



# Call for proposals

in the frame of the


**INTERREG V-A SLOVAKIA-HUNGARY  
COOPERATION PROGRAMME**

Reference number:  
**SKHU/1902**

Date of publishing the 1<sup>st</sup> modification (which is incorporated in this document):  
**06/12/2019 (document version: Call-for-Proposals\_SKHU-1902\_v2-00)**

Date of publishing:  
**12/9/2019 (document version: Call-for-Proposals\_SKHU-1902\_v1-00)**

Document version:  
Call-for-Proposals\_SKHU-1902\_v2-00

 Please consider the environment before printing.

The document was published by:



KÜLGAZDASÁGI ÉS  
KÜLÜGYMINISZTERIUM

**Ministry of Foreign Affairs and Trade**  
as Managing Authority

1027 Budapest  
Bem rakpart 47.  
Hungary



**Ministry of Agriculture and Rural Development  
of the Slovak Republic**  
as National Authority

Račianska 153/A  
831 56 Bratislava 34  
Slovakia



**Széchenyi Programmeoffice LLC.**  
as hosting body of the Joint Secretariat

1053 Budapest  
Szép utca 2. 4. em.  
Hungary

[www.skhu.eu](http://www.skhu.eu) | [info@skhu.eu](mailto:info@skhu.eu)

© 2019

## Content

<b>Introduction</b> .....	<b>5</b>
<b>Indicative allocation</b> .....	<b>7</b>
<b>Applicant’s package</b> .....	<b>8</b>
<b>PA1 – Nature and culture</b> .....	<b>9</b>
Action 1.1 – Joint development of cultural heritage .....	9
Action 1.2 – Joint development of natural heritage.....	13
Action 1.3 – Joint development of tourism attractions .....	17
<b>PA4 – Enhancing cross-border cooperation</b> .....	<b>20</b>
Action 4.1 – Investment in institutional capacity .....	20
Action 4.2 – Development of new cross-border services.....	22
<b>Eligible applicants</b> .....	<b>24</b>
Legal criteria .....	24
Financial criteria.....	25
Location criteria.....	25
Professional criteria.....	26
Cooperation criteria .....	26
Exclusion criteria .....	27
<b>Project development</b> .....	<b>29</b>
Intervention logic.....	29
Eligible activities.....	30
Timeframe.....	30
Eligible expenditures.....	31
<b>Sources of financing</b> .....	<b>33</b>
Non-economic activities .....	33
Economic activities .....	34
<b>Horizontal principles</b> .....	<b>37</b>
<b>Mandatory annexes</b> .....	<b>39</b>
<b>Submission procedure</b> .....	<b>40</b>
<b>Selection procedure</b> .....	<b>41</b>
Formal assessment .....	41
Eligibility assessment.....	41
Quality assessment.....	42

Decision of the Monitoring Committee.....	43
Complaint procedure .....	43
<b>Contracting procedure .....</b>	<b>44</b>
Mandatory annexes for contracting .....	44
<b>Data protection and data processing policy .....</b>	<b>46</b>

## Introduction

### Interreg SKHU

The Interreg V-A Slovakia-Hungary Cooperation Programme operates within the 2014-2020 financial framework of the European Union as separate financial instrument of Cohesion Policy. The specific aim of the Programme is to make the Slovak-Hungarian border region more cohesive, environmentally friendly and competitive by sustainable use of natural and cultural heritage, improving accessibility, improving employment opportunities and supporting institutional and people-to-people cooperation. These aims are translated into Priority axes [PA] and Specific Objectives [SO], which are described in detail in the Cooperation Programme document<sup>1</sup>.

In accordance with the decision of the Programme's Monitoring Committee, on 2<sup>nd</sup> September 2019 the Managing Authority in agreement with the National Authority opens Call for proposals (hereinafter referred to as Call) in the following priority axes:

- **PA1 - Nature and culture**
  - SO1.1 - To increase the attractiveness of the border area
- **PA4 - Enhancing cross-border cooperation of public authorities and people**
  - SO4.1 - Improving the level of cross-border inter-institutional cooperation and broadening cross-border cooperation between citizens

### Intervention logic

The Programme awards grants based on competitive one-step calls where project proposals are assessed and the best ones are selected for implementation. The submitted projects can be awarded if their objectives, expected results and outcomes are logically linked to the programme's priority axes and specific objectives. Project proposals shall be developed according to the following steps:

- 1) identification of the challenges in the region,
- 2) setting up the objectives and expected results of the project,
- 3) identification of the target group(s) to be tackled,
- 4) planning the utilization and maintenance of the project outputs,
- 5) setting up the activities for the implementation and tangible outcomes,
- 6) assigning activities with adequate resources.

### Partnership

All projects have to demonstrate strong cross-border character and shall generate long-term cooperations between the applying organizations. Projects have to be realized in partnerships created by Beneficiaries registered in the programme area. The minimum requirement<sup>2</sup> for

---

<sup>1</sup> The Cooperation Programme document was approved by EC Decision C(2015) 6805 on 30 September 2015. The document can be downloaded from the following link: [www.skhu.eu/programme/cooperation-programme](http://www.skhu.eu/programme/cooperation-programme)

<sup>2</sup> In line with the Article 12 (3) Regulation No 1299/2013 of the Council and the European Parliament, this requirement is automatically fulfilled by the organisations operated in the form of European Groupings of Territorial Cooperation type of legal bodies.

partnership is to have at least one Slovak and one Hungarian partner. In each project, Applicants shall choose the Lead Beneficiary among themselves, who takes the responsibility for the successful implementation of the entire project.

### **State aid**

If financial contribution provided by the Programme strengthens particular undertakings relative to their competitors, State aid rules shall be applied. In the present Call, financial assistance supporting economic activities is provided according to the De minimis Regulation and the General Block Exemption Regulation.

### **Submission**

Applications have to be submitted electronically through the application module of the Interreg Monitoring and Information System. **Lead Beneficiaries shall submit the project proposals in English until 17<sup>th</sup> December 2019, 14:00 CET.**

### **Timing**

Projects for implementation are selected by the Monitoring Committee of the Programme. Decision on approval is expected in April 2020. Approved projects may start the implementation after the MC decision comes into force but no later than 1<sup>st</sup> July 2020. All projects have to be realized until 30<sup>th</sup> June 2023.

### **Project durability**

Projects comprising investment in infrastructure or productive investment shall be maintained in the target area for at least five years or at least three years in the case of SMEs, after the final payment to the Beneficiary.

### **Modifications of the Call**

The Managing Authority in agreement with the National Authority may modify the terms of the Call by an amendment at any time prior to the deadline for the submission. Amendments may not affect the eligibility and evaluation criteria. In order to afford reasonable time for Applicants to fulfil the modified terms of the Call, the Managing Authority may extend the deadline for the submission of applications. If Applicants submitted the application before publishing an amendment, Applicants cannot suffer disadvantage due to the modified terms of the conditions.

The Managing Authority in agreement with the National Authority may decide to cancel the present call at any stage, but particularly if

- there have been irregularities in the procedure, in particular where these have prevented equal treatment;
- in exceptional circumstances or force majeure render the normal implementation of the planned actions impossible.

Information on modifications or the cancellation will be published on the programme website. Any potential losses from cancellation are not entitled for compensation.

### **Contact**

For more information, please contact the Joint Secretariat [JS] online or phone and visit Information days organized by the JS during the submission period. Contact information are available on the following link: [www.skhu.eu/contact-information](http://www.skhu.eu/contact-information).

## Indicative allocation

Priority axis	Actions	Allocation in ERDF <sup>3</sup>	Maximum project size in total
<b>PA1 - Nature and culture</b> <i>SO1.1 - To increase the attractiveness of the border area</i>	1.1 Joint development of cultural heritage	9.000.000 €	1.500.000 €
	1.2 Joint development of natural heritage	8.000.000 €	2.000.000 €
	1.3 Joint development of tourism attractions	5.000.000 €	1.000.000 €
<b>PA4 - Enhancing cross-border cooperation of public authorities and people living in the border area</b> <i>SO4.1 - Improving the level of cross-border inter-institutional cooperation and broadening cross-border cooperation between citizens.</i>	4.1 Investment in institutional capacity	3.500.000 €	400.000 €
	4.2 Development of new cross-border services	2.000.000 €	200.000 €
<b>Total</b>		<b>27.500.000 €</b>	

<sup>3</sup> The Monitoring Committee reserves the right to award different amount of the available funds.

## **Applicant's package**

The documentation to the present Call consists of several documents that can be downloaded separately or as a single compressed file (Applicant's package) from the Programme website ([www.skhu.eu](http://www.skhu.eu)). Modifications and amendments to the Call are published on the programme website and Facebook ([www.facebook.com/skhu.eu](http://www.facebook.com/skhu.eu)). The Applicant's package contains the following documents:

### **Call for proposals**

### **Quality assessment grid**

### **Methodology and criteria for selecting operations**

### **Templates of the predefined annexes**

- Annex I.A – Declaration of the Beneficiary /HU/
- Annex I.B – Declaration of the Beneficiary /SK/
- Annex II. – Declaration on partnership
- Annex VI – Declaration on investment in infrastructure

### **Guides and manuals**

- Guide for market research
- Guide for utilization and maintenance plan
- Guide on eligible expenditures
- Visibility guide for projects
- IMIS 2014-2020 application manual



## PA1 – Nature and culture

### Specific objective: 1.1 To increase the attractiveness of the border area

Projects under the priority axis “*Nature and culture*” shall increase the attractiveness of the border area. Approved projects shall utilize the regions’ endogenous natural and cultural potentials by supporting joint culture and nature conservation activities and sustainable development of local economies. Each project has to contribute to the increase of the number of visitors in the region.

### Action 1.1 – Joint development of cultural heritage

The Action 1.1 supports complex development of cultural heritage sites by supporting owners and operators in conservation and utilization of the cultural heritage sites and private entities in improvement of quality tourism services offered for the visitors of the supported sites.

#### Core activities

Objectives of the project shall be in line with one or both core activities:

##### a) Conservation and utilization of cultural heritage sites

Activity shall include renovation and conservation works aiming to restore and protect cultural heritage sites and content development ensuring their regular utilization of public interest (*e.g. conservation and collection of contemporary artefacts, development and creation of exhibition items, purchase of equipment etc.*).

##### b) Development of complementary infrastructure

Activity shall include building, reconstruction and development of complementary infrastructure necessary for the seamless operation of the related cultural heritage site (*e.g. local access roads, parking places, ticket and gift shops, public restrooms, site signage etc.*).

#### Supplementary activities

Applicants may extend their core activities with the following supplementary activities:

##### c) Establishment and improvement of quality tourism services

Activity shall include small-scale construction works and purchase of equipment aiming to improve or establish quality tourism services undertaken by SMEs. Tourism services shall be offered in a field of accommodation, catering, sport, culture or recreation for the visitors of the supported sites.

##### d) Joint capitalization and promotion activities

Activity shall include propagation and capitalization activities of the supported sites aiming to increase the number of visitors and cooperation efficiency between the Beneficiaries (*e.g. joint destination management, joint sales campaigns, exchange of experiences, joint study tours, elaboration of promotion materials other than mandatory visibility elements etc.*).

## Specific terms and conditions

### Definitions

In terms of the present Call, **cultural heritage** is any built object, landmark or area having cultural, historical or religious significance. Sites shall be located in the programme area and shall be owned or operated by the Beneficiaries.

In terms of the present Call, **utilization** means seamless operation of the supported sites in public interest in accordance with their original or new function. Supported sites shall attract and accept visitors regularly after the proposed development.

In terms of the present Call, **quality tourism services** means tourism services offered by small and medium sized enterprises regularly and directly for the visitors of the supported sites in a field of accommodation, catering, sport, culture or recreation.

### Market research

In case the project includes supplementary activity: *Establishment and improvement of quality tourism services*, relevant Beneficiary implementing core activity is obliged to prepare **Market research** analysing tourism services offered for the visitors of the supported site.

### Utilization and maintenance plan

Beneficiaries responsible for core activities are obliged to prepare **Utilization and maintenance plan** describing utilization and seamless operation of the supported sites during the maintenance period.

### Target groups

Primary target group of the Action 1.1 are organizations owning or operating cultural heritage sites or complementary infrastructure e.g. museums, public institutions, non-profit or non-governmental organizations, churches, local or regional governments and municipalities. The secondary target group are small and medium sized enterprises offering tourism services.

### Partnership composition

The maximum number of Beneficiaries is not limited. The minimum setup is composed by two Beneficiaries (one from each member state) each belonging to the primary target group implementing core activity. Partnership shall be strengthened by similar or adjacent profile of the Beneficiaries creating solid basis for the long-term cooperation. Involving SMEs is not mandatory.

### Eligible expenditures

- Expenditures related to joint capitalization and promotion cannot exceed 10% of the total costs of the Beneficiary.
- Expenditures of small and medium sized enterprises are eligible related to construction works and purchase of equipment only.

### Maximum project size

The maximum project size including the total budget of all Beneficiaries (including SMEs) cannot exceed 1.500.000,00 EUR.

The total budget of any small and medium sized enterprise establishing or improving quality tourism services cannot exceed 100.000,00 EUR. If financial contribution of the Programme is provided to undertakings, applicability of State aid rules shall be assessed. In case of De minimis aid, the annual turnover of the Beneficiary in the last closed fiscal year cannot be less than 30% of the requested community contribution.

### **Project durability requirements**

Projects comprising investment in infrastructure shall be maintained minimum for five years after the final payment is transferred to the Beneficiary. Investment in business infrastructure shall be maintained by SMEs for three years after the final payment is transferred to the Beneficiary.

### **Key assessment criteria**

Applicants shall thoroughly analyse the following aspects of the project, which reflect on most important assessment criteria:

- significance or the level of legal protection of the cultural heritage sites,
- strength of the cross-border cooperation between the Beneficiaries,
- strength of the cooperation between the operators and service providers (if relevant),
- the level of utilization of the supported sites before and after the development,
- guarantees for the maintenance after the development,
- increase of the expected number of visitors.

### **Result and key output indicators**

#### **Total number of visitors in the region (R110)**

Contribution to the result indicator R110 is mandatory for each project. The indicator reflects on the total number of visitors in the region. Visitor in accommodation establishment of tourism is a person (except staff and owner) using services of temporary accommodation establishment regardless of country of permanent residence. Applicants shall describe the project's contribution to the fulfilment of the indicator.

#### **Increase in expected number of visits to supported sites of cultural and natural heritage and attractions (CO09)**

Setting up the output indicator CO09 is mandatory for each Beneficiary implementing core activities. The indicator reflects on ex-ante estimated increase in number of visits to a site in the year following project completion. Methods that can be used to estimate the number of visits to supported sites are the following:

- Historical data: Statistics from previous years of the developed site or similar attraction nearby;
- Estimation based on the population of the catchment area;
- Estimation based on target groups: the number of targeted visitors to a site (*e.g. school children aged 8-14 of the region/two counties, etc.*);
- Survey: distributing questionnaire to the chosen groups, population.

Beneficiaries may use the combination of the different approaches. One visitor can make multiple visits; a group of visitors count as many visits as many members the group has.

**Number of enterprises receiving support (C001)**

Setting up the indicator is mandatory for each SME Beneficiary. The indicator reflects on the sum of all enterprises receiving support in any form from ERDF (whether the support represents state aid or not). An enterprise receiving grants more than once is still only one enterprise receiving grants. Forms of the support contains the following subsets:

- number of enterprises receiving grants (non-refundable direct financial support);
- number of enterprises receiving financial support other than grants (non-grant type financial support);
- number of enterprises receiving non-financial support (guidance, consultancy, enterprise incubators, etc.)

**Number of enterprises receiving grants (C002)**

Setting up the indicator CO02 is mandatory for each SME Beneficiary. The indicator reflects on the sum of all enterprises involved into the project implementation as Beneficiaries receiving ERDF contribution.

## Action 1.2 – Joint development of natural heritage

Action 1.2 supports complex development of natural heritage areas by supporting owners and maintainers in restoration and utilization of the protected areas and private entities in improvement of quality tourism services offered for the visitors of the supported areas.

### Core activities

Objectives of the projects shall be in line with one or both core activities:

#### a) Restoration and maintenance of natural heritage areas

Activity shall include conservation of the biological diversity, restoration and development of hiking and water trails, improvement of route and hazard signage and reconstruction and building of environmentally friendly tourism infrastructure (*e.g. resting places, public bathrooms, watercourse access points, craft loading spaces, outdoor education facilities, maintenance facilities etc.*).

#### b) Development of complementary infrastructure

Activity shall include building or reconstruction and development of complementary accessing infrastructure necessary for the visitors to access the *related natural heritage areas* (*e.g. visitor centres, ecocenters with related equipment, bike roads<sup>4</sup>, local access roads, parking places, service facilities etc.*).

### Supplementary activities

Applicants may extend their core activities with the following supplementary activities:

#### c) Establishment and improvement of tourism services

Activity shall include small-scale construction works and purchase of equipment aiming to improve or establish quality tourism services undertaken by SMEs. Tourism services shall be offered in a field of accommodation, catering, sport, culture or recreation for the visitors of the supported sites.

#### d) Joint capitalization and promotion activities

Activity shall include propagation and capitalization of the supported sites aiming to increase the number of visitors and the cooperation efficiency between the Beneficiaries (*e.g. joint destination management and sales campaigns, exchange of experiences, joint study tours, elaboration of promotion materials other than mandatory visibility elements etc.*).

## Specific terms and conditions

### Definitions

In terms of the present Call, **natural heritage** is any national park, protected landscape area, nature trail or significant natural area. Areas shall be located in the programme area and shall be owned or maintained by the Beneficiaries.

---

<sup>4</sup> Development of bike roads is only eligible with Eurovelo classification or for bike roads directly connected to Eurovelo network.

In terms of the present Call, **maintenance** means seamless operation of the supported areas in public interest in accordance with their original or new function. Supported areas shall attract and accept visitors regularly after the proposed development.

In terms of the present Call, **quality tourism services** means tourism services offered by small and medium sized enterprises regularly and directly for the visitors of the supported sites in a field of accommodation, catering, sport, culture or recreation.

### **Market research**

In case the project includes supplementary activity: *Establishment and improvement of quality tourism services*, Beneficiaries implementing core activities are obliged to prepare Market research analysing tourism services offered for the visitors of the supported site.

### **Utilization and maintenance plan**

Beneficiaries responsible for core activities are obliged to prepare Utilization and maintenance plan describing utilization and seamless operation of the supported areas during the maintenance period.

### **Target groups**

Primary target group of the Action 1.2 are organizations owning or maintaining natural heritage areas e.g. natural parks, state owned companies, public institutions, non-profit or non-governmental organizations or local and regional governments and municipalities. The secondary target group are small and medium sized enterprises offering services for the visitors of the supported areas.

### **Partnership composition**

The maximum number of Beneficiaries is not limited. The minimum setup is composed by two Beneficiaries (one from each member state) each belonging to the primary target group implementing core activity. Partnership shall be strengthened by similar or adjacent profile of the Beneficiaries creating solid basis for the long-term cooperation. Involving SMEs is not mandatory.

### **Eligible expenditures**

- Expenditures related to joint capitalization and promotion activities cannot exceed 10% of the total costs of the Beneficiary.
- Expenditures of small and medium sized enterprises are eligible related to construction works and purchase of equipment only.

### **Maximum project size**

The maximum project size including the total budget of all Beneficiaries (including SMEs) cannot exceed 2.000.000,00 EUR.

The total budget of any small and medium sized enterprise establishing or improving quality tourism services cannot exceed 100.000,00 EUR. If financial contribution of the Programme is provided to undertakings, applicability of State aid rules shall be assessed. In case of De minimis aid, the annual turnover of the Beneficiary in the last closed fiscal year cannot be less than 30% of the requested community contribution.

### **Project durability requirements**

Projects comprising investment in infrastructure shall be maintained minimum for five years after the final payment is transferred to the Beneficiary. Investment in business infrastructure shall be maintained by SMEs for three years after the final payment is transferred to the Beneficiary.

### **Key Assessment criteria**

Applicants shall carefully analyse the following aspects of the projects, which reflects on the most important assessment criteria:

- significance and the level of legal protection of the landscape area,
- strength of the cross-border cooperation between the Beneficiaries,
- strength of the cooperation between operators and service providers (if relevant),
- the level of utilization of the supported sites before and after the development,
- guarantees for the maintenance of the supported areas after the development,
- increase of the expected number of visitors.

### **Result and key output indicators**

#### **Total number of visitors in the region (R110)**

Contribution to the result indicator R110 is mandatory for each project. The indicator reflects on the total number of visitors in the region. Visitor in accommodation establishment of tourism is a person (except staff and owner) using services of temporary accommodation establishment regardless of country of permanent residence. Applicants shall describe the project's contribution to the fulfilment of the indicator.

#### **Increase in expected number of visits to supported sites of cultural and natural heritage and attractions (C009)**

Setting up the indicator C009 is mandatory for each Beneficiary implementing core activities. The indicator reflects on ex-ante estimated increase in number of visits to a site in the year following project completion. Methods that can be used to estimate the number of visits to supported sites are the following:

- Historical data: Statistics from previous years of the developed site or similar attraction nearby;
- Estimation based on the population of the catchment area;
- Estimation based on target groups: the number of targeted visitors to a site (*e.g. school children aged 8-14 of the region/two counties, etc.*);
- Survey: distributing questionnaire to the chosen groups, population.

Beneficiaries may use the combination of the different approaches. One visitor can make multiple visits; a group of visitors count as many visits as many members the group has.

#### **Surface area of habitats supported in order to attain a better conservation status (C023)**

Setting up the indicator C023 can be relevant for Beneficiaries restoring and maintaining natural heritage areas. The indicator reflects on surface of restored or created areas aimed to improve the conservation status of threatened species.

**Number of enterprises receiving support (C001)**

Setting up the indicator is mandatory for each SME Beneficiary. The indicator reflects on the sum of all enterprises receiving support in any form from ERDF (whether the support represents state aid or not). An enterprise receiving grants more than once is still only one enterprise receiving grants. Forms of the support contains the following subsets:

- number of enterprises receiving grants (non-refundable direct financial support);
- number of enterprises receiving financial support other than grants (non-grant type financial support);
- number of enterprises receiving non-financial support (guidance, consultancy, enterprise incubators, etc.)

**Number of enterprises receiving grants (C002)**

Setting up the indicator C002 is mandatory for each SME Beneficiary. The indicator reflects on sum of all enterprises involved into the project implementation as Beneficiaries receiving ERDF contribution.



## Action 1.3 – Joint development of tourism attractions

Action 1.3 supports joint development of touristic attractions offering leisure and amusement in order to increase the number of expected visitors coming into the region.

### Core activities

Objectives of the project shall fit into the following core activities:

#### a) Joint improvement of the tourism infrastructure

Activity may include building, reconstruction and content development of tourism attractions aiming to improve their infrastructural background and operational conditions in order to increase the number of visitors.

### Supplementary activities

Applicants may extend their core activities with the following supplementary activities:

#### b) Joint promotion activities

Joint promotion activities may include propagation activities promoting the supported sites for the public (*e.g. elaboration of printed, electronic or audio-visual materials, joint promotion campaigns etc.*) that are not part of the mandatory visibility elements.

### Specific terms and conditions

#### Definitions

In terms of the present Call, **tourism attractions** are places of interest offering leisure and amusement services suitable to attract and accept visitors regularly. Places shall be located in the programme area and shall be owned or operated by the Beneficiary.

#### Market research

Beneficiaries are obliged to prepare **Market research** analysing tourism services offered for the visitors of the supported site.

#### Utilization and maintenance plan

Beneficiaries are obliged to prepare **Utilization and maintenance plan** describing utilization and seamless operation of the supported sites during the maintenance period.

#### Target groups

Target group of the Actions 1.3 are primarily public and non-profit organization, small and medium sized enterprises owning or operating tourism attractions on the programme area. In Action 1.3 Applicants are eligible if they maintain double entry bookkeeping.

#### Partnership composition

The maximum number of Beneficiaries is not limited. The minimum setup is composed by two Beneficiaries (one from each member state). Partnership shall be strengthened by similar or adjacent profile of the Beneficiaries creating solid basis for the long-term cooperation.

**Eligible expenditures**

- Expenditures related to the operation and maintenance of the supported attractions are not eligible.
- Expenditures related to joint promotion activities cannot exceed 10% of the total costs of the Beneficiary.

**Maximum project size**

The maximum project size including the total budget of all Beneficiaries cannot exceed 1.000.000,00 EUR. If financial contribution of the Programme is provided to undertakings, applicability of De minimis rules shall be assessed.

In case of organizations of which primary objective of establishing was to generate profit, the maximum amount of the community contribution is assessed against the annual turnover and total assets owned by the Beneficiary in the last closed fiscal year. The annual turnover of the Beneficiary in the last closed fiscal year cannot be less than 20% of the requested community contribution. At the same time, the sum of total assets in the last closed fiscal year cannot be lower than 40% of the requested ERDF support.

This condition does not apply to entities, which were established for other purposes than making profits, i.e. which primary objective is to serve civic society (e.g. non-governmental and non-profit organisations).

**Project durability requirements**

Projects comprising investment in infrastructure shall be maintained minimum for five years after the final payment is transferred to the Beneficiary. Investment in business infrastructure shall be maintained by SMEs for three years after the final payment is transferred to the Beneficiary.

**Key assessment criteria**

Applicants shall thoroughly analyse the following aspects of the projects, which reflects on the most important assessment criteria:

- significance of the tourism attractions,
- increase of the expected number of visitors,
- strength of the cross-border cooperation between the Beneficiaries,
- the level of utilization of the supported attractions before and after the development,
- guarantees for the maintenance after the development.

**Result and key output indicators****Total number of visitors in the region (R110)**

Contribution to the result indicator R110 is mandatory for each project. The indicator reflects on the total number of visitors in the region. Visitor in accommodation establishment of tourism is a person (except staff and owner) using services of temporary accommodation establishment regardless of country of permanent residence. Applicants shall describe the project's contribution to the fulfilment of the indicator.

### **Increase in expected number of visits to supported sites of cultural and natural heritage and attractions (C009)**

Setting up the indicator CO09 is mandatory for each Beneficiary implementing core activities. The indicator reflects on ex-ante estimated increase in number of visits to a site in the year following project completion. Methods that can be used to estimate the number of visits to supported sites are the following:

- Historical data: Statistics from previous years of the developed site or similar attraction nearby;
- Estimation based on the population of the catchment area;
- Estimation based on target groups: the number of targeted visitors to a site (*e.g. school children aged 8-14 of the region/two counties, etc.*);
- Survey: distributing questionnaire to the chosen groups, population.

Beneficiary may use the combination of the different approaches. One visitor can make multiple visits; a group of visitors count as many visits as many members the group has.

### **Number of enterprises receiving support (C001)**

Setting up the indicator is mandatory for each SME Beneficiary. The indicator reflects on the sum of all enterprises receiving support in any form from ERDF (whether the support represents state aid or not). An enterprise receiving grants more than once is still only one enterprise receiving grants. Forms of the support contains the following subsets:

- number of enterprises receiving grants (non-refundable direct financial support);
- number of enterprises receiving financial support other than grants (non-grant type financial support);
- number of enterprises receiving non-financial support (guidance, consultancy, enterprise incubators, etc.)

### **Number of enterprises receiving grants (C002)**

Setting up the indicator CO02 is mandatory for each SME Beneficiary. The target value of the indicator sums all enterprises involved into the project implementation as Beneficiaries receiving ERDF contribution.

## PA4 – Enhancing cross-border cooperation

### Specific objective: 4.1 Improving the level of cross border inter-institutional cooperation and broadening cross-border cooperation between citizens

Projects under priority axis “*Enhancing cross-border cooperation of public authorities and people living in the border area*” shall strengthen the internal social cohesion of the programming area and improve the level of inter-institutional cooperation. Approved projects shall:

- strengthen the cross-border cooperation between citizens,
- foster the cross-border exchange of experiences,
- improve the capacities of the participating institutions,
- strengthen the interest toward cross-border activities,
- improve the mutual understanding among the ethnic groups living in the region,
- increase the number of long-term (institutionalised) partnerships,
- improve the level of bilingualism within the programming region.

Each project has to increase the level of inter-institutional cross-border cooperation.

### Action 4.1 – Investment in institutional capacity

Action 4.1 supports joint capacity building of cooperating institutions providing services on the programme area in a field of public administration, law enforcement, disaster management, environmental and heritage protection, education, social services and healthcare.

#### Core activities

Objectives of the projects shall be in line with one or both core activities:

#### a) Joint development of the operational infrastructure

Activity shall include construction works and/or purchase of equipment necessary for the seamless operation of the cooperating organizations.

#### b) Improvement of the cooperation capacity

Activity shall include joint activities related to obtain, improve and retain skills, knowledge and tools necessary for seamlessly and competently carried out services (*e.g. professional programmes, trainings, exchange of experiences, know-how transfer etc.*).

#### Specific terms and conditions

##### Definitions

In terms of the present Call, **capacity building** is the process by which organizations obtain, improve and retain facilities, equipment, tools, skills and knowledge needed to carry out their services seamlessly and competently. Applying organizations shall be located and operating on the programme area.

##### Utilization and maintenance plan

Beneficiaries are obliged to prepare Utilization and maintenance plan describing utilization and seamless operation of the supported sites during the maintenance period.

**Target groups**

Primary target group of the Action 4.1 are public authorities, public institutions, non-profit or non-governmental organization providing services of public interest in a field of public administration, law enforcement, disaster management, cultural and natural heritage protection, education, social services and healthcare.

**Partnership composition**

The maximum number of Beneficiaries is not limited. The minimum setup is composed by two Beneficiaries implementing core activity (one from each member state). Partnership shall be strengthened by similar or adjacent profile of the Beneficiaries creating solid basis for the long-term cooperation.

**Eligible expenditures**

Expenditures related to construction works and purchase of equipment shall reach minimum 60% of the total budget of the project.

Expenditures related to the operation and maintenance of the supported organizations are not eligible.

**Maximum project size**

The maximum project size including the total budget of all Beneficiaries cannot exceed 400.000,00 EUR.

**Project durability requirements**

Projects comprising investment in infrastructure shall be maintained minimum for five years after the final payment is transferred to the Beneficiary.

**Key assessment criteria**

Applicants shall carefully analyse the following aspects of the projects, which reflects on the most important assessment criteria:

- relevance of the supported services for the citizens in the programme area,
- strength of the cross-border cooperation between the Beneficiaries,
- capacity level of the supported organizations before and after the development,
- guarantee for the maintenance of the supported services after the development.

**Result and key output indicators****Level of cross-border cooperation (R410)**

Contribution to the result indicator R410 is mandatory for each project. The indicator reflects on rating of the cross border cooperation among institutions acting in the Programming area in the previous periods according to specific survey. Applicants shall describe the project's contribution to the fulfilment of this indicator.

**Number of people participated in cooperation (O415)**

Setting up the indicator O415 is mandatory for each Beneficiary. Indicator shall reflect on number of people participated in the cross-border cooperation including the members of project teams, experts, participants of the professional and technical events.

## Action 4.2 – Development of new cross-border services

Action 4.2 supports development of new cross-border services on the programme area directly for the citizens in a field of public administration, law enforcement, disaster management, environmental or heritage protection, tourism, education, social services and healthcare.

### Core activities

Objectives of the projects shall be in line with the following core activity:

#### a) Establishment of new cross-border services

Activity shall include capacity building necessary for the introduction and provision of new cross-border services (*e.g. small-scale construction works, purchasing tools and equipment, trainings, exchange of experiences, know-how transfer etc.*).

### Supplementary activities

Applicants may extend their core activities with the following supplementary activity:

#### b) Joint promotion activities

Joint promotion activities may include propagation activities promoting the supported services to the public (*e.g. elaboration of printed, electronic or audio-visual materials, joint promotion campaigns etc.*) that are not part of the mandatory visibility elements.

### Specific terms and conditions

#### Definitions

In terms of the present Call, **new cross-border services** are newly created services in public interest that are offered jointly for citizens from both member states.

In terms of the present Call, **capacity building** is the process by which organizations obtain, improve and retain facilities, equipment, tools, skills and knowledge needed to carry out their services seamlessly and competently. Applying organizations shall be located and operating on the programme area.

#### Market research

Beneficiaries are obliged to prepare **Market research** according to the content guideline published as part of the Applicant's package, analysing the demand for the created services.

#### Target groups

Primary target group of the Action 4.2 are public authorities and institutions, non-profit or non-governmental organization, local or regional governments, municipalities and their organizations providing services in public interest in a field of public administration, law enforcement, disaster management, environmental or heritage protection, education, social services and healthcare.

#### Partnership composition

The maximum number of Beneficiaries is not limited. The minimum setup is composed by two Beneficiaries implementing core activity (one from each member state). Partnership shall be strengthened by similar or adjacent profile of the Beneficiaries creating solid basis for the long-term cooperation.

**Eligible expenditures**

Expenditures related to joint promotion activities cannot exceed 10% of the total costs of the Beneficiary.

**Maximum project size**

The maximum project size including the total budget of all Beneficiaries cannot exceed 200.000,00 EUR.

**Project durability requirements**

Projects comprising investment in infrastructure shall be maintained minimum for five years after the final payment is transferred to the Beneficiary.

**Key assessment criteria**

Applicants shall carefully analyse the following aspects of the projects, which reflects on the most important assessment criteria:

- relevance of the supported services for the citizens of the programme area,
- strength of the cross-border cooperation between the Beneficiaries,
- professional background and experiences of the Beneficiary,
- possibility of the maintenance of the supported services after the development.

**Result and key output indicators****Level of cross-border cooperation (R410)**

Contribution to the result indicator R410 is mandatory for each project. The indicator reflects on rating of the cross border cooperation among institutions acting in the Programming area in the previous periods according to specific survey.

**Number of cross-border products and services developed (O411)**

Setting up the indicator O411 is mandatory for each Beneficiary. Indicator shall reflect on number of newly developed cross-border services or products developed by the Beneficiaries.

**Number of people participated in cooperation (O415)**

Setting up the indicator O415 is mandatory for each Beneficiary. Indicator shall reflect on number of people participated in the cross-border cooperation including the members of project teams, experts, participants of the professional and technical events.

## Eligible applicants

### Legal criteria

The Programme supports wide range of organizations that are competent to contribute to the results that different priority axes seek to achieve. In the framework of the present Call, the following type of public and private entities are eligible:

- public authorities and institutions;
- local, county or regional municipalities and their institutions;
- European groupings of territorial cooperation;
- development agencies and associations;
- chambers, educational and research institutions;
- non-profit and non-governmental organisations;
- churches and their institutions;
- private institutions serving public interests;
- state owned companies;
- small and medium sized enterprises;

### SME classification

Any entity engaged in an economic activity is considered an enterprise irrespective of its legal form and the way in which it is financed. It means that any organisation producing products or services to satisfy market needs in order to reach profit shall be considered as an enterprise.

This includes in particular, self-employed persons and family businesses and partnerships or associations regularly engaged in an economic activity. In the present Call, small and medium sized enterprises<sup>5</sup> are eligible as follows:

#### Small and micro-sized enterprise

Small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed 10 million EUR. Micro-enterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed 2 million EUR.

#### Medium-sized enterprise

The category of medium-sized enterprises is made up of enterprises, which employ fewer than 250 persons, and which have an annual turnover not exceeding 50 million EUR, and/or an annual balance sheet total does not exceed 43 million EUR.

The above-described ceilings apply to the figures for individual enterprises<sup>6</sup> only. For more information please see the document *“The new SME definition - User guide and model declaration”*.

---

<sup>5</sup> Stipulated in Annex (1) of the regulation 651/2014/EU

<sup>6</sup> According to the Article 3 of the Annex I of the 651/2014/EU, an SME can be considered as independent in case it has no participation in other enterprises and no enterprise has a participation in it. In case the enterprise can be



## Financial criteria

Small and medium sized enterprises can be eligible if the following criteria regarding their financial background are fulfilled at once:

- **Duration of operation**  
Enterprises must have the last two fiscal years closed.
- **Own equity**  
Enterprises cannot have their own equity lower than the prescribed capital stock in the last fiscal year.
- **Public debts**  
Enterprises cannot have any public debts registered at the national tax authority.

The Managing Authority reserves the right to ask for guarantees from SME beneficiaries and to determine the means of safeguarding the future claims for the contracting procedures.

In addition, the Slovak National Authority reserves the right to ask for guarantees from Slovak SME beneficiaries based on the obligations stipulated in the Memorandum of Understanding signed between Hungary and Slovak Republic.

## Location criteria

Applicants are eligible if their seat or branch office is registered in one of the following NUTS3 regions:

### Slovak republic

- Bratislavský samosprávny kraj
- Trnavský samosprávny kraj
- Nitriansky samosprávny kraj
- Banskobystrický samosprávny kraj
- Košický samosprávny kraj

### Hungary

- Budapest főváros
- Pest megye
- Komárom-Esztergom megye
- Győr-Moson-Sopron megye
- Borsod-Abaúj-Zemplén megye
- Heves megye
- Nógrád megye
- Szabolcs-Szatmár-Bereg megye

---

considered as partner or linked enterprise the data to apply to the headcount of staff and the financial amounts should be aggregated according to Article 6 of Annex I of the 651/2014/EU regulation.

## Professional criteria

Applying organizations have to be experienced and their profile shall be in line with activities described in the project. SMEs shall be active on the market having stable service or product portfolio and balanced financial history.

Applicants have to describe their activities and results from the past in line with the role and activities described in the Application form. Applicants shall submit the CV(s) of the key expert(s) representing professional guarantee for the successful implementation of the project.

## Cooperation criteria

Beneficiaries shall cooperate in the development and implementation of the projects. In addition, they shall cooperate in the staffing or the financing of projects, or in both.

- **Joint development**  
The criterion is fulfilled if the project idea is jointly developed and the Declaration on partnership is submitted as an Annex to the Application form.
- **Joint implementation**  
The criterion is fulfilled if each Beneficiary is responsible for activities, outputs and results.
- **Joint staffing**  
The criterion fulfilled if each Beneficiary involve own staff into the project implementation.
- **Joint financing**  
The criterion is fulfilled if each Beneficiary has expenditures related to the implementation financed by the programme.

The minimum requirement for a project partnership is to have at least one Slovak and one Hungarian partner<sup>7</sup>. The maximum number of Beneficiaries within the partnership is not limited.

## Lead Beneficiary principle

Beneficiaries shall appoint one organization among themselves who acts as Lead Beneficiary. Lead Beneficiary will bear the responsibilities to represent the whole project towards the Managing Authority, Joint Secretariat, Certifying Authority and Audit Authority. The Lead Beneficiary shall meet the following requirements:

- assume responsibility for ensuring the implementation of the entire project;
- lay down the arrangements with the other partners in an agreement comprising provisions that, inter alia, guarantee the sound financial management of the funds allocated to the projects, including the arrangements for recovering amounts unduly paid;

---

<sup>7</sup> In line with the Article 12 (3) Regulation No 1299/2013 of the Council and the European Parliament, this requirement is automatically fulfilled by the organisations operated in the form of European Groupings of Territorial Cooperation type of legal bodies.

- ensure that expenditure presented by all Beneficiaries has been incurred in implementing the operation and corresponds to the activities agreed between all the Beneficiaries.

The Subsidy contract setting out the conditions for the entire project is concluded between the Managing Authority and the Lead Beneficiary. As a result, the Lead Beneficiary is legally responsible for the delivery of the whole project. General tasks of the Lead Beneficiary:

- submission of the Application form;
- ensuring the delivery of the tangible outputs stipulated in the Application form;
- ensuring that all Beneficiaries carry out activities in line with the Application form;
- ensuring that all activities are carried out in line with the approved time plan;
- collecting the partners claims verified by the relevant body,
- submission of the project progress reports and applications for reimbursement;
- submission of the project's financial claims;
- receiving payment of the ERDF support and distributing it amongst the partners;
- recovering amounts paid in error to other partners in the project;
- submission of Follow-up reports after the closure of the project.

### **Exclusion criteria**

Applicants shall be excluded from the Call if any of the following criteria is not met:

- their legal personality is in accordance with the legislation of Slovakia and Hungary and are exclusively legal entities;
- they have fulfilled their obligations relating to the payment of social security contributions and/or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Managing Authority or those of the country where the contract is to be performed;
- they are not bankrupt or being wound up, are not having their affairs administered by the courts, have not entered into an agreement with creditors,
- they have not suspended business activities, are not the subject of proceedings concerning those matters, or are not in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- they have not been guilty of grave professional misconduct proven by any means which the Managing Authority or the National Authority can justify;
- they have been the subject of judgement which has the force of 'res iudicata' for fraud, for corruption, for severe breach of contract in connection to obligations stemming from public procurement rules or rules governing the use of Community funding or national subsidies, for involvement in a criminal organization or for any other illegal activity detrimental to the Community's financial interests;
- they are not subject to a conflict of interests connected to their participation in the present Call;
- they are not guilty of misrepresentation in supplying the information required by the Managing Authority and National Authority as a condition of participation in the Call or in failing to supply information;

- they have not attempted to obtain confidential information or to influence the Monitoring Committee, Managing Authority, National Authority or the Joint Secretariat during the assessment process of the current or a previous Call.

Enterprises cannot be supported if one of the following criteria is fulfilled:

- they are in difficult situation (according to Regulation 651/2014/EU);
- they are under bankruptcy proceeding, liquidation, final settlement;
- they are involved in court cases in respect of their own operations;
- they are under sanction concerning national or EU support;
- they are subject to a conflict of interests connected to their participation in the present Call.

## Project development

### Intervention logic

The Programme awards grants to projects based on competitive calls where project proposals are assessed and the best ones selected for approval and implementation. All projects have to demonstrate strong cross-border character having clear impact on territorial, economic and social cohesion of the border area and shall generate long-term partnerships between the Beneficiaries. Project proposals shall be developed according to the following logic:

#### **1. Identification of the challenges to overcome**

Applicants shall identify their common needs or potentials that shall be fulfilled or utilized by the project. The more important or significant the identified needs and potentials are for the programme area, the project is better.

#### **2. Setting up the project objectives and expected results**

Applicants shall clearly state what they would like to change and how it will be different. They shall describe how and why the achieved results will benefit for the programme area. Project proposals can be approved only if their objectives are logically linked to one of the supported actions.

#### **3. Target groups, utilization and maintenance**

Utilization of the outputs and results is one of the most important criteria of a successful project. Applicants shall thoroughly analyse the demand for the outputs and results and identify the group of citizens benefiting from the project. Applicants shall ensure the professional and financial maintenance of the project outputs and result.

#### **4. Setting up the activities and tangible outcomes**

Applicants shall partition their project part into individual activities, which represent group of coherent tasks according to the responsible Beneficiary, type of tasks, length or final outcomes (*final products, services and solutions*).

#### **5. Assigning the adequate resources to activities**

After the project is divided into activities, Applicants shall set up the necessary resources for the implementation. This include setting up of the necessary staff, time and the adequate costs for the implementation.

## Eligible activities

The basic elements of the project are activities. Activity is a group of coherent tasks aggregated according to the type, outcomes, location and the responsible Beneficiary. Each activity have to be described in detail and justified in order to demonstrate clear contribution to the project objectives.

Activities related to investment in infrastructure can be realized solely on property on which ownership rights of the Beneficiary can be guaranteed. Ownership rights can be guaranteed with ownership, land acquisition or by permission to use or operate the property for indefinite period or at least for 10 years.

## Mandatory activities

### Core activities

Core activities are key activities, which represents the link between the programme and project objectives. Beneficiaries have to align their objectives with the supported core activities of the specific Action.

### Supplementary activities

Supplementary activities are additional activities, which improve the project utilization and maintenance and efficiency of the cooperation between the Beneficiaries. Introduction of supplementary activities is not mandatory.

### Joint capitalization and promotion activities

Joint capitalization and promotion activity shall include all capitalization and propagation activities that are not part of the mandatory visibility elements. Expenditures related to capitalization and promotion cannot exceed 10% of the total costs of the Beneficiary.

## Timeframe

Applicants shall consider several factors when planning the project implementation like the length of the procurement procedures, availability of construction capacity, cash-flow conditions or seasonal weather conditions. The maximum project durations are the following:

Actions	Maximum project durations (months)
Action 1.1 – Joint development of cultural heritage	24
Action 1.2 – Joint development of natural heritage	24
Action 1.3 – Joint development of tourism attractions	24
Action 4.1 – Capacity building of cooperating institutions	24
Action 4.2 – Development of institutional cooperation	16

Beneficiaries may start the implementation after the MC decision comes into force. Applicants shall start the implementation on 1<sup>st</sup> July 2020 the latest. All projects have to be finished until 30 June 2023. Final starting dates are agreed during the contracting procedure.

## Eligible expenditures

Expenditures related to eligible activities are provided to Beneficiaries as non-repayable grant in the form of reimbursement. Expenditures are eligible if they are directly related to eligible activities and are in line with the principles of the sound financial management as follows:

- **The principle of economy**  
The principle of economy requires that the resources used by the institution in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price.
- **The principle of efficiency**  
The principle of efficiency concerns the best relationship between resources employed and results achieved.
- **The principle of effectiveness**  
The principle of effectiveness concerns the attainment of the specific objectives set and the achievement of the intended results.

## Eligibility period

The eligibility period of expenditures falls between the project's start date and end date indicated in the Subsidy contract. All expenditures subject to reimbursement expect preparation costs must occur in the above-mentioned period.

Eligibility period of the preparation costs falls between 1<sup>st</sup> January 2014 and the project start date. Expenditures related to preparation must occur and outputs and deliverables must be performed until the project start date. Preparation costs may include the following expenditures:

- building documentation,
- costs of building and other relevant permits, and
- translation costs
- market research,
- utilization and maintenance plan.

Cost of market research and utilization and operational plan are eligible only if documents are submitted as annex to the Application form. **Preparation costs cannot exceed 10% of the total budget of the Beneficiary.**

## Eligible location

Eligible costs shall occur on the programme area. In exceptional cases, Applicants may have also cost occurring outside of the programme area if the expected results of the project require. Expenditures related to outside area cannot exceed 20% of the project total budget.

## Cost categories

Expenditures are eligible if they are directly related to project activities and fulfil specific conditions related to cost categories. Beneficiaries shall fit their expenditures into the following cost categories:

- staff costs;

- office and administrative expenditure;
- travel and accommodation costs;
- external expertise and services costs;
- equipment expenditure, and
- infrastructure and works.

Detailed description of cost categories and the list of eligible and ineligible expenditures can be found in “*Guide on Eligible Expenditures*” document.

**Costs of mandatory visibility elements**

All projects has to fulfil the minimum communication and visibility obligations described in the “*Visibility guide for projects*” document. Costs of mandatory communication and visibility elements are eligible according to predefined ceilings described in the “*Visibility guide for projects*” document.

**VAT status**

Applicants shall indicate their expenditures in EUR in line with their VAT status. Beneficiaries reclaiming VAT shall indicate net prices for the concerned expenditures.

**Project size**

Applicants have to respect the available total budget predefined for each Action. The predefined total budget comprises the total budget of all Beneficiaries of the project. The total budget regarding all actions are listed in the following table:

Actions	Total budget (EUR)
Action 1.1 – Joint development of cultural heritage	1.500.000
Action 1.2 – Joint development of natural heritage	2.000.000
Action 1.3 – Joint development of tourism attractions	1.000.000
Action 4.1 – Capacity building of cooperating institutions	400.000
Action 4.2 – Development of institutional cooperation	200.000



## Sources of financing

Projects are financed from the European Regional Development Fund [ERDF], central budgets of the Member States and own resources of the Beneficiaries. The co-financing rate of each Beneficiary depends on the type of activities, location and the legal status of the Beneficiary.

The maximum ERDF co-financing rate is 85% of the total budget of the project. Beneficiaries registered in Hungary are entitled for advance<sup>8</sup> payment. The source of funding is primarily determined by the fact whether the Beneficiary is engaged in economic or in non-economic activity.

### Non-economic activities

In general, non-economic activities are activities, which are not aiming to make profit but offering benefits for the public or the community without the possibility of exclusion. Co-financing rates for Beneficiaries performing non-economic activities are the followings:

#### Hungary<sup>9</sup>

Type of beneficiary	Community contribution	National co-finance	Own contribution
Central and public body budgetary organizations and directly or indirectly exclusively state owned companies	85%	15%	0%
Other organizations	85%	10%	5%

#### Slovak republic<sup>10</sup>

Type of beneficiary	Community contribution	National co-finance	Own contribution
State administration organizations	85%	15%	0%
Other public administration organizations	85%	10%	5%
Higher territorial units and their budgetary and contributory organizations			
Municipalities and their budgetary and contributory organizations			
NGOs/NPOs	85%	0%	15%
Private sector out of state aid schemes			

<sup>8</sup> 126/2016. (VI. 7.) Korm. rendelet

<sup>9</sup> 126/2016. (VI. 7.) Korm. rendelet

<sup>10</sup> Zákon č. 292/2014 Z. z. Zákon o príspevku poskytovanom z európskych štrukturálnych a investičných fondov a o zmene a doplnení niektorých zákonov

## Economic activities

Beneficiaries are engaged in economic activity if they offer goods or services on a given market usually in order to reach profit. Beneficiaries regularly engaged in economic activities are considered undertakings regardless of their legal status and the way in which they are financed. If financial assistance given on selective basis strengthens particular undertakings relative to their competitors State aid rules shall be applied. More specifically state aid rules shall be applied if the following criteria are fulfilled at once:

### 1) Financial assistance is given for economic activity

Beneficiaries are engaged in economic activity if they offer goods or services on a given market in order to reach profit. Beneficiaries regularly engaged in economic activities are considered undertakings regardless of their legal status and the way in which they are financed.

### 2) Financial assistance distorts the fair competition on the market

If the contribution gives competitive advantage for the Beneficiary relative to its competitors or potential competitors, the financial support can distort the fair competition on the market. Competitive advantage is defined as any economic benefit that the undertaking would not normally gain under normal market conditions. The potential to distort competition does not have to be substantial or significant.

### 3) Financial assistance affects the trade between the member states of EU

In case the goods or services are traded or potentially tradeable between the members states of the EU the financial support affects the trade between the member states.

The Programme provides financial assistance considered State aid only in line with mechanisms regulated in the Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid or the (*De minimis regulation*).

Besides the above-mentioned mechanism for Hungarian Beneficiaries, the Programme provides financial assistance considered State aid in line with the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty. (General Block Exemption Regulation)

## De Minimis Aid

According to the Commission Regulation (EU) No. 1407/2013 Members States are allowed to support local undertakings by small amount financial assistance that is unlikely to distort the fair competition on the market. De minimis aid can be provided to Beneficiaries – undertakings, provided conditions settled in the Commission Regulation (EU) No. 1407/2013 are fulfilled.

## Excluded activities

The De minimis aid cannot support fishery and aquaculture, primary production of agricultural products and export-related activities. De minimis aid shall apply for the processing and mar-

keting of primary agricultural products if the aid does not finance activities necessary for preparing a product for the first sale or activities concerning the first sale by a primary producer to resellers or processors.

**Maximum amount of the aid**

The maximum amount of the De Minimis aid is 200.000 EUR granted by the Member State over the period of the last three years for single undertaking<sup>11</sup>. Since the Programme operates as the cooperation of two Member States, the maximum amount of the De Minimis aid for a single undertaking is 400.000 EUR (200.000 EUR per each member state involved) over the period of the last three years. If the Beneficiary already received (or has been awarded) any De minimis aid over the period of the last three years from any Member State, the maximum amount of the De minimis aid shall be reduced accordingly<sup>12</sup>.

**Co-financing rate**

The co-financing rate for De minimis aid is identical for both Member States:

Type of beneficiary	Community contribution	National co-finance	Own contribution
Small and medium sized enterprises	85%	0%	15%

**General Block Exemption Regulation**

According to the EC regulation (EU) No 651/2014, Member States can provide financial assistance to undertakings without the notification of the Commission in certain categories if their activities are in line with criteria laid down in the regulation. In the present Call, only economic activities can be supported which are in line with Article (53) of the Commission Regulation (EU) No 651/2014.

**Article (53) - Aid for culture and heritage conservation**

The aid for culture and heritage conservation shall be granted for the following cultural purposes and activities<sup>13</sup>:

- museums, archives, libraries, artistic and cultural centres or spaces, theatres, opera houses, concert halls, other live performance organisations, film heritage institutions and other similar artistic and cultural infrastructures, organisations and institutions;
- tangible heritage including all forms of movable or immovable cultural heritage and archaeological sites, monuments, historical sites and buildings; natural heritage linked to cultural heritage or if formally recognized as cultural or natural heritage by the competent public authorities of a Member State;
- intangible heritage in any form, including folklorist customs and crafts;

<sup>11</sup> For more information on single undertakings please refer to the Article 2 (2) of the Commission Regulation (EU) No. 1407/2013

<sup>12</sup> For the national legislation applicable to De minimis aid in Hungary please see Section 64 of Government Decree 44/2016 (III. 10.).

<sup>13</sup> Please note that activities supported by the Call are not identical

- art or cultural events and performances, festivals, exhibitions and other similar cultural activities;
- cultural and artistic education activities as well as promotion of the understanding of the importance of protection and promotion of the diversity of cultural expressions through educational and greater public awareness programs, including with the use of new technologies;
- writing, editing, production, distribution, digitisation and publishing of music and literature, including translations.

**Maximum amount of the aid**

The aid may take the form of investment aid, including aid for the construction or upgrade of culture infrastructure. The maximum amount of the aid cannot exceed 1 million EUR. For detailed description of eligible costs, please refer to the Article 53 of the Regulation. For investment aid, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment.

**Co-financing rate**

The co-financing rate for Aid for culture and heritage conservation for Hungarian Beneficiaries:

Type of beneficiary	Community contribution	National co-finance	Own contribution
Small and medium sized enterprises	80%	0%	20%

## Horizontal principles

All projects must pay special attention to implement their activities in line with horizontal principles of the programme, which are promoting sustainable development, ensuring equality between men and women and prevent to discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Horizontal principles are divided into four categories. Obligatory requirements are mandatory for each project.

### Obligatory requirements

#### 1) Compensatory measures and damage mitigation

Projects comprising investment in infrastructure negatively affecting nature, fauna and flora, and biodiversity, project activities have to be accompanied by compensatory measures and damage mitigation.

#### 2) Cost-optimal levels of energy performance

Projects comprising investment in infrastructure have to choose climate-friendly architectural solutions and cost-optimal levels of energy performance according to the Directive 2010/31/EU.

#### 3) River basin management

Projects comprising investment in infrastructure to inland waterways have to be implemented in accordance with Art. 4 of the Directive 2000/60/EC and the river basin management have to be respected.

#### 4) Green public procurement

Applicants shall use their purchasing power to choose environmentally friendly goods, services and works; they can make an important contribution to sustainable consumption and production.

### Programme specific measures

In the Application form, Applicants must choose at least one measure concerning each principle and describe the project's contribution to its fulfilment from qualitative and quantitative point of view.

#### 1. Sustainable development

Applicants must contribute to at least one measure from the followings:

- project contributes to the reduction of greenhouse gas emission by reduced usage of hazardous material for the environment;
- project reduces the consumption of energy, water and limited resources and increase the usage of renewable energy;
- project increases the energy efficiency and usage of recycled materials,
- project pays attention to efficiency and rational approach to funds and resources and goes beyond cost-optimal levels according to Directive 2010/31/EU.
- in case project involves purchasing products the requirements set out in Annex III of the Energy Efficiency Directive (2012/27/EU) is respected.

## 2. Equality between men and women

Applicants must contribute to at least one measure from the followings:

- Project increases access to employment opportunities for women and supports flexible working hours.
- Project promotes female entrepreneurship and self-employment of women;
- Project ensures minimum 50% in number of women or disadvantaged persons participating in joint education and training activities, events;
- Project supports equal pay initiatives at the workplace.

## 3. Equal opportunities and non-discrimination

Applicants must contribute to at least one measure from the followings:

- Project must be transparent and must take into account non-discrimination principles.
- Project ensures accessibility of people with disabilities to newly developed services.
- In case of the employment initiatives the project gives preference to the social inclusion and gives advantage to Roma people and to people living in deep poverty.

### Priority Axis specific measures

The Programme introduced specific measures, which are applicable only in the frame of the selected Priority axis. **Applicants are obliged to choose at least two Priority Axis specific measures regarding the relevant Priority Axis and describe the project's contribution to its fulfilment.**

#### Nature and Culture

Applicants must contribute to at least two measures from the followings:

- project shall build environmental and cultural awareness and respect and provide positive experiences for both visitors and hosts;
- project provides direct benefits for conservation and generates benefits for both local people and local economy;
- project shall design, construct and operate low energy demand or nearly zero-energy buildings.

#### Enhancing cross-border cooperation of public authorities and people

Applicants must contribute to at least two measures from the followings:

- project shall contribute to the accessibility of cross-border education, social and other public services.
- project improves service provision in the borderland, enhances mutual understanding and bilingualism.
- project ensures the accessibility of people with disabilities to existing services.

## Mandatory annexes

Mandatory annexes to the Application form have to be submitted electronically in the Application module of the IMIS by uploading them into predefined folders.

### **ANNEX I – Declaration of the Beneficiary**

Each Beneficiary has to submit the Declaration of the Beneficiary. Beneficiaries shall use the predefined template (according to their seat) available as part of the Applicant's package. The template has to be downloaded, filled in, printed, signed by the statutory representative(s) and uploaded into the relevant folder.

### **ANNEX II – Declaration on Partnership**

Each Lead Beneficiary has to submit the Declaration on Partnership. Lead Beneficiaries shall use the predefined template available as part of the Applicant's package. The template has to be downloaded, filled in, printed, signed by the statutory representatives of all Beneficiaries and uploaded into the relevant folder in English.

### **ANNEX III – Professional guarantee**

Each Beneficiary has to submit the CV(s) of key expert(s) representing professional guarantee for the successful implementation of the project. CVs shall be created in Europass format in English and uploaded into the relevant folder.

### **ANNEX IV – Financial reports**

Each SME Beneficiary has to submit copy of financial reports for the last two closed fiscal years. Private entrepreneurs has to submit the copy of their tax declaration for the last two years. Documents have to be uploaded into the relevant folder in national languages.

### **ANNEX V – Confirmation of the Tax Authority**

Each SME Beneficiary and private entrepreneur has to submit the copy of confirmation from tax authority stating that Beneficiary has no public dues registered at the tax authority. Documents have to be uploaded into the relevant folder in national languages. SMEs and private entrepreneurs in Hungary are exempted from this obligation if they are registered in the official database of the National Tax and Customs Administration ([https://nav.gov.hu/nav/adatbazisok/koztartozasmentes/egyszeru\\_lekerdezes](https://nav.gov.hu/nav/adatbazisok/koztartozasmentes/egyszeru_lekerdezes)).

### **ANNEX VI – Declaration on investment in infrastructure**

Each Beneficiary realizing investment in infrastructure has to submit Declaration on investment in infrastructure. Beneficiaries shall use the template available as part of the Applicant's package. The template has to be downloaded, filled in, printed, signed by the statutory representative(s) and uploaded into the relevant folder in English.

### **ANNEX VII – Building documentation**

Each Beneficiary realizing investment in infrastructure has to submit building documentation with the following documents:

- layout plan of the affected site indicating objects,
- photo documentation of the current situation,
- realization plan (if building permission is needed)

- floor plan and elevation views,
- section and facade plans,
- 3d visualisation (if available),
- detailed cost calculation.

Documents have to be uploaded into the relevant folder in national languages.

### **ANNEX VIII – Market research**

In case the Beneficiary is obliged to elaborate Market research, Beneficiary has to submit the mandatory document prepared according to the guide available as part of the Applicant's package. Documents have to be uploaded into the relevant folder in national languages or in English.

### **ANNEX IX – Utilization and maintenance plan**

In case the Beneficiary is obliged to elaborate Utilization and maintenance plan, Beneficiary has to submit the mandatory document prepared according to the guide available as part of the Applicant's package. Documents have to be uploaded into the relevant folder in national languages or in English.

## **Submission procedure**

Applications have to be submitted by the Lead Beneficiary electronically through the application module of the Interreg Monitoring and Information System 2014-2020 [IMIS 2014-2020]. Applicants shall use the document '*User's Manual of the IMIS 2014-2020 Application Module*' available as part of the Applicant's package.

The application form has to be filled in in English. As a final step of the submission procedure, IMIS 2014-2020 automatically generates a Certification which shall be printed, signed (and stamped) by the legal representative/s of the Lead Beneficiary and uploaded into the system.



## Selection procedure

### Formal assessment

#### Admissibility assessment

Admissibility assessment is undertaken by the Joint Secretariat. The assessment is carried out against the following criteria:

- the application form is filled in in English,
- the application form is submitted until the given deadline,
- certificate generated by IMIS is signed and uploaded.

Applications fail to fulfil the admissibility criteria will be rejected. Lead Beneficiary is informed about the result of the admissibility assessment in e-mail. The e-mail is sent to the addresses of the legal representative and the contact person indicated in the Application form.

#### Completeness assessment

Completeness assessment is undertaken by the Joint Secretariat. The assessment is carried out against the following criteria:

- ANNEX I – Declarations of the Beneficiary are submitted for each Beneficiary
- ANNEX II – CVs of the professional guarantees are submitted for each Beneficiary
- ANNEX III – Financial reports are submitted for each SME Beneficiary
- ANNEX IV – Confirmations of the Tax Authority is submitted for each relevant SME Beneficiary
- ANNEX V – Declaration on Partnership is submitted for each project
- ANNEX VI – Declaration on investment in infrastructure is submitted for each relevant Beneficiary
- ANNEX VII – Building documentation is submitted for each relevant Beneficiary
- ANNEX VIIIA – Market research is submitted for each relevant Beneficiary
- ANNEX VIIIB – Utilization and maintenance plan is submitted for each relevant Beneficiary

If an Application fails to fulfil formal criteria, Lead Beneficiary will be requested to complete the missing documents in e-mail. The e-mail is sent to the addresses of the legal representative and the contact person indicated in the Application form.

### Eligibility assessment

Eligibility assessment is undertaken by the Joint Secretariat. The assessment is carried out against the following criteria:

- the Application fulfils cross-border criteria,
- each Beneficiary fulfils legal criteria,
- each Beneficiary fulfils location criteria,
- each SME Beneficiary fulfils financial criteria,
- the partnership fulfils cooperation criteria,

**Please note, that if any Beneficiary fails to fulfil the eligibility criteria, the entire Application will be rejected.** Lead Beneficiary is informed about the result of the formal and eligibility assessment in e-mail. The e-mail is sent to the addresses of the legal representative and the contact person indicated in the Application form.

## Quality assessment

The quality of projects is assessed against criteria laid down in the Quality assessment grid available as part of the Applicant's package. The quality assessment is divided into four parts.

### Strategic assessment (Joint Secretariat)

The first part of the quality assessment is undertaken by the Joint Secretariat. The primary subject of the assessment is whether the project objectives are logically linked to the relevant priority axis and the project activities are in line with the supported activities of the related action. The comprehensive list of the criteria assessed by the Joint Secretariat is available in the Quality assessment grid. Each project is assessed by two programme managers representing both Member States. The maximum points given by the Joint Secretariat are 43 points. The final score is made up from the average of two assessments.

### Territorial assessment (Territorial experts)

The second part of the quality assessment is undertaken by territorial experts delegated by the counties and higher territorial units forming the programme area. The primary subject of the assessment is whether the project objectives are in line with the relevant regional development plans and local initiatives. The comprehensive list of the criteria assessed by the Territorial experts is available in the Quality assessment grid. Each project is assessed by as many experts as many regions are affected by the project. The maximum points given by the Territorial experts are 20 points. The final score is made up from the average of the assessments.

**If an Application receives less than 40 points after the first and second part of the quality assessment, the project shall be rejected.**

### Operational assessment (External assessors)

Third part of the quality assessment is performed by external assessors selected from a pool of experts previously approved by the Managing authority in agreement with the National Authority. The primary subject of the assessment is whether the project objectives are in line with sectoral trends, expected results can be achieved, expenditures are in line with market prices and project outcomes are durable. The comprehensive list of the criteria assessed by the External assessors is available in the Quality assessment grid. Each project is assessed by two external assessors representing both Member States. The maximum points given by external assessors are 37 points. The final score is made up from the average of two assessments.

The final score is made up from the sum of the average scores from each part. **If an Application receives less than 65 points after the third part of the quality assessment, the project shall be rejected without any consideration.**

## **Decision of the Monitoring Committee**

Based on the results of the quality assessment, the Joint Secretariat prepares a ranking list of projects grouped into the following categories based on which the MC can make its decision:

- a) projects proposed for approval (threshold equal and above 65 points)
- b) projects proposed for approval with condition (condition set by the quality assessors)
- c) projects proposed for rejection (threshold below 65 points)
- d) a reserve list

In case the applications receive the same total score and the availability of funds is not sufficient, the sum of scores received on relevance and cross-border cooperation criteria will be used to distinguish between the applications.

Lead Beneficiaries are informed about the decision of the Monitoring Committee in official letter sent by the Managing Authority to the address of the Lead Beneficiary indicated in Application form.

## **Complaint procedure**

According to Article 74(3) EU Regulation No. 1303/2013 the Beneficiaries may submit complaint against the project assessment and selection process. The right to complain against a decision regarding the project selection applies to the Lead Beneficiary whose Application was not selected for co-financing during the project assessment and selection process.

For the detailed description of the complaint procedure, please see the “Methodology and criteria for selecting operations” document as a part of the Applicant’s package.

## Contracting procedure

Contracting procedure can be included into the project implementation period or may precede the realization. The Contracting lasts maximum four months. The Subsidy contract can be concluded after all mandatory annexes are submitted to the Joint Secretariat.

### Mandatory annexes for contracting

After the Lead Beneficiary receives the notifying letter on approval, Beneficiaries have 60 days to submit the following documents for the Joint Secretariat:

#### Foundation document

Each Beneficiary has to submit the copy of the foundation document of the organization according to their type (*e.g. foundation letter, memorandum, statute, partnership contract etc.*).

#### Certificate of the organization

Each Beneficiary has to submit authentic certificate of the organization issued by the registering authority (*e.g. ministry, court, state treasury etc.*) no older than 30 days.

#### Declarations on SME qualification

Each SME Beneficiary has to submit Declaration on SME qualification. Each Beneficiary shall use the template available in the Application package. The template of the declaration has to be downloaded, filled in, printed and signed by the statutory representative(s).

#### Proof of the property ownership

Each Beneficiary realizing investment in infrastructure has to submit one of the following documents related to all parcels:

- **Property deed**

In case the Beneficiary owns the property, Applicants shall submit the property deed no older than 90 days at the time of submission.

- **Documents for purchase**

In case the Beneficiary is willing to purchase the property in the frame of the project, the Beneficiary shall submit the following documents:

- letter of intent on selling or pre-purchase contract of the property,
- property deed not older than 90 days at the time of the submission, and
- independent appraisal report not older than 90 days at the time of submission.

- **Long term permission to use or operate**

In case the Beneficiary does not own the property, the Beneficiary shall submit

- permission to use or operate the property for indefinite period or at least 10 years concluded in the year of submission,
- declaration of the current owner on approval of the planned investment, and
- property deed not older than 90 days at the time of the submission.

### **Building permission**

In accordance with the indicated type of the necessary building permission, Beneficiary has to submit one of the following documents:

- **Announcement**

If the investment requires '*Announcement of small scale construction/reconstruction works*' for the relevant authority, Applicants shall submit the announcement and the official statement of the acting authority.

- **Building permission**

If the investment requires building permission issued by relevant building authority, Beneficiary shall submit the copy of the official building permission.

The Managing Authority may ask further documents for contracting. The Managing Authority may cancel the contracting procedure and withdraw from the Subsidy Contract if the Beneficiary is not able to submit mandatory documents until the given deadline.

## Data protection and data processing policy

The purpose of the present data protection and data processing policy (hereinafter referred to as 'Policy') is to define data protection and data processing principles related to the Call for proposals launched within the framework of Interreg V-A Slovakia-Hungary Cooperation Programme (hereinafter referred to as 'Programme') by Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company (hereinafter referred to as 'Company') and therefore, the data subject will be provided with adequate information of data processed by the Company or the data processor, source of the data, purpose of the processing, legal basis for the processing, period of processing, name and address of data processor involved by data controller, activity of data processor related to data processing, furthermore, where personal data is transferred the legal basis for and recipient of transfer of personal data.

Acts and their abbreviations used and considered in relation to the Policy

<b>the Act</b>	Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information (hereinafter referred to as 'Act')
<b>GDPR</b>	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter referred to as 'GDPR')
<b>Government Decree</b>	Government Decree No 68/2011. (IV.28.) on Széchenyi Programme Offices

### Definitions

Definitions in the present Policy meet definitions of Article 4 of GDPR:

personal data	any information relating to an identified or identifiable natural person ('data subject'); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person
processing	any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction
controller	the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of personal data; where the purposes and means of such

processing are determined by Union or Member State law, the controller or the specific criteria for its nomination may be provided for by Union or Member State law

processor a natural or legal person, public authority, agency or other body which processes personal data on behalf of the controller

third party a natural or legal person, public authority, agency or body other than the data subject, controller, processor and persons who, under the direct authority of the controller or processor, are authorised to process personal data

consent of the data subject any freely given, specific, informed and unambiguous indication of the data subject's wishes by which he or she, by a statement or by a clear affirmative action, signifies agreement to the processing of personal data relating to him or her

Where definitions of GDPR in force are different from the definitions of the present policy, definitions of GDPR in force shall prevail.

### I. Data controller and contact details

Data controller regarding data provided to participate in Call for proposals:

name: **Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company**  
 registered office: 1053 Budapest, Szép utca 2. 4. em.  
 company reg. no: 01 09 916308  
 represented by: Szakács Áron (managing director)  
 e-mail: info@szechenyiprogramiroda.hu

### II. Data protection officer and contact details

Data protection officer designated by the Company:

name: dr. Nyerges Judit  
 postal address: 1053 Budapest, Szép utca 2. 4. em.  
 e-mail: adatvedelmitisztviselo@szechenyiprogramiroda.hu

### III. Personal data, purpose of processing, legal basis for processing, period of processing

Personal data	Purpose of processing	Legal basis for processing
name	running the call for proposals and contact	Legitimate interest of the Company
e-mail	running the call for proposals and contact	Legitimate interest of the Company
phone number	running the call for proposals and contact	Legitimate interest of the Company

Means of processing: paper-based, electronic

Period of processing: for 3 years after 31st December following submitting accounts of eligible costs related to the implementation of the Programme

#### **IV. Principles**

The Company processes personal data in accordance with principles of good faith and fair dealing and transparency and subject to law in force and provisions of the present Policy. The Company processes personal data only on the basis of the present Policy and for a specific purpose(s) and does not go beyond them.

If the Company intends to use personal data for purpose(s) other than the original purpose(s), the Company informs the data subject of such a purpose and use and obtain the previous and express consent of the data subject (where there is no other legal basis determined by GDPR) and the Company allows the data subject opportunity to defy the use of personal data.

The Company does not control personal data provided, person who provided the personal data, shall be liable for adequacy. The Company does not transfer personal data, except that the Company is entitled and obliged to transfer or forward personal data available to and properly stored by the Company to competent authority where transfer and forward of personal data is determined by law or legally binding order of authority. Company shall not be liable for such a transfer or its consequences.

The Company ensures the security of personal data, takes all technical and organizational measures and establishes rules of procedure that guarantee protection of recorded, stored and processed personal data, and prevent accidental losses, destruction, unauthorised access, unauthorised use, unauthorised alteration and unauthorised dissemination.

#### **V. Rights of the data subject**

The data subject may exercise right in the following ways:

- e-mail
- by post
- in person

The Company draws attention to the fact that in case of data processing based on consent, data subject is entitled to withdraw the consent at any time, however this withdrawal shall not concern the lawfulness of data processing based on consent before withdrawal.

##### **Right of information and access to personal data**

The data subject may at any time request the Company to provide information on data processed by the Company or the data processor involved by or according to the order of the Company, purpose of the processing, legal basis for the processing, period of processing, name and address of data processor, activity of data processor related to data processing, the circumstances, effect of a personal data breach, measures taken for averting personal data breach, furthermore, where personal data is transferred the legal basis for and recipient of transfer of personal data.



In relation to the above, the data subject may request a copy of his/her processed data. In case of an electronic request the Company executes the request first electronically (PDF format), except where the data subject requests expressly otherwise.

The Company already draws attention to the fact that if the above right of access affects adversely the rights or freedoms of others, including in particular trade secrets or intellectual property, the Company may refuse the execution of the request, to the extent it is necessary and proportionate.

### **Right to rectification and modification**

The data subject may request the rectification, modification and completion of personal data processed by the Company.

### **Right to data portability**

The data subject has the right to receive the personal data concerning him or her, which he or she has provided to the Company, in a structured, commonly used and machine-readable format and have the right to transmit those data to another controller without hindrance from the Company. Furthermore, the data subject has the right to have the personal data transmitted directly from one controller to another, where technically feasible.

### **Right to erasure ('right to be forgotten')**

The data subject may request the erasure of one or all personal data concerning him or her. In this case, the Company erases the personal data without undue delay and the controller shall have the obligation to erase personal data without undue delay where one of the following grounds applies:

- the personal data are no longer necessary in relation to the purposes for which they were collected or otherwise processed;
- the data subject withdraws consent on which the processing is based and where there is no other legal ground for the processing;
- data processing is based on legitimate interest of the Company or third person but the data subject objects to the processing and (except objection to processing related to direct marketing) there are no overriding legitimate grounds for the processing;
- the personal data have been unlawfully processed;
- the personal data have to be erased for compliance with a legal obligation.

The Company informs the data subject of the refusal to the request of erasure in any event (e.g. data processing is required for the establishment, exercise or defence of legal claims), indicating the reason of the refusal. Erasure of personal data is executed that after fulfilment of request of erasure personal data (erased) cannot be restored.

In addition to the exercise of right to erasure, the Company erases personal data if the data processing is unlawfully, the purpose of data processing is no longer exists, data storage period determined by law is already expired, it is ordered by court or authority.

### **Right to restriction of processing**

The data subject shall have the right to obtain from the controller restriction of processing where one of the following applies:

- the accuracy of the personal data is contested by the data subject, for a period enabling the Company to verify the accuracy of the personal data;
- the processing is unlawful and the data subject opposes the erasure of the personal data and requests the restriction of their use instead;
- the Company no longer needs the personal data for the purposes of the processing, but they are required by the data subject for the establishment, exercise or defence of legal claims;
- the data subject has objected to processing pending the verification whether the legitimate grounds of the Company override those of the data subject

Where processing has been restricted, such personal data won't be processed or will, with the exception of storage, only be processed with the data subject's consent or for the establishment, exercise or defence of legal claims or for the protection of the rights of another natural or legal person or for reasons of important public interest of the Union or of a Member State. A data subject will be informed by the Company before the restriction of processing is lifted.

### **Right to object**

Where the legal basis for processing is legitimate interest of the Company or third person (except compulsory data processing) or data is processed for direct marketing, scientific or historical research purposes or statistical purposes, the data subject, has the right to object to processing of personal data concerning him or her. Objection may be rejected if the Company demonstrates

- compelling legitimate grounds for the processing which override the interests, rights and freedoms of the data subject or
- that data processing is related to the establishment, exercise or defence of legal claims of the Company.

The Company examines the lawfulness of the objection of the data subject and where the objection is grounded, the Company stops data processing.

### **Right to legal remedy**

See Section VII.

## **VI. Modification of the Policy**

The Company reserves the right to modify the present Policy through an unilateral decision at any time. If the data subject does not agree with the modification, he/she may request the erasure of his/her personal data as determined above.

## **VII. Legal remedies and enforcement**

The Company as data controller may be contacted for the purpose of any question or comments related to data processing using contact details above. In case of any violation related to data processing, the data subject may make a complaint to the competent data protection

supervisory authority of the Member State of residence, workplace or the place of the alleged violation.

In Hungary, complaint shall be made to Hungarian National Authority for Data Protection and Freedom of Information („NAIH”, address: 1125 Budapest, Szilágyi Erzsébet fasor 22/c.; phone: +36-1-391-1400; e-mail: [ugyfelszolgalat@naih.hu](mailto:ugyfelszolgalat@naih.hu); website: [www.naih.hu](http://www.naih.hu)).

The data subject may bring the following cases before court:

- violation of rights
- against the legally binding decision of the supervisory authority
- if the supervisory authority does not deal with the filed complaint or does not inform the data subject of aspects or result of the procedure related to the filed complaint within 3 months