastructure (bicycle routes, ski, hiking and water tourism); favouring regional cooperation among tourist services suppliers (organizing specialized professional workshops, image forming trainings, events, study tours); and, developing a system of trademarks at the level of the EGTC, that besides quality securing covers design and producing of image elements. 	HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region 4.2. Investments to healthcare infrastructure, development of cross-border healthcare services
		Visegrad Fund	Regional development, enterprise and tourism
	Tourist destinations management, forming of single image of the region, including: <ul style="list-style-type: none"> establishing and operating a management system; establishing tourist information and visit centres; publishing of multilingual thematic and regional tourist brochures; developing a joint tourist portal and on-line tourist cadastre (only for information provision, but also booking and marketing options); events coordination, developing and updating of events calendar; launching new cross-border destinations on the market (organizing study tours, marketing campaigns in both companies, participation in fairs and bigger events); development of mobile applications for smartphones with information about the region. 	HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region
		Visegrad Fund	Regional development, enterprise and tourism

Intervention	Activity	Programme	Priority/sub-programme
Support to social and inter-settlement cooperation	Strengthening cooperation in the sphere of CB events and cooperation management, including: <ul style="list-style-type: none"> • securing knowledge transfer in events management; • organizing joint cross-border sport, youth, cultural and art events, contests and championships; • support of excursions abroad to secondary education institutions; and, • organizing sport, youth, cultural and art camps, cross-border exchange programmes aimed at community building. 	HUSKROUA	1. Promotion of local culture and preservation of historical heritage to increase tourist attractiveness of the region
		Visegrad Fund	Social development
		Central European Initiative	Intercultural cooperation
		European Youth Fund	International activity
	Support to civil initiatives and networking, including: <ul style="list-style-type: none"> • developing a public information portal (also where NGOs have partners); • establishing a civil academy (establishing non-governmental business incubators, information points); • support of activities aimed at settlements development involving NGOs; and, • organization of joint humanitarian actions, donations, volunteers' activity. 	Visegrad Fund – Eastern Partnership	Civil Society Development
		Charles Stewart Mott Foundation	Active civil participation
		Open Community Foundation	Civil society
		Civil Society Forum Eastern Partnership	Human relations
	Support to cross-border inter-settlement cooperation: <ul style="list-style-type: none"> • organizing forums, meetings and knowledge exchange; and, • support of partner search. 	Visegrad Fund	Regional development, enterprise and tourism

Action Plan Timeline (table)

PT_01 Environmental integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Responsible land use with effective exploitation of natural resources	S_01 Awareness raising environmental campaigns for local population (water pollution, waste management hierarchy, energy)									
	S_02 Developing a flood areas landscape management strategy									
	BN_01 Implementation a pilot project based on the areas landscape management strategy									
	S_03 Assessment of renewable energy sources, energy potential mapping									
	S_04 Elaboration of energy strategy									
	S_05 Developing energy projects									
	BN_02 Implementation of pilot projects									
Settlement of permanent environmental problems	S_06 Identifying and reconciling special needs in waste recycling with waste recycling capacities on both sides of the border									
	PK_01 Establishing regional company(ies) for waste recycling and disposal									
	BK_01 Regional coordination for elimination of illegal landfills									
	S_07 Securing integrated services of water supply and waste water disposal – transfer of good practices									
	PK_02 Establishing partnerships in water supply and waste water disposal									
	S_08 Economic and energy efficiency assessment of water treatment plants									
	S_09 Preparing of cost estimates and technical documentation for integration of water supply and disposal services									
	S_10 Spreading of innovations and alternative technologies of water treatment									

PT_01 Environmental integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Settlement of acute environmental problems	S_11 Setting up a joint database of acute environmental problems									
	S_12 Identification of areas with cross-border impact that need natural landscape restoration									
	BN_03 Developing and implementing pilot projects aimed at restoration of natural landscape: Solotvyno Muzhiyevo									

PT_02 Economic integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Business activity development	PK_03 Setting up a consultants and mentors network									
	S_13 Business skills development (training)									
	S_14 Compiling service packages for business activity development									
	S_15 Arranging business activity promotion campaigns: presentation of good practices and success stories									
	BK_02 Establishing of business incubation infrastructure, business centres on both sides of the border									
Encouraging investments	PK_04 Establishing a business club									
	S_16 Carrying out market analysis to encourage investments									
	S_17 Support to an integrated administration of single window system to assist investors									
	S_18 Organizing events to attract investments									
	S_19 Professional activities and lobbying to improve accessibility of the region									
	S_20 Development of an integrated electronic economic and information platform									
	S_21 Setting a up an incentives system for use of region's functions									
Agricultural integration	PK_05 Establishing an agricultural cooperation platform									
	S_22 Transfer of special knowledge in agricultural industry; establishing an agricultural academy; launch of training programmes for farmers									
	S_23 Evaluation of proposals from organizations dealing with researches in agricultural science and nutrition as well as needs of regional agriculture									
	S_24 Support to advanced agricultural innovation researches responding to regional needs									
	BK_03 Technologies transfer for professional support of investments increasing production efficiency									
	BK_04 Set up and maintenance agrometeorological system of forecasting and analysis									
	BK_05 Establishing model and training farms									
	PK_06 Agrarian production harmonization									
	BK_06 Developing projects related to storing and cooling capacities									
	BK_07 Support to capacity expanding investments/ regional processing industry									
	S_25 Encouraging distribution network establishing (collection, delivery)									

PT_03 Labour market integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Harmonization of vocational training systems	PK_07 Encouraging cooperation of vocational schools and training institutions on both side of the border: professional round tables									
	S_26 Organizing open days at vocational schools									
	S_27 Identification of things in common and differences between the two systems of vocational training									
	S_28 Study tours, teachers and students exchange programmes									
	S_29 Improvement of teaching materials, guest teacher programmes									
	S_30 Methodology transfer of dual system for vocational training									
	BK_08 Development of infrastructure and acquiring of means necessary to raise the education level									
	S_31 coordinating the training supply									
	S_32 joint curriculum development									
	S_33 organizing and running apprenticeships									
	S_34 establishing scholarship programs									
cooperation to match demand for labour forces and proposal	PK_08 Setting up and operating of labour platforms									
	PK_09 Forming and coordinating a working group/organizations for labour market integration in close interaction with the platform									
Securing of framework conditions for cross-border movement of labour forces	PK_10 Establishing a platform for cooperation in transport development									
	S_35 developing projects of harmonized transport development									
	S_36 information activities (lobbying) on needs of cross-border transport development									
	BK_09 Elaboration and implementation of pilot border transport development projects									
	BN_04 Establishing new border checkpoint for motor transport and development of the existing ones									
	BN_05 Improving accessibility of the available border checkpoints for motor transport									
	BN_06 Reconstruction of road segments in Ukraine continuing abroad, providing hard surface									

PT_04 Social integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Heritage protection, maintenance and heritage as a tourist product	S_37 transfer of knowledge in heritage protection, architectural and art landmarks restoration									
	BK_10 reconstruction of religious buildings of different denominations									
	BK_11 multifunctional use, reconstruction of palaces									
	BK_12 development of folk architectural landmarks and preserving its value									
	BK_13 reconstruction and use for tourism castles of special significance									
	BK_14 establishing and reconstruction of museums for presentation of industrial heritage									
	S_38 activity aimed at real multilingualism									
	S_39 establishing of Ukrainian and Hungarian language centres on both sides of the border, launch of foreign language courses									
	S_40 Setting up a network of thematic routes for presentation of architectural, cultural and industrial heritage of the region									
Cooperation in tourism	PK_11 cooperation in the sphere of healthcare and recreational tourism on the basis of water									
	PK_12 establishing a joint thermal cluster of the EGTC									
	S_41 development of active tourist services and infrastructure									
	PK_13 favouring regional cooperation among tourist services suppliers									
	S_42 developing a system of trademarks at the level of the EGTC									
	PK_14 Tourist destinations management, forming of single image of the region									
	BK_15 establishing tourist information and visit centres in the region									
	S_43 publishing of multilingual thematic and regional tourist brochures									
	S_44 developing a joint tourist portal and on-line tourist cadastre									
	S_45 events coordination, developing and updating of events calendar									
	S_46 launching of new cross-border destinations on the market									
	S_47 development of mobile applications for smartphones with information about the region									

PT_04 Social integration		2017	2018	2019	2020	2021	2022	2023	2024	2025
Support to social and inter-settlement cooperation	S_48 securing knowledge transfer in events management									
	BK_16 Support to preparing places for events and sports grounds									
	S_49 organizing joint cross-border sport, youth, cultural and art events, contests and championships									
	S_50 support of excursions abroad to secondary education institutions									
	S_51 organizing sport, youth, cultural and art camps, cross-border exchange programmes aimed at community building									
	S_52 developing a public information portal									
	S_53 establishing a civil academy, organizing trainings									
	BK_17 establishing non-governmental business incubators, information points									
	S_54 support of activities aimed at settlements development involving NGOs									
	S_55 organization of joint humanitarian actions, donations, volunteer activity									
	PK_15 Support to cross-border inter-settlement cooperation (forums, meetings)									