EUSDR Report June 2013

Priority Area 7

European Union Strategy for the Danube Region –
Priority Area 7 "To develop the knowledge society (research, education and ICT)"

General remarks:

This report covers the period June 2012 – June 2013.

The language of this report should be clear, simple, well-structured and should address the content rather than aiming for quantity.

The main aims of this report are:

- To illustrate what is happening (i.e. increasing/ decreasing/ changing etc.) because of the Strategy since last year. In this sense, the report should outline concrete facts and examples. Vague and general comments (e.g. "the situation is progressing favourably and quite rapidly") should preferably be avoided.
- To explain the use of technical assistance funds for the year covered by the report (TA progress report).

Reporting on the Technical Assistance: The provisions regarding the submission of the TA progress report (implementation and financial report) specify that the reports will be submitted every six months starting from the starting date of the action (Article 1.2.2 of the Special Conditions of the Grant Agreement).

However, considering that a separate reporting exercise on the use of TA adds additional work, one of the two annual reports will be merged with the activity report on the PA implementation and will be submitted, for all PAs, by the end of June, as an integral part of the EUSDR PA implementation report.

The second annual TA report will be submitted by the end of December each year.

1. OVERALL PROGRESS

1.1. State of play

The input under this sub-chapter shall be limited to maximum 3 pages.

This sub-chapter shall include information on:

- Progress made since last report on policies, actions and projects. What has improved and what went worse comparing to the last reporting period. Please describe the most important outcomes (including comparisons with the last reporting period as well) and explicitly highlight events/discussions/results that are happening or being speeded up because of the Strategy. Please also be as concrete as possible, while bearing in mind that progress that may seem obvious to you may not be obvious to outsiders.
- Outline on the future. Next steps and challenges. What, if anything, is missing in order to achieve the planned goals?
- Lessons learned, positive or negative.

The main observation about the last year progress should start with the fact that Danube Strategy is getting more and more recognized among various target groups. The interest of stakeholders is continuously emerging. This promises new important impacts to future involvement of relevant key players, both in policy issues at national and regional level, in addition to improved involvement of stakeholders able to act and deliver actions towards defined PA7 targets.

Deriving from EUSDR and PA7 gaining wider visibility in local and macro-regional community, the PA7 targets are highly recognised among academics and researches, as well as ICT policy makers and professionals in the region. Although only projects which fully comply with PA7 SG *Criteria for Label of Flagship Projects* address the Steering Group aiming to apply for the label of the PA7 Flagship Project, the nature of the PA7 focus and targets imposes that there are many more projects directly and indirectly contributing to PA7 priorities. In favour to this speaks also the fact that the Danube Strategy is becoming more recognised as "cross-cutting" issue in European and regional context. Supporting this process, the academic and research communities in the Danube Region have recognised their leading role in the development of Danube knowledge society and promote projects and actions that contribute practical implementation of PA7 targets. Therefore the majority of activities of the PACs and the SG members are still oriented to dissemination of the core idea and familiarizing target groups with available tools for their implementation.

Much has been done in the last 12 months by both PACs and their teams. Intensive dissemination activities were accompanied with policy level meetings. The PA7 Steering Group continued its joint work following the conclusions of the Steering Group meeting held in June 2012 in Vienna, even more intensifying its communication and correspondence among SG members and with relevant stakeholders.

Aiming at better focus to main targets, the new organization of the SG work has been established. In February 2013 PA7 launched five working groups in order to gain more focus on the specific tasks and intensify involvement of regional experts in PA7 SG actions. Leaders of WGs are all official representatives of EUSDR partner countries in the PA7 Steering Group:

- **Higher education and mobility** (HE&M) Prof. Dr Miroslav Veskovic, PAC, Serbia
- Research and innovation (R&I) Dr Viorel Vulturescu, Romania
- **Information and Communication Technologies** (ICT) jointly coordinated by Ms. Tea Glazar and Prof. Joze Gricar, Slovenia

- **DRRIF** and coordination of national funds within Danube Region (FUNDS) Heribert Buchbauer, Austria
- Communication with JRC with special emphasize on the RIS3 (RIS3) Dr. Stefan Chudoba, PAC, Slovakia.

Not all WG reached by this time the same level of achievement and network involvement; however there is an evident progress in each. WG HE&M continued in more formal way already established close cooperation with both rectors' conferences (DRC, AARC) and mobility experts (CEEPUS). An overview of available funding schemes and programmes for academic cooperation and mobility in the Danube Region (students/academic/researchers) was collected in the late 2012, with the contribution of the SG members (Roadmap, milestones 12). WG members, mainly on national level and through their respective networks, advocate for PA7 targets to be recognized on EC policy level in calls for funding coordinated by EC DG Research & Innovation, EC DG Education & Culture and relevant agencies (Roadmap, milestones 13). The project DANUBE:FUTURE shall provide valuable inputs for future actions as well.

Inputs regarding centers of excellence and potentials for smart specialization (Roadmap, milestone 1) are being used and updated by both WGs R&I and RIS3. The R&I works closely with the project DANCERS (more info in Project section), especially in regard to target "To strengthen the capacities of research infrastructure" (Roadmap, milestones 9 and 10).

WG FUNDS started also with already collected overview of national, regional and EU funds for research and innovation (Roadmap, milestone 2), and will gain substantial support from the future project DANUBE INCO.NET in its policy level actions. WG FUNDS has established its workplan and links with national policy makers. Parallel with networking activities, the DRRIF public procurement was prepared again and call for applications opened.

At this stage the WG RIS3 based its activities mainly on intensifying already excellent cooperation with the Joint Research Centre, as well as on organization/supporting RIS3 events (e.g. High-level conference of the "Scientific support to the Danube strategy", May 16, 2013, Bratislava). The monitor (peer-review) mechanism of regional S3 (proposed by JRC) is already established (Roadmap, milestone 3), and future actions on RIS3 are being planned and promoted in coordination with the JRC.

The least has been achieved in the field of ICT targets, since the official national level recognition and support/action (legal and financial) is required to obtain ICT targets and milestones 14-16. On the other hand, dissemination of the good practices in e-solution and e-services is widely supported in the framework of e.g. Danube eRegion Conference – DeRC, which gathers regional experts each year. At the same time it supports and promotes the LivingLab concept (Roadmap, milestone 17).

The list of activities and meetings attended aiming to present and promote EUSDR PA7 includes a number of events, besides two major ones: the SG meeting held in February and joint Pillar C meeting (PA7+PA8+PA9) in June 2013, both in Bratislava. Those events have reached wide public, both professional and general. They have built grounds for future intensive cooperative work and initiated new collaborations, new small and large scale project ideas. The important events at which PA7 was represented by one or both PACs and their respective teams, among others enlist the following:

- Meeting with Michael Drechsler, Federal Ministry of Education and Research (BMBF), Ulm, Germany, and Hans-Peter Niller, International Office BMBF, following the Meeting of the Research Ministers of the Danube Countries held in Ulm on 9 July 2012, and discussing cooperation potentials in the framework of PA7 and the future funds for innovation and research in the Danube Region
- Central European Initiative events: CEI Ministerial Meeting On Science And Technology,
 19 September 2012, Trieste and CEI Ministerial Conference: "Renewable Energy in a Bio-Based Economy The Option of Next Generation Biofuels", 20 September 2012, Trieste
- 2nd Danube e-Region Conference DERC 2012 (http://www.danube-region.eu/item/273508), 24-25 September, 2012, Ljubljana, Slovenia

- Smart Specialization Workshop organized by the Joint Research Centre, 27-28 September, 2012, Pisa, Italy
- 1st Working Group meeting (follow up of the Ministerial meeting held in July 2012 in Ulm), 17-18 October 2012, Ulm, Germany
- 1st Danube Business Forum Organized by the Vojvodina Government in association with the Vojvodina Chamber of Commerce, the Novi Sad Fair and the Media Invent Agency, 23 October, 2012, Novi Sad, Serbia
- 12th Serbian Economic Summit, 23 October 2012, Belgrade, Serbia
- Participation in the meeting of Members of European Parliament of Danube Forum provision of information on the state of play of PA7 state of play of Public Procurement for DRRIF /1st call for DRRIF, 7 November 2012, European Parliament, Brussels
- Meeting with Dr. Erhard Busek, Institute for Danube Region and Central Europe, and guest lecture for students of the University of Novi Sad about Danube Region, Novi Sad, 13 November 2012, Novi Sad, Serbia
- Working meeting at the EC DG Regional and Urban Policy with the participation of the Austrian and German members of the PA7 SG recommendation of DG: requirement for better communication and cooperation within PA7 SG (20 November 2012, Brussels);
- Annual Danube Rectors Conference (DRC) meeting, 22-23 November, Prague, Czech Republic
- Participation in the 1st Annual Forum of the EUSDR the picking up of knowledge in progress of EUSDR targets fulfillment and new challenges for EUSDR future, 27-28 November 2012, Regensburg, Bavaria, Germany (http://ec.europa.eu/regional_policy/conferences/danube_forum2012/index_en.cfm)
- Steering Platform on research for WBC, 6 December 2012, Belgrade, Serbia
- 2nd Working Group meeting (follow up of the Ministerial meeting held in July 2012 in Ulm), 20 December 2012, Bonn, Germany
- Participation in Conference Civil Forum DanubeNet "How to Develop the Knowledge Society through Research, Education and Information Technologies" provision of PP presentation on the state of play of PA7, 18 January 2013, Komárno, Slovakia
- Participation in the 3rd meeting of National Contact Points and Priority Area Coordinators, 30-31 January 2013, Brussels, where major achievements in EUSDR implementation (NCPs and PACs discussion on positives and negatives) have been discussed as well as inputs for EUSDR Report (final version of EUSDR Report in March, publication in June); including the demand for projects which cover all Danube region countries for better EUSDR implementation and practical information on EUSDR/PAs websites operated by EC DG Regio and Urban Policy;
- Meeting with EUSDR/PA8 German Coordinator, Mr. Hans-Peter Herdlitschka and Hungarian PA8 members – Slovak participation in the pilot project for dual vocational education and arrangement of common PA7 SG and PA8 SG meeting for May 2013, 6 February 2013, Bratislava, Slovakia
- V EUSDR PA7 SG meeting, 14 February 2013, Bratislava, Slovak Republic, with an agenda frame: establishment of system to support strengthening cooperation between education and research in the Danube region, setting up of working groups of PA7 SG,

discussion about the initiatives of JRC for flagship clusters, set up and adopt Working plan of PA7 SG for 2013

- 3rd Working Group meeting (follow up of the Ministerial meeting held in July 2012 in Ulm), 15 March 2013, Bonn, Germany
- Scientific Support to the Danube Strategy, 21-22 March 2013, Joint Research Centre, Ispra, Italy
- Training Workshop on Smart Specialisation for Southeast European Countries, 11-12 April 2013, Belgrade, Serbia, covered both Western Balkan countries and countries of the Danube Region; co-organised by the Joint Research Centre (EC), Mihajlo Pupin Institute (MPI/RS), ZSI and South East European Research Centre (SEERC/GR) and supported financially by the Central European Initiative (CEI).
- Wissens und Wirtschaftsregion Donauraum, IDM, 22 April 2013, Vienna, Austria
- Seminar on Research & Innovation Strategies for Smart Specialisation (RIS3) and Transnational Cooperation for an Innovative Danube Region, 26 April 2013, Brussels
- **First Joint Meeting of the EUSDR SG PA7+PA8+PA9**, on the initiative of the PA7 held on 15 May 2013, Bratislava, Slovak Republic
- High-level conference of the "Scientific support to the Danube strategy" initiative, organized by the Joint Research Centre of the European Commission, 16 May 2013, Bratislava; Cooperation of the Slovak coordinator PA 7 with the EC Joint Research Centre for arrangement of the Conference
- First joint meeting of PACs and the programming Task Force of the Danube Transnational Programme to agree on a common approach to integrating the strategy goals to the list of priorities of the programme, 21 May 2013, Ljubljana, Slovenia
- INNO EXPO 2013 workshop on partnership between education and research institutions in Danube region setting up of common projects with aims; looking for partners for the Horizon 2020, 20 June 2013, Budapest, Hungary
- 2nd joint meeting of the EUSDR and Tack Force in the programming process for Danube Transnational Programme 2014-2020, 21 June 2013, Stuttgart, Germany.

Moreover, the Slovak coordinating team has continued with preparation of the DRRIF (Danube Regional Research and Innovation Fund) and new call for public procurement for the DRRIF feasibility study (started in February 2012 the original tender was cancelled in November 2012). The content and details of the new call has been set up in close cooperation with PA7 SG. New call for DRRIF was submitted for publication in Official Journal and tender was launched in May 2013. Tender opening is scheduled for 1 July 2013 and evaluation of the offers the week later, for 8 July.

One of the most advanced strategic collaboration is concreted with the Joint Research Centre - JRC (European Commission) mainly focused on the JRC support to development of Research and Innovation Strategies for Smart Specialization (RIS3) in Danube Region countries (transversal priority), as well as in the field of 4 scientific priorities: environment protection, irrigation and agricultural development, navigability and energy production (JRC Danube Initiative).

To acknowledge the achievements of the PA7, Prof. Dr Miroslav Vesković, EUSDR PA7 Coordinator received the DANUBIUS AWARD. The Danubius Award is intended to honour persons with extraordinary achievements in their scientific activities in relation to the Danube Region. Founder of this award are the Institute for the Danube Region and Central Europe in

cooperation with the Austrian Federal Ministry of Science and Research (BMWF). The award ceremony took place on Tuesday, 14 May 2013 in Vienna.

1.2. Process

The input under this sub-chapter shall be limited to maximum 2 pages.

This sub-chapter shall include information on:

- Progress made since the last reporting period on the governance of the PA (including the organisation and functioning of the PACs, Steering Groups, Working Groups etc and the links with stakeholders);
- Outline of the significant changes (including comparisons with the last reporting period as well) in your work/network approach resulting from the Strategy (e.g. larger networks, more visibility), including any problems encountered and any solutions found; Links with projects from other Priority Areas; Publicity measures (such as website, stakeholder seminars, publications) etc.
- What, if anything, is missing in order to streamline the governance of the PA (progress not depending exclusively on your PA)? What are you planning to improve in the governance of the PA (progress entirely depending on your PA).
- Outline on the future. Next steps and challenges.

The coordination of the PA7 is led jointly by Slovakia and Serbia. Since the last reporting period there has been a change in the structure of the Slovak coordination of the PA7, both coordinating person and the institution. This replacement in the governance structure was initiated in autumn 2012 and resulted with the Decision of the Slovak Government No. 452 (September 2012), when the Ministry of Education, Science, Research and Sport did become the new PA7 coordinator for the Slovak side. The Slovak Academy of Sciences and the Plenipotentiary for the Knowledge Society do remain as the supporting entities within the PA7. In addition, the Slovak PA7 Coordinator established the National Steering Group for PA7 as the advisory body for the fulfilment of PA7 targets (December 2012).

accordingly, since autumn 2012, the PA7 is jointly coordinated by <u>Dr. Štefan Chudoba</u>, State Secretary of the Ministry of Education, Science, Research and Sport of the Slovak Republic, as new PAC for Slovak side (replacing at this position Dr. Lubomir Faltan), and <u>Prof. Miroslav Veskovic</u>, Rector of the University of Novi Sad, representing Serbia as PA7 PAC from the beginning of the EUSDR implementation.

After the takeover period on the Slovak side, the new support team has been established in the Ministry of Education, Science, Research and Sport and the joint coordination gained more efficiency and defined tasks went smoothly, both on internal level among PACs and their teams, as well as in the well structured organization and hosting of the meetings. It was decided that both PA7 Steering Group meeting for last year were held in Bratislava, with the Ministry of Education, Science, Research and Sport as hosting institution:

- V EUSDR PA7 SG meeting, 14 February 2013, Bratislava
- **First Joint Meeting of the EUSDR SG PA7+PA8+PA9**, on the initiative of the PA7 held on 15 May 2013, Bratislava, Slovak Republic

Both PACs have undertaken so far a number of activities (some of dissemination and policy level ones are listed in previous section) on coordination and promotion of PA7 targets and actions through networking and involvement of relevant stakeholders, prominent experts and organizations (other PAs, education and research institutions, NGOs), aiming to encourage applicable institutions and organization to link, start networking and initiate joint projects towards development of Knowledge Society in the Danube Region.

At the meeting in February in Bratislava the Steering Group has established <u>five Working Groups</u>, aiming to take over collecting data, providing inputs for SG work and decision making on the issues of the most relevance to PA7 targets, monitoring the Roadmaps and proposing its revisions. The WGs are coordinated by SG members. WG leaders take responsibility to organize WG work, to communicate and coordinate with respective experts in the Danube Region, to collect the data and assess where PA7 stands comparing to its Action Plan and finally prepare the SG meeting inputs for their fields of relevance, and in some cases perform decision making process (e.g. WG on DRRIF and coordination of national funds within Danube Region).

Steering Group has established following Working Groups and nominated their coordinators:

- Higher education and mobility Prof. Dr Miroslav Veskovic, Serbia
- Research and innovation Dr Viorel Vulturescu, Romania
- Information and Communication Technologies jointly coordinated by Ms. Tea Glazar and Prof. Joze Gricar, Slovenia
- DRRIF and coordination of national funds within Danube Region Heribert Buchbauer, Austria
- Communication with JRC with special emphasize on the RIS3 Dr. Stefan Chudoba, Slovakia.

Working Groups coordinators have started their activities with inviting respective experts and SG members to join the groups. Based on the nature of their focus the WGs have already started with state of the art assessment and the data collection, as well as drafting concrete propositions and policy level contributions.

On the SG meeting in February the Steering Group discussed and adopted Working Plan of PA7 SG for the year 2013.

Comparing to the last progress report there has been a major shift in good and efficient representation of the countries in the Steering Group, the involvement, motivation and real contribution of the SG members to the work done. There are still states which do lack interest in activities or neglect their obligation to have proper representation in each SG of the EUSDR, however compared to the last report it is obvious that the situation improvement will continue in the future. Moreover, there are states contributing highly to the actions and aiming at speeding up activities within the Danube strategy. Among the most active remained Hungary, Austria, Serbia, Slovakia, as well as Baden Württemberg. Also the involvement and support provided in strengthening communication and gaining more policy level recognition in partner countries, provided by the DG Regio is bringing certain improvements to SG involvement and impacts. PACs share their satisfaction with these positive trends, as well as with the overall improved recognition of the Danube Strategy among key stakeholders, national governments and general public.

Under the subtitle 1.1. State of play please find the list of the most important meetings, workshops, seminars and conferences that were attended by PACs and SG members, providing wider publicity to the Danube Strategy and especially to the Priority Area 7, promoting the work and intentions in this respect.

Updated list of the PA7 Steering Group members and minutes of both SG meetings held in February and May 2013 in Bratislava are attached to this report.

Next SG meeting is scheduled for the end of September/beginning of October 2013 in Ulm, Baden Württemberg, where Working Groups will present their results and propose Action Plan for the upcoming period.

1.3. Funding

The input under this sub-chapter shall be limited to maximum 2 pages.

This sub-chapter shall include information on:

- Progress made since the last reporting period on identifying funding opportunities and sources: use of existing funds, new financial instruments, etc. (including comparisons with the last reporting period);
- Progress made since last reporting on developing mythologies/criteria for selecting/supporting PA relevant projects (including comparisons with the last reporting period);.
- *Opportunities and challenges regarding the funding of relevant projects.*
- Lessons learned, positive or negative.
- Next steps

Following the conclusions presented in the last progress report there are some exceptional conditions regarding PA7 targets, actions, relevant institutions and stakeholders. On one hand this situation provides wider opportunities for funding to applicable institutions and relevant projects, but on the other it still does not provide any prioritization or extra points in project evaluation for them expressing strong linking to the PA7 targets and EUSDR as such. To present it from another angle, the PA7 targets and actions are not foreseen to involve only policy level players like state ministries and government organisations with their direct interventions, but primary PA7 targets are expected to be achieved through synergy of actions of a long list of institutions and organisations (including universities, research institutes, NGOs, business organisations, etc.) that are motivated to be involved and/or lead relevant projects and networks within the Danube region, treating one or more PA7 priorities and actions.

As mentioned in the previous report, the specific of pillar C, and especially PA7, is the need to involve large number of organizations and institutions in a number of projects, and through their synergy aim to reach expected progress. Unfortunately, through only several large scale projects on which implementation the SG could make direct and strong impact, the PA7 goals cannot be met. Being aware of this specific, the PA7 SG has adopted its criteria for labelling flagship projects and providing letters of recommendation to projects which involve more Danube countries and encourage networking of key stakeholders in PA7 related activities.

In the last report the importance of policy level recognition of the PA7 targets and actions in the future calls for project funded by EC has been addressed. At that time Prof. Veskovic, in his power of PAC, has initiated formal meetings with high representatives of relevant EC DGs (Regio, Research & Innovation, Education & Culture), asking for recognition of PA7 priorities in the future calls for funding, as well as the access to program committees. PA7 SG still strongly speaks in favour of this kind of recognition, which will pass a clearer message to potential project applicants on the significance of the EUSDR. Although formal approval of this initiative has not been

performed yet, there are good examples of successful project applications which were selected for funding.

In the Seventh Framework Programme FP7 projects:

- **DANCERS** DANube macroregion: Capacity building and Excellence in River Systems (basin, delta and sea) (*Programme acronym: FP7-ENVIRONMENT, Subprogramme area: ENV.2013.6.5-2, Contract type: Coordination (or networking) actions*) was selected for funding, while
- **DANUBE INCO.NET** Danube Region INCO.NET (*Programme acronym: FP7-INCO, Subprogramme area: INCO.2013-1.3, Contract type: Coordination (or networking) actions*) is in negotiation stage.

Both projects are built upon PA7 actions and involve strong Danube Region Consortium. More info about both projects is available in Project section of this Report.

In order to achieve more on this level, the PA7 SG has established Working Group on DRRIF and coordination of national funds within Danube Region, leaded by Mr. Heribert Buchbauer, Department for International Research Co-operation at the Austrian Federal Ministry of Science and Research (BMWF). The WG is established as implementing and decision making group coordinating national funds for R&I in the region. It deals with several activities related to the implementation of the DRRIF (some of which are already running and some are about to start), and more important it acts on policy level to gain impact on coordination of national funds in the region. This WG needs to engage high-level decision makers (heads of department) from the research ministries in the region and further interested countries who are in charge of relevant funds. Mr. Buchbauer has already started contacting possible WG members in bilateral meetings and will further explore the interest of colleagues in the region to participate, using meetings of the "Steering Platform on Research with the Western Balkan Countries" in Budva/Montenegro in June 2013, where many high level officials of the Western Balkan research Ministries participated. In addition, the Austrian Minister of Science and Research invites respective ministries of the 14 EUSDR countries, as well as of the neighboring countries which showed interest in the activities of EUSDR PA7, in particular the Federal Republic of Germany on the federal level, Italy, Poland, Montenegro and Albania, to nominate high level officials with the power to negotiate on the implementation of the DRRIF.

The DANUBE INCO.NET project, expected to successfully finalize negotiations and gain funding within FP7, should provide this WG with administrative and financial support. The BMWF, as a partner in this project, is anticipated to lead the Workpackage 'Policy Dialogue' which will allow PA7 SG to coordinate policy level activities to a certain extent.

In July 2012 the Federal Ministry of Education and Research (BMBF), Germany, hosted the first Meeting of Danube Ministers of Research. Ministers and Vice-Ministers of 11 countries in the Danube Region met in Ulm to agree on specific steps towards implementation of the Danube Region Strategy in the fields of research and innovation. In the Conference Communiqué the ministers agreed to intensify cooperation in science and research and to further develop the EU Strategy for the Danube Region. The establishment of a research, innovation and network-building fund was announced as an immediate measure. National and European sources will each provide the fund with 5 million euros. Following the initiative, in February 2013 the BMBF Call for proposals for funding an "Ideas competition for the establishment and development of innovative R&D networks with partners in the Danube States" has been opened for co-funding by the countries of the Danube Region. A substantial number of countries will contribute to the above mentioned call. Three follow up meetings of this Conference have taken place in Ulm and Bonn. In the frame of meetings of the Ulm Follow-Up Working Group, information on the different initiatives regarding the EUSDR is exchanged and specific calls discussed. Thanks to the contribution of the Danube countries, one of the outputs of these meetings was the compilation of a list showing a broad number of research activities in the region.

PACs and SG members will in their respective power focus on the **future programming period for Structural Funds after 2013**, aiming to incorporate the Danube Strategy as one of priorities. The aims of the Danube Strategy will be incorporated in the countries Smart specialization strategies while using the Smart specialization platform of the Joint Research Centre of the EC. Each country will present an analysis of their national strategies/plans for the period 2014 to 2020 in view of preparation of Regional Smart Specialization Strategy (countries' priorities, cross border cooperation, ERDF and Cohesion funds Operational Programs etc.) This will be a target in the framework of the preparation of DRRIF programme Document.

Since some participating counties are Non - EU Member state yet, also ENPI and IPA II are of the most importance. We have also to attract private sources while in some counties the links between researchers and industry have to be built.

In addition, securing the co-financing for PA7 projects within the future EU funding programming period **HORIZONT 2020**, the support for R&I through the national budget, **bilateral and multilateral programmes**, the **DRRIF**, and the establishing of strong Danube consortiums in future programmes **ERASMUS**+ are all seen as PACs and SG priority regarding funding issues.

Moreover, active PACs participation in programming new transnational ETC **DANUBE 2014-2020** is also set as one of the common priorities for upcoming months.

2. PROGRESS BY TARGET

The input under this sub-chapter shall be limited to maximum 3 pages.

This chapter shall include information on:

- Progress made since the last reporting period on the achievement of the targets (please treat each target individually) of your PA (explain the political, technical and governance aspects contributing to/affecting the achievement of the targets, including comparisons with the last reporting period).
- Name the actions that contribute to each target.
- What, if anything, was/is missing in order to achieve the planned targets?
- Lessons learned, positive or negative. Outline the opportunities and challenges regarding the achievement of the targets.
- Outline on the future. Next steps

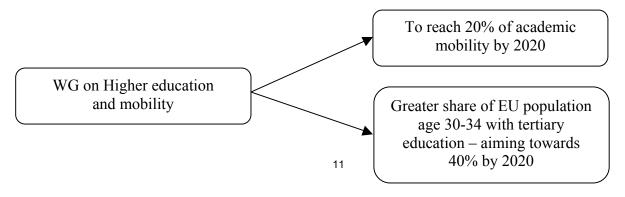
PA7 targets are listed below:

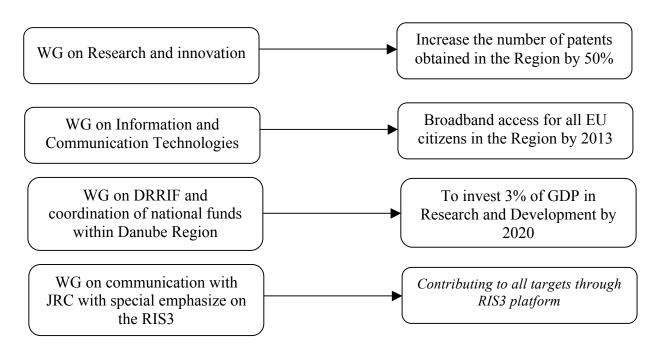
- To invest 3% of GDP in Research and Development by 2020;
- Broadband access for all EU citizens in the Region by 2013;
- Increase the number of patents obtained in the Region by 50%;
- Greater share of EU population age 30-34 with tertiary education aiming towards 40% by 2020:
- To reach 20% of academic mobility by 2020.

This list follows the EUSDR Action Plan, with one exception - last year one more target has been added - *To reach 20% of academic mobility by 2020* to contribute better to understanding of overall PA7 scope of interest and actions.

The PA7 SG is monitoring progress and deciding about actions that can be performed by SG members to contribute to awareness of the defined targets at national and regional level, and initiate concrete political measures and projects to support improvement of their state of the art towards targets achievement. However, to be realistic, achieving the targets is still a long run.

To be more efficient and more focus oriented the SG has established Working Groups at the meeting in Bratislava in February 2013. WGs are aimed to deal with some of the specific topics closely linked with defined targets, to put focus on data collection, monitoring progress and proposing/performing very concrete actions, as illustrated below:

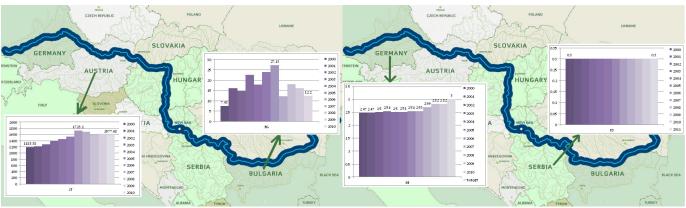




Updated information about the latest progress made towards achieving targets in each partner country and the whole Danube macro-region, both political and technical aspects, will be available after the autumn meeting of the SG and its WGs.

In addition, as explained in the last report, right at the beginning of the SG work, some of the targets, namely to invest 3% of GDP in Research and Development by 2020, were assessed as too optimistic to be achieved in defined timeframe, especially in the economic crisis environment. Still they are worth to be monitored and corrective actions proposed by the SG to the respective national and regional governments, where applicable.

The comparative analysis regarding defined PA7 targets dates from November 2012 and is attached to this report. It is prepared based on the inputs received from partner countries and their official SG members, as well as based on the data available on the EuroStat (NB: some partner countries have never submitted relevant inputs, nor they could be found on EuroStat).



Increase the number of patents obtained in the Region by 50%

To invest 3% of GDP in Research and Development by 2020

From this comparative analysis it became obvious to the SG members that partner countries which are not EU member states mainly shares a downtrend towards defined targets in the last couple of years. To make them move in the expected direction (uptrend towards defined targets) the stronger impact to highest political structures would be of a vital importance.

The main targets can highly benefit from following challenges and opportunities set in front of all partner countries:

• Developing regions downstream can benefit from the leading innovative regions upstream.

- Cooperation and Competition
- Working together can (or must) become a habit and a skill.

Actions contributing to target are listed below and correspond with the Roadmap document and PA7 Action Plan. The list of actions and roadmaps will be further extended and updated on the next SG meeting scheduled for end of September/beginning of October 2013, following the inputs which are expected from relevant WGs and from the JRC.

2.1. "To invest 3% of GDP in Research and Development by 2020"

- 2.1.1."To cooperate in implementing the flagship initiative "Innovation Union" of the Europe 2020 Strategy" in the Danube region countries"
- 2.1.2. "To coordinate better national, regional and EU funds to stimulate excellence in research and development, in research areas specific for the Danube region"

2.2. "Broadband access for all EU citizens in the Region by 2013"

- 2.2.1. "To develop and implement strategies to improve the provision and uptake of Information and Communication Technologies in the Danube Region"
- 2.2.2. "To draw up internet strategies"

2.3 "Increase the number of patents obtained in the Region by 50%"

- 2.3.1. "To strengthen the capacities of research infrastructure"
- 2.3.2. "To stimulate the emergence of innovative ideas for products and services and their wide validation in the field of the Information Society, using the concept of Living Labs"

2.4. "Greater share of EU population age 30-34 with tertiary education – aiming towards 40% by 2020"

2.5. "To reach 20% of academic mobility by 2020"

2.5.1. "To strengthen cooperation among universities and research facilities and to upgrade research and education outcomes by focusing on unique selling points"

Annex 1: Roadmaps to implement each action

The input under this Annex shall be limited to maximum 1 page/action excluding the list of projects.

Roadmap 1

[In case several actions have been grouped under one roadmap, please provide a short introduction explaining the logic behind.]

Action 1

Main elements which should be included in this Annex:

- Progress(since the last reporting period) in the implementation of the actions/projects included in the roadmap (please be short and clear, using also comparisons with the last reporting period);
- Opportunities and challenges in implementing the roadmap; What, if anything, was/is missing in order to achieve the planned targets? Lessons learned, positive or negative.
- Outline for the future. Next steps
- List of projects associated with the actions included in the roadmap: [Please specify only the name of the project as a full description will be included in annex 2.]

NB:

The amended Roadmap document given below is adopted after the annual report was submitted. The update of the Roadmap document should had been performed prior to the reporting, however due to the scheduling of the SG meetings for year 2013 it was not done in the framework of Pillar C meeting in June. Therefore, the Roadmap presented in the report, submitted in July, was only in a few details different compared to the one given in the last year report. The newly adopted version contains more corrections, especially in regard to the deadlines and responsible parties.

Following the recommendations provided in the Annex - Specific Comments by the DG Regional and Urban Policy, dated 27/09/2013, PACs decided that in this specific case it would be notably better to present the most updated version of the Roadmap document, as it was seriously discussed and finally adopted by the SG during the meeting in September 2013, held in Ulm, Germany.

This new version reflects the state of the art regarding PA7 targets, proposed actions, milestones, deadlines and responsibilities of the key players. It also incorporates some of the suggested structure (numbering to wording) listed in the Annex, while other content remarks will be discussed and integrated in the document at the next SG meeting.

Some of the planned activities and responding milestones were rescheduled, in case they were not satisfactory achieved in the past. Lack of the response from some of the partner countries slowed the overall progress. In cases of milestones no. 1-3 and 12 there were collected inputs from the active partner states, while some important ones are still missing. For the milestone 9 in the discussion it was recognised that proposed actions will be better responded if linked to clear reasons and objectives behind mapping (e.g. establishment of ERICs and/or new Networks of Excellence in the Danube Region). On the other hand, lack of ICT expertise in the SG itself is partly responsible for rescheduling of milestone 14-17.

Being aware of these threats, the SG has decided to design new collaborative structure by introducing working groups. In fact, one of the main reasons behind the establishment of the

working groups and more formal involvement of regional experts was the lack of quality inputs from some of the Danube Region countries.

Moreover, at the last meeting it was concluded as utmost important to include the Roadmap - assessment, revision and update – to be regular agenda item of future SG meetings. Aiming to give stronger focus and raise responsibility among all SG and WG members even more, the Roadmap develops as one of the main pillars in PA7 implementation.

The next update of the Roadmap document will certainly include new milestones, and finally recognise some of the PA7 projects, their contribution in resources and tasks performed (e.g. DANCERS, DANUBE INCO.NET) essential for reaching defined targets.

TARGET: "TO INVEST 3% OF GDP IN RESEARCH AND DEVELOPMENT BY 2020"

<u>Milestone N°1:</u> Identify the centres of excellence and potentials for smart specialisation in the Danube region

- OBJECTIVE: An independent study to identify regional smart specialization potential
- TO BE DONE: Each country will list its centers of excellence, including existing and potential ones.
- **Deadline:** 31 October 2013 (countries which have not done so yet)
- **OUTPUT:** Analyses of the centers of excellence in the Danube Region
- RESPONSIBILITY: WG R&I, Dr. Vulturescu.
- **Deadline:** 30 November 2013

Milestone N°2: Establish a peer-review mechanism of regional smart specialisation strategies

- **TO BE DONE:** Each country will present an analysis of their national strategies/plans for the period 2014 to 2020 in view of preparation of regional smart specialization strategy (countries' priorities, cross border cooperation, ERDF and Cohesion funds Operational Programs etc...)..
- **Deadline:** 31 January 2014
- **OUTPUT:** Analysis of countries' Smart Specialization Strategies (This part should be elaborated in cooperation with PA 8, PA9 and JRC IPTS)
- **RESPONSIBILITY:** WG RIS3, **Dr. Chudoba**, JRC-IPTS
- **Deadline:** 31 May 2014

Milestone N°3: Identify national, regional and EU funds for research and innovation

- **OBJECTIVE**: Comprehensive information on the national, regional and EU funds for research and innovation in the Danube region.
- **TO BE DONE:** Each country will list all its national and regional funds for research and innovation, including funding possibilities and priorities, while EC DG Regio + InterAct will be asked to prepare the overview of the research and innovation EU funding possibilities (with emphasize on budget framework for 2014-2020)

- **Deadline:** 31 December 2013
- **OUTPUT:** Collection of links to sources of information on the national, regional and EU funds for research and innovation.
- **RESPONSIBILITY:** WG FUNDS, in cooperation with DG Regio + INTERACT, **Mag.** Buchbauer
- **Deadline:** 28 February 2014

<u>Milestone N°4:</u> Call for tender to find a partner organisation for establishment of the Danube Region Research and Innovation Fund (DRRIF) – PA7 Flagship Project

- **OBJECTIVE**: PACs will open call for a feasibility study on the establishment of DRRIF and select the best application
- TO BE DONE and OUTPUT: feasibility study on the establishment of DRRIF, (contracting of feasibility study for the establishment of DRRIF)
- **Deadlines:** tender opening: 30 November 2013, Contract signed: 15 February 2014
- RESPONSIBILITY: Slovak Republic, Dr. Chudoba in cooperation with WG FUNDS Mag. Buchbauer, Prof. Veskovič

The public procurement was properly announced in May 2013 and the competitive tendering was held in July 2013 with the involvement of foreign members of the SG for the PA 7 as members of the jury. In the end of the whole procedure one of the 3 unsuccessful applicants raised an objection to the Public Procurement Office in the SR, which has suspended the whole procedure. According to the statement of legal experts the Slovak law on public procurement has been broken, as the prerequisite of submitting all proposals also in the state, i.e. Slovak language, has not been complied with and the call had to be cancelled.

<u>Milestone N°5:</u> Feasibility study for establishment of the Danube Region Research and Innovation Fund (DRRIF) – PA7 Flagship Project

- **OBJECTIVE:** SG members should adopt feasibility study for the establishment of DRRIF.
- TO BE DONE and OUTPUT: Feasibility study for the establishment of DRRIF.
- RESPONSIBILITY: Slovak Republic, Dr. Chudoba, WG FUNDS Mag Buchbauer
- **Deadline**: 15.3. 2015

Milestone N°6: Establishment of the Danube Region Research and Innovation Fund (DRRIF)

- **OBJECTIVE:** Monitoring of the process of establishment of DRRIF.
- **TO BE DONE:** Monitoring of the implementation of phases and relevant outputs in the process of the establishment of DRRIF
- OUTPUT: DRRIF established
- RESPONSIBILITY: PACs Dr. Chudoba, Prof. Veskovič, WG FUNDS Mag. Buchbauer.
- **Deadline:** 30 September 2015

Milestone N°7: DRRIF – First call for proposals and design of R&I projects

- **OBJECTIVE:** DRRIF and SG will agree on funding mechanisms for DS projects
- TO BE DONE: Participating countries represented by the SG members will agree on topics of the first transnational call for proposals as well as on the call texts. Funding sources and mechanisms shall be supported by DRRIF.
- **OUTPUT:** first transnational call launched (funds available, project applications)
- RESPONSIBILITY: PACs Dr. Chudoba, Prof. Veskovič, WG FUNDS, Mag. Buchbauer.
- **Deadline:** 31 December 2015

Milestone N°8: Implement the projects

- **OBJECTIVE:** DRRIF will be recognized by EC as new research and development program for science-based management of the European regions, in particular Danube Region.
- TO BE DONE: DRRIF selects the best project applications and monitors their implementation, project reports will be submitted to the members of the SG
- **OUTPUT:** list of project selected and project monitoring reports, project reports, EC formal support to DRRIF
- RESPONSIBILITY: WG FUNDS Mag. Buchbauer

TARGET: "INCREASE THE NUMBER OF PATENTS OBTAINED IN THE REGION BY 50%"

Progress in the implementation of the action:

Milestone N°9: Identify competitive research infrastructure in the Danube Region

- TO BE DONE: each country will list its competitive research infrastructure and capacities to support Danube region innovation system with special emphasize on ESFRI, including existing EU and national programs and initiatives which will be used as a basis (will be done in coordination with other PAs).
- **Deadline:** 31 December 2013
- **OUTPUT:** Comprehensive list of competitive research infrastructure and capacities for regional innovation system of scientific infrastructure.
- RESPONSIBILITY: WG R&I, Dr. Vulturescu.
- **Deadline:** 28 February 2014

<u>Milestone N°10:</u> Develop effective system for linking competitive research infrastructure in the Danube region on project and programme basis

• **OBJECTIVE:** PACs, SG members, EC DR Regio, EC DG Research & Innovation and DRRIF will organise a workshop on Innovation System, while countries will discuss and agree on the competitive research infrastructure they plan to integrate in Joint International Research Centres to attract world class scientists and provide research infrastructures in areas where this is missing (a selection of those identified in milestone No. 1)

- TO BE DONE AND OUTPUT: Study on research infrastructures in the Danube Region and their possible cooperation
- RESPONSIBILITY: PACs, WG FUNDS, ESFRI: Mag. Buchbauer, Dr. Chudoba, Prof. Veskovič.
- Deadline: 28 February 2014

<u>Milestone N°11:</u> Agree on regional innovation system and target scientific areas with the most potential in the region

- **OBJECTIVE:** Based on the Outputs from milestones No.1, 9 & 10 the SG, with participation DG Regio, DG Research & Innovation, DRRIF and JRC, countries should discuss and agree on the list of most relevant scientific areas in the Danube Region to focus on the development of Regional Innovation System and establishment of Joint International Research Centers in the Danube Region.
- **TO BE DONE:** The overview of the research and innovation EU funding possibilities (with the special emphasize on budget framework for 2014-2020)
- **OUTPUT:** Regional Innovation System Strategy.
- RESPONSIBILITY: PACs, WG R&I, WG FUNDS: Dr. Chudoba, Prof. Veskovic, Dr. Vulturescu, Mag. Buchbauer.
- **Deadline:** 30 September 2014

TARGET: "TO REACH 20% OF ACADEMIC MOBILITY BY 2020"

TARGET: "GREATER SHARE OF EU POPULATION AGE 30-34 WITH TERTIARY EDUCATION – AIMING TOWARDS 40% BY 2020"

$\underline{Milestone\ N^o12:}\ Analyse\ potentials\ to\ strengthen\ cooperation\ among\ education\ and\ research\ institutions\ in\ the\ Danube\ Region$

- **OBJECTIVE:** Enlist existing funding schemes and programs, such as the EU programs e.g. Erasmus for all, and Central European Exchange Program for University Studies (CEEPUS) to support strengthening cooperation among education and research institutions
- TO BE DONE: Each country will map the situation regarding existing and potential cooperation in various fields, such as analyzing existing education and research programs related to the Danube Region and developing joint programs of common interest, mobility schemes for students and researchers, common research projects, exchange of best practices, or developing innovative education programs for target groups new to universities (e.g. lifelong learning programs for older citizens).
- **Deadline**: 31. December 2013
- **OUTPUT:** Comprehensive overview on the state of play and funding possibilities for strengthening cooperation among education and research institutions.
- RESPONSIBILITY: WG HE&M, Prof. Veskovič.
- **Deadline:** 28 February 2014

<u>Milestone N°13:</u> Establish system to support strengthening cooperation among education and research institutions in the Region

- **OBJECTIVE:** To prepare the unique system for providing support to initiatives on strengthening cooperation between education and research institutions in the Danube Region, including activities leading to recognition of EUSDR PA7 actions on EC policy level and among priorities for EU funding schemes with EC DG Regio, EC DG Research & Innovation and EC DG Education & Culture.
- TO BE DONE: Countries will monitor actions supporting the processes for strengthening cooperation among education and research institutions in the region including those on EC level and propose a possible new ones. PACs, SG members and WG leaders will undertake relevant actions for policy recognition in future call for funding coordinated by EC.
- **Deadline:** 31 December 2013
- **OUTPUT:** Proposal of possibilities to enhance cooperation between education and research institutions in the Danube region
- RESPONSIBILITY: WG HE&M, WG R&I, Prof. Veskovič, Dr. Vuturescu, in cooperation with Interact, DG Regio, DG R&I, DG E&C.
- **Deadline:** 28 February2014

TARGET: "BROADBAND ACCESS FOR ALL EU CITIZENS IN THE REGION BY 2013"

Milestone N°14: Define feasible mechanisms to support projects that improve computer literacy in the Danube Region

- **OBJECTIVE:** Analyze the current status of the computer literacy in the Danube Region, provision and uptake of ICT and define mechanisms to support projects that will improve the current conditions.
- TO BE DONE: Countries will deliver information on current situation in computer literacy and a list of relevant projects/stakeholders
- **Deadline:** 31 December 2013
- **OUTPUT:** Analysis of the situation in computer literacy and projects, which will contribute to the solution of the present situation.
- **Deadline:** 28 February 2014
- RESPONSIBILITY: WG ICT, Ms Glazar and Prof. Gricar.

<u>Milestone N°15:</u> Identify availability of infrastructure for e-contents and e-services and best practices in the Danube Region

- **OBJECTIVE:** Analyze the current status of the of infrastructure for e-contents and e-services
- TO BE DONE: Countries will deliver information on the infrastructure for e-contents and e-services in their countries
- **Deadline:** 31 December 2013
- **OUTPUT:** Analysis of infrastructure for e-contents and e-services in the Danube region

• **Deadline:** 28 February 2014

RESPONSIBILITY: WG ICT, Ms Glazar and Prof. Gricar.

<u>Milestone Nº16:</u> Analyse conditions for development of e-Commerce and identity best practices in Web Services and e-Commerce

• TO BE DONE: Each country will enlist legal requirements, rights and responsibilities of companies and entrepreneurs who want to trade goods through the internet. Available ecommerce services of banks, postal operators and credit card companies, and their costs will be explored and compared as well. Other potential obstacles that inhibit widespread in ecommerce, or could be interested in e-commerce.

• **Deadline:** 31.12.2013

• **OUTPUT:** Current workforce for development of web services and e-commerce in DRCs will be examined in terms of the number of companies developing web services, their numbers of employees and productivity, the number of web sites, their quality and security.

• **Deadline:** 28 February 2014

• RESPONSIBILITY: WG ICT, Ms Glazar and Prof. Gricar.

Milestone N°17: Stimulate the emergence of innovative ideas for products and services using the concept of Living Labs

• TO BE DONE: Each country will submit a list of "Living Labs".

• **Deadline**: 30 November 2013

• **OUTPUT:** List of Living Labs in the Region

• RESPONSIBILITY: WG R&I, Dr. Vulturescu, WG ICT, Ms Glazar and Prof. Gricar.

• **Deadline:** 31 December 2013

Annex 2 - Projects approved by the steering group

There are only two projects formally approved by the PA7 SG and labelled with PA7 flagship label (presented already in the first annual report in 2012): **DRRIF** and **DREAM**.

Beside those two next Steering Group meeting, planned for September 2013 in Ulm, Baden-Württemberg, Germany, will discuss several more projects relevant for the PA7 actions and Roadmap implementation. They are also listed below.

Name of the project	DANUBE REGION RESEARCH AND INNOVATION FUND – DRRIF
Action related	"To coordinate better national, regional and EU funds to stimulate excellence in research and development, in research areas specific for the Danube Region"
Countries involved	PA7 Steering Group reflecting representation of all EUSDR countries
Funding	First stage – Feasibility study and establishment of the Fund: Amount 289.474 EUR, financed through Technical Assistance Grant (Specific Project)
Stage of implementation	Opening tender documentation on July 1, 2013 Evaluation of offers, July 8, 2013 Launching feasibility study right after
Description	TA Specific project - To support cooperation and excellence in the Danube Region by working towards the establishment of a Danube Region Research and Innovation Fund (DRRIF) should result in development of a conceptual and organisational framework of the DRRIF based on consultations with stakeholders and adaptation based on their inputs: the Feasibility Study. The expected result is the provision of political will among Danube countries as the administrative and technical prerequisites for establishing DRRIF. The results will be used to establish a sustainable fund to support research, technological development and innovation in the Danube Region in order to build capacities of research, higher education and innovative businesses to increase their competitiveness and to support networking in the Danube Area.
Involvement of the PACs	Dr. Štefan Chudoba, State Secretary of the Ministry of Education, Science, Research and Sport of the Slovak Republic, the PAC coordinates public procurement procedure for electing partner organization, while WG on DRRIF and coordination of national funds within Danube Region takes active part in each stage of the process. Both PACs and the SG are involved in monitoring of the process and lobbing for policy level decisions.
Next steps	Once the feasibility study is published SG will make sustainable proposal and Danube Countries will be invited to join the DRRIF and redirect some of their research funds to the DRRIF.

Name of the project	Danube River REsearch And Management (DREAM) from Basic Research to Knowledge Society
Action related	"To strengthen cooperation among universities and research facilities and to upgrade research and education outcomes by focusing on unique selling points"
Countries involved	All Danube Region countries Lead: Austria, Romania and Serbia
Funding	Expected costs: 69,6 mil. €, Funding EU and other regional and national funding schemes
Stage of implementation	Raising funds
Description	There is an urgent need to integrate use and protection of the Danube River in a sustainable way. Research is of fundamental importance to derive monitoring strategies, modelling and engineering solutions to improve measures suited to reach a win-win situation between economic use and environmental protection of the Danube River. This will be strongly related to the Danube River Basin Management Plan.
Involvement of the PACs	The SG is familiar with the project proposal, strongly supporting the project structure as a good model for the PA7 flagship label. it is expected that SG will endorse DREAM for Technical Assistance Facility for Danube Region Projects (PA10).
Next steps	Timeline: 2013: Start of Danube River Research Institutions network (July), purchase of equipment for field work, simulation tools (Apr-Oct), detailed planning and legal permits for lab infrastructure (Jan-Dec) and research vessel / diving shaft (Jan-Dec) 2014-2015: Implementation of lab infrastructure and research vessel / diving shaft (Jan-Dec), operation of cluster/network of river engineering simulation tools, network of field study sites along the Danube River, network of Danube River Research Institutions (Jan-Dec) 2015: Begin of operation of infrastructure (Dec)

The SG has been already addressed, informed and partially involved in several projects (ideas, applications, ongoing projects) which are expected to apply for PA7 flagship label in the upcoming months, namely: DANCERS, DANUBE INCO.NET, DANUBE:FUTURE and DANUBIUS.

Name of the project	DANCERS DANube macroregion: Capacity building and Excellence in River Systems (basin, delta and sea)
Action related	"To strengthen the capacities of research infrastructure"
Countries involved	Lead: Romania (Danube International Centre for Advanced Studies for River-Delta-Sea Systems) Within the project consortium there are 15 participants from Danube Macro-Region (AT, RO, HU, RS, DE) but also from outside respectively IT, ES, UK, IE, GR, FR, and an international organization (UNESCO).
Funding	 NATIONAL Romanian Government already spent a significant amount of resources (estimated to about eight hundred thousand euros) in order to have the Scientific Case (White Book). EU

Stage of implementation	At this stage one million EUR (project budget: EUR 999,933.00) are available from the European Commission – Directorate General Research and Innovation. Launched in April 2013. The project will last two years.
Description	The short-term aim of the project is to develop new instruments and tools that will enhance environmental research and promote innovation in Danube Region, including the Danube Delta and the Black Sea. The instruments development will not start ab initio but will build on existing projects. Therefore, first step will be a critical analysis of what has been achieved so far in the region, meaning that all the existing information regarding projects/results with focus on water management issues will be gathered. Secondly, the linkages, gaps and needs in knowledge transfer between science, economy and policy makers will be identified. Finally, based on the knowledge gained from the previous steps, the new set of instruments that will enhance environmental research and innovation will emerge. In a long term perspective, this is just an initial phase of a more complex infrastructural project (estimated value of 70 million euros) which will be based on the findings from DANCERS, with a close collaboration with the DREAM project team.
Involvement of the PACs	The SG is familiar with the project proposal and supports the project structure as a good model of establishment of collaboration among DR research institutions aiming to strengthen future joint research projects.
Next steps	Project implementation, with regular reporting to PA7 SG.

Name of the project	DANUBE INCO.NET
Action related	"To coordinate better national, regional and EU funds to stimulate excellence in research and development, in research areas specific for the Danube region"
Countries involved	Lead: ZSI – Centre for Social Innovation, Austria Within the project consortium there are 19 partners from AT, DE, MO, RO, RS, SI, CRO, BIH. UK, SK, as well as CEI and DG-JRC-
	IPTS FP7 Framework Programme, Capacities, International Cooperation – Coordination and Support Action
Funding	 Total cost: EUR 2 272 087 EU contribution: EUR 1 996 465
Stage of implementation	FP7 Negotiations Start in January 2014. Project duration: three years 01/01/2014-31/12/2016.
Description	Danube Region INCO.NET is a strategic high-level coordination and support action. Its background is the macro-regional approach of the European Union, in particular the EU Strategy for the Danube Region (EUSDR) and its Priority Areas for Knowledge Society (PA7) and for Competitiveness (PA8). Based on strong institutionalised links with the PA Coordinators and the PA Steering Groups, a consortium of 19

	partners from all over the region proposes to support the policy dialogue within the EUSDR, to exchange with other regional policy initiatives and to enhance bi-regional dialogue with a focus on the implementation of the 'Innovation Union' and the ERA Framework. Danube-INCO.NET has selected the societal challenges of energy efficiency and renewable energy in a bio-based economy which are addressed by mapping and analysis, clustering and networking and the implementation of concrete pilot activities. Moreover also the societal challenge of innovative and inclusive societies in the Danube region is addressed through the provision of analytical evidence: Research and innovation activities are monitored with several instruments, a survey identifies barriers to cooperation and less competitive innovation systems are reflected through policy mix reviews. To implement concrete innovation support measures, smart specialisation strategies, technology transfer centres and a system of supporting the development of targeted project proposals is being introduced. Danube-INCO.NET is also committed towards the development of joint funding mechanisms - lending its attention to one of the most important milestones, the establishment of the Danube Region Research and Innovation Fund. In this respect, Danube-INCO.NET supports the cooperation among the leading – indeed world-class – innovative regions upstream to the regions downstream both at strategic and operative level. Project Objectives: • Supporting the institutional bi-regional policy dialogue in Science and Technology; • Strengthening the bi-regional cooperation between research and innovation actors, especially in the context of the upcoming Horizon 2020 programme; • Monitoring progress in the bi-regional STI cooperation.
Involvement of the PACs	The project will be formally presented to SG on the next meeting in Ulm in September 2103, while it will apply for flagship label once the project is launched in 2014.
Next steps	Project Kick-Off meeting in January 2014 Application for PA7 flagship project label

Name of the project	DANUBE:FUTURE A sustainable future for the Danube River Basin as a challenge for the interdisciplinary humanities
Action related	"To strengthen cooperation among universities and research facilities and to upgrade research and education outcomes by focusing on unique selling points"
	Joint contribution of the Alps Adriatic Rectors' Conference (AARC) and the Danube Rector's Conference (DRC) to the EUSDR
Countries involved	Present partners in charge for coordination are universities from AT, IT, RS and the Institute for the Danube Region and Central Europe IDM, while other Danube Region countries participate through DRC and AARC networks.
Funding	Total costs 13.175.000 EUR including international schools, capacity building projects, research

	projects, networking and knowledge base development.
Stage of implementation	Launched in 2013
	The project will last eight years, in two phases (3+5).
Description	DANUBE:FUTURE is a unique combination of regional, national and supra-national initiatives in interdisciplinary sustainability research with training and capacity building. It contributes to the sustainable development of the Danube River Basin (DRB) with particular focus on the contribution of the humanities. DANUBE:FUTURE is a joint contribution of the Danube Rectors Conference and the Alps-Adriatic Conference, thus tapping the largest pool of institutionalized knowledge in the DRB. Tapping this pool in a co-ordinated manner, the project will generate a knowledge base for the DRB enhancing sustainable development by adding a humanities and social science perspective to current approaches to sustainability which often remain in the realm of natural sciences. The output will support the creation of green jobs and strengthen civil society organizations thus enabling the DRB countries to cope with the Grand Challenges of the future and take steps towards a more sustainable development of their economies. More info: http://www.danubefuture.eu/
Involvement of the PACs	The SG will get formally introduced with the project and its application for PA7 flagship project label on the next SG meeting in Ulm, September 2103.
Next steps	Project implementation, regular reporting to SG.

Name of the project	DANUBIUS
Action related	"To strengthen the capacities of research infrastructure"
Countries involved	Lead: Romania (Danube International Centre for Advanced Studies for River-Delta-Sea Systems) Within the project consortium there are participants from Danube Macro-Region: AT, RO, HU, RS, DE, MO, UK, SK, but also from outside respectively IT, ES, UK, IE, GR, FR, and an international organization (UNESCO).
Funding	The estimated total capital investment for buildings, equipment and installations (exclusive of personnel and running costs) is of 200 million Euros divided as follows: • Phase 1 2014-2016 80 million Euros • Phase 2 2017-2018 40 million Euros • Phase 3 2019-2020 80 million Euros The exact value could be evaluated only after performing the feasibility study in 2013-2014 that will consider all the aspects related to the construction, equipment and installation of the Centre and to its connection to different facilities. In addition, the estimated personnel and other operational costs (logistics, infrastructure maintenance and partial research funding) are expected to be: • 2015-2024 fully funded externally (national, EC, international) to a total of 110 million Euros • 2025-2029 funded 50 % externally and 50 % through projects applied for by the Centre;

	• 2030 onwards – 30 % externally and 70 % funded through projects.
	Project duration: 2013 – 2019
Stage of implementation	1. Development of the partnership within the Danube Region 2. Development of the partnership between the Danube Region members and the best facilities in Europe willing to join the project Time frame: 2013 – 2015 3. Development of "Mezocosme" laboratories - promoting the concept of the Danube – Danube Delta – western Black Sea coastal part as an "in situ" natural scientific observatory Time frame: 2014 – 2018
	 4. Building of the hub and its interconnection with newly developed nodes part of DANUBIUS and with existing excellent laboratories (development of the distributed research infrastructure). 5. Development of a long term management plan for the sustainable growth of DANUBIUS Time frame: 2014 – 2019
Description	In order to develop a world class Research Infrastructure in the field of integrated management of rivers-deltas-seas focused on the Danube – Black Sea macrosystem, DANUBIUS covers two aspects: • Research Infrastructure regarding the integrated management of the complex Danube River – Danube Delta – Black Sea system, dealing with all the regional aspects related to these issues. • Pan-European network of Research Infrastructures focused on European-Global questions on how to deal with the phenomena from <i>River-Mouth-Sea</i> interfaces
	The DANUBIUS mission is to provide innovative, science-based customised solutions for major actual environmental-related problems and to set the framework for sustainable development of the Danube River – Danube Delta – Black Sea macrosystem – as best practice example for large river-delta-sea systems worldwide.
Involvement of the PACs	The SG will get formally introduced with the project and its application for PA7 flagship project label on the next SG meeting in Ulm, September 2103.
Next steps	The project links to the outcomes of the project DANCERS. It is in the first preparation phase, with expected more intense communication with PA7 SG/WG for Research and Innovation.

Annex 3 – TA Progress Report

Technical assistance on both sides of the coordinators is executed. On the Slovak side the TA started in June 2012, continually within the shift of the competencies of the coordinator from the from the Slovak Academy of Sciences to the Ministry of Education, Science, Research and Sport, which took place as of 1 May 2013. One person is executing the services under direct management of the Slovak coordinator, who is at the present the State Secretary at the Ministry of education, Science, Research and Sport.

On the Serbian side the implementation of the TA started already in January 2012, as scheduled in Grant Agreement. The TA grant enables Prof. Miroslav Veskovic to implement all contact making and networking activities, policy level and dissemination meetings in his power of PAC, as well as to engage support team to ensure smooth communication with all relevant institutions and stakeholders, and efficient administration of TA and related organizational work.

The TA grant is mainly spent on travel and stay costs – in the budget table point 5. Other eligible costs (according to the call. The list of meetings attended and organized by PACs and support teams is listed in narrative part of the report). TA was also used for staff costs – in the budget table point 1. – aimed for PACs and members of staff engaged in preparation, organization and delivery of PA7 activities and relevant administration.

For these supporting activities to PA7 governance - Serbia, organization and correspondence to assist Prof. Dr Miroslav Vesković, PA7 Coordinator, the University of Novi Sad hired, on regular or part time basis, following personal: Sanja Subotić-Gantar, Helena Hiršenberger, Olivera Krklješ and Ivana Vujkov. Substantial support to networking and dissemination activities is also provided by Prof. Dr Ivana Ivančev Tumbas, Prof. Dr Pavle Sekeruš, Prof. Dr Zita Bošnjak, Prof. Dr Snežana Radulović, Prof. Dr Milan Martinov, Prof. Dr Vesna Crnojević Bengin, Dr Viktor Nedović and other academic experts highly involved in PA7 and EUSDR activities and related projects.

The function of the PA7 coordinator – Slovakia has been since September 2012 undertaken by Dr. Stefan Chudoba, State Secretary of the Ministry of Education, Science, Research and Sport of the Slovak Republic. Till May 2013 it was supported by his Secretariat member Marta Cimbakova and Sandra Salamonova. In May 2013 Marta Cimbakova left the Ministry, so Lubica Pitlova, Science and Technology Division, has been involved into the support team.

Also, Slovak partner is in charge for managing and implementing the DRRIF public procurement procedure, therefore in the budget table point 4. *Other implementation contracts* in the reported period there was an expense of 1.070 EUR for the preparation of the public procurement.

The overview of the consolidated estimated budget and estimated actual costs (spending) for the reported period June 2012 – June 2013 for both PA7 coordinating institutions is presented in the Annex IIa. For more details PAC support teams remain available.

<u>ATTACHMENTS</u>

- Updated list of the PA7 Steering Group members
- Minutes from the V SG Meeting, held on February 14, 2013 in Bratislava
- Minutes from the first joint PA7+PA8+PA9 meeting, held on May 15, 2013 in Bratislava
- Criteria for labelling flagship projects
- Comparative analysis regarding defined PA7 targets from November 2012.