

## EUSDR Report June 2012

### Priority Area 10 Institutional capacity and cooperation

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## **1. OVERALL PROGRESS**

### **1.1. State of play**

#### *1.1.1. Implementation of Actions*

To implement the Actions of Priority Area 10 (PA 10) a methodology had to be developed in order to break down the Actions into operational steps. The PA 10 team based its methodology on the logical framework approach<sup>1</sup> with the objective to allocate each Action to one or more milestones. The milestones include (1) a short description and background, (2) objectives, (3) the output, (4) (potential) beneficiaries, (5) project partners, (6) responsible persons or organisations as well as (7) a deadline of implementing the milestone.

The main actors and responsible for breaking down each Action into operational steps are Working Group (WG) Members.

Working Group Members meet twice a year. Accordingly, prior to the first round of WG meetings the PA 10 team prepared contents and drafted Input papers which contained definitions of key words (such as Civil Society and Metropolitan Regions) and pre-defined milestones. This approach allowed reaching consensus and identifying open questions in an effective way during the one-day Working Group meetings. The Input papers have been submitted to the WG members before meetings and built the basis of discussion. The interactive approach during the meetings allowed the further development of the milestones and encouraged the participants to generate new ideas.

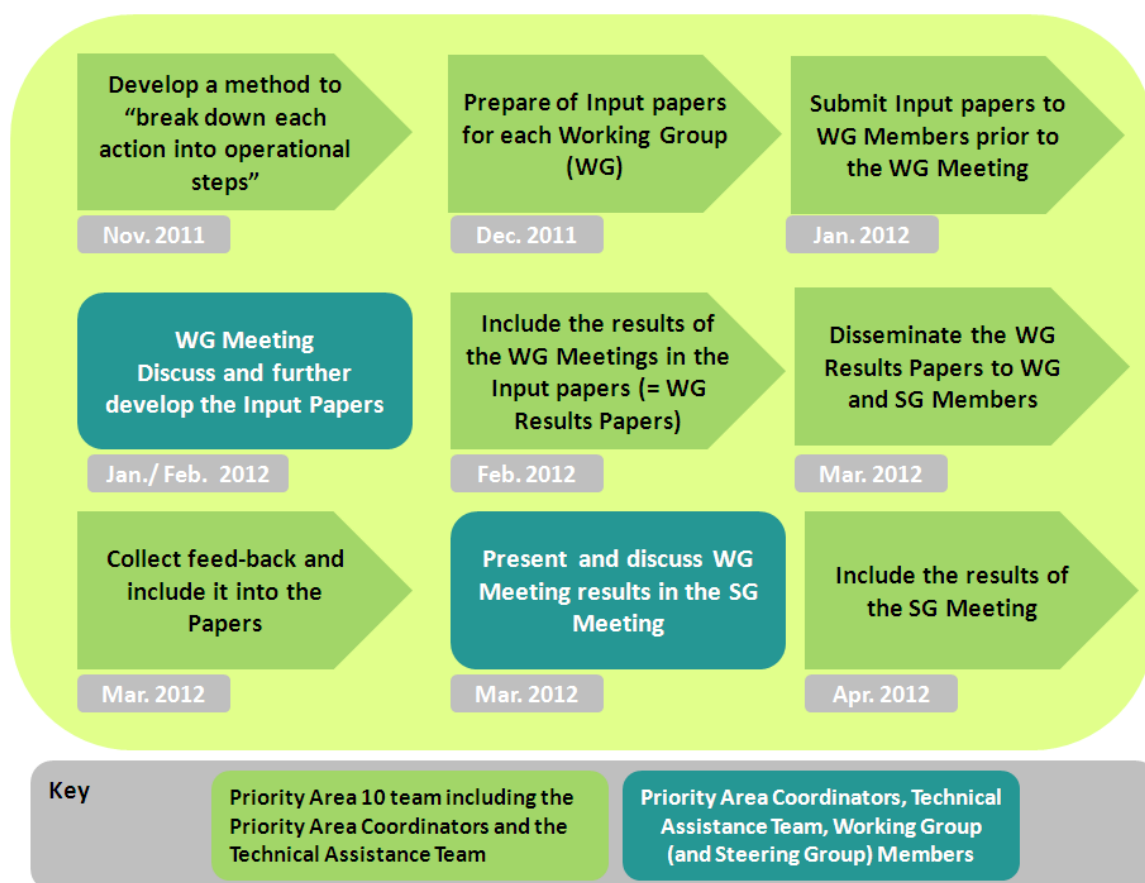
Based on the discussions of the meetings the PA 10 team drafted 4 WG Results papers and disseminated them with the requested for feed-back (see Annex 1). The updated Results papers have been discussed at the 2<sup>nd</sup> Steering Group meeting (see figure 1).

At the second round of Working Group meetings planned for autumn 2012, the progress will be reviewed and Action plan adjusted if necessary.

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<sup>1</sup> European Commission (2004) Aid delivery methods, Project Cycle Management Guidelines, Volume 1.

Figure 1. Working process of implementing the PA 10 Actions



### 1.1.2. Implementation of Projects

There were 70 project proposals submitted to PA 10. Out of 70, more than two thirds (43) have the funding completely secured, six are partly funded and less than one third still require funding. The projects also show a high degree of maturity – 11 (16 %) are successfully completed, 24 (34 %) are ongoing and 6 (9 %) ready for implementation.

The Priority Area 10 team developed a project sheet and a project data base (SharePoint) in order to store projects that are fitting to the Actions (see figure 2). The project data base allows to upload the completed project sheets and to allocate certain information to each of the project, such as:

- Project number and title
- Contact details
- Start and end of the project
- Project status: completed, new, ongoing, planned, prepared for implementation
- Type of funding: EU funding, national funding, local funding, equity financing
- Budget covered: no, yes, partly
- Budget amount
- Lead country
- Lead institution
- Letter of recommendation sent: yes, no
- Working Group: WG 1, WG 2, WG 3, WG 4

This allows the PA 10 team to keep an overview of the project situation and to easily extract any information quickly due to filter options.

Figure 2. Priority Area 10 project data base (SharePoint)

EU Strategy for the Danube Region

DANUBE REGION strategy  
Institutional Capacity

Center of Excellence in Finance

metis supporting good governance

StadT Wien

Home

EU Strategy for the Danube Region > Project database

Project database

Share a document with the team by adding it to this document library.

N°	Edit	Type	Project Title	Contact person	Start	End	Project Status	Type of funding	Budget covered	Budget (mio €)
001			Making Migration Work for Development	Ioppi Cinzia, cioppi@regione.emilia-romagna.it	00/0000	00/0000	Prepared for implementation		yes	3.9
002			Danube Road Show	Peter Langer, p.langer@ulm.de; Stefan August Lütgenau, luetgenau@foster-europe.org	11/2011	06/2012	Ongoing		partly	0.045
003			First Alignment with the Transport Acquis	Tilman Buchholz, tilman.buchholz@bmwbw.bund.de	06/2006	05/2008	Completed		yes	1.5

The identification, collection and allocation of projects to PA 10 Actions is an ongoing process managed by the PA 10 team. Usually projects are submitted by Steering Group Members but also by Working Group Members, other PACs or stakeholders.

In the Steering Group Meetings the allocation of projects to Actions is discussed and agreed. Furthermore, the status of projects in the data base is updated twice a year by contacting each project leader. In case the Steering Group decides that any of the collected projects does not fit to the PA 10 Actions, the project sheet is forwarded to the respective Priority Area Coordinator of the EU Strategy of the Danube Region (see also figure 3).

The PA 10 Steering Group agreed on the following procedure for submitting a **Letter of Recommendation (LoR)**:

- (1) Request for a Letter of Recommendation from project leader or SG member to the PA 10 team;
- (2) Project is submitted to the SG member of the respective country (lead country of the projects);
- (3) The SG member confirms whether the respective project is in line with the country's priorities;
- (4) If yes, the project is sent to all SG members for electronic voting;
- (5) A positive vote requires a »yes« from all countries represented by a SG member;
- (6) The PACs issue a letter of recommendation.

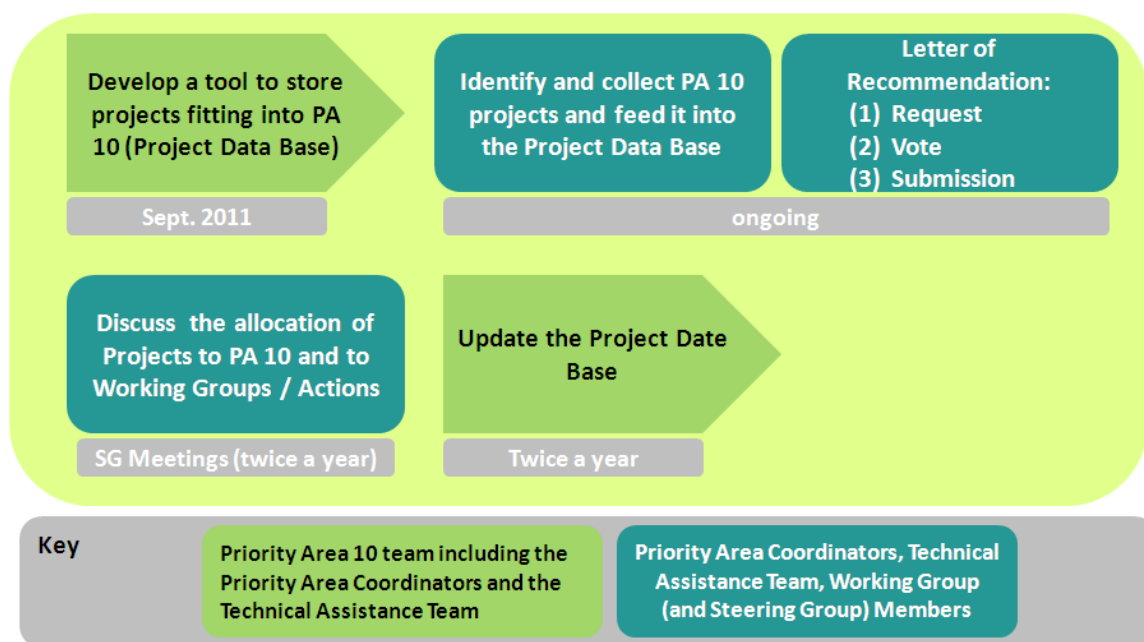
### Projects which already obtained the LoR:

- Project “Joint program Development and Implementation of Communication Strategy in the context of interregional cooperation between the civil sector in the Danube basin and the Western Balkan countries”
- Project “Danube Excellence”
- Project “Danube Civil Society Forum”
- Project “Public Procurement Academy”

### Projects which are in the procedure of voting:

- Project “International Conference on Informal Settlements in SEE”
- Project “Meet Your Neighbour European Parliamentarian”
- Project “Independent International Monitoring and Cooperation Forum for the Inclusive Implementation of the Danube Region Strategy”

Figure 3. Working process of “managing” PA 10 projects



#### 1.1.3. Communication

From the initial stages of the EUSDR implementation, the PA10 team created an internal site on a moodle platform where PA10 Steering and Working Group members could access all information related to PA10 (working documents, contact lists, presentations etc.). Moodle portal can be accessed at <http://moodle.cef-see.org/> or through <http://www.cef-see.org/EUSDR>. All news and activities related to PA10 are regularly published.

In June 2012 the contents was transferred to the Interact Groupspaces at <http://groupspaces.com/CapacityandCooperation>.

The PAC 10 team is profoundly involved in networking and disseminating information through the participation in EUSDR events such as conferences, panel discussions, stakeholder meetings or receptions. For details please see Annex 4.

#### *1.1.4. Challenges and lessons learned*

The implementation of the Strategy requires **ownership on national and regional level**. Even though the PA 10 team asks the support of the National Contact Points of those countries who have not been involved in the Priority Area 10 activities we do not yet cover the entire Danube region (SG Members). Therefore, we would need further political support from the European Commission (see further details in Annex 10).

Another challenge is to connect the targets with the Actions, milestones and projects:

- Out of the five targets, two were already included in the EUSDR Action plan but are not directly interlinked with the existing Actions.
- The development of milestones depends also on the type of commitment from the Working Group and Steering Group Members and cannot pragmatically be derived directly from the Actions.
- The Actions were defined and further developed in parallel with the identification of projects. Accordingly, some projects do not directly relate to any of the Actions but are relevant for Priority Area 10 in general.

The PA 10 Actions are particularly dealing with “soft measures” such as capacity building, networks and cooperation activities or the sharing of information and know-how. Accordingly, it is challenging to **define measurable indicators** for each of the milestones including facts and figures.

There are two main lessons learnt:

Due to the fact that some Actions are not evident to interpret, or are very general it is important that the further development of the Action plan is kept simple, clear and as concrete as possible.

Working Group and Steering Group meetings take place twice a year. Accordingly it is of utmost importance to prepare each meeting properly in terms of content and to disseminate information prior to the meeting to its participants including Input papers, PowerPoint Presentations and open questions.

#### *1.1.5. Next steps*

The upcoming tasks for implementing the Action plan of Priority Area 10 include:

- Further development and concretisation of milestones
- Identification of responsibilities for milestones
- Project identification and submission of LoRs.

## **1.2. Process**

### *1.2.1. Organisational structure*

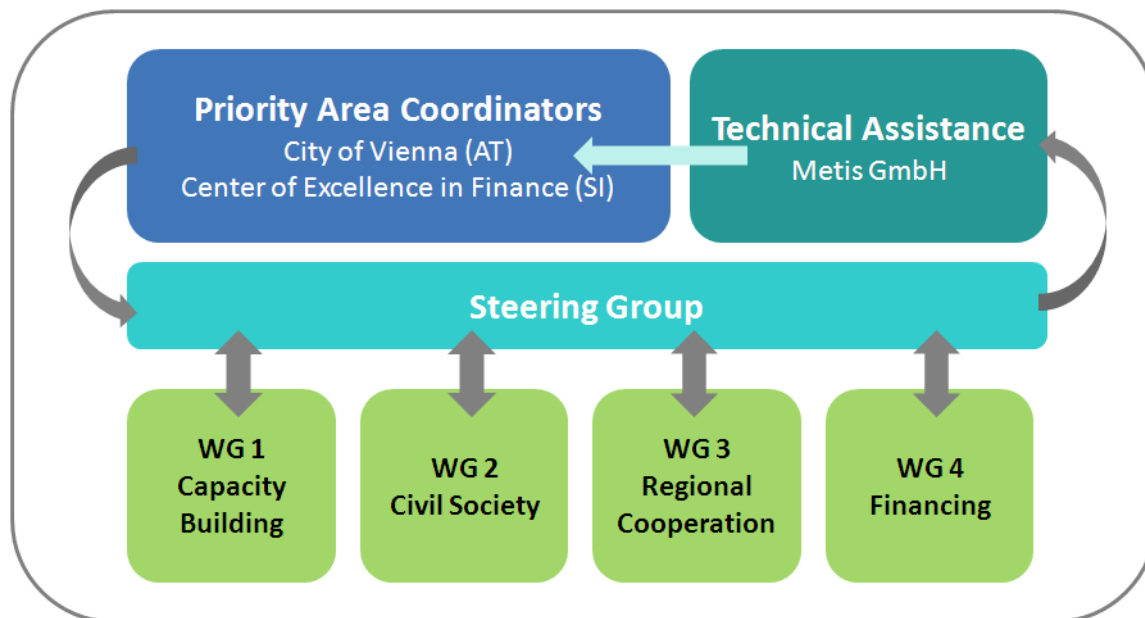
The Priority Area 10 is facilitated by the Coordinators Kurt Puchinger (City of Vienna, Austria) and Irena Lukač (Center of Excellence in Finance - CEF, Slovenia). The special project “Danube Investment Facility” designated to the PA10 is managed by the Austrian Priority Area Coordinator Kurt Puchinger (City of Vienna). The Viennese PAC is

supported by a Technical Secretariat (Metis GmbH) which consists of a project manager (Marlene Hahn) and a project assistant (Ajla Lubić).

The PACs set up the organizational structure consisting of a Steering Group and four Working Groups.

The Working Groups are thematically split: WG1 on Institutional Capacity, WG2 on Civil Society, WG3 on Regional Cooperation, and WG4 on Financing. The Viennese PAC facilitates WG 2 and WG3, the Slovenian PAC WG1 and WG4 (see figure 4).

Figure 4. Organisational structure of Priority Area 10



### 1.2.2. Challenges and lessons learned

The Priority Area of institutional capacity and cooperation **cannot recourse to existing working structures**. Accordingly the identification of Steering Group and Working Group Members requires time. At the same time, we learnt that it is of utmost importance that e.g. **Steering Group members require a certain pouvoir and position** within an organization/institution in order to make a real impact on the implementation of the EU Strategy for the Danube Region. As for the **Working Group Members** it is important that they provide **of a specific technical know-how**.

Another challenge is to **motivate stakeholders to taking over responsibilities**. Although the PA 10 team observes that most of the stakeholders who were thinking that participating in an EUSDR priority could provide certain funding understand more and more the objectives of the Strategy and recognize the added value of using synergies, developing common objectives and exchanging know-how and experience within the Danube Region.

## 1.3. Funding

### 1.3.1. Funding of PA 10 Projects

Out of 70 project proposals submitted to PA10, almost two thirds (43 out of 70) have the funding completely secured. There is still a perception among project promoters that the EUSDR has extra funding and the decision making within the Steering Groups is connected with granting of financial resources.



PACs and SG members cannot search for financing sources however, we help directly project promoters to information sources and networks to secure additional financing.

With more than one third of the submitted project proposals without secured funding, however, there is a need for more information and institutional support to be provided by the European Commission, in particular with regard to access to funding for PA 10 capacity building projects in the next EU programming period 2014-2020.

#### **1.4. Next steps**

The implementation of the roadmaps (Actions) of the PA10 is under way. The focus will be on keeping the momentum by facilitating and encouraging the stakeholders to provide their input. This also includes new project proposals and decisions on awarding the Letters of Recommendations.

For the remainder of 2012 the following PA10 activities are planned:

- A workshop “From project design to implementation” will take place in Ljubljana on July 5-6.
- The second round of Working Group meetings are planned in October and November 2012.
- Third meeting of the Steering Group is planned in December 2012 (following the Working Group meetings).
- 2<sup>nd</sup> Danube Financing Dialogue planned for late 2012 / beginning 2013 in Belgrade.
- Preparations for a stakeholder event envisaged for 2013.

## 2. PROGRESS BY TARGET

There were two confirmed targets for Priority Area 10 in the EUSDR Action Plan : (1) Maximum 4 weeks for business start-up permissions by 2015, and (2) Establishing benchmarks for e-government and reducing excessive bureaucracy by 2012.

However, only three Actions out of nine could be linked to the two targets. Therefore, the PA10 Steering Group adopted three additional targets that were linked to Actions as is seen from the overview below.

### 2.1. Target: Maximum 4 weeks for business start-up permissions by 2015

The countries in the Danube region have diverse economic, institutional, political and other structures that are also reflected at different levels of institutional capacity. Increased cooperation within the region in search of synergies can support the development of public administration institutional capacity and improvement of governance that leads to more business-friendly environment.

#### 2.1.1. Action: *“To Combat Institutional Capacity and Public Service Related Problems in the Danube Region”*

Three broad areas of institutional capacity and their characteristics can establish institutional capacity needs:

- Strength of stakeholder ownership (commitment of social and political leaders, compatibility with norms and values; stakeholder participation, transparency);
- Efficiency of policy and other formal instruments (laws, rules) that guide stakeholder behaviour toward the goal;
- Effectiveness of organizational arrangements (operational efficiency, clarity of mission, financial viability).<sup>2</sup>

Institutional capacity can also be developed through training, knowledge transfer and exchanging of experience that is typically carried out by **public administration training institutions**. To reach the **objectives of the Action**, areas where particular attention in institutional capacity development in the Danube region is needed will need to be identified as well as synergies and best practices of existing training programs that are carried out on a national level and could be applicable at the supranational level within the Danube region. Finally, new training programs that could be mutually developed by the existing training institutions in the Danube region could be developed.

- Progress in the implementation of the Action:

The stakeholders which are public administration and specialized training institutions from the Danube region countries that have interest in collaborating have been identified. They have identified areas of institutional capacity gaps (needs) in

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<sup>2</sup> World Bank Institute, 2011.

the Danube region and also existing training programs and other areas of institutional capacity development that could be shared or mutually developed by them. New training programs and other areas of institutional capacity development will be identified as well as funding options.

#### **Milestone 1: Identify stakeholders**

One of the ways to step up institutional capacity is also through training, knowledge sharing and exchanging of experiences that are typically carried out by public administration and specialized training institutions. However, there are different structures, approaches and levels of specialization in the region. Additional stakeholders will be identified utilizing networks, desk research and WG meetings.

#### **Milestone 2: Identify areas of institutional capacity needs / gaps in the Danube region**

Due to different economic, social and other factors, the Danube region countries have achieved very different levels of institutional capacity and therefore also needs. Areas where particular attention in the institutional capacity will be recognized on both levels - capacity needs of institutions providing training and capacity needs of the trainees.

#### **Milestone 3: paper “Institutional Capacity Development Through Implementation of the EUSDR” at NISPAcee Annual Conference**

#### **Milestone 4: Event / workshop “EUSDR Project Facilitation and Exchange of Experiences”**

Design and execute training for EUSDR target group on how to develop a project from idea to implementation. Lack of experience in project cycle management and inefficient use of financial resources contribute to poor project preparation and lacklustre implementation. It is also important that stakeholders are aware of funding opportunities and understand different funding requirements and principles. This is in particular relevant for EUSDR projects as they should be transnational and as such could be funded by different financial sources - national, Structural and/or Cohesion fund, IPA, ENPI, European Investment Bank and other IFIs as well as through Western Balkan Investment Framework (WBIF). For non-EU member states participation in EUSDR on project level means also the possibility of gaining practical experience on “how to run an EU project” in line with the EU acquis. Gaining practical experience is an important element of institutional building and value added for the EU integration process.

#### **Milestone 5: Identify existing training programs and other areas of institutional capacity development that could be shared or mutually developed by training institutions in the Danube region**

The stakeholders will identify existing links and see if synergies exist. They will build on best practices and examine if existing training programs designed on a national level could be applicable on the supranational level within the Danube region. Apart from training, other areas of mutual cooperation in institutional capacity development could be identified and developed.

## **Milestone 6: Identify new training programs and other areas of institutional capacity development that could be mutually developed by training institutions in the Danube region**

Through exchange of experiences and capacity needs, the stakeholders will identify existing links and see if synergies and potential to mutually develop new training programs exist. Apart from training, other areas of mutual cooperation could be identified and developed.

## **Milestone 7: Identify / find funding**

Public administration training institutions face a number of difficulties in securing EU funding for EU-related projects (lengthy procedures, lack of experience, eligibility, combining resources when it comes to beneficiaries from EU MS, potential and candidate, neighbourhood countries as is the case for the Danube region and others).

- List of projects associated with the Action:
  - Academy for Exchange in Administration in the Danube Region in the City of Passau;
  - Public Procurement Academy;
  - IPA (Instrument for Pre-Accession Assistance) Workshops;
  - Building Capacities in Policy Design and Implementation: Fiscal Impact Assessment of Structural Reforms;
  - Building Capacities in Policy Design and Implementation: Strategic Planning and Budgeting;
  - First alignment with the transport acquis;
  - Harmonization with Aquis Communautaire;
  - TA to support the Min. of Infrastructure and Energy (MoIE) and transport institutions under MoIE in order to strengthen their administrative capacity;
  - Making migration work for development;
  - Capacity building for a strong networking of the organizations of civil societies of West Balkans;
  - European integration and local development in NE Serbia;
  - Danube excellence;
  - Meet your neighbour parliamentarian;
  - PUMAKO - Public Management Kooperation
  - South East Europe Transnational Cooperation Programme “Stakeholder oriented flood risk assessment for the Danube floodplains (DANUBE FLOODRISK)”.

## 2.2. Target “Establishing benchmarks for e-government and reducing excessive bureaucracy by 2012”

According to the EU-wide definition: “eGovernment is about using the tools and systems made possible by Information and Communication Technologies (ICTs) to provide better public services to citizens and businesses. ICTs are already widely used by government bodies, just as in enterprises, but eGovernment involves much more than just the tools. Effective eGovernment also involves rethinking organisations and processes, and changing behaviour so that public services are delivered more efficiently to the people who need to use them. Implemented well, eGovernment enables all citizens, enterprises and organisations to carry out their business with government more easily, more quickly and at lower cost.”<sup>3</sup>

In this context “benchmark” refers to concrete, measurable targets which are grouped into two areas (public funding and implementation and civic and political participation within the implementation process of the EUSDR – see next page).

The emerging measurement methodologies for e-government mainly emphasised **quantitative outcomes** such as cost reduction, efficiency gains (mostly in the form of full time equivalent efficiency gains to be monetised using data on public employees’ wages), but also the reduction of administrative burden for citizens and businesses, faster delivery and reduced waiting times. But there are also **qualitative outcomes** which have to be considered such as the evaluation of public sector policies and services outlining the challenges and gaps (f. ex. availability of online services, important aspects of national context and priorities, stages of development, actual functioning/usage of eServices, etc.)<sup>4</sup>

“There is also widespread expectation of greater opportunities for citizens and business to use ICTs to participate in decision making at all levels, whether top-down in response to government initiatives or through the Actions of elected representatives, or bottom-up by creating their own political agendas and processes. Indeed, over the last five years numerous eParticipation and eDemocracy trials and programmes have been run out at national and local levels across Europe, although much less so at European level.”<sup>5</sup>

The importance of CS participation to good governance in Europe has moreover been laid out in the Lisbon Treaty (Article 15 of the Treaty on the Functioning of the European Union – TFEU). Article 11 of the Treaty on European Union provides for the establishment of an open, transparent and regular dialogue with CS organisations. The Commission therefore consults civil society organisations when drafting legislative proposals.<sup>6</sup>

Therefore the introduction of e-government systems would considerably enhance communication inter-linkage between all levels including the administrative and horizontal level (Civil Society Organisations (CSO), public agencies, etc.)

Here are some of fields itemizing possible benchmarks for e-government, which could furthermore enhance transparency as well as trust of citizens to the EU:

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<sup>3</sup> **European Commission (n.a.):** ICT for Government and Public Services, [http://ec.europa.eu/information\\_society/activities/egovernment/index\\_en.htm](http://ec.europa.eu/information_society/activities/egovernment/index_en.htm), [Last access: 6 March 2012]

<sup>4</sup> Cf. **Codagnone, Cristiano/ Undheim, Trond Arne:** Benchmarking eGovernment: tools, theory, and practice. [http://www.epractice.eu/files/ePractice-Journal-Volume-4\\_0.pdf](http://www.epractice.eu/files/ePractice-Journal-Volume-4_0.pdf), [Last access: 5 June 2012]

<sup>5</sup> **European Commission (n.a.):** ePractice: <http://www.epractice.eu/community/eParticipation>, [Last access: 5 March 2012]

<sup>6</sup> The European Economic and Social Committee is a consultative body representing civil society at European level.

- **Public funding and implementation:**
  - o Establishing a project partner online search machine for the project applicants,
  - o Creating publicly accessible lists of former beneficiaries of public funding in the field of agriculture, EU structural funds, etc),
  - o Providing online consultancy services during the preparation of applications and implementation of EU projects,
  - o Publishing the project database (projects already implemented, ongoing, planned, completed within the Danube region),
- **Civic and political participation within the implementation process of the EUSDR,**
  - o Establishing an online platform for making concrete proposals by the CSOs from the Danube region,
  - o Providing online communication tools (such as online platforms, chat room, forums, etc.) for CSOs, private sector, administrative level,
  - o Developing an online search tool publishing all active CSOs from different working fields from the Danube Region in order to enable them easy connection and cooperation,
  - o Enabling online competitions for students and professors in order to give their input to concrete topics referring to EUSDR'S implementation,
  - o Collecting of citizens' feedbacks: making satisfaction surveys on certain topics by using certain online survey's tools.

Some of these benchmarks could be realized through the road-maps which consists of more concrete milestones and pertains to the following two Actions.

#### *2.2.1. Action "To ensure sufficient information flow and exchange at all levels"*

In order to establish benchmarks for e-government and to reduce excessive bureaucracy by 2012, there has been made some progress towards the implementation of this Action.

First of all, the **main aim** of this Action is to increase or improve information flow and exchange in order to ensure that all levels are sufficiently informed. In order to ensure a common understanding of this Action, it must first be defined the meaning of 'all levels' as well as 'information flow and exchange' in this context.

'**All levels**' should be understood as both, all vertical administrative levels (EU level, national level, regional level, local level) as well as horizontal (institutions from the education/academic sector, public authorities, civil society, private sector, etc). Briefly, this Action correlates with an inter-institutional issue.

The term '**information flow and exchange**' refers to the communication of facts, problems and/or challenges identified with regards to specific issues in order to ensure a common and shared understanding of the issues at hand. In other words, for a specific thematic issue, the current level of knowledge should be accessible and transparent to all relevant actors ('at all levels') in order to ensure that integrated and inclusive solutions are found that satisfy the needs of different stakeholders involved.

## **Milestone N° 1: Establishing an Open-Government platform concerning the EUSDR's issues**

This Action should not only be developed towards inter-institutional communication but also between different institutions (e.g. between legal authorities and CSOs) involving public agencies from different European countries in collaborative exercise to build measurement capacities and share experiences. One of the feasible solutions is to establish an open-Government platform which could serve as a big opportunity for the CSOs to participate in the democratic policy-making process concerning the EUSDR's issues. The CSO should strive to use this new innovative ICT (henceforth: Information and Communication Technology) tool in order to broaden and deepen the democratic and participative processes, making them more transparent, inclusive, accessible and effective.

The open Government platform should take into account the European Commission's understanding of '**E-government**': 'eGovernment is about using the tools and systems made possible by Information and Communication Technologies (ICTs) to provide better public services to citizens and businesses. (...) Effective eGovernment also involves rethinking organizations and processes, and changing behaviour so that public services are delivered more efficiently to the people who need to use them. Implemented well, eGovernment enables all citizens, enterprises and organizations to carry out their business with government more easily, more quickly and at lower cost.'<sup>7</sup>

## **Milestone N° 2: Making a wide public awareness campaign of the European Strategy for the Danube Region (EUSDR)**

The participation on conferences and the organisation of a matchmaking-dialogue had a positive impact for the promotion and awareness of the added value of the EUSDR. In order to pursue the aspect of sustainability, another project concerning the wide public awareness campaign of the EUSDR would be appropriate.

## **Milestone N° 3: Gathering project examples in a project database using an online tool**

Based on the Microsoft SharePoint Online, **the project database** is a useful tool to keep up-to-date with all collected **project examples allocated to the Working Groups** in order to become an overview over the already existing structures within the Danube Region, to enhance the exchange of experiences and know-how and to make synergies within the Danube Region.

### **List of the projects associated with the Action "To ensure sufficient information flow and exchange at all levels":**

- Attract SEE - Assessing Territorial Attractiveness in SEE
- CEEPUS - Central European Exchange Programme for University Studies
- danube connects – Danube Media Network
- Danube Region University for Public Governance
- DATOURWAY Black to Black

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<sup>7</sup> **European Commission (n.a.):** ICT for Government and Public Services.  
[http://ec.europa.eu/information\\_society/activities/egovernment/index\\_en.htm](http://ec.europa.eu/information_society/activities/egovernment/index_en.htm), [Last access: 5 March 2012]

- Democracy, Self Government and Citizens Participation in the Danube Region: Road Show on the Danube Strategy in Medium Cities
- DRIBE - Danube Region Internet Based Exchange
- Integrated Satellite Applications for the Danube Region
- Joint program Development and Implementation of Communication Strategy in the context of interregional cooperation between the civil sector in the Danube basin, the Western Balkan countries and Albania
- EdTWIN CZ - Education Twinning for European Citizenship in the Centroe Region
- EdTWIN H - Education Twinning for European Citizenship in the Centroe Region
- EdTWIN SK - Education Twinning for European Citizenship in the Centroe Region
- POLYREG2D++ - Spatial Planning Support to Cross Danube Regions Polycentric Development
- South East Europe Transnational Cooperation Programme “Transnational Strategy for the Sustainable Territorial Development of the Danube Area with special regard to Tourism (DATOURWAY)”
- SPICE - Support of Pilots for Integrated Urban Management in Central Europe
- Young Citizens Danube Network

2.2.2. *Action “To facilitate the administrative cooperation of communities living in border regions”*<sup>8</sup>

The **overall objective** of the Action mentioned above is improving the cooperation between administrative bodies of border regions in order to ultimately ameliorate the collaboration between relevant institutions and stakeholders at the local and at regional levels of bordering regions. The ultimate aim of strengthening cooperation between these communities is however to ameliorate living standards across policy sectors (e.g. health, infrastructure, education, etc.).

This Action mainly involves the following relevant **stakeholders** in the regions and countries:

**Project partners** include actors from the local, regional, national and international levels active in the administration and policy-making processes in the border regions. Further project partner would be actors in the administration, the civil society and relevant representatives from the research and business sectors.

The **Final beneficiaries** are communities living in the border regions as well as the citizens of the cooperative communities.

**Milestone No 4: Elaborating a feasibility study prior to the project “Establishment of the efficient cross-border cooperation model(s) on different levels”**

Due to the different administrative systems in the Danube Region - legal and information systems, know-how and financial capacities - efficient cross-border cooperation model(s) on different levels (government, municipalities, private sector, and civil society sector)

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<sup>8</sup> It is not possible to associate this Action with any of the mentioned targets.



could be a major contribution to strengthen the cooperation between institutions at the local and regional levels of bordering regions.

Cooperation may refer to supporting common Actions (development of infrastructure, joint education programmes, joint health Actions, joint environmental Actions, etc.) as well as reducing or lifting barriers that differentiate and separate nation-states from one-another.

One of the existing cross-border cooperation instruments including a structure with legal personality defined by European Law is the European Grouping of Territorial Cooperation (EGTC). EGTC is currently applied within the EU Member States but would also allow the inclusion of non EU Member States according to its regulation. Therefore, an analysis of the use of EGTC as instrument for cross-border cooperation should prove the effectiveness of this instrument to be applied in the entire Danube Region.

### **List of the projects associated with the Action “To facilitate the administrative cooperation of communities living in border regions”:**

- Border crossing facilitation in the Danube Region
- Check-ups for healthy living on both sides of the border
- CENTROPE Capacity - Sustainable urban and regional cooperation for a polycentric territorial development in a competitive CENTROPE region
- Common Strategy for the Sustainable Territorial Development of the Cross-border Area Romania-Bulgaria
- Crossing Borders by Information in the Pons Danube Border Region
- Danube-music without borders
- PUMAKO (Nr. 00119)
- Regional Development Agencies (RDAs) – working together towards enhanced development of Danube area
- SECCo: Sharing experiences on Cross-border Co-operation of member countries located at the Danube
- Supporting the cross-border co-operation of labour markets by developing labour-market networks – WORKMARKET

### **2.3. Target “Establishing a platform including Civil Society Organisations and open governance networks by 2013”**

According to the EC definition, ‘Civil Society refers to all forms of social Action carried out by individuals or groups who are neither connected to, nor managed by, the State’.<sup>9</sup>

As per this definition, all organisational structures are part of Civil Society (CS) whose members serve the general interest through a democratic process and mediate between public authorities and citizens. These can include: **Stakeholders and organisations** in the labour market in the form of social partner organisations; **specific socio-economic groups; non-governmental organisations** which champion common causes (environmental protection, consumer rights, education and training, etc.); **grassroots organisations** representing a section of society (youth movements, family associations, etc.) **and religious communities**. The importance of CS participation to good

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<sup>9</sup> **Europa (n.a.):** Glossary. Civil Society Organisation.  
[http://europa.eu/legislation\\_summaries/glossary/civil\\_society\\_organisation\\_en.htm](http://europa.eu/legislation_summaries/glossary/civil_society_organisation_en.htm), [Last access: 6 June 2012]

governance in Europe has moreover been laid out in the Lisbon Treaty (Article 15 of the Treaty on the Functioning of the European Union – TFEU). Article 11 of the Treaty on European Union provides for the establishment of an open, transparent and regular dialogue with CS organisations. The Commission therefore consults civil society organisations when drafting legislative proposals.

Closely following the already above mentioned benchmarks for e-government, transparency and availability of public data could be increased and the following road-map, consisting of more concrete milestones, could be the first step toward the implementation of the following two Actions.

### *2.3.1. Action “To improve the trust of citizens and stakeholders in political authorities”*

Improving the trust of citizens and stakeholders in political authorities means increasing transparency of political decision-making, ensuring or restoring the legitimacy and bringing the decision-making process closer to the citizens. This can be achieved by developing new participatory models or improving the existing ones while ensuring thorough and complete information and communication.

A definition of ‘political authorities’ should be agreed upon in order to ensure a common understanding of the Action. ‘**Political authorities**’ in this context include actors at national, regional and local level who exercise political power and can have an influence on policy-making and decision-making.

### **Milestone N° 1: Building the TransCity Network for Public Relations for EUSDR Issues**

In order to strengthen the trust in political and administrative authorities, the concrete political steps have to be presented very clearly and understandable to the wide public. In the same time, the direct benefits for the citizens should be highlighted and pointed out. People should also get to know how the political decision process works in order to participate in some programs and projects. The participative role of the CSOs from the Danube Region would refer to the submitting their opinions to this TransCity Network regarding the issue of increasing the trust of citizens and stakeholders in political authorities. The project focuses on the building up the transnational city networks which would work transparently. Besides, their efforts to work with other national and transnational cities and city agencies would modernize, curate and disseminate data sets and other relevant information on EUSDR which have to be disseminated to the citizens. Best practices research (=collecting information on project examples in the Danube Region), reporting and data inventory within the project initialization phase would inform stakeholders of priority collaboration opportunities. This data research should not only focus on the indicators of trust, but also on the processes which hinder the building of trust. Briefly, a pre-feasibility study of the gaps concerning these issues will be also necessary. CSOs expect the trust of the EU and other political and administrative authorities, too. Therefore the trust should be increased from the both sides. It is also important to look how much room can be given to the people and CSOs to organize themselves (f. ex. to rebuild kindergartens or in a way of building of networks, etc.)

## **List of the projects associated with the Action “To improve the trust of citizens and stakeholders in political authorities”:**

- CEPSA Annual Conference 2011 “Multi-level Politics: Intra- and Inter-level Comparative Perspectives”
- Independent International Monitoring and Cooperation Forum for the Inclusive Implementation of the Danube Region Strategy

### *2.3.2. Action “To establish a Danube Civil Society Forum”*

The **overall objective** of the Action mentioned above, which should be split into projects, is to build up a Danube Civil Society Forum.

Based on the above-stated definition of Civil Society, a **Danube Civil Society Forum** (henceforth: DCSF) should be a network or an umbrella organization bringing together individuals or groups across the Danube region who are neither connected to, nor managed by, the State. The entities of this forum should work together towards building a stronger unity between civil society stakeholders from the region, create synergies, find common methods and solutions to common problems across various policy fields (e.g. gender equality, human rights, integration of people with disabilities, etc).

This Action mainly involves the following relevant **stakeholders** in the regions and countries involved:

- **Project partners**, depending on the activities or projects foreseen may include public authorities (European, national, regional, local) as well as NGOs, academic and research institutes as well as private partners if considered relevant.
- The **final beneficiaries**, being those who benefit from the Action once it is implemented. In fact, increased dialogue and a better representation of public opinion at decision-making level will benefit citizens in the Danube region through helping them stating their interests.

The **overall and long term effects** should be the strengthening of CS participation in the implementation of the Strategy as well as the enhancing the dialogue between CS and governments in a sustainable way. Furthermore, the representation of public interests in policy dialogues and involvement of stakeholders from the civil society in policy-making and cross-border exchanges in social, political and economic co-operations are also direct consequences of project outputs.

### **Milestone n° 2: Elaborating a feasibility study prior to the establishment of the Danube Civil Society Forum**

In order to strengthen the CS participation in the implementation of the EUSDR, one of the approaches is the establishment of a DCSF which would include the axes between civil society as well as authorities from national and sub-national levels as well as in cross-border and transnational networking. The Forum members could give their concrete policy documented proposals which would be provided in one clear presented policy document to the SG and to the EC. Briefly, DCSF would represent the public interests in policy dialogues and it would be an open umbrella organization with a clear structure.

### **Milestone n° 3: Institutionally and financially strengthening the already existing Young Citizens Danube Network (YCDN)**

The main objective of this milestone is to strengthen the information platform in its institutional and financial capacity; YCDN serve as an platform for exchanging ideas and experiences, culture and many other different issues from daily lives of young people who participate in student and scholar exchange programs/ study abroad programs. YCDN would become a member of the DCSF.

#### **List of the projects associated with the Action “To establish a Danube Civil Society Forum”:**

- Building Bridges of Democracy
- Danube Civil Society Forum, DCSF
- Danubiana – civil network development
- FemCities Danube Region
- „Green Danube Networking“: improving contacts and exchange of skills and knowledge between environmental NGO’s along the Danube
- Passing of Fire

#### **2.4. Target “Facilitate a network of metropolitan areas and systems of cities by 2014”**

A metropolitan area is a functional region as well as a cohesive system with its area of influence. It has a very close cooperation between urban and rural areas. Cooperation offers new opportunities to work together, for example, in the fields of traffic and transport, new technologies and business, food and nutrition, climate change, energy supply or tourism. Therefore urban, and especially rural regions, must know where their strengths lie in order to be able to achieve best results and mutual benefit.<sup>10</sup>

Beside the mutual benefits of the huge number of the “Best Practice” examples of different European metropolitan areas<sup>11</sup>, which could serve as orientation for the target mentioned above, challenges and obstacles has to be overcome, too.

One of the steps toward the realization of this target would be a milestone mentioned under the following Action.

##### *2.4.1. Action “To build Metropolitan Regions in the Danube Region”*

The **overall objective** is the strengthening the cooperation between agglomerations by finding common agglomeration development strategies and promoting the exchange of information and experience for instance within City Networks.

As stated in the chapter ‘Definitions’, cross-border regions and communities have gained in importance after the liberalization of European borders and due to the ‘blurriness’ of boundaries and frontiers. The Action embraces this idea and questions as to which regions are meant in specific, the necessity for supporting this development as well as concrete steps and Actions should now be raised.

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<sup>10</sup> cf. **Metrex/ Metropolregion Hamburg**: Urban-rural relationships in metropolitan areas of influence. Best practice examples of metropolitan-rural cooperation, [http://www.eurometrex.org/Docs/Expert\\_Groups/URMA/Urban-rural-relationships-in-metropolitan-areas-of-influence.pdf](http://www.eurometrex.org/Docs/Expert_Groups/URMA/Urban-rural-relationships-in-metropolitan-areas-of-influence.pdf), [Last access: 5 June 2012]

<sup>11</sup> cf. as aforementioned

This Action mainly involves the following relevant **stakeholders** in the regions and countries:

**Project partners:** public authorities at local as well as regional and national level; experts from academia and research institutes, the private sector and actors involved in regional planning

**Final beneficiaries:** cities and communities that will benefit from networking and exchanging information to finding common strategies of developing the ideas of agglomeration in metropolitan regions.

Milestone no° 1: Elaborating a feasibility study prior to the project “Usage of the capacity of existing urban networks”

As there already different networks exist focusing on urban and regional policies the analysis of such networks within a feasibility study should facilitate the usage of its capacities later on. These include – beside the stakeholder capacity – content based topics (e.g. environment, small and medium enterprises, etc.), experiences, know-how, etc. The main objective of the subsequent project is to raise competitiveness of the cities and regions in the Danube Region and to enhance the benefit for lagging areas and capital cities by making use of synergies of existing network capacities.

**List of the projects associated with the Action “To build Metropolitan Regions in the Danube Region”:**

- Danube metropolises – venue for SME and inventors’ encounters
- Development of Poland-Slovakia-Hungary-Croatia north-south transport corridor - CETC Route 65
- DONAUREGIONEN+ - The Spatial Development of Interregional Co-operation in the Danube Space
- The implementation of innovations in water management and the establishment of a water pollution and level measurement monitoring system in the cross-border region
- Limes, the limitless destination
- Metropolitan Network Danube Region (MND)
- Metro-region Novi Sad-Beograd-Pančevo-Smederevo
- polyce: Metropolisation and Polycentric Development in Central Europe: Evidence based strategic options
- Renewable energy – renewable region
- The Spatial Development Concept of Interregional Co-operation in the Danube Space – DONAUREGIONEN (INTERREG IIIB CADSES)
- The Spatial Development Concept of Interregional Co-operation in the Danube Space – DONAUREGIONEN+ (SEE / INTERREG IV)

## **2.5. Target 5: “Establish a Danube Financing Platform by 2013**

### *2.5.1. Action: “To review bottlenecks relating to low absorption rate of EU funds and to ensure better coordination of funding”*

As the negotiations for the new EU programming period (2014 – 2020) are under way, it is crucial to ensure that reasons for low absorption of EU funds are mitigated. There are many recognized reasons for the poor absorption of EU funds, however important constraints also have roots in insufficient administrative capacity and inadequate knowledge of how to prepare projects.

- Progress in the implementation of the Action

#### **Milestone 1: Review bottlenecks in EU funds absorption**

There is a large variation among EU member countries, candidates, potential candidates, and European neighbourhood policy countries in the absorption of EU funds which in overall is disappointing. Important constraints in EU funds absorption are a consequence of insufficient administrative capacity and inadequate knowledge of how to prepare and implements projects. There are already initiatives in place to improve the capacity for absorbing EU and other development funds which are not available to all countries from the Danube region. This is also reflected in the report “Analysis of needs for financial instruments in the EUSDR”. Bottlenecks in EU funds absorption are being identified by a selected number of Danube region countries and ways to ensure better coordination of funding will be proposed.

#### **Milestone 2: Event / workshop “EUSDR Project Facilitation and Exchange of Experiences”**

Design and execute training for EUSDR target group on how to develop a project from idea to implementation. Lack of experience in project cycle management and inefficient use of financial resources contribute to poor project preparation and lacklustre implementation. It is also important that stakeholders are aware of funding opportunities and understand different funding requirements and principles. This is in particular relevant for EUSDR projects as they should be transnational and as such could be funded by different financial sources - national, Structural and/or Cohesion fund, IPA, ENPI, European Investment Bank and other IFIs as well as through Western Balkan Investment Framework (WBIF). For non-EU member states participation in EUSDR on project level means also the possibility of gaining practical experience on “how to run an EU project” in line with the EU *acquis*. Gaining practical experience is an important element of institutional building and value added for the EU integration process.

#### **Milestone 3: Identify ways to ensure better coordination of funding**

The need to build institutional capacity leading to better management and use of EU funds was recognized. Recommendations, best practice examples will be given.

#### **List of projects associated with the Action:**

→ IPA Workshops;

- Building Capacities in Policy Design and Implementation: Strategic Planning and Budgeting;
- Public Procurement Academy.

In essence, many EUSDR projects across all priority areas could be related to this Action as they tackle financing issues.

2.5.2. *Action: “To support the development of local financial products for businesses and community development”.*

- Progress in the implementation of the Action:

**Milestone 1: Review available financial products for SME’s in local communities**

Due to credit crunch and austerity measures SME’s find it difficult to access finance. Availability and sophistication also vary substantially across the Danube region. The 1<sup>st</sup> Danube Financing Dialogue already gave some “first-hand: feed-back in this regard. List of projects associated with the Action:

Currently there are no projects associated directly to this Action.

2.5.3. *Action: “To examine the feasibility of a Danube Investment Framework”*

**Milestone 1: To establish a matchmaking platform bringing together project promoters and financiers**

In the context of the Action “Examining the feasibility of a Danube Investment Framework” the Viennese Priority Area Coordinator, Mr. Kurt Puchinger organized the 1<sup>st</sup> Danube Financing Dialogue. This conference aimed to bring together project leaders and promoters, International Financial Institutions and national funding sources and establish a platform for matchmaking of financing needs and financing possibilities.

Over 200 stakeholders attended the 1<sup>st</sup> Danube Financing Dialogue that took place on 22 and 23 March 2012 in the premises of the Austrian Central Bank (OeNB) (see further information in Annexes 11 and 12).

On several occasions the European Commission has stressed the importance of the role of SMEs for the Danube Region and for implementing the corresponding EU Strategy. The Dialogue was opened with statements on opportunities and approaches for financing SME projects by high-ranking speakers, not only from the European Commission, but also from the European Investment Fund, the European Investment Bank and the European Central Bank and representatives from the Austrian National Bank including the Governor. The first conference day was wrapped up by a panel discussion on the role and the challenges faced by companies in the Danube Region.

As its name implies, the essence of the event was a dialogue, namely a dialogue between SMEs in the Danube Region and their potential financiers. The second day of the conference was dedicated to provide the representatives from both groups with a platform for discussion. In the morning, participants were given the opportunity to get acquainted in a ‘matchmaking session’. They then had the possibility to actively participate in exchanging information in various small thematic groups. In the afternoon, the representatives of SMEs and financial institutions held individual face-to-face meetings for which appointments had been made prior to the event. These face-to-face meetings allowed the representatives to concretely discuss opportunities and ideas for specific individual cases.

This successful premiere moreover built a stepping stone. The coordinator is already planning to organise the next Financing Dialogue in cooperation with the Vienna-based consultancy Metis GmbH for autumn of this year.

The results of the evaluation of the 1<sup>st</sup> Danube Financing Dialogue confirmed that 80 % of the face to face meetings led to a follow-up contact (see further information in Annex 12).

All documents, PowerPoint presentations and pictures from the 1st Danube Financing Dialogue can be accessed under the following link:

<http://groupspaces.com/CapacityandCooperation/pages/1st-danube-financing-dialogue>