

EU Strategy for the Danube Region (EUSDR)

“Building-blocks of common understanding for setting the 2012-course”

Discussion paper for the EC-NCP-PAC meeting on 30/31 January 2012 in Bucarest
(non-paper prepared by Austria)

The non-paper was discussed at the Austrian EUSDR-coordination meeting on 12 January 2012 by representatives of Federal ministries, Länder/regions and social partners and is submitted to the participants of the EC-NCP-PAC meeting as Austrian input into the debate.

The paper aims at contributing to the building of common understanding concerning the overall guidance/“steering” of the EUSDR-implementation process in 2012 – being confident that the representatives of the EC/DG Regio, NCPs and PACs do have a major influence on the course of the EUSDR-process.

The non-paper highlights the following **priorities for the EUSDR-process in 2012** - which should be discussed at the EC-NCP-PAC meeting on 30/31 January 2012:

- **continue efforts to raise awareness and ownership for the EUSDR on all levels**
- **enhance EUSDR-cooperation both on strategic and operational levels**
- **focus both on praising cooperation achievements so far and 2014+ preparation**

Statements, proposals and questions listed below do not claim to cover all the issues comprehensively/completely but intend to inspire the debate towards more “common ground”-thinking in Bucarest and beyond. As concerns the formal status of the paper, the content is not based on any formal governmental decisions in Austria (“non-paper”).

Macro-regional strategies of the EU (MRS) could still be regarded as “emerging concepts”. No clear-cut MRS theory exists, nor a blue-print for implementation. Many kinds of contexts do play an important role for formulating objectives and assessing progress. The key strengths and weaknesses, options and threats of MRS – and of the EUSDR - will only become obvious during the course of implementation.

MRS/EUSDR can be understood as complex network-type multi-dimensional, multi-sector and multi-level policy approach – rooted both in foreign relation and regional development policy. The importance of “more cooperation-dialogue” is highlighted. As “leadership” is concerned, a balance has to be struck between top-down guidance and bottom-up flexibility – in any case appropriately adapted to contexts.

These characteristics of the endeavour suggest an ongoing reflection among key actors on the strategic level – in particular in respect to the overall question “***How to proceed - both realistically and ambitiously?***”. Step-by-step, blocks of common understanding should be built – in particular among EC, NCPs and PACs as key-drivers of the EUSDR-process.

Also when discussing perspectives for 2012/2013 on the overall level of the EUSDR, it should be considered that further implementation of the EUSDR requires both a process of (operational) implementation of the content of the Action Plan (supported by the PACs and StGr-members) and - complementing each other - a process of further developing the overall strategic “steering and embedding” of this EU strategy. In this sense, the adoption of the EUSDR has not only been the start of the “implementation phase” but also of a next stage in developing further the strategic EUSDR-approach as such.

A. As concerns the further “strategic pillar” of the work:

Formulating a convincing course for the year 2012 – embedded in an emerging multi-annual EUSDR-vision (“overall strategic approach”)

Enhancing common understanding on the following overall strategic issues seems of particular relevance for making progress in 2012:

- The EUSDR has been launched as multi-annual long-term process – in which the period 2011-2012 is a first step. The ultimate aim of the starting phase (also in 2012!) will continue be raising awareness, building ownership and creating/maintaining momentum. This will require a wide range of activities of various relevant actors on all levels (which go beyond the specific “operational” activities organised by the PACs). Non-governmental actors involvement remains a challenge. The process design for the upcoming milestones 2012/2013 will play a crucial role in this respect (including often unseen multiplying effects on various levels and inside institutions!). And “*Building cooperation needs time!*”.
- More specific, the focus in 2012 will be on both “praising what already exist” (in the sense of making aware of achievements so far which could provide promising starting points for the future) and of identifying potentials for enhanced cooperation in the future (in several policies towards the period 2014+), including starting to cooperate with the relevant partners on these potentials/synergies. Options will differ from priority area to priority area.
- In 2012, the EUSDR could also serve as one starting point for enhancing coordination on national/regional development strategies of the Danube countries - in particular during the process of preparing for Cohesion Policy 2014-2020 (as for IPA programmes) – beyond European Territorial Cooperation (ETC) programmes. Formats for exchange on the content of Partnership Contracts and Operational programmes still have to be developed and will also refer to the EUSDR. In the long run, this could be a first step towards an enhanced territorial/regional development cooperation in the area.
- Again on the big picture level, the EUSDR could – from the very beginning (as one focus of the work 2012!) – be an EU instrument for identifying and raising awareness concerning needs for capacity building and “soft skills” in the Danube Region. At the same time, it is important to show progress and achievements in this respect to each other (also within the Danube countries/regions/cities!) and to the “rest of the EU”.

Ensuring appropriate overall guidance during 2012 (“Actors and Governance”)

Looking at the emerging EUSDR-Governance arrangements, the following specificities are becoming more and more obvious:

- Modalities of specific governance are currently invented and tested. This process will require time and continue 2012 – both on overall and on Priority area level. A high sense of pragmatism seems important in this respect. Enthusiasm and commitment of individuals will continue to be crucial and must be stimulated as far as possible. In any case, implementation arrangements have to remain flexibly adaptable to contexts and must not be too rigidly pre-defined (and could not be organised along the logic of funding programmes only).
- Institutional commitment and ownership and political interest and momentum will have to be further developed/maintained on all levels and also inside involved institutions (this again will require efforts which go beyond the work coordinated by the PACs). Content and outcomes of political meetings should not (only) be vague political declarations but be more and more focussed on concrete issues – both achievements and future mandates. A next high-level political meeting in autumn 2012 (as national formats and milestones of international organisations!) could play an important “framing role” for underlining and expressing the political interests in the EUSDR and in the up-coming EC’s report to the Council on all levels.
- EC’s overall guidance will continue to play an important role (both on strategic and operational level). Concreted implementation proposals by the EC/DG Regio are

welcomed as incentives to be further digested and adapted to the practical context. Concrete interests/contributions of other relevant DGs could provide additional stimuli and will still have to be developed further. Commissioner HAHN's personal involvement will stay to be an essential element.

- Advanced forms of “collective ownership and overall steering” will have to complement – even facilitate - the work of the EC and the PACs. Besides the operational work within the Priority areas, an ongoing reflection on the strategic level among key actors should be further developed. The EC-NCP-PAC network seems to be a promising step forward (beside the debate in the EU-27 HLG) and could take over this function (as ongoing exchanges within PAC- and NCP-networks). Support and inputs provided by INTERACT will be welcomed.
- PACs and Steering groups do play a crucial role during the implementation phase – in particular in providing platforms for debate/cooperation among “multipliers” and stimulating coordination/cooperation on key issues/actions (also inside the countries which will be the task also of StGr members!). Flexibility for PACs to adapt their work to the specific context of the Priority area and of the partners involved has to be ensured. Scope and possibilities to cooperate on single projects differ among priority areas.
- Horizontal coordination between PACs has to be further explored and developed. INTERACT could further support/advise these efforts on technical level.
- National partners do play an important role for embedding the EUSDR into the national context. This goes beyond the work within the Priority areas and again depends on the specific context. Mutual exchange between NCPs about good practice and “failures” could be useful. Within the Priority areas, Steering group members should be considered and develop the profile as “multipliers” in their countries.
- Transnational institutions and networks in the Danube region should – also during the implementation phase - be involved ongoingly (including EIB, IFIs, etc.) both in the thematic work of the PACs and on the horizontal work. Openness and transparency has to be kept as working principle of the EUSDR.

B. As concerns the more “operational” aspects of the work:

Concerning “Funding”?

Among other horizontal themes, the issue of “funding” is obviously of major interest. Further discussion and building of common understanding will have to happen 2012; e.g. on the following questions/dimensions concerning “funding”:

- Utilisation of the results of the EC’s study on financing?
- Activities by Priority area 10 (in close cooperation with the EC) as starting point for horizontal coordination on the overall strategy level?
- Short-term financing options? (before 2014+); including follow-up on results of existing projects
- Feasible work on perspectives for 2014+ already 2012?
- Options for MRS within CohPol 2014+? including options/perspectives for ETC 2014+ (eventually using synergies with the debate in the Baltic Sea, INTERACT, etc.)?
- Financing needs and options beyond CohPol? including addressing other EU-policies, other international funding institutions (EIB, IFIs, commercial banks, ...), national/regional/local financial resources, ...?

- Cooperation with non-public financing sector/institutions? Financing need and option of the private sectors (SMEs, ...)?
- Need and pro/cons for specific/"ring-fenced" EUSDR financing tools as vehicles for enhanced cooperation?
- Seed financing needs? Small project Funds options? Experimental tools? ...
- ...

Other technical issues of relevance for all Priority areas during 2012 ("Horizontal issues")

For preparing the EC`s 1st Implementation Report to the Council (by end of 2012, collecting deliveries until mid 2012), for the 1st Annual EUSDR Forum in November 2012, for an eventual next EUSDR-meeting on the political level in autumn 2012 as for other awareness raising and capitalisation activities on transnational, national, regional and local levels, the following more technical implementation issues need further discussion:

- EC`s work on "Targets" has been a stimulating first step - aiming for "result-orientation". Before establishing some kind of monitoring system, further work on the overall level would be required.
- The mission statement for the 1st Implementation Report of the EC could be further developed (along the strategic issues mentioned above) and should go beyond the scope of a pure technical synthesis report of the various PAC progress reports. The EC-report to the Council could have an important multiplying effect on all levels and on a wide range of partners already during the preparation phase. The invitation to contribute to this exercise could thus eventually be widened (maybe including NCPs, Danube institutions, etc). "Deliverable and Reporting" requests towards PACs should be discussed and eventually adapted accordingly.
- Handling of the "Roadmap"-proposal? ... action vs projects (in reference to Action Plan)! ... focus on specific project types?
- Handling of "projects" during 2012? need for coordination concerning Project labelling initiatives? ... experiences with/further handling of the "Letter of recommendation"?
- Open issues concerning Technical Assistance to PACs? Including perspective beyond current TA solution?
- Handling/embedding of the four EC-studies/"special projects" (financed by TA)?
- Raising-awareness and coordination of EUSDR-webtools (incl. INTERACT-initiatives, etc.); need for coordination concerning overall Information & Communication? use of INTERACT Website? ... "visibility projects" for 2012?
-

Vienna, 18.1.2012/FINAL

Contact: Mr Roland ARBTER, Austrian Federal Chancellery; e-mail: roland.arbter@bka.gv.at