



Summary of the 6th Annual Forum of the EUSDR 18-19 October 2017, Budapest

Under the title “A secure, connected and prospering Danube Region”, the Annual Forum put a strong emphasis on discussing the challenges and perspectives of energy security, clean connectivity and infrastructure development. Furthermore, it also aimed to find ways to better integrate the non-EU countries participating in the EU Strategy for the Danube Region (hereafter: EUSDR) so that they have greater access to the Strategy’s funding opportunities and benefit further from its implementation. The outcome of the discussions regarding the above-mentioned topics are presented below.

Energy security

Within the context of the Energy Union 2020 goals, the high-level panel and workshop held on 18 October identified recommendations on the policy, infrastructure and market aspects of the EUSDR energy markets. The speakers what opportunities the new European-level energy regulations bring to deepening energy cooperation between EUSDR countries, what the future role of Ukraine as a transit country will look like and how this will affect the other Danube Region countries. The questions of how the existing regulatory and institutional framework can be more harmonized and whether technology can be a good answer to chronic dependency on imported gas were also discussed.

The most important findings of the discussion are as follows:

- There is a significant difference between Central European and Western European energy security concerns. While in the Western part of Europe, the discussions are centred on sustainability and renewables, Central Europe is still in the process of finalizing the core infrastructures that are necessary for ensuring a steady and secure supply of gas.
- When making decisions that influence the mid- to long-term energy security of the Region, policymakers and stakeholders should refrain from choosing the easy options. Increasing the presence of LNG in the Region as well as focusing on securing a safe and sustainable energy transition should be a priority for the post2020 period.
- Technological developments and cyber security will play a major role in the discussions on energy security in the coming decade.
- Gas could play a very important role in the decarbonisation process of the Western Balkan countries.

Clean Connectivity

The most innovative topic of the Forum involved the potential of the Danube Region in shifting its reliance on traditional fossil fuels to more environmentally friendly ones, such as LNG – CNG, hydrogen and electricity. The panellists explored ideas as to how the EUSDR countries

can contribute to reaching a more sustainable transport sector, whether sufficient infrastructure is currently available to cope with a possible shift, what best practices exist that could be followed and also whether the differences between EU and non-EU countries in terms of clean connectivity can be identified and bridged.

The most important findings of the discussion are as follows:

- Air pollution is a major externality of road transport in the Danube Region, which needs to be addressed appropriately. Alternative fuels have a significant role in reducing air pollution, and reaching the transport decarbonisation targets as part of the Sustainable Development Goals.
- It was concluded that all three alternative fuel options (LNG – CNG, hydrogen and e-mobility) can contribute to reaching a more sustainable transport sector in the Danube countries.
- Equipping non-EU member countries of the EUSDR with a renewable transport infrastructure is financially attainable and should be pursued.
- Reducing dependencies on fossil fuels in the transportation sector is important, but caution should be maintained so as not to become overly dependent on alternative fuels (e.g. electro-mobility).

Infrastructure Development

A crucial aspect of regional connectivity is showcased by the ease and quality in which people living in the Danube Region can travel. Significant network planning activities have been carried out by the member countries over the past years. The ‘Corridor Workplans’ defines the path for realizing the TEN-T core networks until 2030, while the national and regional transport plans provide the necessary frameworks to connect all participating countries. The panellists discussed the transport network developments from the perspective of national and local authorities, operators and stakeholders. A sustainable transport network, including cross-border infrastructure was deemed to be indispensable for the sound economic and social development of the region.

The most important findings of the discussion are as follows:

- Approximately 750 billion euros are needed to complete the Core Network by 2030.
- These funds should be used primarily to open up existing bottlenecks in the region that are significantly hindering the free flow of passenger mobility and merchandise transport.
- Improving connections from the Black Sea to the Adriatic, as well as increasing the number of border crossings towards the eastern and southern parts of the Strategy should be considered a main priority.
- The urgent need to further develop the freight and passenger transport systems – especially in light of the increased usage of the road and rail networks of the Region since 2010 - was argued.

Better integration of the non-EU countries of the Strategy into its implementation

This workshop provided a political platform for discussions concerning the future collaboration between the EUSDR and its non-EU member countries. The workshop presented ways in which political and institutional ties could be strengthened, highlighting not only what the EUSDR can offer, but also what the most urgent needs of the non-EU countries are. Furthermore, it presented the practical aspects of the cooperation, namely project ideas and project financing.

The following conclusions and recommendations emerged from these discussions:

- It was recalled at the outset that the participation of non-EU countries in the EUSDR contributes to both the EU enlargement and neighbourhood policy agendas.
- The Association Agreements and Agendas are important reference points for Moldova and Ukraine. In the area of environmental protection, both countries prioritise the requirement to meet the European Union standards, as well as the development and implementation of river basin plans.
- Connectivity in all its forms in Bosnia and Herzegovina as well as energy security and innovation in Ukraine were identified as political priorities for the next two years.
- The Regional Environmental Centre presented its experience in implementing transnational projects in the Danube Region, highlighting the role of efficient cooperation and communication between the Stakeholders. With regard to the available means of finance, there was agreement that beyond the Danube Transnational Programme, the IPA and ENI CBC programmes are valuable tools for implementing the Strategy priorities, but that this potential is not always fully exploited.

Funding opportunities

The focus of the proceedings on the 2nd day was on financing and project promotion. Based on the recommendations made by the participants of the previous Annual Forums, an attempt was made to create a platform where representatives of existing and planned projects, of the various financing instruments can openly and freely discuss amongst each other.

As such, the first set of parallel workshops saw the formation of 12 working groups in the different rooms of the venue, divided and organised according to the 12 Thematic Poles identified in the DTP Capitalisation Strategy. These groups were moderated by the Pole leaders, with the support of the related EUSDR Priority Area Coordinators. As a result, the joint activities carried out by the group of projects were presented, the networking capacity of the involved projects/stakeholders was strengthened, and potentials for synergy were found among stakeholders sharing the same interests. This session provided a unique opportunity for the Thematic Poles to get to know relevant projects, programmes, initiatives and stakeholders that could be involved in their capitalisation activities in the future.

The second set of parallel workshops provided all participants with an insight into the topics highly relevant for the EUSDR according to its four thematic pillars, as well as some of the potential financial instruments available. EUSDR Priority Area Coordinators moderated the workshops, while representatives of various EU funding instruments participated in the workshops as speakers. Interaction between the speakers and participants was fostered, and the opportunity to engage in discussions regarding the potential financing of project ideas relevant to the EUSDR was promoted.