



**Draft Cooperation Programme
Version 1.1, 30th May 2014 (after PC 8)**

**Danube Transnational
Programme 2014-2020**

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List of abbreviations

CADSES	Central, Adriatic, Danubian and South-Eastern European Space
CESCI	Central European Service for Cross-Border Initiatives (contracted for analysis)
DG	Directorate General
DR	Danube Region
ERDF	European Regional Development Fund
ETC	European Territorial Cooperation
EUSDR	EU Strategy for Danube Region
IP	Investment Priority
MA	Managing Authority
ONEP	Office for National Economic Planning
OP	Operational Programme
PA	Priority Area
PAC	Priority Area Coordinator
PC	Programming Committee
SEA	Strategic Environmental Assessment
SEE	South-East Europe Programme
TNC	Transnational Cooperation
TO	Thematic Objective
ToR	Terms of Reference

Introduction to programme version 1.1

Metis GmbH and SEEN Kft further elaborated the programme draft document in line with the inputs provided by the 8th PC meeting in Budapest and written comments by the programme stakeholders.

In general, the structure of the cooperation programme has to be in line with the provisions set out in the Implementing Act No 288/2014, Annex II that provides a predefined structure for cooperation programmes which has to be entered into the SFC 2014.

The amendments made in programme version 1.1 in comparison to the previous version are outlined in the following table:

Programme chapters	Version 1.0, 30 April 2014	Version 1.1, 30 May 2014
1. Strategy	<p>Draft: Analysis & needs assessment, mission statement, strategic response, justification</p> <p>Missing: Justification of the financial allocation</p>	<p>Completely revised</p> <p>The key steps of the process to identify the transnational cooperation needs/ TOs and IPs were be outlined more clearly</p> <p>The justification of the financial allocation is still missing</p>
2. Priority Axes	<p>Draft: Specific objectives per IP, results to be achieved and result indicators, Fields of actions and actions</p> <p>Missing at IP level: Baseline values for result indicators, definition of output indicators including target values, Guiding principles for selection of operation, Closer look and discussion on the actions to be supported – relevance, scope of actions and level of detail</p> <p>Missing at PA level: performance framework, categories of intervention</p>	<p>Completely revised</p> <p>The number of specific objectives under PA 1, 2, 3 and 4 was <u>increased</u> from 8 to 12 to be more specific to the needs.</p> <p>It was necessary to switch in most cases from data based result indicators to survey based ones to improve attribution.</p> <p>Some elements at IP and PA level are still missing.</p>
3. Finance Plan	<p>Draft by ONEP: Allocation at PA level</p> <p>Missing: Allocation per TO</p>	No revision, still first draft
4. Integrated approach	Draft: Contribution to EUSDR	<p>Completely revised</p> <p>Contribution to the EUSDR was described in a more general way</p>
5. Implementing provisions	Draft by ONEP	No revision, still first draft

Programme chapters	Version 1.0, 30 April 2014	Version 1.1, 30 May 2014
6. Coordination	Missing	A first draft was inserted which has to be further discussed
7. Reduction Burden	Draft by ONEP	No revision, still first draft
8. Horizontal Principles	Draft by experts	No revision, still first draft
9. Annex	No	A table on the coherence of the intervention logic has been inserted

Next steps

Programme version 1.1. serves as the basis for public consultation by web & stakeholder events. Partner States and the wider ETC community will get the opportunity to react on the content and provide comments. This consultation process will contribute to further develop the intervention logic of the programme based on concrete needs.

Findings should be discussed at the 9th meeting of the PC which is scheduled for the first week of July 2014 (3 and 4 July 2014).

1 Strategy for the cooperation programme's contribution to the Union Strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion

1.1 Strategy for the cooperation programme's contribution to the Union Strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion

1.1.1 Description of the cooperation programmes strategy

1.1.1.1 Role of the cooperation programme

European Territorial Cooperation programmes are intended to complement other European programme strands such as "rural development" or "investment for growth and jobs" programmes which aim to investment in infrastructures, enterprises and people. Cooperation programmes are primarily designed for further territorial integration through enhanced cooperation in specific policy fields. Given its overall budget size, the cooperation programmes cannot target large-scale investment interventions and consequently major economic impact.

Mission

In order to achieve a higher degree of territorial integration of the very heterogeneous DANUBE region the transnational cooperation programme will act as a policy driver and pioneer to tackle common challenges and needs in specific policy fields where transnational cooperation is expected to deliver good results through the development and practical implementation of policy frameworks, tools and services and concrete pilot investments whereby strong complementarities with the broader EUSDR will be sought.

Needs are related to the issues how to improve institutional frameworks for cooperation, how to improve the quality of policies and their delivery and how to deliver solutions through concrete investments and smart pilot action.

The success of programme implementation will depend on targeted selection of the most relevant interventions and a further increase in the efficiency of administrative procedures and a reduction of the administrative burden for the beneficiaries.

One clear lesson learnt during the period 2007-2013 was, that the number of institutions which are able to take over the function of a lead partner is clearly limited for a variety of reasons. Thus, the programme for the period 2014-2020 has to be developed with a view to cooperation areas in which competent actors and feasible ideas can be expected in sufficient numbers.

SEE programme 2007-2013

The transnational cooperation has a considerable tradition in the DANUBE area, reaching back to 1996 with the CADSES Programme. This was followed by CADSES II until 2007, when the South-East Europe Programme (SEE) was set up with some geographical adjustments. This can be considered as a direct predecessor of the DANUBE Programme.

The SEE aimed to improve integration and competitiveness in an area as complex and diverse as the area of the DANUBE Programme. Taking the positive and appreciated experiences as a proof, one can state that it succeeded. They became best practices and will also be considered for the future. One of the earliest examples of success is the decision made to support the maintenance of the integrated management system for IPA II and ENI funds established within SEE.

The SEE involved 16 participating countries, out of which several will not be a part of DANUBE Programme but will continue their cooperation in the frame of Adriatic-Ionian programme (Albania, The Former Yugoslav Republic of Macedonia, Greece, Italy). They will be replaced in the new period by the German Länder of Baden-Württemberg and Bayern and also by the Czech Republic.

The SEE addressed four major priority axes: Innovation, Environment, Accessibility and Sustainable Growth. The success of the programme is emphasized by the large number of projects financed – 122, most of them being based on large partnerships of ten or more organizations. This number shows that beyond the complexity of the programme area, there is a strong need and will for cooperation on transnational level in the region. The DANUBE programme shall grasp these cooperation energies and channel them towards the strategic objectives drawn on EU and macro-regional level. The doors knocked by the SEE can be opened by the DANUBE Programme through capitalizing the results achieved and the cooperations initialized.

The DANUBE programme 2014 - 2020

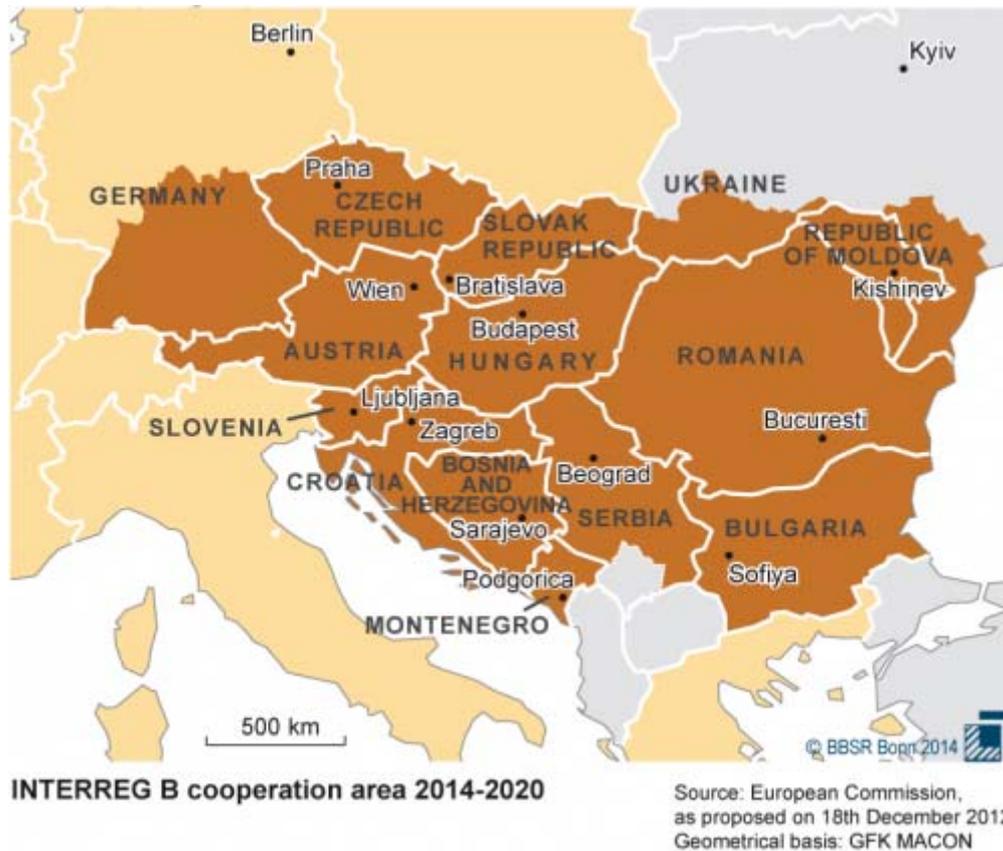
In December 2012, the Commission presented its view on the territorial coverage of the new programmes, including the DANUBE Programme comprising 14 countries. In January 2013, an initial discussion was held at the premises of the Commission with the participation of the representatives of the countries involved. During this meeting, the connection between the DANUBE programme and the EUSDR, based on interconnectivity and mutual support, was highlighted.

1.1.1.2 DANUBE Programme area

The programme area covers nine Member States (Austria, Bulgaria, Croatia, Czech Republic, Hungary, Germany – Baden-Württemberg and Bayern, Romania, Slovakia and Slovenia) and five non-member states (Bosnia and Herzegovina, Moldova, Montenegro, Serbia and Ukraine).

Geographically, the DANUBE Programme area overlaps with the territory addressed by the EU Strategy for the Danube Region (EUSDR) and comprising also the Danube river basin. It is the most international river basin in the world. The area makes up one fifth of the EU's territory and has more than 100 million inhabitants. The variety of natural environment, the socio-economic differences and cultural diversity of the various parts of the area may be perceived as major challenges but actually represent important opportunities and unexploited potential.

Figure 1. The DANUBE Programme territory



Source: http://www.southeast-europe.net/en/about_see/danubeprogramme/index

1.1.1.3 Key facts of the programme area

Territorial cohesion

Danube Region is displaying a large variety of bio geographical features, hence a wide range of various living habitats. The variety is caused by the many climates existing in the area, consequence of the different landscapes. This makes the macro-region as a whole a very valuable natural environment, with unique characteristics on global level. The value of the natural environment is worldwide recognized, 8 UNESCO World Heritage natural sites being in the area. Nevertheless, human activity such as agriculture, industry, infrastructure development, regulation and more intense water use threatens its preservation and the sustainable development of the entire area.

The central element of the macro-region is the hydrographical basin of the Danube River. During its length on 2857 km the river is collecting the waters of 74 tributaries from a surface of 801,463 km² with specific and valuable eco-systems. These are also exposed to human intervention, the river habitats being often interrupted due to flood protection infrastructure, hydro-power plant production or water supply.

Danube region is characterized by mono centric urban areas without strong cross-border connections. This feature creates the possibility of developing polycentric

metropolis regions, which is already manifesting in many cases through the formation of functional urban areas and strong metropolitan European growth areas. This process is encouraged by the loosening of the borderlines between Member States, but requires in the case of non-Member States borders are still standing as barriers at present.

Economic cohesion of the Danube Region

One of the most visible characteristics of the area is the disproportionate level of economic development. In terms of economic strength, the western part of the area is considerably well ahead the others. The most used indicator in revealing the economic development is the Gross Domestic Product, which for the programme area, if expressed in values per capita, is below the EU28 average. The analysis of the GDP in the region shows that the two participating Länder in Germany are producing almost half of the GDP of the entire area. Going deeper with the analysis, the unbalance is even more striking when one compares the EU member states' share in the GDP of the area 88-90%, with the non-Member States' (10%). Furthermore, even if the economies of the area are strongly relying on SMEs, due to the structural difficulties and lack of internationalization, these are not able to fully exploit their potential. To illustrate this, it can be observed that even though the SMEs are producing a quarter of the area's total GDP, this is not fully reflected in the export activities where they have a share of just 10%.

The labour market of the region, as a key element for growth, suffers from the negative consequences of the economic crisis which Europe has experienced starting with 2008. The crisis revealed the structural problems of the region's economies, which left a harsh mark on the labour markets as well. Nevertheless, the picture of the area as a whole is not homogenous, the discrepancy being manifested at this level as well. And, if analysing the origin of the challenges of the labour markets, it can be stated that heterogeneity is even wider, considering that the roots of the problems are very diverse on national and even regional level. One of the most important problem at least in the Eastern part of the programme area is the scale of black labour market, but there are other important obstacles which are hindering the development of this sector. Still, cooperation on macro-regional level can be an important asset in overcoming the difficulties, and, even if there is no universal solution applicable everywhere, some best practices may be considered, especially related to atypical employment and measures in adapting the educational systems to the market demands.

Social cohesion of the Danube Region

The Danube region is the shelter of a fascinating diversity of cultures. Besides the frictions of historic origins, this can constitute an important potential for the area, since the social resources embedded in this variety can turn into driving forces which can provide new energies for acting and development. Besides the ethnical, the region is facing challenges in other fields of social inclusion, like for instance the situation of the different marginalized groups. Their needs have to be addressed at society level, failing to do that being a serious threat for ensuring the sustainable development of the region.

The dispersion of population within the programme area does not show the same heterogeneity as in case of other economic features. Still, it can be observed that there are concentrations around capital cities and other major economic and cultural cities (München, Stuttgart), while the minimums in terms of density are registered in

mountain areas. On average, the population density ranges between 50 and 250 pers/km².

Danube is of outmost importance for its unique biodiversity and environmental richness, but it also represents an essential European transport corridor and an intensively used migration corridor as well. The analysis of the statistical data reveal a rather vivid migration activity which has a large variety of manifestation: national (especially from rural towards urban areas), cross-border (especially from the Eastern countries towards the Western), and external (originating from Asian and African countries).

Most of the countries of the Danube region are facing the aging problem, which put a pressure on the social welfare systems. Besides Ukraine, Slovenia and Serbia, all the other countries are experiencing the phenomenon of aging on different intensities. The highest values are present in Austria, Germany and central parts of Bulgaria, where the fertility index is low for several decades. In case of Bulgaria the reason lays in the internal and external migration as well. Policies need to be put in place in order to increase the social care system which will face increasing challenges, but emphasis shall be put also on improving the conditions of youth population in the rural and economically less developed regions.

1.1.1.4 Process to identify the transnational cooperation needs

For coordination and decision-making during the activities of programme preparation, a Programming Committee (PC) was set up in February 2013, being composed of the representatives of the participating countries. Beyond defining the content of the programme, its tasks included also the consultations with the national and international stakeholders in order to elaborate a programme which, while building on the political agenda, best addresses the needs emerging from the potential beneficiaries and target groups. In order to incorporate the practical experiences of the transnational cooperation in the area, a consultation process was initiated with the Joint Technical Secretariat of SEE Programme, as well. Its inputs proved to be valuable in assessing the viability and feasibility of potential field of actions, from practical perspective.

The PC held several meetings in 2013, concluding some possible focus points for the content of the future programme and agreeing about the institutional structure for the management. In July 2013, in Bucharest, it was underlined that special attention and consideration should be given to the institutional cooperation, to innovation and research, environment and efficient use of resources, to transport, to the challenges represented by the climate change processes, to stimulating the reduction of carbon emissions and to education. Nonetheless, a final decision has not been taken regarding the priorities the programme shall support. Further discussions and analysis in order to reach an efficient and focused intervention of the programme were conducted during the following meetings held in 2013 in Belgrade, Stuttgart and Zagreb, and 2014 in Ljubljana and Budapest.

Pre-selection of thematic objectives & priority investments (Step 1)

In order to have a solid basis for the decisions regarding the priorities of the programme, the future Managing Authority contracted external experts to prepare a comprehensive Territorial Analysis. The document was prepared during the autumn of 2013 and first half of 2014, its findings and conclusions being the basis for drafting the content of the programme. The analysis is a comprehensive screening of the programme area including territorial, economic and social aspects without an

orientation related to the thematic objectives defined by the ERDF Regulation. The challenges identified by the analysis were the basis for the decision of the PC regarding the relevant thematic objectives and intervention priorities the programme should address. The result of this process can be summarized as follows:

Table 1. Step 1: Pre-selection of thematic objectives & priority investments by the Programming Committee

TOs (short title)	Main challenges identified by the territorial analysis (CECSI) according to Part V of the Territorial Analysis	Selection of IPs through the PC where TNC is expected to deliver good results (“TNC filter”) building on SEE experience
1 Research & innovation	<ul style="list-style-type: none"> • Coordination of the countries' R&D profiles and capacities • Linking dynamic key sectors that provide employment with the nodes that associate scientific-technological centres • Diminishing hindering factors in the diffusion of knowledge and innovations (ability to implement knowledge-based and technology-intensive activities) • Increasing the employment rate of high value-added R&D&I sector, cooperation among existing and potential R&D&I centres 	1b (including the social dimension of innovation and human resource aspects to be addressed)
2 ICT	<ul style="list-style-type: none"> • Elimination of macro-regional differences experienced in the field of ICT • Coordination of ICT systems in the region 	Only to be considered as a cross-cutting issue
3 SME	<ul style="list-style-type: none"> • New models for SMEs • Development of SMEs to participate in transnational cooperation 	Only to be considered as a cross-cutting issue
4 CO ₂	<ul style="list-style-type: none"> • Further reduction of GHG emissions • Enhancement of resource-efficiency 	Parts could be considered under TO 1
5 Climate	<ul style="list-style-type: none"> • Decreasing the negative effects of climate change • Improvement of climate change adaptation abilities • Risk management plans for sites exposed to climate change 	5b
6 Environment	<ul style="list-style-type: none"> • Decreasing the risk of flood damage caused by lack of cooperation • Managing the threat of cross-border contamination and water pollution diffusion • Prevention on the fragmentation in cross-border bio-geographical areas • Development and support of the cross-border continuity to create the functional connections of ecological networks • Coordinated management of cultural and natural heritage in the Danube Basin area 	6b, 6c, 6d, 6f

7 Transport	<ul style="list-style-type: none"> • Proper implementation to connect to TEN-T networks according to macro-regional interests • Developing trans-national environmental-friendly and low-carbon transport systems • Sustainable development of waterways • Macro-regional coordination of logistic capacities • The development and macro-regional integration of different energy networks and of internal market in order to have more favourable prices • Development of the smart grid • Reduction of energy dependency 	7b, 7c, 7e
8 Employment	<ul style="list-style-type: none"> • Decreasing the presence of black economy • Diversification of economic activities • The harmonization of labour demand and training structures, the active adaptation of western good practices particularly in the countries of south-east • Decreasing disparities (regarding wages, jobs, qualifications, etc) of labour markets in different countries • Making atypical forms of employment available throughout the entire region 	Parts could be considered under TO 11
9 Poverty	<ul style="list-style-type: none"> • Generation of transnational antipoverty actions that decrease the inequalities and the characteristics of poverty • Cooperation in combating social problems • Integration of Roma people to Danube Region and improvement of their social condition 	Parts could be considered under TO 11
10 Education, LLL	<ul style="list-style-type: none"> • Support of cross-border cooperation in the fields of education, scientific research and technical development • Common use of capacities in institutes of education, research and innovation, and the balanced further spatial development of the educational and training systems based on network cooperation 	Parts could be considered under TO 1 and 11
11 Governance	<ul style="list-style-type: none"> • Elaboration and implementation of working models and initiatives regarding to multi-country cooperation • Overcoming administrative barriers by cooperation • Support of the institutionalized and cross-border and transnational cooperation, civil and non-institutionalized cooperation • Harmonization of vertical and horizontal cooperation 	11 according to ERDF and ETC regulation (including social dimension, demographic change to be addressed)

Assessment of transnational challenges and needs for selected policy fields (Step 2)

In a second step, in order to have a solid basis for the final selection of investment priorities and the definition of the specific objectives, the pre-selected investment priorities were consequently further refined and detailed by an external team of experts in charge with the elaboration of the cooperation programme.

This in depth analysis of the transnational challenges and needs of the given priorities allowed the Programming Committee to identify the elements on which the programme support shall focus, these being the basis for the formulation of the specific objectives, the results and actions.

General policy framework

The Danube Transnational Programme was developed taking into consideration the broad policy framework channelling the development efforts on macro-regional, national and regional levels. The drafting process was primarily conducted along the goals and priorities identified within multi thematic strategies on EU and macro-regional levels.

The **Europe 2020 Strategy**, as an instrument to coordinate the national and EU level policies in order to generate and maintain development on EU level, is focusing on the three pillars of the concept of growth: smart, sustainable and inclusive. The mechanism needed for achieving the above-mentioned goals includes the National Reform Programmes which are containing the objectives on national level in pursuit of the EU 2020 objectives.

The **European Union Strategy for Danube Region (EUSDR)** intends to develop coordinated policies and actions in the area of the river basin, reinforcing the commitments of Europe 2020 strategy towards the smart, sustainable and inclusive growth based on four pillars and eleven priority areas. These shall tackle key issues as mobility, energy, biodiversity, socio-economic development or safety. In line with the goals of territorial cooperation objective, the Strategy is not focusing on funding, but rather on enhancing closer cooperation within the concerned territory. A key element of the strategy is coordination, by encouraging the increase in the level and quality of network activities, strengthening the existing regional and interregional cooperation but also fostering new collaborations.

The **South-East Europe 2020 Strategy (SEE 2020)** was launched by the participating countries¹ in 2011, as recognition that close cooperation can accelerate the attainment of goals in key sectors. Inspired by Europe 2020 Strategy the SEE 2020 is pursuing similar objectives taking into account the regional specificities. The document provides important strategic guidance for the non Member States from Western Balkans, in achieving a higher degree of convergence with the goals of EU2020.

Additionally, thematic policy frameworks were reflected in order to best address the needs in given sectors and the design of the programme took into consideration the goals identified in specific thematic fields. The list of these strategic documents includes:

¹ Participating countries in SEE 2020 Strategy (the countries participating in Danube Transnational Programme are bolded): Albania, **Bosnia and Herzegovina**, **Croatia**, Kosovo (This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.), **Montenegro**, **Serbia** and The Former Yugoslav Republic of Macedonia

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- EU Water Framework Directive (2000)
 - TEN-T Connecting Europe
 - EU Biodiversity strategy (2011)
 - EU Climate and energy package
 - Energy efficiency plans / SET plans
 - SME Small Business Act
 - EU Smart Specialisation Platform
 - The Danube Innovation Partnership
 - European Research Area, Strategic Research Agendas developed under the Joint Programming Initiatives
 - Western Balkan R&D Strategy for Innovation – WISE (drafted with World Bank / RCC to monitor progress)

1.1.1.5 Research & innovation

Characteristics

The research and innovation sector is of special importance for the region since it can create the added value needed in order to overcome the relative economic backwardness of the region as a whole, and it can provide the answers needed for the new societal challenges the area has to face as demographic changes or migration. The field shows important disparities on Danube Region level, both in terms of its resources allocated but also in its structures and human resources available. While the western part of the area is on a level of development comparable with the most advanced European countries, the eastern part is seriously lagging behind. This situation is revealed by the Innovation Union Scoreboard 2014, which classify Bayern and Baden-Württemberg Landers of Germany as being Innovation Leaders on Union level, while the biggest part of the area is belonging to the Modest Innovators group.

The uneven distribution of research and innovation capital is mainly due to the different framework conditions the sector is facing throughout the region. The wide range of financial allocations and policies governing the research sector are determining the institutional capacities of the actors involved, leading to different levels of performance. These disparities may be addressed by an increased level of interconnectivity among the actors active in the sector, creating the conditions to better use the potential existing in the less developed regions. Transnational level strategies in the field of innovation and better exploitation of smart specialization principles can boost the research and innovation performance of the region, by better coordinating the capacities, create synergies and use of complementarities. Moreover, the increased flow of knowledge and information through transnational channels may generate positive results in terms of strengthening the institutional cooperation and in elaborating governance instruments in order to foster these activities.

The intensity of the transfer of knowledge from the scientific sector towards the exploiters displays the same heterogeneity on macro-regional level. In most of the regions there are serious difficulties in transforming the scientific results into commercial success, mainly due to the poor cross-linkages among the scientific centers, public authorities and SMEs. This phenomenon represents a serious challenge for the region's competitiveness, since innovation has a proven positive effect on the development and performance of SMEs, leading in the same time to

employment growth and better quality jobs. Transnational cooperation can contribute to better dissemination of knowledge and scientific results and it can strengthen the capacity of SMEs to take an active role in generating innovation or exploiting the results of the academic sector. Moreover, by improving their level of internationalization, the transnational actions may create important dissemination networks which will further improve their performance and will contribute to the reduction of the intra-regional disparities.

In order to foster the sustainable and inclusive growth of the programme area, other aspects of innovation should be addressed, such as eco-innovation and social innovation. The complexity of the geographical area asks for new approaches in terms of environmental technologies helping to create green jobs and provide sustainable progress for the area.

The development of research and innovation sector is based on the human resource involved in the processes. Statistics show a low level of employment in knowledge-intensive sectors on macro-regional level with a need to increase the skills and competences in order to support the use and dissemination of the results of innovation. Transnational cooperation can play an important role in adapting the innovative learning systems and by this, in increasing the adaptability of labour force to technological progress.

Challenges and need for cooperation

- There is an insufficient transnational cooperation and coordination on institutional level which needs to be improved in order to fully enhance the research and innovation potentials of the region
- The creation of a stimulating environment for research and innovation activities is dependent on promoting adequate policies which are not in place in many parts of the region
- The modest flow of information and knowledge between regions of the programme area is enlarging the differences in research and innovation activities, therefore efforts should be made to create functional and efficient communication channels
- The SMEs capability to adapt to innovation needs to be supported by strengthening the transfer of information and encouraging the triple helix approach
- There is a need to develop skills and competences in order to make possible the generation and use of the results of research and innovation activities, and their transfer into economy

1.1.1.6 Climate change & risk management, energy

Characteristics

Deriving from the river which is acting as a catalyst of the area, a central element of international cooperation within the Danube Region is the water management. Based on the Water Framework Directive, the Danube River Basin Management Plan (DRBMP) defines the general objectives for the protection and enhancement of river basin and the sustainable and long-term use of water resources. Within this framework, countries are preparing their River Basin Management Plans developing tools of monitoring and measures of improving the water quality and the ecological

balance. In order to maximize their effect, there is need for cooperation at international level among the countries involved. Transnational initiatives may support this activity, as well as future development of DRBMP.

Due to its geographical profile, the Danube area is exposed to floods, often of impressive scale. The actions during this type of extreme conditions need to be coordinated, since in most of the cases their character is international. Transnational actions can serve as an instrument for enhancing the precision of forecasting, the preparedness and capacity for intervention in a coordinated way.

Beyond floods and exposure of water resources to polluting elements, other risk factors are endangering the human and natural habitats of the region, such as industrial accidents, fires or droughts. Not the least, a very relevant phenomenon is the climate change, which impose a threat on the entire region. Transnational initiatives can generate coordinated policies and operational capacities for international reaction in case of occurrence of these types of risks. The climate change adaptation abilities already developed in some parts of the region, can serve as best practices for the rest of the area. By transferring this knowledge the governance capacity of the area in the fields related to environmental risks can be considerably enhanced.

Energy supply is the backbone of economic growth, and therefore, its shortage or unaffordability becomes a constraining factor for economic development. Danube Region, not unlike the EU Member States and other countries around the world, currently face immense challenges in the energy sector. The diversity of energy production/distribution systems and the energy efficiency targets on European level require the preparation of national plans for development of smart grids in order to reach a better usage of the existing sources and a higher level of energy security. The subject is a typical issue in which macro-regional approach is essential in order to ensure more effective regional planning, especially since there is a considerable lack of cooperation between Danube Region countries in the field of energy. The transnational coordination of measures can enhance the interconnection of the transportation/distribution networks, the establishment of functional regional energy markets, the improvement of energy efficiency or the better usage of the potential in renewable energies, thus increasing the region's security of energy supply.

Challenges and needs for cooperation

- There is a need for international coordination of policies related to water management within the framework of DRBMP, since water represents an essential resource of the region
- Efficient, transnational disaster management systems shall be created in order to develop the intervention capacity and limit the damages of the occurring risks
- There is a need to develop strategies and action plans in order to manage the challenges represented by climate change
- In order to increase the level of energy security and to achieve the energy efficiency targets on EU level, the development of smart grids should be fostered in the countries of the region.
- Coordinated measures are needed in the different sectors of energy production/distribution/usage in order to secure a stable supply system in the region.

1.1.1.7 Ecosystems & biodiversity

Characteristics

The Danube is a unique ecosystem, consisting of a large number of bio geographical regions with their specific habitats and with peculiar landscapes and geological formations. Recognizing their importance, the countries from the region designated large areas for preservation of this richness. There are 70 national parks and more than 1,000 NATURA 2000 areas, covering a large spectrum of natural values. Due to the restrictions implied by this status, the potential economic advantages deriving from it are often neglected. International cooperation may create the platform for creating the conditions of sustainable economic valorisation of these natural values, both on governance and on exploitation level.

The development of the region and the increasing human interventions created pressure on land usage and resulted in a high fragmentation of landscapes, mainly because of the establishment of transport networks, changes in the land use, logging and fires. This process had a bad influence on the biodiversity, since it created large artificial areas which are almost unusable from the aspects of ecosystems. Besides the negative effects of increasing the artificial areas, the fragmentation reduced considerably the territories with coherent ecological relations, the natural habitats being in some cases severely affected. Transnational actions can provide the framework for developing relevant policies oriented towards sustaining a functional ecological network. The intensive use and development of green infrastructures together with increased and coordinated capacity of water and nature protection management can represent efficient tools in this direction.

Challenges and needs for cooperation

- The high level of fragmentation of bio-geographical areas and natural habitats need to be stopped and coherent ecological corridors should be created and preserved
- The means of economic exploitation of the natural preservation areas through green infrastructures should be identified and put into practice

1.1.1.8 Cultural heritage & tourism

Characteristics

Besides the fascinating biodiversity of the region, the Danube programme area represents one of the richest regions in Europe in terms of variety of cultures. The incredible diversity of ethnic groups (nearly 30) with their own languages, religions, architectures and traditions put an individual print on the area. It can be observed that in most of the cases the value of the cultural heritage was acknowledged and there is a large number of sites put under protection. This is proven by the number of world heritage sites which can be found in the Danube region. There are 65 world heritage cultural sites in the area, which are supplemented by 8 natural heritage sites, altogether creating a very attractive destination for tourism. Nevertheless, in order to properly valorise these assets through tourism, efforts are needed for improving the management of the sites both in terms of preservation and in development of sustainable methods of exploitation. The transnational programme can provide the optimal framework for coordination of such actions and can support the development of transnational strategies for jointly promoting the Danube Region as a tourist destination.

The cultural diversity can represent a high potential for development, the coexistence of numerous ethnic, language and religious groups creating the premises for easier communication and more intensive collaboration. This is even more strengthened by the large number of migrants concentrated around major cities of the region. The specific milieu of multiculturalism represents a source for developing the cultural creativity and to boost the creative industries, which can lead to more and better jobs both in culture-related fields and in tourism as well, thus increasing the attractiveness of the region.

Challenges and needs for cooperation

- There is a need in for increasing the governance and coordination capacities for the preservation and valorisation of the cultural and natural heritage
- By creating an optimal framework, Danube can become the linkage element of different touristic products increasing the touristic significance of the entire region
- Utilisation of linguistic identities and cultural proximities can enhance the cooperation within the region

1.1.1.9 Transport & mobility

Characteristics

Due to its geographical position, the Danube area represents an important transport corridor both on North-South and on East-West axis. Deriving from it, there is a considerable density of TEN-T Multimodal Core Network designated, being on different stages of physical implementation. The full realization of it is supported mainly through Connecting Europe Facility (CEF), and its operability will create a high-performing infrastructure for intra-regional and external mobility. However, besides the major pathways, the Danube Region faces important accessibility problems especially for the areas situated outside the designated corridors. The connectivity of these regions to the TEN-T networks through the secondary and tertiary nodes is of special importance for ensuring the conditions for growth in the area. Nevertheless, in order to ensure proper viability and efficiency, this process shall be integrated and coordinated on macro-regional level. Since such coordinating mechanisms do not yet exist, the transnational programme may assist in creating a common vision on transport in the area.

As speed and efficiency of freight movements is a key success factor for global competitiveness, special attention should be paid for development of viable logistic chains within the macro-region. The lack of fully multimodal networks (road, rail, air, water transport) represents an important weakness which should be addressed. Besides the quality and quantity of the infrastructural element, connectivity and mobility can be also increased by improving the strategic transport management, such as coordination among services, intermodal connected systems by existing transport facilities, or overcoming the discontinuity across borders. These can further eliminate bottlenecks in the region's network and help in exploiting its logistic potential. Efficient results in this sense can be best achieved within transnational approaches.

Transport is a major field of interference between human activity and biodiversity, since transportation may induce physical fragmentation of natural environments and habitats, but it also represents a serious source of air or noise pollution. One of the most distinctive features of the region in terms of transportation is the Danube River as an

important part of Rhine-Danube TEN-T Corridor. Waterway transport has a relatively low environmental impact, thus the creation of an efficient multimodal transport system in the region may become a driving force in support for its sustainable development.

Challenges and needs for cooperation

- In order to reduce the accessibility deficit of the areas outside the TEN-T corridors, there is a need to establish an innovative and sustainable mobility system within a transnational common vision on transport
- Besides the infrastructural development, efforts are needed on strategic management level for increasing the transport efficiency
- There is a need to fully exploit the region's logistic potential by developing efficient multi-modal networks
- The negative effects of transport and the relative fragility of the ecological balance are asking for the identification of innovative solutions to reduce the harmful impact.

1.1.1.10 Governance

Characteristics

The Danube programme area is characterized by a very high administrative fragmentation, the macro-region being composed of 14 states of very different sizes and administrative structures. Besides the different principles which are at the basis of the administrative systems, the countries of the region are on a different level of governance performance, reflecting the different development paths. As a consequence, the countries display various institutional capacities most of them lacking the strategic and operational capacity to respond to challenges, as the usage the investment opportunities provided by the European funds as a major source of development. Moreover, the involvement of civil society and other stakeholders in the decision-making processes is still limited in big parts of the programme area, therefore diminishing the impact of the interventions.

With some exceptions, there is a lack in the capacity of using the potential of territorial cooperation in improving the governance, even though there are some very relevant policy areas which can be efficiently approached only within a joint, transnational framework (as migration issues, demographic change, or marginalized communities). The transnational actions can help improving this capacity, but also to promote the good practices related to delivery of public services and for encouraging exchange of experiences in order to better contribute to the EU objectives.

The **EUSDR** was endorsed by the Member States in April 2011. It is designed to foster development in the area through cooperation, focusing on four pillars and eleven priority areas. The macro-regional strategy helps formulate joint policy objectives and supports better coherence of EU policies in the Danube Region. The governance system of the strategy is based on Priority Area Coordinators, which are ensuring the implementation of priority areas through planning and providing technical assistance for achieving the assumed targets. Thus, their activity is fundamental for the successful implementation of the Strategy and for generating good quality transnational projects.

Even if the start is promising, based on the experience accumulated, there are some elements of the implementation which need to be further strengthened or developed in order to enhance the operation and effectiveness of EUSDR's governance system.

The Danube Transnational Programme may contribute to these efforts by providing assistance to the governance of the strategy, either by supporting the activity of the PACs or by ensuring that proper quality, mature projects are prepared for the implementation of the EUSDR goals. Moreover, the programme can enhance the sense of ownership by providing the platform for communication among different stakeholder representing the regional governmental bodies and civil society.

Challenges and needs for cooperation

- The usage of ERDF funds as a source for investment is relatively low due to the limited capacity of the national systems, which can be improved by the transnational transfer of experiences.
- The potential of the transnational cooperation in the exchange of good practices and coordination of policies is not sufficiently explored when addressing major societal challenges in the region
- The decision-making of the administrative systems should be improved by increasing the level of cooperation/collaboration between different governmental levels, sectoral policies, governmental and non-governmental organizations
- There is a need to support the governance system of the EUSDR by supporting the activity of the PACs, in order to ensure a more effective implementation of the strategy
- Considering the difficulties faced by potential project owners, support shall be provided to develop mature projects in order to ensure better access to different funding sources for implementation of the EUSDR
- In order to strengthen the strategic role of the Commission and the partner countries in implementing the EUSDR, there is a need for the establishment of an EUSDR Focal Point, as a new institution to be set up to facilitate the information flow between EUSDR key actors

1.1.1.11 Strategic response by the programme to contribute to Europe 2020

In 2010, the European Union and its Member States launched the Europe 2020 strategy as a ten years roadmap, which is an overall strategic framework (quantified by five EU headline targets) putting forward three mutually reinforcing priorities:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy.
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

The link of the Danube cooperation programme to the Europe 2020 strategy goals is ensured through the definition of thematic objectives (Article 9, CPR) and the requirement for thematic concentration (Art. 6 ETC Reg.). The thematic objectives are further broken down into investment priorities (Article 5 ERDF Reg.) and specific objectives (Article 7 ETC Reg.). Priority axes are set out to combine investment priorities from one or from different thematic objectives in order to achieve synergies.

The priorities for the present cooperation programme are based on the specific characteristics and needs of the programme area which have been identified and agreed through an extensive programming and consultation process among the

programme stakeholders and a wider ETC community. Moreover, the programming took into account lessons learned from previous programming periods, the given financial framework and the existence of suitable implementation and administration structures.

The area of the Danube programme correlates not only to the territory of the EUSDR, adopted in 2011 but also has a considerable tradition of transnational cooperation. The aim to achieve a higher degree of territorial integration of its territories reaches back to 1996 with the CADSES Programme and 2006 with the South East Europe Programme – respectively with geographical adjustments.

The Danube programme 2014-2020 includes a huge transnational area, more than 100 million inhabitants, a variety of natural environment, socio-economic differences and cultural diversity. Consequent needs and challenges with regards to institutional stakeholders and citizens will be faced by providing a framework to develop, test, implement, compare and coordinate their ideas, visions and plans.

Hence, the Danube programme addresses all three dimensions of sustainability, including social, economic and environmental aspects but also institutional dimensions. It applies an integrated approach by focusing on cross-sectoral and multi-level governance cooperation structures and by considering the supply and demand of all partners.

With the objective of supporting economic, social and territorial cohesion the Programme will act as a policy driver and pioneer. Beyond that, the thematic concentration on selected priorities will allow for the focus on niches.

In the current programming period 2014-2020 the DANUBE Region Programme is therefore structured across four Priority Axes (plus TA) that intend to develop coordinated policies and actions in the programme area reinforcing the commitments of the Europe 2020 strategy towards smart, sustainable and inclusive growth.

Moreover, the definition of specific objectives, a well functioning monitoring system and selection criteria shall increase the quality of cooperation. Keeping in mind the broad thematic scope of topics, the focus of implementation will lie on the relevance of actions and transparency of project selection. The development of the defined topics and their positive effects on the governance of EUSDR processes and existing institutional relations will be one major objective of the programme. On the other hand, the development of new and innovative practices and experimental actions will be supported as far as they are embedded in a relevant, institutional framework and match the regional needs.

Targeted transnational cooperation will – in a complementary way to EUSDR key action – address the

- Development of strategic frameworks and shared perspectives in a number of areas where action cannot be taken effectively without coherent frameworks, and
- Where awareness of shared needs, challenges and opportunities exists, pilot actions can enable actors to develop new approaches on a common basis.

Mission of the DANUBE cooperation programme

- Contribute to a higher degree of territorial integration of the very heterogeneous DANUBE region
- Act as a policy driver and pioneer to tackle common challenges and needs in specific policy fields where transnational cooperation is expected to deliver good results
- Develop policy frameworks, tools and services and concrete pilot investments whereby strong complementarities with the broader EUSDR will be sought
- Make targeted selection of the most relevant interventions and further increase the efficiency of administrative procedures and reduce the administrative burden for the beneficiaries in order to ensure the success of programme implementation

Priorities of the programme

The Danube programme will contribute to Europe 2020 through investing in the following thematic objectives (TOs) which are:

- TO 1) Research & Innovation
- TO 6) Environment, Resource efficiency
- TO 7) Transport
- TO 11) Governance

The programme shows a clear thematic concentration on the thematic objectives 1, 6, 7 and 11. This is in line with the ETC Regulation since at least 80% of the ERDF finances shall be concentrated on a maximum of four thematic objectives.

The cooperation programme addresses the following five priority axes:

Priority axis 1: Innovative and socially responsible Danube region (working title)

The priority axis includes one investment priority (1b) corresponding to the thematic objective 1 (Research and innovation).

In order to contribute to the implementation of the flagship initiative “Innovation Union of the Europe 2020 Strategy” in the Danube Region countries the programme pays specific attention to a number of innovation topics of broad relevance in the cooperation area such as eco-innovation, knowledge transfer, cluster policy, social innovation and skilled entrepreneurship including technological and non-technological innovation aspects. The social dimension in innovation (social innovation, educational aspects, and entrepreneurship skills) is given high importance.

Research and innovation is interlinked with other thematic objectives addressed by the programme: TO 6 (environment including climate adaptation, innovative technologies for adaptation and risk prevention), TO 7 (promoting sustainable transport and removing bottlenecks: innovative solutions for environmentally friendly and low-carbon transport systems) and TO 11 (administrative capacities can be enhanced through innovation).

Priority axis 2: Environment and Culture responsible Danube region (working title)

The priority axis includes two investment priorities (6c and 6d) corresponding to the thematic objective 6 (Environment and resource efficiency).

The programme strengthens joint and integrated approaches to preserve and manage the diversity of natural and cultural assets in the Danube region as a basis for sustainable development and growth strategies.

Moreover the programme envisages investing in the creation and/or maintenance of major ecological corridors along river systems including the Danube delta. This intervention is directly interlinked with water management and the control of environmental risk factors such as climate change and flood risks.

Furthermore disaster prevention and disaster management (risk management) is addressed related to risks that are caused by non-functioning ecosystems and man-made changes in climate conditions.

Priority axis 3: Better connected Danube region (working title)

The priority axis includes three investment priorities (7b, 7c and 7e) corresponding to the thematic objective 7 (Transport).

The programme intends to support the regional connectivity to the TEN-T network. Better management of regional mobility and better permeability of borders at the regional level should ensure that urban and rural areas benefit from the opportunities created by the major transportation networks which are developed through the Connecting Europe facility.

Furthermore environmentally-friendly (including low-noise), low-carbon and safe transport systems should be supported including inland waterways & ports and multimodal links in order to promote sustainable regional and local mobility, modal integration and intelligent transport.

Moreover energy is a typical issue in which a transnational approach is essential in order to ensure the security of supply of the countries, market integration and more effective regional planning, as well as to jointly identify the most critical infrastructure developments. Regional energy planning and –coordination should be improved across the Danube region within the wider context of EU energy policy-making to safeguard the security of energy supplies. Another aspect actual is the development of smart distribution systems where the programme area is still in the early stages. The programme aims to better coordinate the development of smart energy distribution systems to make the significant investments of regions in renewable energy sources, energy efficiency and smart grids more efficient.

Priority axis 4: Well governed Danube region (working title)

The Priority axis includes one investment priorities distinguished into two specific objectives (“11a”/ERDF and “11b”/ETC) corresponding to the thematic objective 11 (Governance).

Institutional cooperation and capacity is a key target and the vital element of the programme at the same time. Institutional capacity is not just a technical matter of training civil servants, but it relates to how public authorities interact with and deliver services to businesses and citizens. "Good governance" is the basis and ultimate

objective for institutional capacity building. Good governance builds trust and social capital. States with a high level of social capital tend to perform better economically.

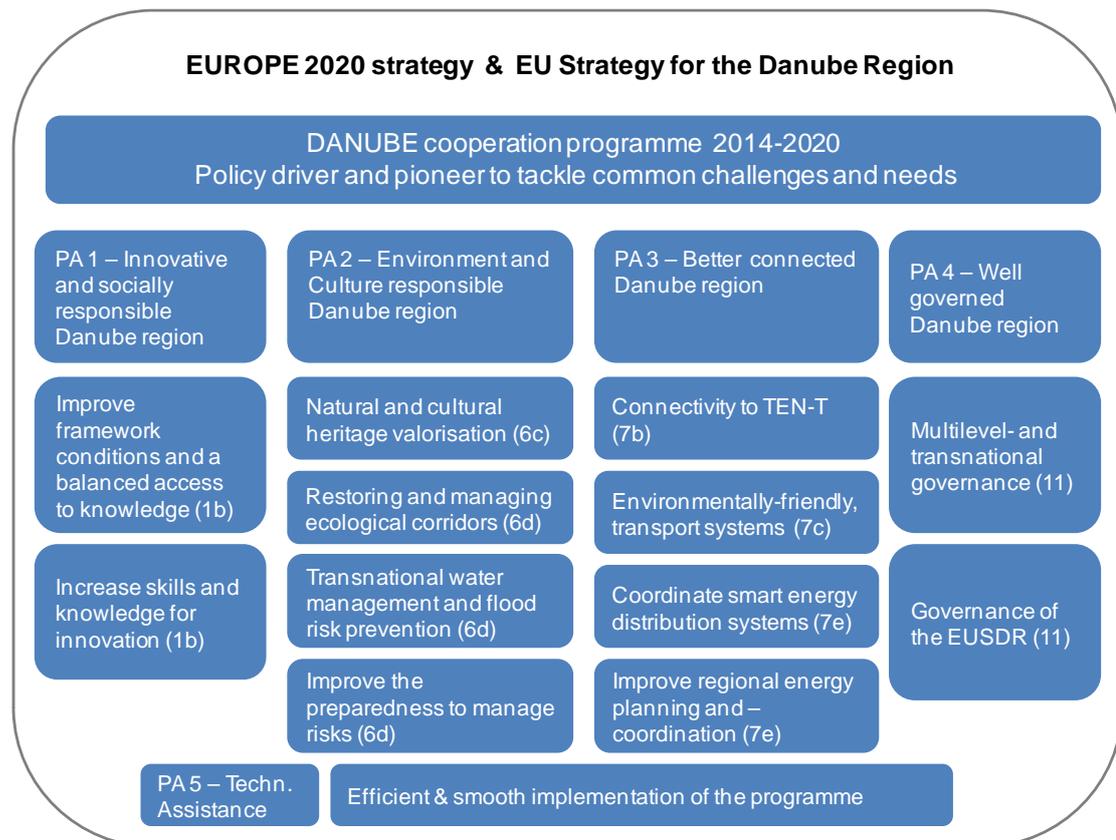
The need has been identified by the analysis to develop the capacities of the public authorities and other public and civil society stakeholders to become able to tackle more effectively the challenges of highest relevance for the region. Establishing institutional cooperation by the programme should lead to improving legal and policy frameworks, developing strategies and action plans, development of joint capacities and coordinated delivery of services in areas with major societal challenges such as labour market policies and education & training programmes, demographic change and migration challenges and inclusion of marginalized groups.

In addition, there is the need to improve the capabilities and capacities of public institutions and key actors involved in complex transnational project development to implement the EUSDR in a more effective way.

Last but not least the **Priority Axis 5 (Technical Assistance)** should ensure the efficient and smooth implementation of the Danube programme.

The “big picture” of the programme is presented in the following table.

Figure 2. Overview on priority axes and specific objectives of the cooperation programme



Source: Metis

Type of actions to be supported under the cooperation programme

In principle the following types of action are supported under the cooperation programme:

- Development of **common orientations, frameworks and strategies** in fields of transnational relevance where early policy development is needed (i.e. in fields which until now have not been touched by significant projects in the previous programming periods)
- Development and practical implementation of **transnational tools and services** (e.g. analytical tools, management tools, technical tools, software tools, monitoring tools)
- Development and practical implementation of **fixed investments (infrastructure, equipment) to finance pilot investments** in products, infrastructure and construction works and to finance equipment to carry out project activities and demonstrate the feasibility of transnational tools and services
- Development and practical implementation of **training and capacity building** (e.g. training seminars and courses, study visits, peer reviews)
- Accompanying **information and publicity measures** to inform stakeholders and/or the general public about project activities and outcomes

Examples of action to be supported under the programme are described in section 2. The complementarities of planned interventions with the EU Strategy for the Danube Region (EUSDR) both in the programming process as well as in the implementation phase is outlined in section 4.4.

1.1.2 Justification for the choice of thematic objectives and corresponding investment priorities

The choice of Thematic Objectives (TO) and Investment Priorities (IP) as set out in Section 2 has been carried out using the following criteria:

- the **relevance** of the TOs to the key challenges and most important transnational development needs identified under each of the overarching objectives of the EU2020 and EUSDR strategies (territorial and statistical evidence) within the Danube area;
- the **context**, namely the regulatory framework offered and the added value of adopting a transnational approach for the implementation of actions under the TO, to address issues identified under the objective (transnational cooperation potentials) in the given financial envelope;
- the **lessons** drawn from the SEE programme and activities and the absorption capacity of the area.

Additionally, to maintain a strong focus on thematic concentration and limit the number of IPs, complementarity and potential synergies between IPs under different have been widely explored and used. See the following table.

Table 2. A synthetic overview of the justification for the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
<p>TO 1 Research & Innovation</p>	<p>1b (6f)</p>	<ul style="list-style-type: none"> • There is an important potential in coordinating the research and innovation capacities of the macro-region, its heterogeneity offering the opportunity to exploit the comparative advantages of optimized internal synergies • The insufficient development of the cross-linkages between enterprises, R&D institutions and public sector (triple helix approach) shall be improved, since it can contribute to the commercial use of the innovative technologies and processes • The existing human resource capital can be better exploited by increasing the skills and competences through innovative methods, so people can better use the knowledge-intensive products and services and can contribute to the further generation of innovative products/processes/services
<p>TO 6 Environment, resource efficiency</p>	<p>6c</p>	<ul style="list-style-type: none"> • The governance of the rich cultural and natural heritage sites shall be improved by upgrading their management and ensure their preservation • There is a weak transnational coordination in maximizing the results of sustainable touristic exploitation of the cultural and natural heritage of Danube Region
	<p>6d (5b)</p>	<ul style="list-style-type: none"> • Increased fragmentation of natural habitats due to human interventions (transport corridors, land use, logging) is endangering the exceptional biodiversity of the region • The relative underdevelopment of green infrastructure needs to be addressed in order to improve the management of the protected areas • Mechanisms for management and control of the water as a central resource for the area have to be further developed • There is a need to coordinate the capacities in the region related to forecasting, preparedness and intervention in case of natural or human activity related disasters
<p>TO 7 Transport</p>	<p>7b</p>	<ul style="list-style-type: none"> • There are remote areas in the region with considerable accessibility deficits, therefore the connectivity to the (trans-European) transport networks is needed
	<p>7c</p>	<ul style="list-style-type: none"> • There is a general need to shift transport to a more environmental friendly mode, by developing more efficient management solutions on transport systems to reduce pollution • Multimodality facilitate more sustainable transport systems, therefore efforts shall be made in order to develop them
	<p>7e</p>	<ul style="list-style-type: none"> • The energy efficiency targets on EU level require the development of smart grids in order to increase the level of energy security • The energy dependency of the region can be reduced through a better coordination between the energy policies of

Selected thematic objective	Selected investment priority	Justification for selection
		the countries
TO 11 Governance	11 acc. ERDF Reg.	<ul style="list-style-type: none"> • While enhancing the circulation of good practices, the institutional and policy coordination between countries should be strengthened, in order to increase the capacities to operate and to further develop existing structures and processes for a better administrative performance of the public sector in the fields of major interest • The development and utilization of modern management systems and tools by the public institution is modest in many parts of the region, and this represents an important deficit for the quality of the public administration which needs to be addressed
	11 acc. ETC Reg. Article 7	<ul style="list-style-type: none"> • Based on the experiences accumulated, assistance to the governance system of the EUSDR should be provided by supporting the activity of the key implementers and developing new tools for increasing the communication between key actors • The efficient implementation of the EUSDR is dependent on good quality, mature projects, therefore, considering the difficulties faced by potential project owners, support shall be provided in order to mobilise different funding sources for implementation of the EU Strategy

1.2 Justification of the financial allocation

To be further elaborated...

The overall programme budget is of EUR 273.28 million, with an ERDF contribution of EUR 201.527 million (plus IPA and ENI funds), as detailed in section 3 (Financing Plan). The financial allocation to the chosen thematic objectives reflects:

- The inputs provided by the relevant partners in the course of consultations
- The experiences of the programming period 2007-2013 in particular relating to preparatory steps for key projects and the continuation of efforts in promising policy areas but also with a close view on the capacity of core actors in certain thematic fields
- The estimated financial size of the actions foreseen in each priority axis

Table 3. Overview of the programme investment strategy

PA	ERDF support - EUR	Proportion (%) of the total Union support to the OP			TO	IP	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI	IPA				
1					1	1b	<p>Improve the institutional and infrastructural framework conditions and policy instruments for research & innovation and ensure a broader access to knowledge for the development of new technologies and the social dimension of innovation (SP1)</p> <p>Improve cooperation between policy makers and training and education institutions to develop innovative learning systems, increase skills of employees in the business sector and foster entrepreneurial learning (SP2)</p>	<p>R1: Level of development of framework conditions in the Danube region (survey based composite indicator)</p> <p>R2: Intensity of cooperation between education & qualification key actors in the Danube region to better link skills and innovation (survey based composite indicator)</p>
2					6	6c	Strengthen joint and integrated approaches to preserve and manage the diversity of natural and cultural assets in the Danube region as a basis for sustainable development and growth strategies (SP3)	R3: Level of implementation of joint and integrated approaches in the Danube region to valorise cultural and natural assets (survey based composite indicator)
						6d	<p>Strengthen effective approaches to preservation, restoring and management of large-scale bio-corridors and wetlands to contribute to the better conservation status of ecosystems of European relevance (SP4)</p> <p>Strengthen joint and integrated approaches to further develop River Basin Management Plans in the Partner States in line with the overall Danube River Basin Management Plan (SP5)</p> <p>Improve the preparedness of public authorities and civil protection organisation to better manage risks such as floods, droughts and water scarcity but also manmade risks (SP6)</p>	<p>R4: Status of development of large-scale bio-corridors in the Danube region (survey based composite indicator)</p> <p>R5: Status of development of national RBM Plans and consistency with the overall DRBM Plan (survey based composite indicator)</p> <p>R6: Status of preparedness to manage risks of transnational dimension (survey based composite indicator)</p>
3					7	7b	Improve integrated planning, coordination and management of regional transport systems for better connectivity to TEN-T infrastructure for people and goods (SP7)	R7: State of development of coordinating mechanisms to ensure the connectivity of secondary and tertiary nodes to the TEN-T network (survey based composite indicator)

PA	ERDF support - EUR	Proportion (%) of the total Union support to the OP			TO	IP	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF	ENI	IPA				
								indicator)
						7c	Improving environmentally-friendly (including low-noise), low-carbon and safe transport systems including inland waterways & ports and multimodal links in order to promote sustainable regional and local mobility, modal integration and intelligent transport (SP8)	R8: State of development of coordinating mechanism to promote environmentally-friendly, low-carbon and safe transport systems (survey based composite indicator)
						7e	Better coordinate the development of smart energy distribution systems to make the significant investments of regions in renewable energy sources, energy efficiency and smart grids more efficient and contribute to the security of energy supplies (SP9) Improve regional energy planning and -coordination across the Danube region within the wider context of EU energy policy-making to safeguard the security of energy supplies (SP10)	R9: The share of countries/regions in the DR with a significant number of smart grid projects (data based indicator) R 10: Status of development of regional energy planning and -coordination across the Danube region (survey based composite indicator)
4					11	ERDF Reg.	Strengthen multilevel- and transnational governance and provide viable institutional and legal frameworks for more effective, wider and deeper transnational cooperation across the Danube region in areas with major societal challenges (SP11)	R11 Level of application of multilevel and transnational governance in the Danube region (survey based composite indicator)
						ETC Reg. Art. 7	Improve the governance system and the capabilities and capacities of public institutions and key actors involved in complex transnational project development to implement the EUSDR in a more effective way (SP12)	R12: The share of Priority Area Coordinators (PAC) who can effectively implement its goals, targets and key action (survey based composite indicator)
5 TA							Ensure the efficient and smooth implementation of the programme	Not applicable

2 Description of the Priority axes

2.1 Priority axis 1: Innovative and socially responsible Danube region (working title)

2.1.1 Investment priority 1b) promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies.

2.1.1.1 Specific objective 1: Improve framework conditions and a balanced access to knowledge

Improve the institutional and infrastructural framework conditions and policy instruments for research & innovation and ensure a broader access to knowledge for the development of new technologies and the social dimension of innovation (SP1).

It is widely acknowledged that innovative capacity and sustainable structures for research and innovation are determined by the interplay of factors which enable knowledge to be converted into new products, processes and organisational forms which in turn enhance economic development and growth. The frameworks for innovations link science and technology and non-technology capacity to institutional capacity, i.e. the quality and reach of public governance for innovation, effective technology transfer institutions, a sound banking and financial system, working higher education and training systems and an innovation-friendly environment.

The improvement of innovation framework condition in terms of institutional cooperation and policy instruments and developing cross-linkages between enterprises, R&D institutions, higher education and the public sector is a major challenge for the most parts of the Danube region as illustrated in the analysis chapter.

Transnational cooperation can take an important role in developing common orientations, frameworks and tools (policy instruments) by bringing together key players including public institutions, RTD facilities, SMEs (and clusters thereof) and technology transfer institutions and finance pilot activities to demonstrate and evaluate the feasibility of transnational tools and services in the following fields (examples):

- Further development of innovation strategies and smart specialisation approaches that transcends national borders
- Better access to innovation finance, subsidies and incentives for R&D, access to venture capital (access to finance)
- Joint planning and management of major research infrastructures (e.g. research centres, technology transfer centres) taking into consideration pan-European research infrastructures which are in the preparatory phase in the Danube region

- Improved coordination of cluster policies across regions and Partner states. A cross-sectoral approach for cluster projects is the new trend to foster innovation, which also allows for a transfer of knowledge to more traditional industries and for developing a smart specialisation strategy that goes beyond national borders. Clustering is not only needed in technology-sectors but also in service innovation, creative industries and social innovation.
- Remove bottlenecks in the diffusion and application of innovation by developing cross-linkages between enterprises, R&D institutions, higher education and the public sector (triple helix approach) in order to ensure a broader access to RTD results and more efficient use of existing or newly created knowledge. This will intensify technology transfer and improve cooperation among key players. It will also lead to a better pooling of information in order to be applied in concrete production and service processes (putting knowledge to use)
- Support for innovative public procurement as driver for innovative products and services

Specific attention should be given to themes of general interest such as eco-innovation and social innovation which are cross cutting issues which can be tackled at different levels (governance, concrete products & services, and education).

Eco-innovation has become one of the EU's priorities and is a term used to describe products and processes that contribute to sustainable development. Eco-innovation is the commercial application of knowledge to bring-out direct or indirect ecological improvements. Eco-innovation is closely linked to a variety of related terms such as 'environmental technology' or 'eco-efficiency'. Eco-innovation has an energy-related (energy generation/storage/efficiency e. g. renewable energy) and a non-energy related dimension (environmental technologies in transportation, water & wastewater, air & environment, materials, manufacturing / industrial, recycling & waste).

Social innovation can be defined as the development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. It represents new responses to pressing social demands. Many social innovations have to do with service innovation. This includes innovation in services and in service products, new or improved ways of designing and producing services, and innovation in service firms, organisations, and industries – organisational innovations and the management of innovation processes, within service organisations.

Since the participation in cooperation initiatives is very uneven in the Danube region, especially actors and organisations from less developed regions of the Danube area need to be better integrated into cooperation processes and competent networks.

The specific objective is measured by a result indicator (composite indicator) which reflects the level of development of framework conditions in relation to effective smart specialisation approaches, sufficient access to finance, effective coordination of major research infrastructures, effective coordination of cluster policies, introduction of innovative public procurement and the scale of transnational collaboration of university, industry and government actors in specific technological and non-technological fields.

The baseline of the result indicator will be established through a survey among key actors in the programme area.

Table 4. Programme Specific Result indicators for Specific Objective No 1

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value ²	Source of data	Frequency of reporting
Level of development of framework conditions in the Danube region (composite indicator)	Ordinal scale (e.g. 1 to 10)	Established through survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors in AT linked to the regional innovation system (potential actors in the area)	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.1.1.2 Specific objective 2: Increase skills and knowledge for innovation

Improve cooperation between policy makers and training and education institutions to develop innovative learning systems, increase skills of employees in the business sector and foster entrepreneurial learning (SP2).

It is evident that there is a strong circular and cumulative interaction between knowledge, skills and innovation. Skilled people play a crucial role in innovation through the new knowledge they generate, how they adopt and develop existing ideas, and through their ability to learn new competencies and adapt to a changing environment.

In the Danube region mobility of the workforce leads to a brain-drain of young and well-educated people in some regions, whereas other regions are attractive for receiving this workforce. In addition, the Danube region needs to make better use of the existing potentials of an increasingly diverse and aging society. Training and education need to enable all individuals to address the socio-economic changes and to obtain qualifications necessary in a knowledge-based economy.

Transnational action seeks to increase understanding of the links between skills and innovation and to explore more effective approaches related to the following aspects:

- Knowledge of policy makers and training institutions to adapt, develop and test and evaluate innovative learning systems
- Skills of employees addressing the broader workforce: Increasing skills of employees in the business sector to better adapt to technological change
- Entrepreneurial learning: building up a stronger culture of entrepreneurship, improve education for innovative entrepreneurship including gender aspects and addressing also high-quality primary and secondary schooling
- Skills and knowledge to advance social innovation to better meet social needs and further improve the capacities of regions to manage new challenges such as those deriving from demographic change, migration and brain drain.

² Target values can be qualitative or quantitative.

Transnational action should reinforce (transnational) links between relevant players such as decision makers, education and training facilities, research institutions, business sector, labour market organisations.

A typical outcome of SP 2 which works both at the governance and the implementation level would be – as an example – the establishment and operation of a competent partnership in the Danube region that develops a learning system for entrepreneurial competences preferably with a strong role of actors from less developed regions.

The specific objective to contribute to better education, training and lifelong learning schemes related to innovation by means of transnational cooperation is measured by a result indicator measuring the intensity of cooperation between key actors in education and qualification in the Danube area. The indicator will be established through a survey among key actors in the fields of education and qualification.

Table 5. Programme Specific Result indicators for Specific Objective No 2

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value	Source of data	Frequency of reporting
Intensity of cooperation between education & qualification key actors in the Danube region to better link skills and innovation (composite indicator)	Ordinal scale (e.g. 1 to 10)	Established through survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected education & qualification key actors (potential actors in the area)	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.1.1.3 Actions to be supported under the investment priority 1b

Type and examples of action to be supported to contribute to specific objective No 1: Improve framework conditions and a balanced access to knowledge

- Support the further development smart specialisation approaches through knowledge transfer and capacity building of authorities, agencies, social and economic partners and the education and research community to fully utilize the potentials for smart specialisation in the DANUBE region.
- Improve the access to finance through the establishment of a Danube Region Research and Innovation fund.
- Support the joint planning and management of research infrastructures with a transnational scope. Currently Pan-European research infrastructures are in the preparatory phase in the Danube region (supported by DG Research and the EUSDR), e.g. ELI (Extreme Light Infrastructure) which is planned to be implemented in HU, CZ and RO (www.eli-hu.hu, www.eli-beams.eu); International Centre for Advanced Studies Danube – Danube Delta – Black Sea (3D BS Centre) initiated by Romania and Austria; „Danube River REsearch And Management (DREAM). All relevant universities and research institutions along the Danube River and tributaries are potential partners, in strong interrelation

with public and private sectors (ministries, regions, hydroelectric companies, waterway administrations to NGOs). Consortium leaders: Austria, Romania, Serbia (see <http://www.danube-navigation.eu/pages/projects/wwmgmt>).

- Support the improved coordination of cluster policies and the development of joint smart specialisation approaches in technological and non-technological areas of strength: Development & expansion of cluster initiatives through joint trainings, joint market research, and coordination of cluster support programmes. This could include joint efforts to foster Smart Regions concepts.
- Support for innovative public procurement: Improved public procurement practices can help foster market uptake of innovative products and services. At the same time these practices will raise the quality of public services in markets where the public sector is a significant purchaser. It is therefore important to mobilise public authorities to act as "launching customers" by promoting the use of innovation-friendly procurement practices.
- Support collaborative research & innovation activities and competent networks between enterprises, R&D centres, higher education and the public sector to further develop innovative environmental technologies and common resource efficiency standards and benchmarks including energy efficiency technologies and cross-border water management and to enhance the commercial use of research results.
- Establish transnational networks between appropriate partners to develop and implement products, services and models to meet social needs and create new social relationships or collaborations.

Text box - project example

Insert a specific project example if appropriate

Type and examples of action to be supported to contribute to specific objective No 2: Increase skills and knowledge for innovation

- Implementing joint strategies and action plans for strengthening human resources and knowledge development, e.g. developing skills and competences enabling innovative entrepreneurship in technological and non-technological sectors (e.g. creative industries) including development of entrepreneurial skill
- Create new and improve existing transnational educational and training networks in higher education (e.g. linking academic and business qualifications)
- Put joint strategies for managing demographic change, migration and brain-drain into action
- Joint development of innovation related services and qualification offers; improvement of knowledge and skills for social innovation, e.g. enhance competences and entrepreneurship for social innovation in the fields of general interest such as migration, health and ageing, incubation, workplace innovation

2.1.1.4 Main target groups supported under the investment priority

- Small and medium enterprises (SMEs)
- Innovation, science and technology centres (parks, incubators)

- Universities and research institutions
- Educational institutions
- Business support organisations

2.1.1.5 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Networks, clusters and associations
- Research and development institutions
- Universities with research facilities
- Business support organisation (e.g. chamber of commerce, business innovations centres, regional development agencies).
- Higher education
- Education/training centre and school
- Private enterprises including SME
- EGTC

2.1.1.6 Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is eligible.

2.1.1.7 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- Contribution to longer term cooperation between R&I actors (not only focus on short term research outputs)
- Clear contribution to the dissemination of technologies (R&D projects for purely scientific purposes without any direct practical application or use in view are not a priority for the ERDF)
- Clear synergies with other research and innovation-related investments under ESI Funds and Horizon 2020
- Usability of project deliverables
- Clear elements of awareness-raising, training, capacity building

2.2 Priority axis 2: Environment and Culture responsible Danube region (working title)

2.2.1 Investment priority 6c) Conserving, protecting, promoting and developing cultural and natural heritage

2.2.1.1 Specific objective No 3: Natural and cultural heritage valorisation

Strengthen joint and integrated approaches to preserve and manage the diversity of natural and cultural assets in the Danube region as a basis for sustainable development and growth strategies (SP3).

The attractiveness of the Danube region as a tourist destination is given by cultural heritages as well as attractive landscapes. One of the most important criteria for the development of tourism should be sustainability.

Sustainable tourism development in the entire Danube region is a must and should integrate the experiences of the Western European countries on the upper Danube regarding the importance of a good balance between tourism, environment protection and economic growth.

In this respect, tourism development is an opportunity to promote transnational cooperation between states, regions and communities and can thereby be an important tool for the integration of countries from south-eastern Europe into the EU.³

Tourism can help in spreading a positive image of the “Blue Danube” to South-Eastern Europe as a whole. It also helps in establishing tourism products on a sustainable basis, focusing for example on nature, rural areas, viticulture, cycling, river tours and cruises.

Cooperation is a central requirement for sustainable planning and the development of destinations. An important role in the application of the tourism policy for the Danube region could be taken over by existing actors and networks that are based on cooperation.

The strengthening of governance for natural and cultural heritage valorisation and likewise for sustainable tourism is a major challenge for the most parts of the Danube region as illustrated in the analysis chapter.

Common approaches for the protection and sustainable use of natural and cultural heritage as well as resources are determined by the implementation of common strategies. These strategies can be considered as key factors to ensure sustainable development and to avoid usage conflicts. In the programme context, the development of a marketing strategy including a common brand is creating an enabling environment for sustainable tourism strategies which is based on natural and cultural heritage valorisation. In this way the development of broad partnership networks incorporating different programmes, central, regional and local administrations and non-governmental organisations, business support centres and mobility networks is an important instrument. Moreover, the programme area has a potential to strengthen common approaches to better develop promising sites, theme paths and joint products guided by a shared policy framework.

³ See Elena Teutsch, 2011, Construction of a sustainable tourism destination: The Danube Region

Transnational cooperation can be an important asset when developing common orientations, frameworks and tools for the exchange of knowledge and experience among regions. The programme should bring together different stakeholders dealing with the protection of natural and cultural heritage and with wider development strategies in order to develop joint and integrated approaches in the following fields:

- Support a better transnational coordination of cultural and natural heritage development plans and initiatives by strengthening the governance aspect and capacity development
- Raise the awareness on the benefits of cultural diversity in the Danube Region in order to make advantages on cultural diversity of the Danube Region and dissolve antipathies inherited from the past.
- Strengthen common orientations of transnational offers in the areas of tourism, leisure and culture to better develop promising sites, theme paths and joint products with a critical mass and embedded in wider development and growth strategies which contribute to sustainable jobs and growth in a regional dimension.

Investments in the renovation of historical buildings or building/renovation of cultural institutions should only be supported if they are part of an overall economic development strategy. The programme cannot replace national budgets in terms of maintenance of cultural heritage.

The specific objective is measured by a result indicator (composite indicator) which reflects the level of implementation of joint and integrated approaches in the Danube Region to valorise cultural and natural assets.

The baseline of the result indicator will be established by a survey among selected key actors in the field of sustainable tourism.

Table 6. Programme Specific Result indicators for Specific Objective No 3

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Level of implementation of joint and integrated approaches in the Danube region to valorise cultural and natural assets (composite indicator)	Ordinal scale (e.g. 1-10)	Established through a survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors in the field of sustainable tourism	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.2.1.2 Actions to be supported under the investment priority 6c

Type and examples of action to be supported to contribute to specific objective No 3: Natural and cultural heritage valorisation

- Support the ratification process of the joint tentative World Heritage sites

-
- Development of new and support existing Cultural Routes relevant in the Danube Region
 - Ensure sustainable preservation of cultural heritage and natural values by developing relevant clusters and networks of museums, interpretation and visitors centres within the Danube region
 - Increase the visibility of joint activities through the organisation of different events such as conferences, forums, seminars, platforms and networking meetings in order to improve the recognition and trust among existing partners and to assure the political commitment at all levels
 - Implement a market perception analysis with the aim to assess the customer understanding of the Danube region as a consistent tourism destination
 - Turning protection status into an economic development factor. Assessment of the economic potential of allowed activities in protected areas, exchange of proven experiences
 - Develop green tourist products along the Danube Region
 - Develop marketing strategies including common brands
 - Coordination of strategies and development plans developed at regional and/or local level in order to achieve a critical mass and visibility beyond the local level
 - Support for regional approaches that strengthen regional linkages in the protection of natural assets and the revitalisation of cultural assets. It must be considered that the actions will have to fit in broader strategic frameworks
 - Develop specialised strategic structures on the development of tourism along the Danube
 - Support the cooperation of public and private institutions in fields of competence and capacity building
 - Support the implementation of a harmonized monitoring system, dedicated to tourism, able to provide complete and comparable statistical data in the Danube regions
 - Support risk management plans for cultural and natural heritage sites exposed to climate change
 - Support activities in the fields of multiculturalism, cultural exchange and the establishment of connections on field of creative industry in order to increase cultural diversity

Text box - project example

Insert a specific project example if appropriate

2.2.1.3 Main target groups supported under the investment priority

- Public and private cultural institutions
- Education and training institutions
- National, regional and local public authorities

- Small and medium enterprises (SMEs) in tourism
- Tourist operators
- Tourist information centres (points)

2.2.1.4 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by local and regional authorities
- Non-governmental organisations (including associations and networks)
- Research and development institutions
- Universities with research facilities
- Higher education
- Education/training centre and school
- Private enterprises including SME
- EGTC

2.2.1.5 Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

2.2.1.6 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- Link to a shared policy framework in order to avoid fragmented action and reach a critical mass
- Link to environment and resource efficiency to make the tourism activities more environmentally friendly
- Sound economic rationale and clear concept of how the project would be sustainable.

2.2.2 Investment priority 6d) Protecting and restoring biodiversity, soil protection and restoration and promoting ecosystem services including NATURA 2000 and green infrastructures

2.2.2.1 Specific objective No 4: Restoring and managing ecological corridors

Strengthen effective approaches to preservation, restoring and management of large-scale bio-corridors and wetlands to contribute to the better conservation status of ecosystems of European relevance (SP4).

Against the background that only a small proportion of the habitats and species of Community interest (e.g. Natura 2000 areas) are in a favourable conservation status the programme pursues an integrated approach to tackle common challenges in green infrastructure development in combination with risk management and climate change adaptation.

Transnational action programme can contribute to improved interlinking of natural habitats which is of great importance for the sustainment of a functional ecological network.

Preserving wildlife corridors ranks among the most important strategies to preserve biodiversity, which enlarges the strategy for the conservation of explicitly protected areas. Interlinking of natural habitats and wildlife corridors by reduction of barriers (e.g. through “green bridges” over transport infrastructures), improvement of land and water management and nature protection; improvement of spatial planning and of the policy framework.

Focus should be given on large-scale bio-corridors such as Mura-Drava-Danube Transboundary Biosphere reserve, habitat conditions along the Danube River and other key green infrastructures including the Danube Delta (the largest the second largest river delta in Europe, after Volga Delta). Support should target protected areas and their relevant adjacent areas.

Support should also be given to accompanying research and evaluation activities including development of advanced tools for mapping, diagnosing, protecting and managing natural landscapes.

Promoting of awareness-raising and environmental education can be part of wider project action.

The specific objective to strengthen the integration of functional ecological networks and green infrastructures is measured by the status of development of large-scale bio-corridors in the Danube region.

It is expected that environmental authorities the partner States can provide the necessary data.

Table 7. Programme Specific Result indicators for Specific Objective No 4

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Status of development of large-scale bio-corridors in the Danube region	Ordinal scale (e.g. 1-10)	Established through a survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors in the field of nature protection/ environmental authorities	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.2.2.2 Specific objective No 5: Transnational water management and flood risk prevention

Strengthen joint and integrated approaches to further develop River Basin Management Plans in the Partner States in line with the overall Danube River Basin Management Plan (SP5).

Investments to creating and/or maintaining ecological corridors along major river systems as it is planned under the SP5 is directly interlinked with water management and the control of environmental risk factors such as climate change and flood risks.

Accordingly the programme targets investment in green infrastructure (which contributes to protecting and restoring biodiversity and the provision of ecosystem services⁴ in an integrated way with the protection against floods and increase of water availability.

The EU water policy is largely based on the Water Framework Directive that includes the key element of the River Basin Management Plans (RBMPs). They are a detailed account of how the objectives set for the river basin (ecological status, quantitative status, chemical status and protected area objectives) are to be reached within the timescale required.

Hence the RBMP's provide the overall context for water management in the Danube region including gaps, measures and objectives. In this respect the investments of the programme should take place within the context of the relevant RBMPs.

The Danube River Basin Management Plan (DRBMP) guides the way to achieving at least good status for all waters of the Danube River Basin. The current plan covers the period from 2009 until 2015. In the Danube River Basin District, all countries (including non-EU member countries) have been working on their national management plans. As these plans need to be established for each river basin (national RBM Plans), the countries are also cooperating on the international level. They use the ICPDR Secretariat (International Commission for the Protection of the Danube River) as a platform to discuss and agree on the transboundary aspect of the management of the

⁴ According to Millennium Ecosystem Assessment (2005) Ecosystem services are defined as production of food and water, control of climate and disease; supporting nutrient cycles and crop pollination; and cultural and recreational benefits.

water resources. With the forthcoming planning period all tools for the creation of a new and updated generation of RBMP's under a common umbrella have to be prepared which is a major challenge for all partner regions. The ICPDR is currently developing the second management plan for the Danube River Basin for the period between 2015 and 2021. This plan aims to further protect and enhance the status of all waters and to ensure the sustainable, long-term use of water resources.

Transnational action can serve to tackle poor governance and knowledge gaps in the development of integrated national RBM Plans in line with the overall DRBMP.

Moreover transnational action can contribute to strengthen joint and integrated efforts in the following fields which are addressed by DRBMP:

- Tackling significant pressures identified in the Danube River Basin District (e.g. water pollution, disconnection of adjacent wetlands/floodplains, conflicts with inland navigation and infrastructure projects)
- Joint monitoring of ecological and chemical status
- Joint development of measures to improve water quality and ecological status
- Joint management of flood risks
- Building awareness for joint action (e.g. communication to the public and specific target groups)

Water management aspects such as fixed investments in waste water treatment plants are not part of the programme.

The specific objective is measured by a result indicator which reflects the status of development of national RBM Plans and consistency with the overall DRBM Plan (composite indicator).

The baseline of the result indicator is established through a survey which may be conducted by the ICPDR Secretariat.

Table 8. Programme Specific Result indicators for Specific Objective No 5

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Status of development of national RBM Plans and consistency with the overall DRBM Plan	Ordinal scale (e.g. 1-10)	Established by a survey	2014	Increasing (qualitative target)	ICPDR Secretariat on basis of a survey	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.2.2.3 Specific objective No 6: Improve the preparedness to manage risks

Improve the preparedness of public authorities and civil protection organisation to better manage risks such as floods, droughts and water scarcity but also manmade risks (SP6).

The sustainable use and provision of ecosystem services is addressed under SP4 and SP5 (risk prevention), whereas SP6 is targeting disaster prevention and disaster

management (risk management) related to risks that are caused by non-functioning ecosystems and man-made changes in climate conditions.

Disaster prevention/management and adaptation to climate change is largely related to security and emergency issues which are mainly in the hands of public authorities. Furthermore civil protection organisation based on volunteers form the backbone of disaster management.

The main role of a cooperation programme is to facilitate knowledge-based prevention policies and linking relevant actors across borders. Investing in prevention and preparedness should complement Member State and Commissions initiatives (e.g. by DG Humanitarian Aid and Civil Protection) in disaster prevention.

Cooperation across regions and Member States should deal with transnational spill over effects, in particular in relation to flood protection, forests fires, droughts and water scarcity and manmade risks with impact across regions.

Transnational action can contribute

- To establish more effective governance systems to prepare for emergency situations, e. g. more powerful civil protection schemes; establishing or strengthening emergency response services and capacity to deal with aftermath of disasters; early warning systems.
- To further develop the ICPDR Strategy on Adaptation to Climate Change (2013)⁵ in terms of more practical adaptation strategies, action plans and tools. These strategies and plans should outline the expected consequences of climate change in the region and develop integrated actions for adaptation to these consequences giving special attention to the 2nd DRBM Plan (Danube River Basin Management Plan) and the 1st DFRM Plan (Danube Flood Risk Management Plan).

The specific objective is measured by a result indicator which reflects the preparedness to manage risks of transnational dimension in terms of the status of development of joint strategies, action plans and tools.

The baseline of the result indicator is established through a survey.

Table 9. Programme Specific Result indicators for Specific Objective No 6

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Status of preparedness to manage risks of transnational dimension (composite indicator)	Ordinal scale (e.g. 1 - 10)	Established through a survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

⁵ <http://www.icpdr.org/main/activities-projects/climate-change-adaptation>

2.2.2.4 Actions to be supported under the investment priority 6d

Type and examples of action to be supported to contribute to specific objective No 4: Restoring and managing ecological corridors

- Interlinking of natural habitats and wildlife corridors by reduction of barriers, improvement of land and water management and nature protection; improvement of spatial planning and of the policy framework. Support should target protected areas and their relevant adjacent areas.

Focus should be given to

- Establish the Mura-Drava-Danube Transboundary Biosphere reserve
- Improve the habitat conditions along the Danube River to secure a viable population of Danube sturgeon species and other indigenous fish species (“Sturgeon 2020 strategy”)
- Elaborate a master plan for the “Living Space Danube” focussing on habitat networking, floodplain forests, and agriculture in Danube floodplains with the overall aim to restore and improve the ecological status of the Danube floodplains
- Promoting an integrated approach to better coordinate environmental interest with flood protection and the further expansion of inland navigation and transport infrastructure by establishing multi-sectoral partnerships (stakeholder networks)
- Developing planning and pilot measures to harmonize flood protection and rehabilitation of river systems
- Supporting accompanying research and evaluation activities including development of advanced tools for mapping, diagnosing, protecting and managing natural landscapes
- Promoting of awareness-raising and environmental education as part of wider project action

Text box - project example

Insert a specific project example if appropriate

Type and examples of action to be supported to contribute to specific objective No 5: Transnational water management and flood risk prevention

- Tackle poor governance and knowledge gaps in the development of integrated national RBM Plans in line with the overall DRBMP.
- Tackling significant pressures identified in the Danube River Basin District (e.g. water pollution, disconnection of adjacent wetlands/floodplains, conflicts with inland navigation and infrastructure projects)
- Joint monitoring of ecological and chemical status
- Joint development of measures to improve water quality and ecological status
- Joint management of flood risks: A specific challenge for transnational action is a better coordination of integrated flood risk prevention plans along the Danube river system along with the further integration of functional ecological networks and green infrastructures, which take into account ecological principles.

- Building awareness for joint action and facilitate the exchange of good practice (e.g. communication to the public and specific target groups)

Text box - project example

Insert a specific project example if appropriate

Type and examples of action to be supported to contribute to specific objective No 6: Improve the preparedness to manage risks

- Development of joint strategies and action plans for adaptation to climate change and risk prevention and management plans at transnational level (e.g. strengthening the operational cooperation among emergency response authorities in the Danube countries)
- Building up a common knowledge base and data observation capacities, and mechanisms for the exchange of information (e.g. risk mapping and assessment / updating the existing database of accident risk spots)
- Joint development of tools (e.g. developing rapid response procedure, establishing standardized procedures for joint activities in case of trans boundary water traffic accidents)

Text box - project example

Insert a specific project example if appropriate

2.2.2.5 Main target groups supported under the investment priority 6d

- Organisations responsible for the management of protected areas
- Local, regional and national authorities
- Regional development organisations
- Non-governmental organisations
- Infrastructure and (public) service provider (e.g. for water supply)
- Owners of the land in the protected areas
- General public who has an interest in preserving biodiversity

2.2.2.6 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Interest groups including NGOs (e.g. international organisation, environmental organisations, voluntary association, etc.)
- Research and development institutions
- Universities with research facilities
- Higher education
- Education/training centre and school
- EGTC

2.2.2.7 Specific territories targeted under the investment priority

- No specific focus areas are defined. The entire programme area is eligible.

2.2.2.8 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- Clearly integrated approach and establishment of multi-sectoral partnerships
- Closely looking at synergies with Horizon 2020, the new LIFE programme and Prioritised Action Frameworks (PAFs)
- Coherence with the ICPDR Strategy on Adaptation to Climate Change (2013), 2nd DRBM Plan (Danube River Basin Management Plan, currently under development) and the 1st DFRM Plan (Danube Flood Risk Management Plan, currently under development).

2.3 Priority axis 3: Better connected Danube region (working title)

2.3.1 Investment priority 7b) Enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure

2.3.1.1 Specific objective No 7: Planning, coordination and management of regional transport systems

Improve integrated planning, coordination and management of regional transport systems for better connectivity to TEN-T infrastructure for people and goods (SP7)

Investment in regional connectivity to the TEN-T network, better management of regional mobility and better permeability of borders at the regional level should ensure that urban and rural areas benefit from the opportunities created by the major transportation networks which are developed through the Connecting Europe facility.

However, besides the major pathways, the Danube Region faces important accessibility problems especially for the areas situated outside the designated corridors. The connectivity of these regions to the TEN-T networks through the secondary and tertiary nodes is of special importance for ensuring the conditions for growth in the area. Nevertheless, in order to ensure proper viability and efficiency, this process shall be integrated and coordinated on macro-regional level. Since such coordinating mechanisms do not yet exist, the transnational programme may assist in creating a common vision on regional transport and mobility in the area.

Transnational actions under the specific objective aim at

- Improving regional connectivity to the TEN-T infrastructure through systematic coordination and preparation of strategic investments in regional transport infrastructure and (hinterland) multimodal nodes and missing links and bottlenecks
- Removal of “non-infrastructureal” bottlenecks in regional mobility and connectivity (administrative, legal, technical, management obstacles)
- Capacity-building and training for better planning, implementation and management of regional mobility and connectivity

The specific objective is measured by a result indicator (composite indicator) which reflects the state of development of coordinating mechanisms to ensure the connectivity of secondary and tertiary nodes to the TEN-T network.

The baseline of the result indicator will be established by a survey among selected key actors in the field of transport infrastructure.

Table 10. Programme Specific Result indicators for Specific Objective No 7

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value	Source of data	Frequency of reporting
State of development of coordinating mechanisms to ensure the connectivity of secondary and tertiary nodes to the TEN-T network	Ordinal scale, (e.g. 1-10)	Established through a survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors linked to the regional transport networks	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.3.1.2 Actions to be supported under the investment priority 7b

Type and examples of action to be supported to contribute to specific objective No 7: Planning, coordination and management of regional transport systems

- Support the integration of the secondary and tertiary network (all relevant modes) into the TEN-T network
- Ensure efficient regional mobility of citizens and businesses by increasing interoperability in a sustainable intermodal transport system and improved management of regional mobility
- Develop an intermodal coordination strategy for the Danube region on transnational level aiming at the improvement of regional connectivity (including exchange of experience between all countries with regards to future transport needs)

2.3.1.3 Main target groups supported under the investment priority

- Authorities responsible for transport and mobility
- Public administrative units responsible for future financial investment in the transport sector
- Public authorities/institutions dealing with transport planning in urban, local, regional and national level and their subordinated organisations
- Public and private logistics and public transport operators
- Public and private infrastructure providers and operators
- Intergovernmental organisations and international organisations and expert groups
- General public and local enterprises who have an interest in improved cross border accessibility
- Civil representative affected by/affecting transport nodes
- Transport service users

2.3.1.4 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Infrastructure and (public) service provider (e.g. for public transport)
- Research and development institutions
- Universities with research facilities
- Business support organisation (e.g. chamber of commerce, regional development agencies).
- Interest groups including NGOs
- EGTC

2.3.1.5 Specific territories targeted under the investment priority

The entire Danube region with special focus on the main nodes along North-South and East-West connections and remote areas and areas affected by demographic change

2.3.1.6 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- To be defined

2.3.2 Investment priority 7c) Developing environment-friendly and low-carbon transport systems including river and sea transport, ports and multimodal links

2.3.2.1 Specific objective No 8: Environmentally-friendly, low-carbon and safe transport systems

Improving environmentally-friendly (including low-noise), low-carbon and safe transport systems including inland waterways & ports and multimodal links in order to promote sustainable regional and local mobility, modal integration and intelligent transport (SP8).

Despite the very important transport corridor, both in North-South and on East-West axis, the Danube region shows significant discrepancies in terms of modern and transnational environmentally-friendly and interoperable transport modes. A lack of efficient multimodal networks (road, rail air, water transport) as well as low connectivity and mobility of rural areas may be increased by improving the strategic transport management. Waterway transport plays a key role in this respect, especially since it has a relatively low environmental impact, thus the creation of an efficient multimodal transport system in the region may become a driving force in support for its sustainable development. Beside the need for optimisation of individual modes of transport (i.e. making them more environmentally-friendly, safe and energy efficient), their combination of multi-modal freight transport and logistics chains is required for a sustainable transport system.

Transnational cooperation can be an important asset when developing shared standards and procedures especially where deficiencies in terms of coordination among freight transport stakeholders can be observed. It aims to improve coordination among existing services, provided by different modes of transport, creating intermodal systems of existing transport facilities, overcoming discontinuity across borders and the lack of infrastructure. Coordinated strategies, concepts and management tools shall contribute to improving the multimodality of environmentally-friendly freight transport (e.g. rail and river transport). Mobility centres, bus terminals and multi-modal platforms shall be promoted and developed as a potential for consolidating and optimising transport flows for people and goods in order to enhance the efficiency, reliability and quality of greener transport modes and services. In the scope of the Danube region sustainable metropolitan transport should be addressed in an integrated way in order to guarantee its transnational relevance.

Transnational action should contribute to

- Reduction of the environmental impact of transport by increasing multimodality, interoperability and promoting the shift to more environment-friendly modes of transport
- Promote sustainable freight transport in the Danube region
- Promote sustainable metropolitan transport systems and mobility

Specific attention should be given to a comprehensive approach on the transnational level including urban and rural areas to improve sustainable, green transport modes.

The specific objective is measured by a result indicator (composite indicator) which reflects the state of development of coordinating mechanism to promote environmentally-friendly, low-carbon and safe transport systems in the Danube region.

The baseline of the result indicator will be established by a survey among selected key actors in the field of transport infrastructure.

Table 11. Programme Specific Result indicators for Specific Objective No 8

Indicator	Measurement Unit	Target Value	Baseline Year	Target Value	Source of data	Frequency of reporting
State of development of coordinating mechanism to promote environmentally-friendly, low-carbon and safe transport systems	Ordinal scale, (e.g. 1-10)	Established through a survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors linked to the regional transport networks	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.3.2.2 Actions to be supported under the investment priority 7c

Type and examples of action to be supported to contribute to specific objective No 8: Environmentally-friendly, low carbon and safe transport systems

- Improving coordination and trans-nationally integration among transport stakeholders to further develop multimodal hubs and links to promote emission reducing and energy efficient freight and passenger transport
- Exchanging and transferring know-how and good practice for better organisation of public transport links (e.g. by transport associations), mobility management, on demand public transport, promoting cycle and pedestrian traffic, e-mobility, road safety including pilot investments. Preparing investments in mobility centres and bus terminals
- Integration of public transport systems, public service organisation, supporting intelligent transport systems in functional areas
- Exchanging and transferring know-how and good practice in the scope of waterway infrastructure, waterway maintenance and management, fleet modernisation or port (infrastructure) development, including the promotion of funding possibilities such as the forthcoming Connecting Europe Facility 2014-2020 or national Operational Programmes for Transport co-funded by the ERDF.
- Establishing platforms which help to gather financing, planning and operating for better management and governance of environment-friendly transport corridors
- Developing solutions for protection from emergencies and accidents with intermodal transport (including hazardous substances)
- Support the development of efficient multimodal terminals at Danube river ports and dry ports to connect inland waterways with rail and road transport
- Improving efficiency of cross-border movements of cargo on the external EU-borders by tackling administrative and fiscal barriers. Harmonising technical,

safety, legal, organisational and other aspects of various transport modes and networks

2.3.2.3 Main target groups supported under the investment priority

- Authorities responsible for transport and mobility
- Public and private logistic and public transport operators
- Public and private infrastructure and transport operators and alliances
- Research institutions, universities
- Intergovernmental organisations and international organisations and expert groups
- General public and enterprises who have an interest in improved regional mobility
- Transport service users

2.3.2.4 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Infrastructure and (public) service provider (e.g. for public transport)
- Research and development institutions
- Universities with research facilities
- Business support organisation (e.g. chamber of commerce, regional development agencies).
- Interest groups including NGOs
- EGTC

2.3.2.5 Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is eligible.

2.3.2.6 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- Action should clearly be part of transnational management approaches

2.3.3 Investment priority 7e) improving energy efficiency and security of supply through the development of smart energy distribution, storage and transmission systems and through the integration of distributed generation from renewable sources

2.3.3.1 Specific objective No 9: Coordinate smart energy distribution systems

Better coordinate the development of smart energy distribution systems to make the significant investments of regions in renewable energy sources, energy efficiency and smart grids more efficient and contribute to the security of energy supplies (SP9).

The programme area is still in the early stages of the actual deployment of smart distribution systems. All regions will have to invest a significant amount of ERDF funding in sustainable energy, including renewable energy sources (RES), energy efficiency and smart grids. Smart grids can manage direct interaction and communication among consumers, households or companies, other grid users and energy suppliers. Moreover smart grids will be the backbone of the future decarbonised power system. They will enable the integration of RES and electric vehicles while maintaining availability for conventional power generation and power system adequacy.

Transnational action should contribute to developing a Danube Region Smart Grid Concept.

The aim of the Smart Grid Concept is to facilitate a common understanding on the rather complex notion of “smart grids” and assist the countries of the Danube Region to take the first steps towards the development of smart grid policies and action plans. In order to meet the energy efficiency targets of the EU, the standardisation of smart appliances and the preparation of national plans for the swift deployment of smart grids are necessary.

Moreover bottlenecks of smart grid developments in the Danube Region have to be identified ranging from infrastructural barriers through the integration of the increased energy production from supplying renewable sources into the grid to the ratio of non-payment.

Expectations on the prospects of smart grid developments should be discussed in the different countries and already existing practices have to be shared. A common understanding across regions should be developed of their own demand for smart grid solutions and the areas for policy and regulatory interventions.

The specific objective is measured by a result indicator which reflects the (evolving) share of countries/regions in the Danube region with a significant number of smart grid projects. The baseline of the result indicator will be established through existing research data.

Table 12. Programme Specific Result indicators for Specific Objective No 9

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value ⁶	Source of data	Frequency of reporting
The share of countries/regions in the DR with a significant number of smart grid projects	%	No of smart grid projects in European country in 2012	2012	Increasing (qualitative target)	EC/Joint Research Centre: Smart Grid projects in Europe: Lessons learned and current developments (2012 update).	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

Data see <http://ses.jrc.ec.europa.eu/number-smart-grid-projects-country>

2.3.3.2 Specific objective No 10: Improve regional energy planning and -coordination

Improve regional energy planning and -coordination across the Danube region within the wider context of EU energy policy-making to safeguard the security of energy supplies (SP10).

Energy is a typical issue in which a transnational approach is essential in order to ensure the security of supply of the countries, market integration and more effective regional planning, as well as to jointly identify the most critical infrastructure developments.

Danube countries (both EU member states and non-members) are increasingly dependent on the import of primary energy sources - mainly gas and oil - and these imports are often imported exclusively from one source.⁷ Domestic production of fossil fuels (oil, gas, coal, uranium) coming from conventional sources is insufficient and in decline, while the development of renewable energy resources is generally still underdeveloped (with the exception of Austria and Germany).

Most of the power and heat generation facilities in the region were built four decades ago and are obsolete, inefficient and highly pollutant. A large part of the region's energy transportation and distribution infrastructure (pipelines, power lines, etc.) have reached and even exceeded their life expectancy and need major replacement.

Moreover there is a general lack of cooperation in the energy field among the Danube region countries and the absence of functional regional energy markets.

Most of the national energy transportation networks in the Danube region have few interconnections and most of them are not bi-directional (do not allow reversible energy flows), which makes them vulnerable to supply crises (e.g. Russian-Ukrainian gas transit conflict). The Balkan countries of the Danube region still have relatively low

⁶ Target values can be qualitative or quantitative.

⁷ See Svetla Boneva, 2011, The Danube Strategy and the Energy security of the Danube macro region

energy efficiency in all sectors of the economy: from industry to household energy consumption.

As a first tangible result EUSDR/ Priority Area 2 (Sustainable energy) implementation a gas market model was developed and introduced at several events, such as the 7th Gas Forum of the Energy Community, and directly channelled to the North-South Gas Working group. The Model is highly appreciated by all relevant experts and institutions as a tool which is able to measure the transnational spill-over effects of gas infrastructure projects and project packages. The model was able to identify the six most crucial gas infrastructure projects of the Danube Region.

Based on the experience gained in this first successful initiative, further steps should be taken to improve policy coordination in the Danube region within the wider context of EU energy policy-making.

Transnational action could contribute to more effective gas distribution networks; increased use of renewable energy sources, as well as improved energy efficiency.

Accordingly the programme should facilitate and promote practical coordination of energy policies in the fields of action:

- Further develop the Danube region gas supply model
- Develop a Danube region biomass action plan
- Develop Danube region energy efficiency concepts
- Further develop a comprehensive plan for sustainable development of the hydropower generation potential of the Danube river and its tributaries (e.g. Sava, Tisza, Mura rivers) based on the “Guiding principles on sustainable hydropower development in the Danube basin” (Sarajevo, 2013)

The specific objective is measured by a result indicator which reflects the status of development of regional energy planning and -coordination across the Danube region. The baseline of the result indicator will be established through a survey among stakeholders in energy policy.

Table 13. Programme Specific Result indicators for Specific Objective No 10

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value ⁸	Source of data	Frequency of reporting
Status of development of regional energy planning and -coordination across the Danube region	Ordinal scale (e.g. 1 to 10)	Established through survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected key actors (potential actors in the area)	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

⁸ Target values can be qualitative or quantitative.

2.3.3.3 Actions to be supported under the investment priority 7e

Type and examples of action to be supported to contribute to specific objective No 9: Coordinate smart energy distribution systems

- Support the development of a Danube Region Smart Grid Concept

Type and examples of action to be supported to contribute to specific objective No 10: Improve regional energy planning and -coordination

- Support the transnational integration of different energy networks related to gas and to renewable energy sources such as biomass, hydropower generation and energy efficiency and explore of development opportunities for a joint energy infrastructure in the Danube region.

2.3.3.4 Main target groups supported under the investment priority

- Grid operators and suppliers e.g. (Distribution System Operators, Transmission System Operators, Market Operators)
- Smart grid task force established by the Commission
- Standardisation initiatives
- National Regulatory Authorities
- Public Authorities (with a mandate on energy policy and smart grids' security)
- Infrastructure and (public) service provider (e.g. for energy supply)
- Research community
- Non-governmental organisations

2.3.3.5 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Interest groups including NGOs (e.g. international organisation, environmental organisations, voluntary association, etc.)
- Research and development institutions
- Universities with research facilities
- EGTC

2.3.3.6 Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is eligible.

2.3.3.7 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- No duplicate of support provided by DG Energy
- Action must demonstrate how consumers can benefit most from the introduction of these systems

2.4 Priority axis 4: Well governed Danube region (working title)

2.4.1 Investment priority 11) enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional capacity and the efficiency of public administrations and public services related to the implementation of the ERDF, and in support of actions under the ESF to strengthen the institutional capacity and the efficiency of public administration (acc. to ERDF regulation Article 5); enhancing institutional capacity of public authorities and stakeholders and an efficient public administration by developing and coordinating macro-regional and sea-basin strategies (acc. to ETC regulation Article 7 (b))

2.4.1.1 Specific objective No 11: Multilevel- and transnational governance

Strengthen multilevel- and transnational governance and provide viable institutional and legal frameworks for more effective, wider and deeper transnational cooperation across the Danube region in areas with major societal challenges (SP11).

The need has been identified by the analysis to develop the capacities of the public authorities and other public and civil society stakeholders to become able to tackle more effectively the challenges of highest relevance for the region.

There are profound differences between the management capacities of the administrations in the programme area at strategic (including policy formulation and management) and operational (programming and project development and management) levels.

Moreover, the lack of harmonized or coordinated approaches to effectively address the most important challenges requiring actions at transnational level. As described in the situation analysis challenges in the policy fields of migration, demographic change or the inclusion of marginalized communities, especially the Roma communities are the ones of highest relevance for the region in the upcoming decade.

There is a need to support projects or initiatives which trigger off cooperation in new policy areas, e.g. initiatives with a catalytic function are of importance/interest/etc. Institutions should develop capacities to act as intermediaries and interlocutors thus creating an enabling environment. This is of particular interest in the programme area since there are marked differences in the administrative system and developing partnerships in an environment of transnational and multi-level governance remains a challenge.

Another major aspect is the support of cooperation in those policy areas where major societal challenges arise in a mid-term or long-term perspective. In policy areas where cooperation is in an early stage the development of shared perspectives based on data analysis can be considered as first a first mile stone. More advanced cooperation will venture into capacity building, mutual learning, and strategy development paired with pilot actions to be tested. These are essential elements on the pathway to sustainable cooperation and new institutional patterns.

Transnational action may encourage national, regional and local administrations and other stakeholders to work together in areas which will contribute significantly to the EU objectives. Establishing institutional cooperation should lead to improving legal and policy frameworks, developing strategies and action plans, development of joint capacities and coordinated delivery of services in the following (interlinked) thematic areas (examples):

- Labour market policies and education & training programmes
- Demographic change and migration challenges
- Inclusion of marginalized groups including Roma
- Civil society development programmes
- Integration of metropolitan regions in the Danube area
- Cooperation in security issues/crime prevention (to be further clarified)

Transnational action should result in concrete policy instruments for enabling multilevel and transnational governance application through design, testing, up-scaling, comparison and evaluation of tools, processes, actors, organisations and interfaces in the field of public administration. Last but not least, transnational action shall deliver conclusions on the relevance, effectiveness and sustainability of the above through monitoring and evaluation initiatives.

The specific objective is measured by a result indicator (composite indicator) which reflects the level of application of multilevel and transnational governance in the Danube region. The baseline of the result indicator will be established through a survey among key actors in the programme area.

Table 14. Programme Specific Result indicators for Specific Objective No 11

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
Level of application of multilevel and transnational governance in the Danube region (composite indicator)	Ordinal scale (e.g. 1 to 10)	Established through survey among selected key actors	2014	Increasing (qualitative target)	Survey among selected governance key actors (potential actors in the area)	2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.4.1.2 Specific objective No 12: Governance of the EUSDR

Improve the governance system and the capabilities and capacities of public institutions and key actors involved in complex transnational project development to implement the EUSDR in a more effective way (SP12).

Based on the first experiences with the governance of the EUSDR, the need has been identified to make the governance of the EUSDR more effective.

Needs were identified in the following areas:

The ambitions of the strategy to deliver prepared strategy-based project proposals for funding institutions could not be fulfilled properly in the past period. Need for financial resources have been identified that are able to facilitate the development of project ideas and proposals until they reach the level of preparedness that is required for investment decisions.

Until the end of 2014 EP/EC played an important role in financing the coordination and management roles played by the PACs in the programme, by directly granting their budget. As neither the importance nor the scope of the PACs' activities is foreseen to change, to provide a stable source to fund the activities of the PACs over the period of current OP is a clear need, in order to enable the PACs to achieve the targets of the priority areas.

There is a need for a better flow of information among the EUSDR stakeholders, and, in the same time the need for putting the PACs and NCPs in a more strategic position led EC to table the proposal about a new facility (Focal Point) that would contribute by providing operative services to these goals.

To address these needs at different levels transnational action aims

- To improve effectiveness of coordination and strategy implementation in each of the Priority Areas of the EUSDR by a facility for direct support to EUSDR governance.
- To increase the capacities in the regions for the development of complex strategic transnational projects contributing to the EU Strategy for the Danube Region by establishing a seed money/project development fund facility.
- To strengthen the strategic role of the Commission and the partner countries in implementing the EUSDR through establishment of an EUSDR Focal Point, a new institution to be set up set up to facilitate the information flow between EUSDR key actors.

Through a combination of these measures a better overall coordination and implementation of the EUSDR should be achieved.

The specific objective to strengthen the capacities of institutions and actors to implement the EUSDR is measured by a result indicator which is reflecting the (evolving) capacity. The baseline of the result indicator will be established through a survey among Priority Area Coordinators (PAC) in the programme area.

Table 15. Programme Specific Result indicators by Specific Objective No 12

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	Source of data	Frequency of reporting
The share of Priority Area Coordinators (PAC) who can effectively implement its goals, targets and key action (composite indicator)	%	Established through a survey	2014	Increasing (qualitative target)	Survey among the around 30 Priority Area Coordinators (PAC)	2016, 2018, 2023

Remark: The result indicator needs to capture the desired change in the programme area, be close to policy, and not relate only to programme beneficiaries, but to the whole target population. However, result indicators may measure only some of the relevant dimensions of the results to be achieved.

2.4.1.3 Actions to be supported under the investment priority 7b

Type and examples of action to be supported to contribute to specific objective No 11: Multilevel- and transnational governance

- Support the exchange and transfer of know-how and best practices on **labour market policies** between labour market institutions and social partner organisations in the Danube Region incl. labour market law, social partnership/social dialogue, models of cooperation between public employment services & companies; youth unemployment in order to increase labour market participation and combating the labour market mismatches between skills and job opportunities (brain waste).
- Support institutional capacities and framework conditions for implementing **education and training programmes** (incl. active labour market policies) aiming for raising the level of education and qualification and thus increasing chances to find employment in the Danube region. Education and training provide a wide field for transnational cooperation with (potential) EU candidate and ENI countries. Improving knowledge, skills and competences of all (incl. youth, low-skilled adults, etc.) and at all levels of education and training to increase employability and adaptability (e.g. development of innovative learning environments and training schemes / curricula; improving the attractiveness and quality of VET and dual and other work-based learning systems, implementation of lifelong learning strategies, fostering entrepreneurial initiative, digital and language skills, second chance options for low-skilled adults etc.).
- Support the joint development and improvement policies and innovative learning systems that address **demographic change and migration challenges**. Human capital needs to be enhanced, through education, in order to compensate for unavoidable demographic decline as forecasted by experts. This clearly needs a transnational approach due to intensifying migratory trends. A need for a gendered perspective became evident due to the fact that human capital development has gender specific elements and gender parity in educational attainment in the Danube region is well below the EU average.
- Support the exchange and transfer of know-how and best practices on **social inclusion policies** between labour market institutions and social partner organisations in the Danube Region regarding the inclusion of marginalised

groups such as Roma communities (example for a marginalised group). The Roma population finds itself in a similar situation across DR countries that bear a great potential in terms of transnational cooperation and development of specific tools, methodologies, policies and actions.

- Improve joint policies and implemented tools to strengthen the role of **civil society** in the transition countries in order to contribute to civil society development.
- Strengthen cooperation of **networks among cities and of urban-rural partnerships**. Improving the quality and effectiveness of strategic planning of functional areas of cross border relevance (e.g. more suitable composition of partnerships, better mobilization of financial resources, to improve participative processes, development of common planning tools and data bases, fostering evaluation of interventions)

Text box - project example

Insert a specific project example if appropriate

Type and examples of action to be supported to contribute to specific objective No 12: Governance of the EUSDR

- **Establish a facility for direct support to EUSDR governance.** The Danube Strategy addresses a wide range of issues; these are divided among four pillars and eleven priority areas. Each of the eleven priority areas of the Danube Region Strategy are managed by two Priority Area Coordinators (PACs). PACs are in charge of implementing the priority areas and were designated by the European Commission (EC) in February 2011. The aim of this element of the priority is to provide a stable source to fund activities of the PACs on a longer run. The programme focuses on providing tools to PACs to fulfil their coordinating role more effectively
- **Establish a seed money/project development fund facility (Financing fund).** This instrument is providing support to all project developers in the thematic fields of the Strategy. Small scale financial assistance is available for EUSDR-relevant project ideas – regardless the financial instrument to be addressed with the project developed, be it national, mainstream EU, transnational or cross border or by any other public or private investor (such as IFIs) or public-private partnership.
- **Establish a EUSDR Focal Point.** It is meant as an independent facility aiming to provide general and specific information on EUSDR by carrying out information activities and supporting the work and cooperation of EUSDR stakeholders.

Text box - project example

Insert a specific project example if appropriate

2.4.1.4 Main target groups supported under the investment priority

- National, regional and local authorities
- Regional development organisations
- Social services providers
- Non-governmental organisations
- Interest groups
- Population of the programme area

2.4.1.5 Types of beneficiaries supported under the investment priority

- Local, regional and national public authorities and organisations established and managed by public authorities
- Non-governmental organisations
- Associations, networks
- Education/training institutions
- European grouping for territorial cooperation (EGTC)

2.4.1.6 Specific territories targeted under the investment priority

No specific focus areas are defined. The entire programme area is eligible.

2.4.1.7 The guiding principles for the selection of operations under the investment priority

In addition to the general principles described in chapter 2.5 the following theme specific principles should guide the selection of operations:

- Relevance of an action to develop the policy and policy instruments on the ground
- Clear approach on capacity building for administrative personnel

2.5 The guiding principles for the selection of operations under the investment priorities

This section has to be harmonised with section 5.3.3.

The selection of projects will be carried out in accordance to Article 12 of the ETC regulation, following a standardised assessment procedure. The objectives to be achieved are:

- Assess the relevance of a project proposal;
- Assess the feasibility of a project proposal;
- Define a transparent and objective basis for decision making on a proposal rejection or approval;
- Provide a base for communication and improvement among Programme bodies and applicants.

The assessment will be conducted using the quality assessment criteria for the selection of operations outlined in the INTERact Harmonized Implementation Tool for ETC programmes (HIT).⁹

Quality assessment criteria are divided in two categories:

1. **Strategic assessment criteria** - The main aim is to determine the extent of project's contribution to the achievement of programme objectives (contribution to programme results), by addressing joint or common target group needs.
2. **Operational assessment criteria** - The main aim is to assess the viability and the feasibility of the proposed project, as well as its value for money in terms of resources used versus results delivered.

The Strategic Assessment Criterion examines:

- the relevance, coherence and contribution of each project proposal to the ASP Programme Objectives and especially the relevant Specific Objective addressed;
- the contribution to the envisaged results per investment priority;
- the demonstration of the need for the topic and approach of the proposal in its thematic and territorial context;
- the added value of transnational cooperation and
- the proposed partnership relevance to the above.

The Operational Assessment Criterion examines:

- the adequacy of the management provisions in terms of structures, procedures and competences;
- the quality and effectiveness of communication provisions;
- the quality of the Work Plan in terms of design in relation to clarity and coherence of the operational objectives, activities and means, feasibility,

⁹ See [http://admin.interact-eu.net/downloads/5880/INTERACT%20Factsheet%20\(draft\)%20%257C%20Quality%20assessment%20criteria%20%257C%20Harmonised%20Implementation%20Tools.pdf](http://admin.interact-eu.net/downloads/5880/INTERACT%20Factsheet%20(draft)%20%257C%20Quality%20assessment%20criteria%20%257C%20Harmonised%20Implementation%20Tools.pdf)

efficiency of the project and its results, potential for uptake and embedment into operative procedures of the partners involved;

- the adequacy of the budget provisions to guarantee the project implementation and generate value for money.

Coherence to Horizontal Principles Criterion

This criterion examines the way projects have integrated horizontal principles within the project proposal intervention logic. It should not be considered as a “check list” but should animate projects to proactively develop their project ideas within the logic of the Programme.

These three criteria have a primacy order among them. The Strategic Assessment Criterion examines the relevance of the project proposal; hence it retains absolute primacy over the other two criteria. The Operational Assessment Criterion ensures the delivery of relevant results; hence it is enjoying a larger weight than the Coherence to Horizontal Principles Criterion, which is basically oriented towards integration of a “relevant and feasible” proposal into the programme logic.

The detailed assessment criteria will be laid down and made available to potential applicants in the Programme Implementation Handbook.

2.6 Description of the Priority Axis for Technical Assistance

2.6.1 Specific objective No 13: Technical assistance

Ensure the efficient and smooth implementation of the DANUBE programme (SP13).

The use of Technical Assistance funds should ensure the functioning of all major bodies which act in programme implementation, i.e. in particular the Managing Authority, the Joint Secretariat, the FLC, Audit and Certifying Authorities and the Regional Bodies.

The key results of the programme are successful projects with visible outputs. The services supported from Technical Assistance are considered as a mean to achieve this result. The programme management bodies should ensure competent services to the beneficiaries throughout all stages of the Project Management Cycle, i.e. from project generation, selection and contracting to control and closure.

With a view to the European level the programme management bodies will ensure sound reporting which in the end should contribute to the acknowledgement of the programme achievements by the relevant Commission services. Thus reporting should assist to demonstrate the value-added of ETC-programmes.

A further dimension is the work in information and communication.

Firstly a key point is to ensure an easy access to information for all interested applicants and beneficiaries. With a view to more technical information for applicants and beneficiaries the options of internet-based online services should be paired with the offer for face-to-face consultation. Thus the broad variety of potential applicants and beneficiaries as well as their differing communication requirements should be taken into account.

Secondly publicity and information should contribute to the visibility of programme achievements in the programme region through a broad variety of means such as dissemination of good practice, events for a broader audience, campaigns etc.

Table 16. Programme Specific Result indicators for Specific Objective No 13

Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value	Source of data	Frequency of reporting
Not applicable since the contribution of ERDF funds for TA does not exceed EUR 15,000,000 (acc. to Article 7, 2c, draft ERDF Regulation)						

2.6.1.1 Actions to be supported under the Technical Assistance

Type and examples of action to be supported to contribute to specific objective No 13 (short title)

- Adequate staffing of Managing Authority and Joint Secretariat
- Adequate staffing of FLC and Regional Bodies
- Office and IT cost for these bodies
- Services required by the Audit and Certifying Authorities

- Development and maintenance of the Monitoring System
- Publicity and information measures
- Services related to evaluation, indicator development and programming for the forthcoming period

Output indicators expected to contribute to results

Table 17. Output indicators

Indicator (name of indicator)	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
No of projects committed and successfully closed (P)	Number	To be established	Monitoring system	yearly
Number of major publicity events (P)	Number	To be established	Monitoring system	yearly
Number of compulsory information events for beneficiaries at project start (P)	Number	To be established	Monitoring system	yearly

(EU): EU common indicator (P): Programme specific indicator

Table 18. Categories of intervention

Table 12: Dimension 1 Intervention field		Table 13: Dimension 2 Form of finance		Table 14: Dimension 3 Territory	
Code	€ amount	Code	€ amount	Code	€ amount

Proposal for the selection of interventions fields (highlighted fields are considered to be the most relevant intervention fields)

Code	Name of Category of Intervention	Allocation
Technical assistance		
0121	Preparation, implementation, monitoring, inspection	TA
0122	Evaluation and studies	TA
0123	Information and communication	TA



3 Financing Plan

This section is under development.

4 Integrated approach to territorial development

Description of the integrated approach of the cooperation programme

To be elaborated

4.1 Community led local development (where appropriate)

Not applicable

4.2 Integrated actions for sustainable urban development (where appropriate)

Not applicable

Table 19. Integrated action...

4.3 Integrated Territorial Investment (ITI) (where appropriate)

Not applicable

Table 20. Indicative financial allocation...

4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identified by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate)

The DANUBE programme pays due attention to the EU Strategy for the Danube Region (EUSDR) both in the programming process as well as in the implementation phase.

A) Programming process

During the programming process, the definition of the strategy, the selection and description of the thematic objectives and investment priorities of the cooperation programme take into consideration in particular the following Priority Areas (and key actions) of the EUSDR Action Plan 2010 (SEC 2010 1489).

TO	IP	Danube programme specific objective (integrated approach)	Related EUSDR Priority Area (PA) where specific aspects are covered
1 Research & innovation	1b	Improve the institutional and infrastructural framework conditions and policy instruments for research & innovation and ensure a broader access to knowledge for the development of new technologies and the social dimension of innovation (SP1)	PA 07 Knowledge Society PA 08 Competitiveness PA 04 Water Quality

TO	IP	Danube programme specific objective (integrated approach)	Related EUSDR Priority Area (PA) where specific aspects are covered
1 Research & innovation	1b	Improve cooperation between policy makers and training and education institutions to develop innovative learning systems, increase skills of employees in the business sector and foster entrepreneurial learning (SP2)	PA 08 Competitiveness PA 09 People & Skills
6 Environment	6c	Strengthen joint and integrated approaches to preserve and manage the diversity of natural and cultural assets in the Danube region as a basis for sustainable development and growth strategies (SP3)	PA 03 Culture & Tourism
6 Environment	6d	Strengthen effective approaches to preservation, restoring and management of large-scale bio-corridors and wetlands to contribute to the better conservation status of ecosystems of European relevance (SP4)	PA 06 Biodiversity, landscapes, quality of air and soils
6 Environment	6d	Strengthen joint and integrated approaches to further develop River Basin Management Plans in the Partner States in line with the overall Danube River Basin Management Plan (SP5)	PA 04 Water Quality PA 05 Environmental Risks
6 Environment	6d	Improve the preparedness of public authorities and civil protection organisation to better manage risks such as floods, droughts and water scarcity but also manmade risks (SP6)	PA 05 Environmental Risks
7 Transport	7b	Improve integrated planning, coordination and management of regional transport systems for better connectivity to TEN-T infrastructure for people and goods (SP7)	PA 1B Mobility Rail-Road-Air
7 Transport	7c	Improving environmentally-friendly (including low-noise), low-carbon and safe transport systems including inland waterways & ports and multimodal links in order to promote sustainable regional and local mobility, modal integration and intelligent transport (SP8)	PA 1B Mobility Rail-Road-Air PA 1A Mobility Waterways
7 Transport	7e	Better coordinate the development of smart energy distribution systems to make the significant investments of regions in renewable energy sources, energy efficiency and smart grids more efficient and contribute to the security of energy supplies (SP9)	PA 02 Energy

TO	IP	Danube programme specific objective (integrated approach)	Related EUSDR Priority Area (PA) where specific aspects are covered
7 Transport	7e	Improve regional energy planning and -coordination across the Danube region within the wider context of EU energy policy-making to safeguard the security of energy supplies (SP10)	PA 02 Energy
11 Governance	11 (institutional development/capacity)	Strengthen multilevel- and transnational governance and provide viable institutional and legal frameworks for more effective, wider and deeper transnational cooperation across the Danube region in areas with major societal challenges (SP11)	PA 10 Institutional capacity and cooperation PA 09 People & Skills PA 11 Security (to be clarified)
11 Governance	11 (macro-regional)	Improve the governance system and the capabilities and capacities of public institutions and key actors involved in complex transnational project development to implement the EUSDR in a more effective way (SP12)	All PAs

B) Implementation of the programme

To be further developed

During the implementation, the Danube programme will ensure appropriate coordination with the macro-regional EU Strategy for the Danube Region by

- Governance arrangements for ongoing mutual information exchange, coordination and joint planning in areas of joint interest during the programme implementation: on Member States side **for example** the “working group CBC” in the framework of ÖROK (the Austrian Conference on Spatial Planning) will act as national committee and will ensure a continuous and regular, institutionalised exchange of information on macro-regional strategies among programme partners; vice versa information about programme activities will be reported to the established national coordination platform for the EUSDR (and eventual future macro-regional strategies with AT participation). Furthermore, the implementation of the CBC programme will be embedded into the strategic monitoring process STRAT.AT 2020. **Provisions on other MS provisions (to be added)**
- During the inception phase of the programme closer working relationships between programme partners and EUSDR stakeholders will be sought in order to identify issues and activities of joint interest in the implementation phase; this should foster the awareness among programme partners who are involved in project generation as well as prepare the ground for capitalisation actions at a later stage (i.e. once the programme can show relevant results)

- Establishing a EUSDR specific category in the monitoring system. Consequently, funding activities and/or projects contributing to the EUSDR will be identified in an appropriate way. This approach includes the consideration of EUSDR aspects in programme evaluations and reports, specifying how the cooperation programme contributes to the challenges and priority actions identified by the EUSDR.



5 Implementing Provision for the cooperation Programme

This section is under development.

6 Coordination

This section needs to be further discussed and elaborated.

Coordination among ESI-Funds

The Partner States aim at using synergies and avoiding overlapping between the different ESI-funded programmes. Thus, coordination and complementarity with such programmes is essential for the envisaged most efficient and effective use of ERDF funds allocated to the programme.

The following activities have and will be undertaken by the programme to ensure coordination with other ESI-funded programmes:

In the phase of drafting the present document various consultations have been made on national and transnational level to ensure that the programme has a clear differentiation to other ESI-funded programmes.

When submitting project proposals the applicants will have to take responsibility that the proposed project is not financed by other ESI-funded programmes and will have to describe if and how the project is linked with other community, national and regional programmes and policies

During the process of project evaluation additionality, synergies and possible overlapping of the submitted project proposals with other projects and programmes will be checked.

The programme bodies will communicate and spread the results and outputs of projects funded by the programme as will be set out in the communication strategy.

The programme bodies (MA, JS and ACP) will have frequent contacts with representatives of other ETC programmes in the cooperation area and with the INTERACT programme to ensure an active exchange of information and experience about diverse projects and initiatives.

The EUSDR macro-regional strategy which will also help to better coordinate the programme with other ESI-funded programmes.

The Partner States will take respective measures to coordinate activities under the programmes with other ESI-funded programmes covering their territory.

Coordination with other EU funding instruments

Furthermore, coordination with other union instruments relevant for policy areas concerned by the ERDF is important. The programme tackles issues that are complementary to diverse EU funding instruments; of particular relevance for the Programme area are the following:

- HORIZON 2020;
- Programme for the Competitiveness of Enterprises and SMEs (COSME) 2014-2020;
- LIFE;
- Connecting Europe Facility;
- High-growth and innovation SME facility (GIF);
- Risk Sharing Finance Facility (RSFF);
- PROGRESS.

Coordination with these other EU funding instruments will be ensured on project and on programme level. When submitting a project proposal, applicants will have to describe the coherence and complementarity of their project with other Union instruments of relevance for the topics addressed by their proposals.

At programme level coordination and complementarity shall be achieved by clearly communicating, especially in the terms of reference, and by taking into account in the phase of project evaluation that the programme will not supplement the above mentioned programmes but support projects that provide for a transnational dimension of these issues. This means that the programme could fund the preparation of projects that will be carried out in the framework of other programmes or vice versa that results achieved by projects funded by other programmes could be put in practise in a transnational dimension in the programme.

Coordination with national and regional funding instruments

Transnational projects have the potential to improve national, regional and local policies and related funding instruments. With regard to the principle of proportionality and within the given limits the programme will seek to coordinate with national and regional funding instruments. This shall be done in the following ways:

During the project evaluation the coherence and complementarity with national and regional policies will be assessed by applying respective selection criteria;

The Partner States will take respective measures to coordinate activities under the programme with national and regional funding instruments in place in their territory.

Coordination with EIB

Projects funded by the programme can prepare the ground for large investments which could be funded by financial instruments administered by the EIB. Coordination with EIB will be sought by the programme through information and support to beneficiaries on funding possibilities offered by the EIB which could be used for follow-up measures on projects funded by the programme.

7 Reduction of the Administrative Burden for Beneficiaries

(A summary of the assessment of the administrative burden for beneficiaries and, where necessary, the actions planned accompanied by an indicative timeframe to reduce the administrative burden).

Simplification presents itself in many forms, some of them explicit and direct, while others may need transposition in the national rules. Some of the key aspects of simplification **are already included in the regulatory proposals of the Commission**; they can be achieved through different methods, such as harmonisation of rules (e.g. CPR for several funds; DA for eligibility in ETC programmes, e-cohesion), increased flexibility and proportionality (e.g. lighter annual reports, introduction of rolling closure), digitalisation of documents and processes, and the clarification of the implementation rules.

Simplification and streamlining programme implementation is essential for the proper functioning of the **Danube Programme**, inasmuch as, it allows reducing administrative burdens of both beneficiaries and programme management bodies. A wide range of experiences and lessons learnt are available – **gained during the implementation of the SEE Programme** – which have been considered already in the preparation phase of the Danube Programme. Such simplification measures include:

- Keeping the programme management structure as simple as possible and **integrating JMA and JS functions** will considerably reduce both the length of the procedures and the cost of management, and at the same time ensures an enhanced transparency.
- Special attention will be paid to the **timely reimbursement of funds** to final beneficiaries: based on the application for reimbursement approved by the JS the CA transfers the ERDF and IPA contribution **directly** to Lead Beneficiaries (i.e. no intermediate body will be involved as in case of the SEE Programme in the 2007-2013 period) leading to quicker payment of Community funds.
- The **financial management system** of the Danube Programme will be further simplified by having one single bank account managed by the CA (compared to 5 bank accounts handled in case of the SEE Programme in the 2007-2013 period). All transfers of funds (Community and national TA contributions of operations for 14 Partner States) will be settled on the **single programme bank account**, resulting in time-, and cost saving payment procedures.
- **Harmonised procedures** allowing more **intense coordination of national control systems** will be introduced by establishing a direct link between the joint programme management and the national control systems in the Monitoring System of the Programme.
 - Controllers of all 14 Partner States will have the possibility to **verify expenditure** of relevant project partners **in a single Monitoring System**, which makes all financial data uniform as well as retrievable. The process would not only be more transparent, but also much faster for LBs, as cumulative data will be compiled automatically from partner level to project level by the Monitoring System; ensuring an adequate audit trail. In addition, this would reduce problems in data retention, mistakes in data insertion, and the burden of submitting hard-copies of documents.
 - **Connecting procedures for controls, submission of Project Progress Reports by the LBs and the monitoring of programme level financial data** by the JMA/JS would substantially reduce the timeframe of the verification process.

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- The **submission of applications and supporting documents will be requested only in electronic version at the application phase** (by direct data entry via the front office of the Monitoring System and uploading of scanned documents); signed hardcopies are to be provided only if an application is selected for funding by the MC. Such simplification of the submission procedure of applications (i.e. by eliminating formal/administrative requirements) could considerably reduce the number of ineligible applications; at the same time it recognizes the efforts spent by project partnerships in preparing them as well as spares programme resources.
 - **Streamlined monitoring of project progress** which would also contribute to speeding up the reimbursement process: the JS shall focus on the **analysis of main deliverables** (clearly defined beforehand) rather than the analysis of minor outputs (such as meeting documentation) which will be checked by the Controllers at national level. The **number and complexity of indicators** used for reporting on the project progress should also be **limited** to those which directly reflect Programme-level indicators. This would allow reducing the time needed for preparing and analysing PRs, as well as the time and HR resources necessary for completing clarification rounds.

Based on on-going discussions facilitated by INTERACT the following measures are considered to be implemented by the Danube Programme:

- Application of **harmonised** (and more user-friendly) **templates** agreed between various territorial cooperation programmes (based on INTERACT "HIT") could significantly reduce the administrative burden for beneficiaries both in the application phase and during implementation. The use of aligned first level control documents would ensure that project partners as well as Controllers participating in several ETC Programmes face the same requirements and procedures.
- The **application and reporting forms** will be developed on the basis of the HIT template, so that cross-programme harmonized approaches could be exploited by applicants of different ETC programmes.
- The implementation of **uniform eligibility rules** (with regard to staff costs, office and administrative expenditure, travel and accommodation costs, external expertise and services costs and equipment expenditure) at the level of ETC would definitely lead to more transparent programme management systems and eliminate the risk of mistakes in reporting. Furthermore, a common set of ETC eligibility rules will ease the work of Controllers.
- Possibilities for the use of **simplified costs options** (especially with regard to the application of flat rates for office and administrative expenditure and staff costs).

In addition to streamlined reporting and control requirements, the Danube Programme also aims to **simplify procedures for** project implementation by introducing a certain level of flexibility in the **contracting** and **project modification procedures** (e.g. the revision of project start date will be allowed during the condition clearing phase, after the MC approval; changes in the work plan and small budget reallocations will be allowed without the prior approval of the JS as long as the aims and outputs of the project would be reached; rules for submitting formalised addenda will be lighter depending on the type of change, etc.).

As for **operations implemented outside** the Union part of the Programme area, the direct application of the derogations referred to in paragraphs 2 of Article 20 of the ETC Regulation could be substituted for more coordinated and harmonized implementation of cooperation programmes or for compiling new types of projects in terms of partnership.

8 Horizontal Principles

8.1 Sustainable development

The (draft) Common Provisions Regulation (CPR) states: *“Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity and ecosystem protection, disaster resilience and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes.”*

Important sources to systematically consider the sustainable development principle in the programme preparation phase are the Strategic Environmental Assessment (SEA) and the Ex-ante evaluation.

The purpose of the SEA is to *“provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development.”*

The Ex-ante evaluation verifies the adequacy of planned measures in the programmes to promote sustainable development.

The SEA process was introduced in parallel to the Ex-ante evaluation, and main findings were incorporated into the ex-ante report (revise according to actual implementation).

At the operational level the following aspects should be considered during programme implementation:

- Selection of investment-related projects in view of highest resource efficiency and sustainability
- Prevention of investments with considerable negative environmental and climate effects
- Develop a long-term perspective when comparing life-cycle costs of various investment options
- Increased use of sustainable procurement (green public procurement).

The assessment of the quality of the eligible project proposals should be based on a set of quality criteria which are common to all Priority Axes and Investment Priorities.

As a technical tool for the assessors the following aspects should to be considered in project selection:

- Contribution to energy efficiency, renewable energy use and reduction of greenhouse gas (GHG) emissions
- Contribution to efficient water supply, waste-water treatment and water reuse
- Application of green public procurement in a systematic manner
- Contribution to efficient waste management, re-use and recycling
- Contribution to the development of green infrastructures including Natura 2000 sites
- Contribution to reduced transport and mobility-related air pollution

- Contribution to sustainable integrated urban development
- Contribution to enhanced awareness of adaptation to climate change and risk prevention
- Contribution to more employment opportunities, education, training and support services in the context of environment protection and sustainable development

The estimated decrease of greenhouse gas emissions, the increase in energy efficiency and in renewable energy production are EU 2020 headline target indicators and should be monitored across supported operations (if applicable).

8.2 Equal opportunities and non-discrimination

The Common Provisions Regulation (CPR) states: *“Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes”*.

Non-discrimination covers not only women (and men), but any discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation. While anti-discrimination legislation is an acquired aspect of EU legal systems, the practical implementation of anti-discrimination practices is lagging behind. In terms of equal access to ESI funding this could mean, for example, that ESI funded tourism projects are not accessible to people with disabilities (and that nobody checks whether they are) or that people with a migrant background do not have equal access to e.g. business-related funding because they do not have access to the information on the funding or do not know how to apply. Equal access to information and an adequate system of checking whether equality and non-discrimination requirements are being met are an issue.

The European Commission leaves the implementation of the principles of equal opportunities and non-discrimination in the programming and implementation up to the Member States.

In order to adequately implement the horizontal principles of equal opportunities and non-discrimination the following issues should be taken into account and the following non-exhaustive list of questions can be asked:

- **Project selection:** The principle of equal access is essential for this point. Related questions are, for instance: Are different social groups adequately informed of the availability of funding? Are there barriers in terms of how the projects/measures are promoted (e.g. where they are advertised, language etc)? Were special needs of people with disabilities considered during the conception of measures (e.g. eligibility of costs for barrier free solutions)? Is equal access taken into account in the selection criteria for projects? Are projects required to demonstrate their equal opportunity procedures? Equality checklists and questionnaires for the project promoters could be developed. For the fulfilment of equal opportunity and non-discrimination criteria bonus points could be introduced.
- **Project realisation and project implementation:** Are project promoters aware of non-discrimination issues? Have equal opportunity targets been set? Have equal opportunities trainings or diversity management courses been considered? Is childcare available? Are the measures accessible to all in terms

of location (e.g. accessible by public transport) and infrastructure (e.g. wheelchair access)?

- **Monitoring:** Are relevant indicators planned and used in order to be able to judge to what extent equal opportunity principles have been respected? Have the relevant stakeholders (NGOs, associations, equal opportunity officers etc.) been involved in the Monitoring Committees? In order to measure the progress of the promotion of equal opportunities and non-discrimination, the involvement of potentially discriminated groups should be considered in monitoring and evaluation planning. If data protection laws allow it, the number of minority groups (migrants, people with migrant backgrounds, Roma, ethnic minorities etc) participating in measures could be counted.
- **Evaluation:** The topic of equal opportunities and non-discrimination and the way the programme contributes to these principles should be taken into consideration.

8.3 Equality between men and women

The aim of equality between women and men is part of the fundamental values of the European Union. Article 3 of the Treaty of Lisbon sets out that the Union shall “*combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child*”.

The elimination of inequalities and the promotion of equality between women and men are also included in the consolidated version of the Treaty on the Functioning of the European Union.

These fundamental values must be respected in the implementation of the ESI Funds of the European Union as stated in the Common Provisions Regulation (CPR): “*Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective is promoted in the preparation and implementation of programmes*” and that the “*Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes*”.

The following issues should be taken into consideration and the following non-exhaustive list of questions should be asked:

- **Project selection:** Gender mainstreaming means making sure that the principles of equal access are actually applied. Important questions are, for instance: Is gender mainstreaming taken into account in the formulation of the selection criteria for projects? Is a gender expert involved in any stages of the process? Do projects have to demonstrate their equal opportunity procedures?
- **Gender budgeting** takes this approach one step further to ensure the fair distribution of EU funding to women and men by looking at expenditure on women and men and the types of measures being funded. Relevant questions can be, for instance: Are women and men benefiting equally from high-quality measures? Or does a significant number of women take part in cheaper, shorter measures while men take part in more expensive, longer measures?

- **Project realisation and project implementation:** Are project promoters aware of gender and non-discrimination issues? Which significance is given to the gender perspective in the projects? Have gender and equal opportunity targets been set? Has training been considered? Is childcare available? Are the measures accessible to all in terms of location (e.g. accessible by public transport)?
- **Monitoring:** Are the relevant indicators planned and used in order to be able to judge to what extent gender and equal opportunity targets have been reached? In order to measure the progress of the promotion of equality between women and men and non-discrimination, the involvement of women and men and potentially discriminated groups should be considered in the monitoring and evaluation planning. Basic features of 'gendered' monitoring include:
 - counting the number of women and men participating in measures
 - counting the number of women and men benefiting from funding
 - calculating how much support and for which measures women and men are receiving funding (broken down by types of measure)

Without indicators broken down by gender, the equal distribution of funding will be impossible to evaluate at a later stage. Therefore, it is proposed to include the monitoring and evaluation measures with respect to gender equality and non-discrimination in the Evaluation Plan (EP).

- **Evaluation:** Have output and financial indicators been set in the programme? Have the necessary steps for monitoring been prepared in the EP? What is the specific contribution of the programme to promote equality between men and women?

9 Separate Elements

9.1 Major projects for which the implementation is planned during the programming period

Table 21. A list of major projects (not applicable to URBACT, INTERACT and ESPON)

Title	Planned time of notification/submission of the major project application to the Commission (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date of implementation (year, quarter)	Investment priority	Priority axis

9.2 Performance framework of the cooperation programme

Table 22. Performance framework (summary table)

Priority axis	Implementation step, financial, output or result indicator	Measurement unit, where appropriate	Milestone for 2018	Final target (2022)

9.3 Relevant partners involved in the preparation of the cooperation programme

9.4 Annex: Coherence of the Logic Framework

	Needs&challenges	Justification	Specific objective
SO1	There is an insufficient transnational cooperation and coordination on institutional level which needs to be improved in order to fully enhance the research and innovation potentials of the region	There is an important potential in coordinating the research and innovation capacities of the macro-region, its heterogeneity offering the opportunity to exploit the comparative advantages of optimized internal synergies	Improve the institutional and infrastructural framework conditions and policy instruments for research & innovation and ensure a broader access to knowledge for the development of new technologies and the social dimension of innovation
	The creation of a stimulating environment for research and innovation activities is dependent on promoting adequate policies which are not in place in many parts of the region		
	The modest flow of information and knowledge between regions of the programme area is enlarging the differences in research and innovation activities, therefore efforts should be made to create functional and efficient communication channels		
SO2	The SMEs capability to adapt to innovation needs to be supported by strengthening the information flow and the encouraging the triple helix approach	The insufficient development of the cross-linkages between enterprises, R&D institutions and public sector (triple helix approach) shall be improved, since it can contribute to the commercial use of the innovative technologies and processes	
SO3	There is a need to develop skills and competences in order to make possible the generation and use of the results of research and innovation activities, and their transfer into economy	The existing human resource capital can be better exploited by increasing the skills and competences through innovative methods, so people can better use the knowledge-intensive products and services and can contribute to the further generation of innovative products/processes/services	Improve cooperation between policy makers and training and education institutions to develop innovative learning systems, increase skills of employees in the business sector and foster entrepreneurial learning
SO4	There is a need in for increasing the governance and coordination capacities for the preservation and valorisation of the cultural and natural heritage	The governance of the rich cultural and natural heritage sites shall be improved by upgrading their management and ensure their preservation	Strengthen joint and integrated approaches to preserve and manage the diversity of natural and cultural assets in the Danube region as a basis for sustainable development and growth strategies
	Utilisation of linguistic identities and cultural proximities can enhance the cooperation within the region	There is a weak transnational coordination in maximizing the results of sustainable touristic exploitation of the cultural and natural heritage of Danube Region	
	By creating an optimal framework, Danube can become the linkage element of different touristic products increasing the touristic significance of the entire region		

	Needs&challenges	Justification	Specific objective
SO5	The high level of fragmentation of biogeographical areas and natural habitats need to be stopped and coherent ecological corridors should be created and preserved	Increased fragmentation of natural habitats due to human interventions (transport corridors, land use, logging) is endangering the exceptional biodiversity of the region	Strengthen effective approaches to preservation, restoring and management of large-scale bio-corridors and wetlands to contribute to the better conservation status of ecosystems of European relevance
	The means of economic exploitation of the natural preservation areas through green infrastructures should be identified and put into practice	The relative underdevelopment of green infrastructure needs to be addressed in order to improve the management of the protected areas	
SO6	There is a need for international coordination of policies related to water management within the framework of DRBMP, since water represents an essential resource of the region	Mechanisms for management and control of the water as a central resource for the area have to be further developed	Strengthen joint and integrated approaches to further develop River Basin Management Plans in the Partner States in line with the overall Danube River Basin Management Plan
SO7	Efficient, transnational disaster management systems shall be created in order to develop the intervention capacity and limit the damages of the occurring risks	Transnational cooperation is a tool to coordinate the capacities in the region related to forecasting, preparedness and intervention in case of natural or human activity related disasters	Facilitate a more effective governance system to prevent and manage environmental risks such as floods and droughts but also manmade risks
	There is a need to develop strategies and action plans in order to manage the challenges represented by climate change		
SO8	In order to reduce the accessibility deficit of the areas outside the TEN-T corridors, there is a need to establish an innovative and sustainable mobility system within a transnational common vision on transport	There are remote areas in the region with considerable accessibility deficits, therefore the connectivity to the (trans-European) transport networks is needed	Improve integrated planning, coordination and management of regional transport systems for better connectivity to TEN-T infrastructure for people and goods
SO9	Besides the infrastructural development, efforts are needed on strategic management level for increasing the transport efficiency	There is a general need to shift transport to a more environmental friendly mode, by developing more efficient management solutions on transport systems to reduce pollution	Improving environmentally-friendly (including low-noise), low-carbon and safe transport systems including inland waterways & ports and multimodal links in order to promote sustainable regional and local mobility, modal integration and intelligent transport
	The negative effects of transport and the relative fragility of the ecological balance are asking for the identification of innovative solutions to reduce the harmful impact		
	There is a need to fully exploit the region's logistic potential by developing efficient multi-modal networks	Multimodality facilitate more sustainable transport systems, therefore efforts shall be made in order to develop them	
SO10	In order to increase the level of energy security and to achieve the energy efficiency targets on EU level, the	The energy efficiency targets on EU level require the development of smart grids in order to increase the	Better coordinate the development of smart energy distribution systems to make

	Needs&challenges	Justification	Specific objective
	development of smart grids should be fostered in the countries of the region	level of energy security	the significant investments of regions in renewable energy sources, energy efficiency and smart grids more efficient and contribute to the security of energy supplies
SO11	Coordinated measures are need in the different sectors of energy production/distribution/usage in order to secure a stable supply system in the region.	The energy dependency of the region can be reduced through a better coordination between the energy policies of the countries	Improve regional energy planning and -coordination across the Danube region within the wider context of EU energy policy-making to safeguard the security of energy supplies
SO12	The potential of the transnational cooperation in the exchange of good practices and coordination of policies is not sufficiently explored when addressing major societal challenges in the region	While enhancing the circulation of good practices, the institutional and policy coordination between countries should be strengthened, in order to increase the capacities to operate and to further develop existing structures and processes for a better administrative performance of the public sector in the fields of major interest	Strengthen multilevel- and transnational governance and provide viable institutional and policy frameworks for more effective, wider and deeper transnational cooperation across Danube region in areas with high priority for societal challenges
	The usage of ERDF funds as a source for investment is relatively low due to the limited capacity of the national systems, which can be improved by the transnational transfer of experiences		
	The decision-making of the administrative systems should be improved by increasing the level of cooperation/collaboration between different governmental level, sectoral policies, governmental and non-governmental organizations		
SO13	There is a need to support the governance system of the EUSDR by supporting the activity of the PACs, in order to ensure a more effective implementation of the strategy	Based on the experiences accumulated, assistance to the governance system of the EUSDR should be provided by supporting the activity of the key implementers and developing new tools for increasing the communication between key actors	Improve the governance system and the capabilities and capacities of public institutions and key actors involved in complex transnational project development to implement the EUSDR in a more effective way
	In order to strengthen the strategic role of the Commission and the partner countries in implementing the EUSDR, there is a need for the establishment of an EUSDR Focal Point, as a new institution to be set up to facilitate the information flow between EUSDR key actors		

	Needs&challenges	Justification	Specific objective
	Considering the difficulties faced by potential project owners, support shall be provided to develop mature projects in order to ensure better access to different funding sources for implementation of the EUSDR	The efficient implementation of the EUSDR is dependent on good quality, mature projects, therefore, considering the difficulties faced by potential project owners, support shall be provided in order to mobilise different funding sources for implementation of the EU Strategy	