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“Chances for the Croatian–Hungarian Cross-border Area: Development of the Tourism Industry via EU Funded Co-operation?”

Main theses of the PhD dissertation

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1. INTRODUCTION

The Croatian–Hungarian border on its major parts is one of the oldest in Europe, in spite of relatively frequent Croatian–Hungarian disputes in the past. Historical pre-conditions as well as good bilateral relations re-established from 1990 were favourable for the developments in the joint border area, but have not been utilised properly.

Despite the wide scientific interest in the problems of state borders, the Croatian–Hungarian border area did not attract special interest in the literature during the last 25 years, so in turn, the Croatian–Hungarian border area is the least uncovered and complex section of the Hungarian boundaries (Varjú, 2016). The papers in Croatia on the border section in focus were almost exclusively published by the researchers at the Department of Geography of the Faculty of Science of University of Zagreb (Čelan, 2014). In Hungary, the analysed border section and its related developments gained wider attention and were in the focus of research at the Centre for Economic and Regional Studies of the Hungarian Academy of Sciences in Pécs (Zoltán Hajdú, Viktor Varjú) and the Institute of Geography at University of Pécs (Antal Aubert, János Csapó, Mónika Jónás-Berki).

Lack of the stronger scientific interest in the Croatian–Hungarian border zone, especially on the Croatian side, motivated the author (geographer, graduated at the University of Zagreb) to deal with the topic in the dissertation. Furthermore, the lack of the complex analyses of the benefits (if there was any) of the EU funded cross-border co-operation could bring to the area, with the emphasis on tourism, was an additional motivating factor. The author of this dissertation could bring his own observations benefitting from its personal professional experience, since he was continuously working from 2008 as a staff member of the Joint Technical Secretariat (JTS) in Budapest (<http://www.hu-hr-ipa.com/en/jts-and-infopoint>), during the development and implementation of the HU-HR (IPA) CBC Programme 2007-2013 and the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020. From February 2016 he continued to work as the Joint Secretariat (JS) Contact Point in Čakovec (<http://www.huhr-cbc.com/en/js-and-contact-points>) in the implementation of the Interreg V-A Hungary–Croatia Co-operation Programme.

The Cohesion Policy of the European Union (EU) encourages regions and cities from different EU Member States, while EU external aid supports candidate and the potential

candidate EU countries, with the help of other instruments (IPA I, II, ENPI, ENI) to co-operate and to learn from each other through joint programmes, projects and developing networks. The Hungary–Croatia Cross-border Co-operation Programme was one of the IPA CBC programmes until Croatia’s accession to the EU on 1 July 2013, with the focus on Croatia as the Candidate Country for the EU Membership (Hungary–Croatia JTS, 2013).

During the planning of the HU-HR (IPA) CBC Programme in 2006 and 2007 the stakeholders, the planning experts and the decision makers (Task Force) agreed that the Croatian–Hungarian border area had a great potential for sustainable tourism. During the Hungary–Croatia Pilot Small Projects Fund in 2002-2003, most of the financed projects targeted tourism (joint culture heritage, wine routes, online tourism information system development) and people-to-people actions (Váti Kht, 2006). Planners of the Programme proposed then finally to have a two-step tourism development, which decision makers accepted with the approval of the Operational Programme (OP). It meant first preparation of a *Regional Tourism Product Plan (RTPP) for the Mura-Drava-Danube River Area to be elaborated as a result of a special, strategic oriented project*. Only after the finalisation and the approval of RTPP, could the Programme launch open Call for Proposals in the field of tourism with the condition that selected projects have to be aligned with the RTPP. The analysis of the RTPP and its influence on the implementation of the Programme and joint tourism projects was very *in the focus of this dissertation*.

The *general objective* of the dissertation was to examine whether in case of Croatian–Hungarian EU funded cross-border co-operation, it could be concluded that it is naturally driven development based co-operation or is it politically/administratively driven co-operation, where available funding (EU Cohesion Policy territorial co-operation objective) is just a source for support of the individual project ideas developed separately on the other side of the border.

HU-HR (IPA) CBC Programme 2007-2013 with 169 implemented joint projects brought the chances for the tourism development in the Croatian–Hungarian border area. Although it was a significant step in co-operation, the author examined the level of the tourism investments it brought, and could the tourism industry be developed at all via such EU funded cross-border co-operation. That was a *specific objective* of the dissertation.

The **hypotheses** of this research were the followings:

- I. *Both parts of the Croatian–Hungarian border benefitted from the higher financial allocations and larger number of supported projects in the recent years from the European Union’s cross-border co-operation Programmes.*
- II. *Based on professional experience of the author, the tourism targeted cross-border co-operation on the Croatian side might not fulfil in the recent years the expected results of the development needs, and contribute to the objectives of the strategies and programs.*
- III. *Based on professional experience of the author, the tourism targeted cross-border co-operation on the Hungarian side might not fulfil in the recent years the expected results of the development needs, because the development was already reached via national/mainstream EU funded Programmes in Hungary and cross-border co-operation proved to be only complementary source.*
- IV. *Croatian–Hungarian cross-border co-operation did not bring tourism development on a large scale, but resulted in solely some local, separately planned and not interconnected, scattered tourism investments – thus only the micro developments on the given territory could be assessed.*

The author set the following **research** questions:

1. How the recent years’ tourism purpose cross border co-operation affected the development of the border area? Was it a success story or some failures appeared during the programming/implementation?
2. On which scale EU funded tourism projects in the given cross-border context could/can help in the development of the tourism industry in Croatian–Hungarian border area?
3. Was the right or wrong approach implemented within the HUHR (IPA) CBC Programme 2007-2013, when the Regional Tourism Product Plan (RTPP) was first produced as

a strategic project financed within action 1.2.1., and only after its results were published in the Handbook to Tourism Projects, the regular Call for Proposals for tourism actions could be launched?

4. Is such EU funded regionally and development focused approach really properly set within the EU Cohesion policy Objective 3 (Territorial co-operation), or in practice just politically influenced development?
5. Is it a right approach to try to search funding for development of the tourism infrastructure and activities from the EU funds and the Cross-border co-operation programmes?

2. METHODOLOGY OF THE RESEARCH

The author used various primary and secondary sources to reach the objective and come to the results of the research. From the primary sources, besides author's own field observations and personal professional experience, the interview methodology was used.

2.1. Primary sources

The **first round of semi-structured interviews** (Table 1) was conducted in May 2016, at the time when the implementation of the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013 with its financed projects was approaching to its end and right after the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 was approved by the European Commission. The interviewees were regional stakeholders, i.e. regional representatives in the Task Force of the seven border counties on the Hungarian and Croatian side (Zala¹, Somogy, Baranya, Međimurska, Koprivničko-križevačka, Virovitičko-podravska and Osječko-

¹ Despite several attempts of the author, and direct personal communication, the representative of Zala county (megye) neither finally participated at the interview, nor at least sent back answers on the interview questions. From the personal experience of the author and work in the HUHR CBC Programme body (JS), it significantly and clearly reflects continuous passive and inactive approach of the given member in the JMC/MC from 2012 (source: <http://www.huhr-cbc.com/en/monitoring-committee-mc>). Thus finally, two interviewees (out of three possible) participated on the Hungarian side and four interviewees (out of possible four) participated on the Croatian side.

baranjska). Four Croatian adjacent counties included in both bilateral CBC Programmes (Varaždinska, Bjelovarsko-bilogorska, Požeško-slavonska and Vukovarsko-srijemska županija), had minor contribution to the results (Figure 2) and did not regularly participated in the programming and implementation process, thus finally they were not, as not fully relevant, included in the interviews.

The interviewees participated in the planning process (Task Force) of the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013 and Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 as well as during the implementation as the voting members in the (Joint) Monitoring Committee (JMC/MC) as the decision making body. Accordingly, they were relevant and the most competent actors, providing relevant feedback which could be analysed and evaluated in this dissertation (Table 1).

The **second round of semi-structured interviews**, addressing the two heads of Hungary–Croatia JTS/JS was conducted in January 2019. The interview questions were rather similar to those answered by regional stakeholders/county decision makers in 2016, with some minor differences (Appendix II). Diána Rózsa, the first Head of the Hungary–Croatia Joint Technical Secretariat (JTS), during the period 2008-2012 was the first interviewee. The second interviewee was Márton Szűcs, Head of the Hungary–Croatia Joint (Technical) Secretariat (JTS/JS) from 2012 until present.

The **survey with questionnaire** was sent to the Lead Beneficiaries (LBs) of 17 financed projects in the field of tourism of the first Call for Proposals (CfP) of the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 in January 2019. The interviews and Lead Beneficiary questionnaires were analysed in details in the dissertation.

2.2. Secondary sources

After considering relevant and contemporary literature and recent research on cross-border co-operation and tourism, the author analysed the EU level regulations and Programme level documents, from the Programming documents (Operational Programme/ Co-operation Programme), officially approved by the European Commission, to those used during the implementation of the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013 and the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020.

Regional Tourism Product Plan (RTPP) as an outcome of the special project of the Hungary–Croatia Cross-border Co-operation Programme 2007-2013 and the methodology introduced in the planning of tourism actions in the Programme was in the specific focus of the dissertation. The author examined the risks the RTPP involved and its influence on the implementation of the Programme and tourism projects, which started in 2013 only with a significant delay. The role and importance of RTPP and its lengthy content in relation to the later developed compendium (Handbook to Tourism Projects) was assessed as well. The sources were accessible through the published documents, reports and statistics of the HU-HR (IPA) CBC Programme 2007-2013 (www.hu-hr-ipa.com) and the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 (www.huhr-cbc.com), furthermore on the official websites of the European Commission, Directorate-General for Regional and Urban Policy and Interact.

In order to evaluate the strategic approach in the planning of tourism actions in the Programme and the uncertainty it entailed, furthermore to define whether that methodology had positive impact and whether it could be recommended for the future, the below listed documents were processed:

- a) Programming Document of the Hungary–Croatia (IPA) CBC Programme 2007-2013*
- b) Specific Guidelines for Applicants of the Action 1.2.1 (Elaboration of a Regional Tourism Product Plan) of the Hungary–Croatia IPA Cross-border Co-operation Programme 2007-2013 and Annex 1 to the Specific Guidelines (Technical Specification for the Specific Call for Proposals)*
- c) Regional Tourism Product Plan (RTPP) and the Handbook to Tourism Projects in the HU-HR (IPA) CBC Programme 2007-2013*
- d) Summary of results and recommendations based on the Final evaluation report of the Ongoing Programme evaluation of the HU-HR (IPA) CBC Programme 2007-2013*
- e) Final Programming Document/Co-operation Programme of the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020, approved by the European Commission on 7 September 2015.*

The quantification of results was only possible based on the available data: 1) euro per capita disbursement of the allocated funds per projects on county level; 2) achieved indicators in the framework of HU-HR (IPA) CBC Programme 2007-2013 after closure of all 169 projects.

Any other data, such as the increased number of tourist nights in towns and counties of the border area could be at a smaller extent connected to better services realised through HU-HR (IPA) CBC projects, but there are no means of measurement and clear connection between such statistics and projects' outputs and results.

3. SUMMARY OF THE RESULTS

In this dissertation the author intended to make a complex analysis of the Croatian–Hungarian border area, taking into account historical and geographical aspects of development – from reviewing historical periods to current demographic, socio-economic trends, transport and mobility in the Croatian–Hungarian border area, to exploring the role of tourism in the economies of Croatia and Hungary.

The author presented the Croatian–Hungarian EU funded cross-border co-operation, briefly its beginning in 2002, and in details Hungary–Croatia (IPA) CBC Programme 2007-2013 and Interreg V-A Hungary–Croatia Co-operation Programme 2014–2020 and their influence on the development aspects of the border area. The analysis of the Regional Tourism Product Plan (RTPP) of the Hungary–Croatia (IPA) CBC Programme 2007-2013 and the evaluation of cross-border tourism projects at the Croatian–Hungarian border area in the 2007-2013 and 2014-2020 EU budgetary periods are essential parts of the dissertation.

The specific and main objective was to reveal the author's opinion whether it is realistic to expect the development of tourism industry via EU funded cross-border co-operation Programme. As emphasised, the author could make his own observations benefitting from his personal professional experience, since he was continuously working from 2008 as a staff member of the Joint Technical Secretariat (JTS) in Budapest. He participated at the development and implementation of the HU-HR (IPA) CBC Programme 2007-2013 and at the planning and the implementation of the Interreg V-A Hungary–Croatia Co-operation Programme 2014–2020.

Table 1: Assessment² of the semi-structured interviews with regional stakeholders

1	2	3	4	5	6	7
Interviewees participated in HU-HR (IPA) CBC Programme 2007-2013 planning (TF)	Evaluation ³ of planning of HU-HR (IPA) CBC Programme 2007-2013	Opinion on the concept of Regional Tourism Product Plan (RTTP) in planning	Satisfied with results of HU-HR (IPA) CBC tourism projects in the county	Interviewees participated in Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 planning (TF)	Evaluation ⁴ of planning of Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020	RTTP and Handbook to Tourism Projects will be used for Interreg V-A Hungary–Croatia Co-operation Programme
Yes- 3 No- 3	Positive- 5 Partly positive - 1	Positive- 4 Partly positive - 1 Not positive - 1	Yes- 0 Partly yes- 5 No- 1	Yes- 6 No- 0	Positive- 2 Partly positive - 4	Positive- 6
Croatia/ Hungary	Croatia/ Hungary	Croatia/ Hungary	Croatia/ Hungary	Croatia/ Hungary	Croatia/ Hungary	Croatia/ Hungary
<i>Croatia</i> Yes- 2 No- 2 <i>Hungary</i> Yes- 1 No- 1	<i>Croatia</i> Positive- 3 Partly positive - 1 <i>Hungary</i> Positive- 2	<i>Croatia</i> Positive- 2 Partly positive - 1 Not positive - 1 <i>Hungary</i> Positive- 2	<i>Croatia</i> Partly yes- 4 No- 0 <i>Hungary</i> Partly yes- 1 No- 1	<i>Croatia</i> Yes- 4 <i>Hungary</i> Yes- 2	<i>Croatia</i> Positive- 1 Partly positive - 3 <i>Hungary</i> Positive - 1 Partly positive - 1	<i>Croatia</i> Positive- 4 <i>Hungary</i> Positive- 2

² **Two interviewees** (out of three) participated on the **Hungarian side** and all **four interviewees** (out of four) participated on the **Croatian side**

³ Evaluation categories specified and aggregated based on the answers of the interviewees.

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The overall outcome of the interviews conducted with regional stakeholders, presented a positive picture about the achievements of the Croatian–Hungarian cross-border co-operation (Table 1). It highlighted on the other hand, differences between Croatians and Hungarians in the Programme, in relation to understanding of the language barrier and measures to mitigate it, or to how they consider the importance of the cross-border infrastructure. A pragmatic interest prevails among these stakeholders to participate in the cross-border programme, but author considers that except of some individual cases, such as traditional university co-operation Osijek–Pécs, the main driving force is not inner but it is set in the framework of an EU-funded Programme. As a result, earlier defined development needs from both sides of the border are squeezed into the given strategic framework.

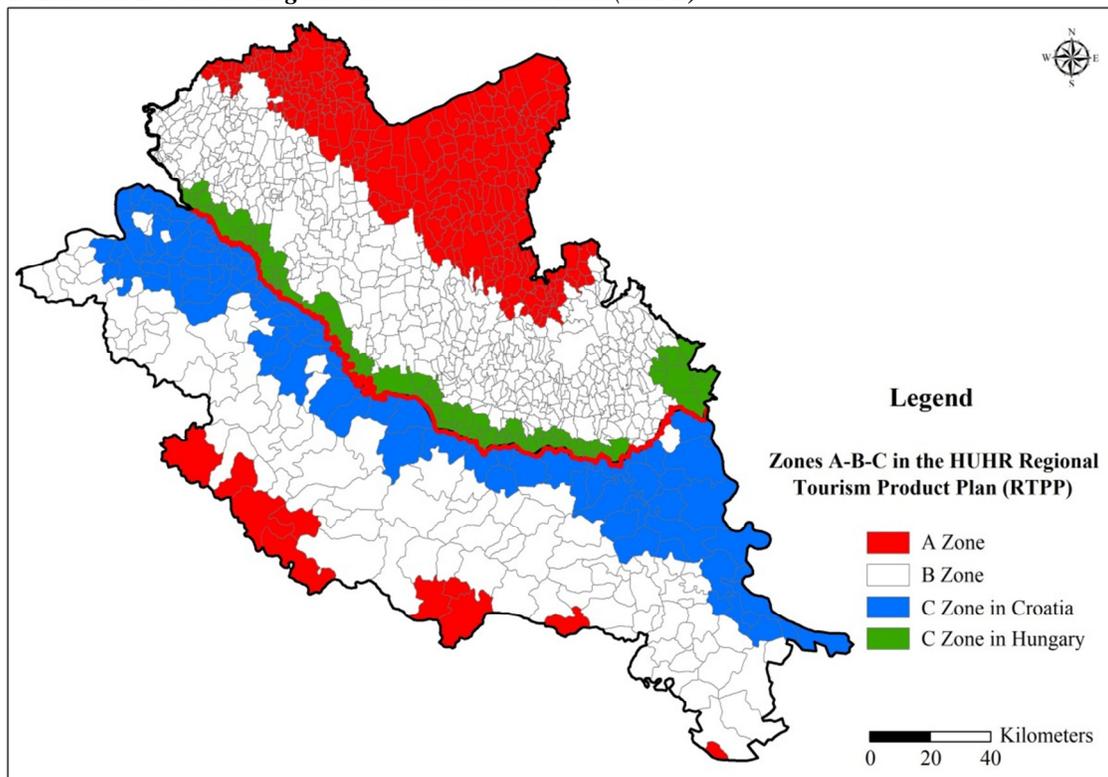
In order to evaluate the results and impact of the Programme and to define whether the methodology used during the planning of HU-HR (IPA) CBC Programme 2007-2013 had a positive impact, an ample amount of EU level regulations and Programme level regulatory documents were processed and thoroughly analysed. Additional literature describing the historical and geographical background of the Croatian–Hungarian boundary and border, as well documents about the joint cross-border co-operation were used as secondary sources. The European and world level equivalent literature in the field of cross-border co-operation was processed as well.

The HU-HR Programme strategy introduced a specific two-step approach in 2008 to tourism development. The Programming Document prescribed the preparation of a Regional Tourism Product Plan (RTPP) as a basis for launching tourism related Call(s) for Proposals in a concentrated manner. That has been considered as a unique methodology compared to other cross-border co-operation programmes. RTPP as an outcome of a special project of the Hungary–Croatia Cross-border Co-operation Programme 2007-2013 and the methodology for the planning of tourism actions in the Programme have been specifically deliberated in the dissertation. The author examined the risks RTPP entailed and its influence on the implementation of the Programme and tourism projects which started in 2013 only with a significant delay.

Such approach applied in the border area with lack of expertise could result in possible loss of funds, mainly due to the late launch of the Call for Proposal (CfP) for tourism projects. The interest of potential applicants for submitting their proposals for developing RTPP was modest, the required references and further limitation in later participation on the tourism CfP

proved to be big obstacles for organisations to apply. The harmonisation of Programme level documents was quite problematic and the RTPP significantly deviated from the needs of the Programme. Sub-regional division on the Hungarian and Croatian side of the Programme area was not harmonised, sub-regions were not created in Croatia, while the existing county structure was used. Although the zonal approach (Figure 1) in defining the areas for tourism planning was a novelty in the Hungarian–Croatian border area, Zones B and C were planned in an overlapping manner within 40 km and 5 km from the river beds of Mura, Drava and Danube. Both zones included areas far away from the Croatian–Hungarian border, which could be eligible for the same types of activities like the settlements close to the border (Figure 1).

Figure 1: Zones A-B-C in the Regional Tourism Product Plan (RTPP)



Source: Own editing based on the Handbook to Tourism Projects of the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013

The RTPP became a very lengthy document, which had to be tailored to the needs of the Programme and of the applicants, with the help of the Handbook to Tourism Projects, a summary and user friendly version of RTPP. In practice, instead of one tourism plan and strategy, the Programme ended up with two strategic documents.

This methodological approach slowed down the implementation with the consequence that a significant amount of funds could only be spent at the end of the programming period. The Call for tourism related projects with infrastructural investments needing more time and bigger amount of subsidy was launched with a considerable delay. At the same time the interest for applying to tourism funds was rather high, which caused tensions among applicants, proven as well via feedback of the Lead Beneficiaries on survey conducted by the author in January 2019. The first tourism projects started their implementation only at the beginning of 2013, the last budgetary year of the Programme. Thus, five Programme level tourism indicators were even not achieved, while seven of them were fulfilled mainly at the end of the Programme implementation in 2016.

Among the advantages one can mention the strategic concept for connecting all tourism projects to one common framework, aiming in strengthening concentration of development outcomes. Sustainability of the Regional Tourism Product Plan was ensured through its application in the new 2014-2020 period and is understood as a strategic basis for the future. In the implementation of priority 2: Sustainable Use of Natural and Cultural Assets of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020, the Handbook to Tourism Projects was used as a background document for the interventions in tourism.

Due to the shortcomings and risks that the RTPP entailed, the author concluded that the two-step approach of tourism development applied in the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013 is not to be recommended to other similar cross-border programmes. The planning of strategies has to be separated in terms of timing from regular Call for Proposals procedure to reduce the time necessary for the implementation of these strategic documents. Plans should be prepared in advance, in parallel with the elaboration of the new operational programme. The aim is to avoid producing the strategy within the existing strategy and endangering the implementation of the Programme, risking late implementation of the projects and possible de-commitment of funds.

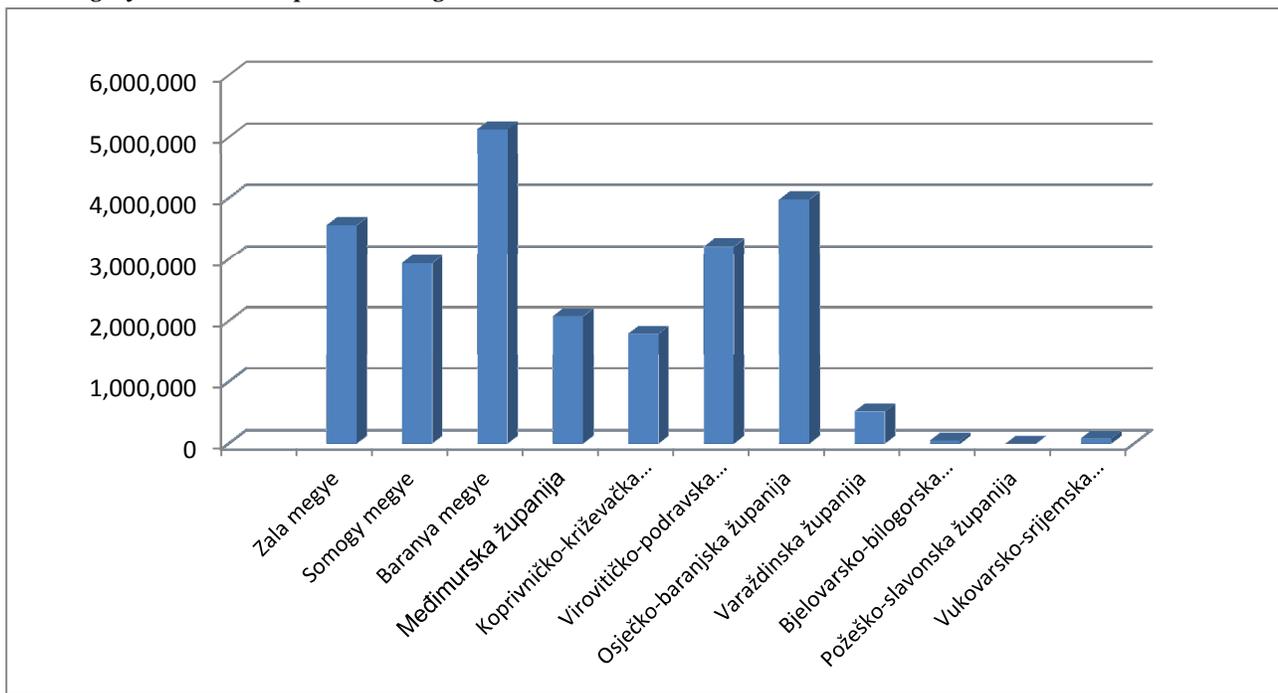
Three Calls for Proposals (CfP) of the Hungary–Croatia (IPA) Cross-border Co-operation Programme 2007-2013 were launched from 2009 to 2012 by the Managing Authority of the Programme with the support of the Croatian Ministry of Regional Development and EU Funds. Out of the total number of applications (315) in all three CfPs, 169 genuinely joint projects selected by the JMC signed subsidy contracts. 26.7 million euro was allocated to Hungarian and

26 million euro to Croatian organisations until the closing Programme year 2016. The Croatian border side better utilised its participation in the Programme, as the initial allocation share to the Programme was 66.66% (Hungary) and 33.34% (Croatia).

Counties (NUTS III units) were compared based on the contracted amount of the funds to the 169 joint projects. Out of the contracted 52.7 million euro, 28.97 million euro (55%) was allocated to two eastern counties, Baranya in Hungary and Osječko-baranjska in Croatia. In average 34 euro per capita was received per county. All four Croatian border counties are at the average level or above it, whilst on the Hungarian side only Baranya. Zala is below the average; furthermore Somogy can present very low benefit from the cross-border Programme.

The data of four Croatian adjacent counties included in the Programme have not been in-depth analysed due to their low amount of spending. Out of the possible 20% of the funds in the HU-HR (IPA) CBC Programme 2007-2013 lifecycle, they used only 0.8%. Thus, their participation cannot be considered justifiable, taking into account that their financial results in the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 are not significantly better (Figure 2), although they are equal to Croatian border counties in the current period, i.e. not anymore financially limited to only 20% of the maximum usage of the funds.

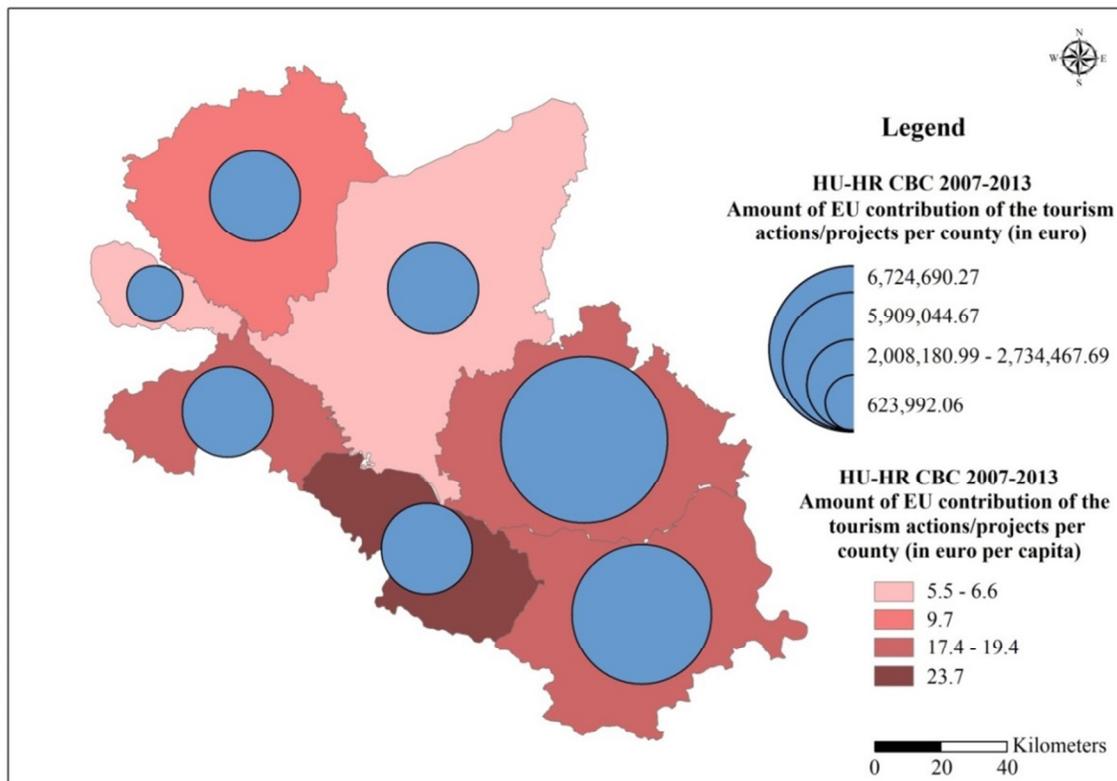
Figure 2: Division of euro per county for 54 selected projects, First Call for Proposals of the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020



Source: Own editing based on the data published on the www.huhr-cbc.com

More than 36% of contracted funds (19.2 million euro) supported 38 tourism projects, which proved to be more than what the planners originally expected. Related to the data on the amount of EU contribution allocated via tourism projects to the border NUTS III regions, Međimurska County, as the most successful in absorption of funds (measured in euro per capita) in whole HU-HR (IPA) CBC Programme 2007-2013, was the least successful in the field of tourism. Besides Baranya and Osječko-baranjska counties which are on the top of both analysed, total and tourism projects statistics, Virovitičko-podravaska and Koprivničko-križevačka counties proved to have better results in tourism (Figure 3). Koprivničko-križevačka reached a huge success with the projects of Town Križevci.

Figure 3: Euro per capita per county of 38 tourism projects HU-HR (IPA) CBC 2007-2013



Source: Own editing based on the 169 supported HU-HR (IPA) CBC projects and data published on the www.hu-hr-ipa-cbc.com

Virovitičko-podravaska with 23.7 euro per capita had the highest absorption of funds per citizen in case of tourism out of all counties in the Programme area. The reason was in the high number of large scale CBC tourism infrastructure project, from (re)construction of bicycle paths and visitors centres to development of thematic routes. Constant growth in the number of

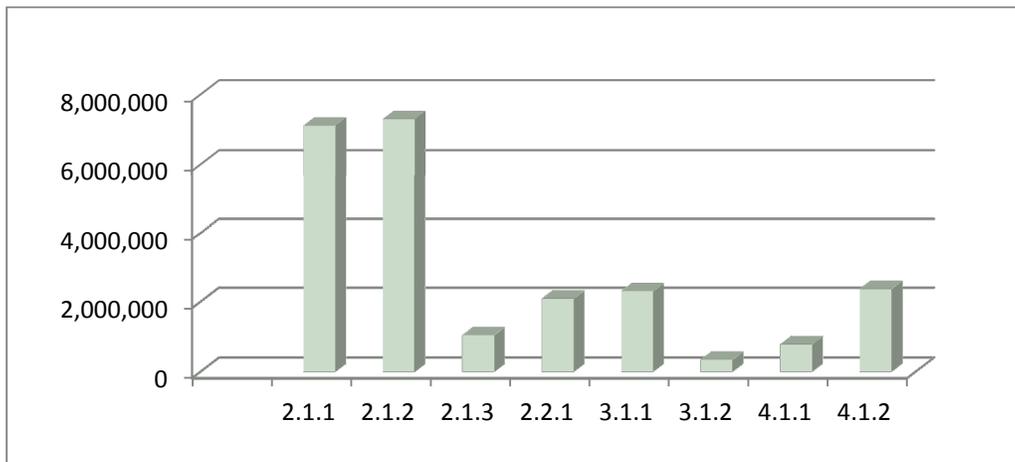
projects, even more in the Interreg V-A HU-HR Programme, shows in the author's opinion the strategic orientation of Virovitičko-podravska county towards Croatian–Hungarian cross-border co-operation. With the increased regional capacities in the last decade, the commitment to use Programme funds as a tool to mitigate its peripheral status is evident.

In the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 first open Call for Proposals was launched in 2016, with 207 submitted applications. The majority of funds were requested for tourism. The Monitoring Committee selected 54 projects within the First CfP and 17 were projects in the field of tourism. Out of 23.4 million euro allocated to 54 selected projects; 15.5 million euro (66.2%) financed 17 tourism projects (Figure 4). In the survey with questionnaire, sent to the 17 Lead Beneficiaries in January 2019, the LBs were satisfied with the added value of cross-border tourism projects. One should not be surprised with that, because each winning tourism project received significant funding, out of which 85% is reimbursed by the EU funds (ERDF) and they receive additional state support as well.

It has to be noted that at the time of finalising the dissertation the results of only one Call for Proposals in the Interreg V-A HU-HR Co-operation Programme have been revealed. The Second Call was launched on 31 January 2019, with submission deadline of 3 May 2019 and expected start of implementation of projects at the beginning of 2020. Anyhow, the first hypothesis is confirmed through the results of both (2007-2013, 2014-2020) bilateral HU-HR CBC Programmes. Both parts of the Croatian–Hungarian border benefitted from the higher financial allocations and larger number of supported projects in the recent decade.

The Hungarian part of border area on the county (NUTS III) level has one of the strongest impacts on the tourism results of Hungary. Middle part of border area with Virovitičko-podravska and Požeško-slavonska counties is the most underdeveloped part of Croatia from tourism point of view. Rural and eco-tourism, which are characterising products on the Croatian side of the border area with Hungary, are defined as key tourism products in the Croatian Tourism Development Strategy until 2020. As emphasised, it is unrealistic to expect that Croatian continental regions should simply rely on the concept of expansion of tourism from the coastal area towards the inland, thus a need for a more complex and thorough approach is needed (the second hypothesis). Author considers from that aspect even the RTPP could be a beneficial document, in case the planning was not done respecting only administrative county level structure in Croatia, while creating new sub-regions in Hungary.

Figure 4: Division of euro per component for 54 selected projects, First Call for Proposals of the Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020



Priority / Component
Priority 1 – Enhancing the Competitiveness of SMEs <i>(Special B-light scheme, not under the standard Call for Proposals application system)</i>
Priority 2 – Sustainable Use of Natural and Cultural Assets
2.1.1 Bicycle paths
2.1.2 Tourism attractions
2.1.3 Thematic routes and other tourism products
2.2.1 Restoring the ecological diversity in the border area
Priority 3 – Co-operation
3.1.1 Thematic co-operation
3.1.2 People-to-people co-operation
Priority 4 – Education
4.1.1 Co-operation in higher education
4.1.2 Co-operation in preschool, primary and secondary education and adult education

Source: Own editing based on data published on the www.huhr-cbc.com

The author pointed out that tourism development, via strongly over-financed spa construction and reconstruction, was already reached with national/mainstream EU funded Programmes in Hungary and the EU financed cross-border co-operation was not necessary, if proved to be only a complementary source of funding (the third hypothesis). On the other hand tourism potential of the Croatian–Hungarian cross-border co-operation could be better utilised in case not just geographically scattered investments were financed, but some joint and complementary programmes would have been created. Health tourism has had huge potential.

Joint understanding and naturally driven developments with joint Croatian–Hungarian initiatives in the border area is missing. This statement was reflected in the outcome of the conducted interviews with the regional stakeholders (Table 1). There is no coherence between the two sides related to the approach to joint development, regardless to the fact that more than a decade has passed since Croatians and Hungarians started to meet more intensively, thanks to the availability of EU funds for cross-border co-operation.

Otherwise, as the author outlined in the dissertation and papers published in the thematic field (Čelan 2014, 2015, 2016), without the EU funded cross-border co-operation Programme strong interaction would not exist in the Croatian-Hungarian border area. Those tangible small positive changes are anyhow not sufficient enough to minimise the barriers and the strong periphery status of the border area, especially when compared to two capital cities: Zagreb and Budapest. The most intensive modification of the role of the common border in the last century, as both Hungary and Croatia became EU members, should have positive effect on mitigating the geographical river handicap and the negative psychological effect of the border. The transport and language barriers, furthermore the negative demographic trends, depopulation and low mobility in the Hungarian-Croatian border area are in need of significant change.

The author emphasised one important aspect of decision making and Programme management. The institutional changes of the Programme management structures hosted by public administration bodies in Hungary influenced the Hungary–Croatia (IPA) CBC Programme 2007-2013 and the Interreg V-A Co-operation Programme 2014–2020. Although a single set of management structures was created in 2007-2013 and the same principle continued to be applied in the current 2014-2020 period, and no matter that it proved to be better functioning and more integrated than in the earlier periods, in the opinion of the author the system has encountered

several serious bottlenecks – mainly due to the fact that Programme implementing structures were quite vulnerable to administrative changes.

With all analysed and listed problems, the author's conclusion is that it is not realistic to expect the development of tourism industry via an EU funded cross-border co-operation Programme. Such bilateral cross-border co-operation can only serve as a tool to mitigate some minor gaps in the border area and to bring some smaller scale level developments, as was proven in this dissertation. These local investments are helpful for limited number of smaller communities or towns. Regardless to the fact that RTPP methodology was applied with the aim to avoid it, still tourism development was not balanced, but rather scattered and individual, just as stated in the fourth hypothesis of this research and confirmed through the interviews with two heads of Hungary–Croatia JTS/JS. As clearly emphasised in the research and visible on Figure 3, tourism development is uneven and it did not reach some parts of the Programme area at all.

4. FURTHER RESEARCH DIRECTIONS

The main motivation for the author to choose this topic was the lack of stronger scientific interest in the Croatian–Hungarian border zone, especially on the Croatian side, and the lack of a complex analysis of the of the EU funded cross-border co-operation in the HU-HR border area. The author could make his own observations benefitting from his personal professional experience as from 2008 he has been continuously working as a staff member of the Hungary–Croatia Joint Technical Secretariat (JTS)/ Joint Secretariat (JS).

The author plans to continue with his research in the future, in the same and similar field, focusing on tourism and its implication with Croatian–Hungarian cross-border co-operation. The author is willing to publish papers in that thematic field, especially after Interreg V-A Hungary–Croatia Co-operation Programme 2014-2020 is closed i.e., after all funds are allocated to selected projects. Having the intention to further examine border phenomena in Central Europe not only from the aspects of EU financed developments, but also from current economic, social, cultural and geopolitical trends.

5. PUBLICATIONS OF THE AUTHOR IN THE FIELD OF THE DISSERTATION

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