

# HOW CAN THE COHESION POLICY BE USED TO FINANCE PROJECTS IN THE MOUNTAINS?

## CROATIA

### WHAT IS IT?

The Cohesion Policy is the European Union's largest investment policy. It offers funding to reduce socio-economic and territorial disparities across the European Member States and regions. In article 174 of the European Treaty of the Functioning of the European Union, this policy recognises that particular attention has to be paid to mountain areas.

### WHAT ARE THE OBJECTIVES?

Over the 2021–2027 period, the Cohesion Policy will deliver on five objectives:



#### Smarter Europe

innovation, digitalisation, economic transformation and support to SMEs



#### Greener Europe

carbon-free, green energy, climate change adaptation



#### More connected Europe

strategic transport, digital networks, connectivity



#### More Social Europe

quality employment, education, skills, social inclusion and equal access to healthcare



#### Europe closer to citizens

locally-led strategy, sustainable urban and rural development

### HOW MUCH DOES IT AMOUNT TO?

In total, €392 billion – almost a third of the total EU budget – has been set aside for the Cohesion Policy over the 2021–2027 period. Funds are channelled through four main funds:

- 1 The European Regional Development Fund (ERDF)
- 2 The Cohesion Fund (CF)
- 3 The European Social Fund Plus (ESF+)
- 4 The Just Transition Fund (JTF)



The European Union has launched Next Generation EU, a programme to support recovery with an additional €776.5 billion through the Cohesion Policy over the 2021–2027 period.

### HOW DOES IT WORK?

Every 7 years, the European Union adopts a set of principles and priorities for the Cohesion Policy at European level. National and regional authorities in each Member State are then responsible for defining and implementing their own Operational Programme(s), alongside the European Union. These Programmes describe the specific priorities and actions that can be financed locally through the Cohesion Policy. In addition to these programmes, the Cohesion Policy is implemented through the Interreg programmes, which fund cooperation projects between regions from different countries.



This project has received funding from the European Union's Directorate General Regional and Urban Policy under Grant Agreement No 2020CE16BAT209.



## COHESION POLICY IN CROATIA

In Croatia, the resources of the Cohesion Policy are distributed around three main Operational Programmes:



In addition, Croatia will receive more than €10.70 billion via the Next Generation EU to support its recovery from the COVID-19 pandemic and foster the green and digital transition.

Through the New Generation EU, Croatia has been provided with 3 billion euros in grants, € 3.6 billion in loans from the National Recovery and Resilience Mechanism, € 574 million from instrument EU REACT and around € 205 million for rural development.

Within the National Recovery and Resilience Plan 2021-2026, no measure focuses exclusively on mountainous areas per se. However, it is possible to identify priorities that could have an impact on mountain areas, especially Gorski Kotar. For instance, many investments in public sector reform relating to education, public companies and public administration systems will have an impact on the area of Gorski Kotar where these organisations are represented.



### WHO CAN BENEFIT FROM THESE FUNDS?

Beneficiaries of the funds are physical and legal persons. These could be small and medium-sized companies, non-governmental organisations, civil society organisations, youth, researchers, farmers and their rural businesses, cities, regions and other public-sector-led institutions.



### HOW TO ACCESS THESE FUNDS?

The funds are distributed through public calls issued by ministries, agencies, regional authorities and local action groups, and they can take different forms: grants, subsidies, credits, loans, microcredits, guarantees, venture capital, vouchers, or other special incentives. Non-financial support is also available and can be distributed through training, counselling and advisory services.

## INTERREG PROGRAMMES

Croatian mountain areas, actors from the public and private sector are eligible for funding under multiple Interreg programmes:

### 4 Cross-border programmes

Interreg Slovenia-Croatia  
Interreg Hungary-Croatia  
Interreg Italy-Croatia  
Interreg Croatia-Bosnia and Herzegovina-Montenegro

### 4 Transnational programmes

Interreg Central Europe  
Interreg MED  
Interreg Danube  
Interreg ADRION

### 1 Interregional programme

Interreg Europe

All Interreg programmes are part of the ERDF framework and follow the programme's objectives and priorities. Croatian actors can also benefit from the [Interact programme](#), which provides free services to stakeholders who benefit from Interreg funds.

### ➤ HAVE YOU HEARD ABOUT MACROREGIONAL STRATEGIES?

Macroregional strategies are a policy framework that allows countries located in the same region to face common problems together and find joint solutions. Croatia is part of two macro-regional strategies, the Danube Region and Adriatic Ionic Region, but only the Adriatic Ionic macro-regional strategy specifically addresses mountain areas.

The EU Strategy for the Adriatic and Ionic region (EUSAIR) includes 9 countries: Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Montenegro, North Macedonia, Serbia, Slovenia. This strategy focuses on 4 thematic pillars (Blue Growth, Connecting the Region, Environmental Quality, Sustainable Tourism), which cover a wide range of themes, including transport and connectivity, energy, blue growth, the environment and green growth, and sustainable tourism. The strategy was drawn up in 2014 and has made a key contribution to the Cohesion Policy and the preparation of the transnational Interreg programmes.

### ➤ WHO CAN PARTICIPATE IN INTERREG PROGRAMMES?

Public and private organisations that bring added value to the implementation of projects. These organisations may participate as project **partners** but may also contribute as **observers** or external **experts**. However, private individuals are not generally accepted as Interreg project partners.

### ➤ WHAT TYPES OF PROJECTS OR SCHEMES COULD BE FINANCED IN MOUNTAIN AREAS?

Proposals for funding in our mountain area:

- The kitchen incubator – **encouraging people to stay in rural areas** by enabling them to process and sell the fruits and vegetables they grow.
- The lack of a modern, flexible **transport offer in the mountains** – the focus is on sharing electric cars which should replace another car in households and reduce cars in the public space.
- Centre of useful objects – this operates on the principle of the **circular economy**. The activities of the centre involve exchanging and reusing products.

## ➤ HOW TO CREATE A PARTNERSHIP FOR A TERRITORIAL PROJECT?

The profiles of partners involved in a project proposal should be relevant and **complementary**. In addition, partners need to have the financial and human resources capacity to implement the project. The themes they select for cooperation shall be part of their legal responsibilities and/or **strategic priorities**. The budget in most projects exceeds €2 million and is distributed among the partners based on the scope of their roles and responsibilities in the project.

## ➤ WHAT ARE THE DIRECT BENEFITS OF COOPERATION?

Participating organisations can learn from each other, **exchange knowledge** and good practices, and **deploy strategies** to tackle key societal challenges together. They can design projects that will have a direct impact on the pillars of sustainable development and involve local people at every stage of the process – from developing the project to its implementation.

### MORE INFO ABOUT THE COHESION POLICY AND ITS BENEFITS FOR MOUNTAIN AREAS



#### Regional Development Agency of the Primorje-Gorski Kotar County

Headquarters address: Ciottina 17 / b, HR - 51 000 Rijeka

Office address in Delnice: Školska 24, HR - 51 300 Delnice

+385 51 238 596

<https://prigoda.hr/>

## WHAT IS MONTANA174?

Montana174 is a communication campaign to inform you – mountain citizen - on the many opportunities offered by the Cohesion Policy in mountain areas. In mountains, the Cohesion Policy gives funds to reinforce digital and social innovation, accelerate climate mitigation and adaptation, support tourism, foster youth employment and enhance mobility.

[www.montana174.org](http://www.montana174.org)



This document was prepared in early 2022 and is based on the draft version of the Operational Programmes. Therefore, part of its content might be subject to change. The final text of the Operational Programmes financed through the 2021–2027 Cohesion Policy will be available at the following QR code:



This publication reflects only the author's view. The European Commission is not responsible for any use that may be made of the information it contains.

