



Paper on

Monitoring of Embedding the EUSDR into EU Funds and Funding Programmes 2021-2027

Danube Strategy Point
October 2021





Content

List of Abbreviations.....	iii
1. Introduction	1
2. Monitoring the Outcomes of the Embedding Process.....	7
2.1. Programming phase.....	8
2.2. Implementation phase.....	11
3. The Roles of EUSDR Stakeholders	15
4. Timeline	18
References	19
Annex	20
2012 – 2027 Multiannual Financial Framework (MFF)	20

List of Abbreviations

AMIF	Asylum and Migration Fund
BMVI	Border Management and Visa Instrument
CBC	Cross Border Cooperation
CEF	Connecting Europe Facility
CF	Cohesion Fund
CP	Cohesion Policy
DG	Directorate-General
DG EMPL	Directorate-General for Employment, Social Affairs and Inclusion
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
DG REGIO	Directorate-General for Regional and Urban Policy
DSP	Danube Strategy Point
DTP	Danube Transnational Programme
EC	European Commission
EMFF	European Maritime and Fisheries Fund
ERDF	European Regional Development Fund
ESF+	European Social Fund Plus
ESIF	European Structural and Investment Fund
ETC	European Territorial Cooperation
EU	European Union
EUSBSR	EU Strategy for the Baltic Sea Region
EUSDR	EU Strategy for the Danube Region
IPA	Instrument for Pre-Accession Assistance
ISF	Internal Security Fund
LEADER	Liaison entre actions de développement de l'économie rurale
LIFE	L'Instrument Financier pour l'Environnement
MA	Managing authority
MC	Monitoring Committee
MFF	Multiannual Financial Framework
MRS	Macro-regional Strategies
NC	National Coordinator
NDICI	Neighbourhood, Development and International Cooperation Instrument
OP	Operational Programme
PA	Priority Area
PAC	Priority Area Coordinator
SG	Steering Group
TF EMB-DR	EUSDR Task Force Embedding
UCPM	Union Civil Protection Mechanism

1. Introduction

Background

The EU macro-regional Strategies (MRS) rely on coordination and synergies, as a result of no own dedicated budgets. Their implementation depends on the (optimal) use of existing financial sources (EU, national, regional, private, etc.) and the alignment with and of relevant programmes with macro-regional priorities and targets. In the last programming period 2014-2020, most EU funding programmes did not put an explicit focus on embedding MRS's objectives and activities. Very few of the European Structural and Investment Funds (ESIF) were to address MRS specifics such as cross-sectoral priorities, and cross-territorial aspects were not in focus in almost all of them. Even though some programmes dedicated effort to support the MRS¹, the indispensable creation of synergies with MRS focus was not yet given. A focused coordination with the MRS and among programmes in the macro-regions would greatly increase the impact of this support (EC, 2020).

Broad **political consensus**² shows that a stronger embedding of macro-regional actions is needed to allow MRS to better interlink the EUSDR with funding programmes and to allow a more effective implementation of MRS (that is e.g., going beyond INTERREG-related activities, capitalising on the potentials of cooperation and attaining more visible results).

Already in 2015, on the margins of the 4th Annual Forum of the EU Strategy for the Danube Region (EUSDR) in Ulm, **Ministers in charge of EU Funds, European Affairs or European Integration** from the participating States and Regions and the **European Commissioner for Regional Policy** agreed that full-fledged ownership of the EUSDR requires active engagement of all relevant ministers to align policies and funding with the Strategy (Joint Statement, 2015).

The **European Commission** in its 3rd report on the implementation of MRS from September 2020 advocates to further strengthen the links between EU funding programmes and MRS:

- Since 2018, the MRS have initiated or strengthened the embedding process that led to mutually beneficial interactions between strategies' and programmes' authorities in preparing post-2020 programming documents. This is to be continued during implementation throughout 2021-2027. Eventually, embedding is expected to increase programmes' impacts through better cooperation and coordination, in addition to providing the MRS with the means to achieve their objectives (...) (EC, 2020).

¹ E.g. by allocating extra points in the evaluation process of a call for proposals to projects with macro-regional significance or impact.

² See also the guidance paper '*Embedding of the EUSDR into EU Programmes*' prepared under the Croatian EUSDR Presidency and the discussion paper '*from words to actions*' prepared under the Slovak EUSDR Presidency: <https://danube-region.eu/projects-and-funding/embedding-2021-2027/>

The **Council conclusions on the implementation of EU macro-regional strategies** from December 2020 emphasise the urgency to further embed the priorities of the MRS in relevant EU funding programmes 2021-2027 and, among others, call

- on all participating countries/regions, with the support of the Commission and as soon as possible, to establish networks of (managing) authorities of relevant 2021-2027 EU funding programmes (Cohesion Policy Funds, EAFRD, EMFF, IPA, NDICI); (...)
- on the Commission to facilitate this embedding process throughout the whole programming and funding period; and
- on the Commission and the participating countries/regions to jointly assess, by 2022, the outcomes of the embedding process in the relevant national/regional EU funding programmes 2021-2027 and reflect the results of this assessment in the next report on the implementation of the MRS; (Council of the European Union, 2020).

The **Ministers responsible for the implementation of the EU Strategy for the Danube Region (EUSDR)**, gathered in October 2020 at the occasion of the 9th Annual Forum of the EUSDR in Zagreb, agreed to

- support the process of embedding the EUSDR objectives and actions into the Partnership Agreements and 2021–2027 European Structural and Investment Funds (ESIF), programmes, equivalent instruments for non-EU countries as well as centrally managed EU programmes. EU financial means targeted to the EUSDR objectives are key factors in improving the coherence and well-being of the participating states of the Danube Region. However, we acknowledge that additional efforts are needed to ensure an adequate Embedding process and proper discussion with the relevant programming authorities.

Moreover, they commit to

- monitor the process at national and regional levels and invite the European Commission to monitor and support the implementation process on macro-regional level (Joint Statement, 2020).

Regulatory provisions for 2021-2027 ESIF programmes and other non-regulatory enabling provisions

The preparation phase of the programming period 2021-2027 is a unique opportunity to apply this political commitment and to better interlink the EUSDR with funding programmes as well as to leverage synergy potentials.

The EC regulations for the 2021-2027 programming period recognise the necessity to identify challenges with macro-regional relevance, and to include macro-regional priorities in the planning and programming documents from the very beginning. E.g., Article 22(3) of the CPR states that each programme shall set out the expected contribution to macro-regional strategies for each specific objective. The regulations also include a number of legal provisions (enabling rules) that create possibilities for EU funding programmes to become active in supporting a more coherent implementation of MRS. E.g., Article 63(4) of the CPR on eligibility rules states that all or part of a

project may be implemented outside of a Member State, or even outside the Union, provided that the operation contributes to the objectives of the programme (EC, 2021a).

In addition, EU funding programmes can apply a wide range of other actions, approaches and tools that are not necessarily emanating from provisions in the EU regulations. As outlined in a recent study (Metis 2020)³, the embedding process could be supported by

- ensuring a direct involvement of national key stakeholders of the EUSDR (e.g., NCs, PACs, members of Steering Groups) in the elaboration of EU funding programmes;
- explicitly mentioning EUSDR related actions or measures within a programme's priority axes and investment priorities;
- providing targeted guidance / practical advice to applicants in order to stimulate an initiation of operations that support an implementation of the EUSDR;
- introducing specific approaches into a programme's application and selection processes for operations, in order to ensure a successful mobilisation of Union funding for macro-regional strategies (e.g., organising specific calls for macro-regional projects; giving priority to operations with macro-regional relevance in the selection process);
- introducing specific approaches into a programme's monitoring and evaluation activities in order to create appropriate preconditions for adequately determining and reporting the actual contribution of programmes to an implementation of the EUSDR;
- using a programme's communication strategy and related activities in order to promote the EUSDR within the programme context;
- direct participation of programme-level stakeholders in events organised at EUSDR levels.

An application of the above-mentioned synergy-enabling rules and also of the other actions / approaches / tools takes place in all stages of the programme cycle but is largely depending upon the own initiative and good will of programme-level stakeholders (Metis, 2020).

EUSDR embedding process

Following the Joint Statement of Ministers responsible for the implementation of the EUSDR in 2015, the ESF managing authorities in Baden-Württemberg and Bavaria launched the **Network of ESF managing authorities** in the Danube Region (ESF MA Network). The network aimed at enhancing the alignment of funding with the EUSDR as well as strengthening exchange and coordination among ESF managing authorities in the Danube Region. The coordination teams of Priority Area 9 "People and Skills" (PA 9) and Priority Area 10 "Institutional Capacity and Coordination" (PA 10) built the thematic alignment with the EUSDR. In 2016, PA 9 and PA 10 took on the role of a coordinating secretariat to the ESF MA Network. In this capacity, the coordinating secretariat is preparing meetings and tasks of the network in close cooperation with the hosting managing authorities.

³ The study was contracted by EUSDR Priority Area 8.

In preparation of the funding period 2021-2027, the EUSDR, as all other MRS, has taken several initiatives to accelerate and strengthen the embedding process.

The ESF MA Network developed a provision for the ESF Operational Programmes on transnational cooperation in the Danube Region as well as a selection of joint topics for future cooperation.

The embedding process followed by the EUSDR was, based on the 85 actions from the revised Action Plan of 2020⁴, to identify the so-called *strategic topics*, and to link them as well as the 85 actions of the EUSDR Action Plan to the relevant Partnership Agreements and/or programming frameworks. Next, authorities responsible for planning and programming were consulted with the topics identified. The concrete steps were elaborated comprehensively in the document: *Guidance Paper for Embedding of the EU Strategy for the Danube Region (EUSDR) into EU Programmes*⁵ and briefly summarised in the following paragraphs.

The programmes with potential links to support the implementation of MRS priorities need to have a clear understanding of MRS priorities to be able to take them into account. Not less important is the understanding of the MRS approach in and for successful programming process. On the technical level, the more concrete the MRS actions and targets are defined, the more feasible it is for the different funding programmes and instruments to embed them into their own national, regional or other objectives, and/or to define potential for synergies and complementarities. Already in the revised **EUSDR Action Plan**, published in 2020, the 12 Priority Areas (PAs) describe in sum 85 actions, put them into a strategic background and provide links to embed the EUSDR into EU funding programmes (EUSDR Action Plan, 2020).

In order to draft a comprehensive tool, helping in coordinating the implementation of the EUSDR Action Plan with the EU's priorities, a **Task Force for Embedding** (TF EMB-DR) dealing with EUSDR embedding on national level was established. Under the Croatian and Slovak EUSDR Presidencies, supported by the Danube Strategy Point (DSP) and INTERACT, Task Force meetings were held in January 2020 in Vienna, in February 2020 in Brussels, in January 2021 online and in June 2021 online. In addition, Priority Area Coordinators (PACs) and National Coordinators (NCs) were actively involved in the process, e.g., at the PAC meeting in February 2020 in Zagreb and the NC meeting in May 2020 (online).

Following the outcomes of the first Task Force meeting, the DSP conducted a screening and identified possible funding instruments for the actions of the EUSDR following the Action Plan. Based on this

⁴ EUSDR Action Plan (2020): SWD(2020)59.

⁵ <https://danube-region.eu/projects-and-funding/embedding-2021-2027/>

screening, the EUSDR “**embedding tool**”⁶ together with an accompanying **sources document**⁷ were designed and elaborated by the DSP. In this comprehensive matrix, for each EUSDR action of the Action Plan and the shortlisted actions (strategic topics), possible funding instruments are suggested and links to the Annexes D of the Country Reports 2019 and 2020 are provided (in a transnational and general context). The embedding tool comprises dedicated sections for EU (e.g., ESIF) and non-EU countries (IPA and NDICI) following the principle of equal treatment of all EUSDR member states.

To be able to target funds and programmes more specifically, each PA (together with their SG) provided a **shortlist** of three **strategic topics** (so-called shortlist) emphasising the eligibility and alignment to CP elements and to the potential funding instruments in the embedding tool (e.g., ESF+, ERDF, CF, LIFE, Horizon Europe, IPA III, NDICI etc.).

This set of tools follows a systematic approach on embedding, providing an extensive overview on the programming and embedding process in all EUSDR member states.

As a next step, NCs **were invited to approach and consult the respective managing authorities** (MAs) and programming authorities in each EUSDR member state to present and check the shortlist of strategic EUSDR topics for their feasibility and suitability in the respective programmes. The NCs are key actors in the embedding process coordinating as early as possible with the authorities responsible for the ESI, IPA and NDICI funds. They are best placed to identify areas of cooperation with respective national or regional line ministries, contact the national and regional (managing) authorities responsible for ESI, IPA and NDICI funds and link them to the relevant ESIF Partnership Agreement and IPA/NDICI Programming Framework for the period 2021-2027.

In the course of the 9th EUSDR Annual Forum in October 2020, a **meeting of NCs with (managing) authorities** from the Danube Region took place. The meeting aimed to facilitate exchange on EU fund support to the implementation of the EUSDR and initiate networking between national and regional authorities responsible for ESI and IPA/NDICI funds.

In November 2020, the DSP produced and distributed a **leaflet**⁸ about the EUSDR embedding process (the how, the why and the what) **for representatives of managing/programming authorities**, NCs, PACs and other stakeholders working on embedding into EU programmes.

The 2021 Slovak EUSDR Presidency has been strongly promoting the embedding process and published a **discussion paper ‘from words to actions’**⁹ on further potential tools and processes for embedding.

⁶ <https://danube-region.eu/projects-and-funding/embedding-2021-2027/> (The tool was developed in the context of embedding of EUSDR into EU funds and should be seen as a rolling document of the embedding process. The underlying document is the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument of the European Commission as of May 2018 (COM(2018) 375 final). Currently, the tool is being updated according to the final EU regulations. As soon as a final version is available, the tool will be sent out.)

⁷ <https://danube-region.eu/projects-and-funding/embedding-2021-2027/>

⁸ https://danube-region.eu/wp-content/uploads/2020/11/EUSDR-EMBEDDING_MA-leaflet.pdf

⁹ <https://danube-region.eu/wp-content/uploads/2021/03/Embedding-Discussion-Paper-From-Words-to-Action.pdf>

Furthermore, the Slovak Presidency invited ERDF/CF managing authorities and IPA/NDICI programming authorities to workshops on embedding the EUSDR into EU Funding Programmes. To streamline the discussion process and to offer as much common focus as possible, different networks with/of authorities responsible for planning and programming have been established.

In 2021, three MA networks are fully operational, providing a solid basis for embedding activities and thus another vital pillar for the success of EUSDR implementation:

- 1) ESF MA network (since 2015)
- 2) ERDF/CF MA network (established in January 2021)
- 3) IPA/NDICI programming authorities' network (established in April 2021)

Such meetings between programmes' authorities from the Danube Region should become a permanent tool for coordinating and monitoring the implementation of macro-regional actions (and then projects) included in the operational and national programmes.

In addition to the efforts made by each macro-region, all **four MRS cooperate on embedding** MRS into respective funds and programmes. In almost all MRS, priorities have been identified and NCs are in an active dialogue with programming authorities to assure the recognition of the priorities/actions in the operational programmes (programming phase). In 2021, this phase is entering the final stage.

The question now is how to monitor this process to be able to assess progress on embedding in two to three years.

This has also been addressed at the level of the rotating presidencies in MRS. At the second **meeting of Chairpersons of the National Coordinators groups (TRIO Presidencies) of MRS and the EC** in June 2020 (online), the Croatian EUSDR Presidency started the discussion about embedding of the priority topics of MRS into the new programming documents of EU financial instruments. The NCs identified the need for an active dialogue with the EC, serving as a link to ESIF programmes. DG REGIO acknowledged the reached progress in the embedding processes and invited NCs to remain committed to ensure MRS relevance is recognised and priorities implemented through ESIF, IPA III and NDICI programmes. DG REGIO is committed to assure close follow up and inclusion of MRS priorities in operational programmes. At the third cross-MRS TRIO Presidency meeting in September 2020 (Izola, Slovenia and online), TRIO Presidencies of the MRS reflected on the needs for monitoring and evaluation of fund contribution to MRS implementation and possible roles and responsibilities linked to the development of a comprehensive MRS monitoring system. Among the conclusions drawn were the continuation of exchange of information about the progress of embedding and a focus on the monitoring of the embedding process.

At the second EU MRS week, organised by DG REGIO in March 2021, the embedding process was among the main topics. Representatives from all four MRS as well as programme-level stakeholders attended embedding workshops and sessions on how EU funding programmes directly managed by the EC (e.g., Horizon, Life etc.) can support the implementation of MRS.

In addition, the relevance of agreed MRS priorities with other relevant documents should be assessed, among others with the **Economic and Investment Plan for the Western Balkans**¹⁰, which is of specific relevance for the EUSDR and the EUSAIR likewise. In this case, Slovenia, in its role as EUSAIR Presidency, has identified several strong links between EUSDR and EUSAIR agreed priorities and Western Balkans investment flagship¹¹. This analysis also provided a good basis for further exchange between MRS and IPA key implementers, which took place e.g., in the course of the second MRS week in March 2021.

With regard to IPA, Slovenia has shared some comments, proposals and questions to the draft IPA III programming framework. With IPA III being one of the funding sources for EUSDR, it is suggested that reference to MRS is included as one of the general strategic orientation in the introductory part of the IPA programming framework and not only as part of Window 5 – territorial and CBC cooperation.

2. Monitoring the Outcomes of the Embedding Process

The overall aim of monitoring the outcomes of the embedding process is to depict how EU funds and funding programmes contribute to the development and implementation of the EUSDR strategic actions. It allows to compare actual achievements to planned measures, identify good practice examples and show bottlenecks in the translation of the EUSDR into EU funded programmes. Thereby it can show where further work may be necessary and improve the process to get better results in the future.

Due to its complexity, to monitor the embedding process is a challenging task, where several factors like different approaches from Strategy level vs. programme level, different structures in the 14 participating states (central and federal, EU and non-EU) and stakeholders at different levels (regional, national, EU...) conducting activities, need to be taken into account. Even though it will not be possible to get a full coverage of all data (i.e., calls, projects etc.), the most important (strategic) processes and outcomes will be covered.

In general, there are two phases of the embedding, which are both relevant for the monitoring process:

- 1) **Programming phase:** topics are addressed (includes the monitoring of funds and programmes)
- 2) **Implementation phase:** at a later stage, projects are to be discussed (includes the monitoring of calls and projects)

¹⁰ Published by the EC on 6 October 2020

¹¹ In particular in the areas of transport, energy, digital and environmental connectivity, and competitiveness.

2.1. Programming phase

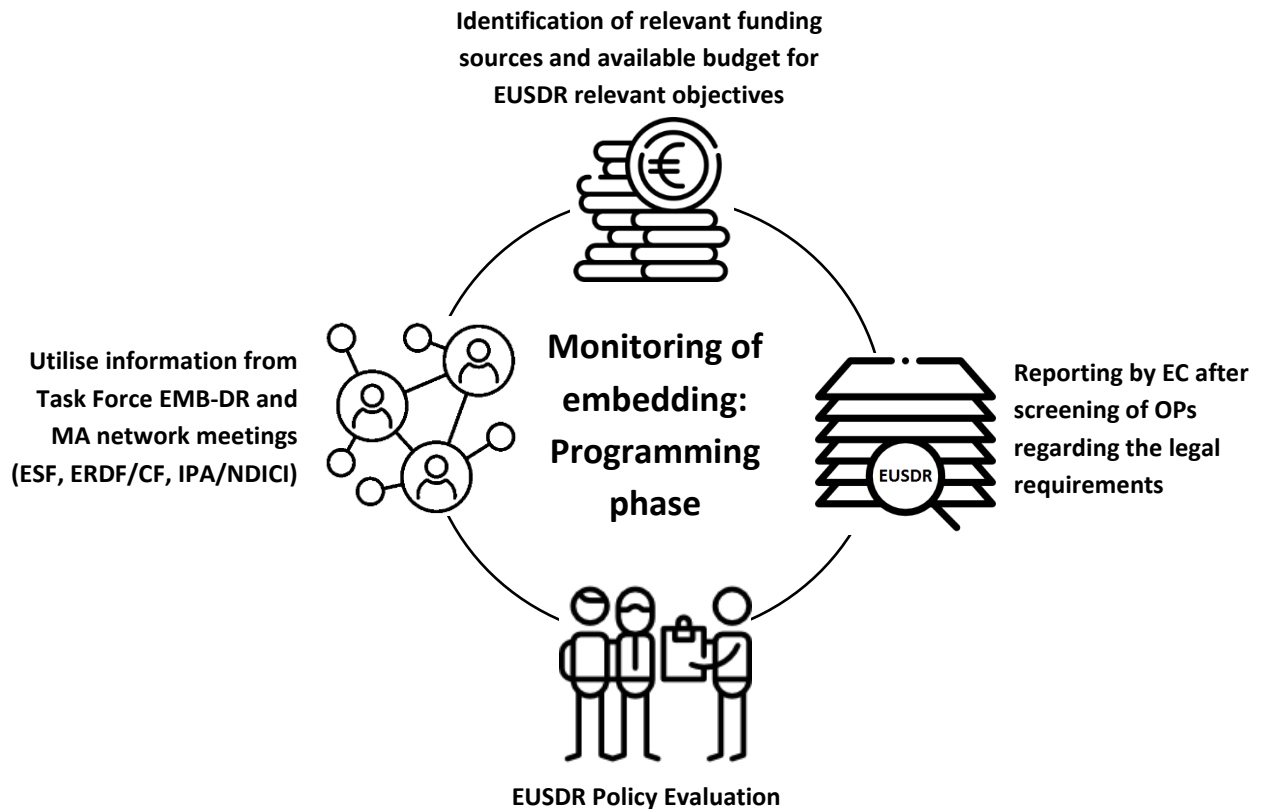


Image by the Danube Strategy Point, Source of icons: Flaticon.com

Identification of relevant funding sources

As a first step, it is necessary to **identify funding sources that are thematically relevant for the EUSDR**. This includes the scanning of EU regulations, where the scope of the regarding funds are defined, and the analysis of the funds' objectives regarding their thematic relevance for the EUSDR and the PAs. Here, the DSP has already identified the most important funding sources for the EUSDR and included them in the embedding tool, where they are aligned to the actions and strategic topics of each PA. The embedding tool comprises dedicated sections for EU (e.g., ESIF) and non-EU countries (IPA III and NDICI) following the principle of equal treatment of all EUSDR member states. Important funds for the EUSDR are e.g., CF, ERDF, ESF, IPA III, NDICI, AMIF, ISF, BMVI, etc., which are described in detail in the funding instrument sources document¹².

Generally, there are two different approaches of organising EU funding programmes:

Firstly, **centrally managed EU programmes**, which are directly managed by the European Commission (EC). They provide the same content for all EU member states including specific programme priorities and policy objectives. The specific calls also apply usually for all member states. The DSP already scanned centrally managed programmes regarding its thematic relevance for the EUSDR and added

¹² To be updated when the final regulations are available

links between their objectives and the EUSDR actions and strategic topics in the embedding tool. The analysis further includes information on the general orientation and on financial resources, which is described in the funding instrument sources document. Important centrally managed programmes for the EUSDR are e.g., Horizon Europe, Erasmus+, CEF, LIFE, Single Market Programme, DIGITAL Europe, Union Civil Protection Mechanism (UCPM) etc. According to the regulations, for centrally managed programmes it is not compulsory to address MRS explicitly (geographical focus).

Secondly, **shared managed programmes**, which are not directly managed by the EC but by the EU member states, regions and their country-specific institutions. In accordance with the EU regulations¹³, each country/region sets its own funding priorities according to the country-specific needs. Partnership Agreements and funding priorities differ widely in the Danube Region (e.g., in terms of thematic priorities, budget etc.), this means it is necessary to analyse all states and/or regional specific programme documents in order to gain a comprehensive overview. One programme might be of relevance in one participating state or region in the EUSDR, but not necessarily applicable in another state. Shared managed programmes highly relevant for the EUSDR are e.g., ERDF/CF programmes, ETC programmes¹⁴, IPA/NDICI programmes, ESF programmes, etc., as described in the funding instrument sources document. Once the programmes are finalised, the DSP will update the embedding tool and include an overview of relevant programmes and their specific objectives with the thematic links to the EUSDR actions and strategic topics.

For shared managed programmes it is **compulsory to address the MRS**. The common provisions regulation for CP, Article 22(3), states that each programme shall set out a summary of the main challenges, taking into account also “macro-regional strategies and sea-basin strategies where Member States and regions participate in such strategies”. Furthermore, each programme shall set out **for each specific objective** “the related types of actions and their expected contribution to those specific objectives, to macro-regional strategies, [...] where appropriate” (EC, 2021a). The legal obligation of programmes to cooperate with MRS and incorporate MRS priorities not only at a general level but at the level of specific objectives is a main difference to the last funding period.

Reporting by the EC

In the case of ERDF/CF and INTERREG programmes, **DG REGIO** confirmed to screen all (draft) operational programmes regarding the legal requirements (e.g., check the consideration of MRS at the level of specific objectives). If MRS are not sufficiently embedded, the respective authorities responsible for planning and programming will be asked by DG REGIO to clarify and provide more information. DG REGIO further confirmed to follow the call from the Council conclusions from 12/2020 to report on the embedding process, however, at this stage it is not known yet in which format and

¹³ The main underlying document is the Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the ERDF, the ESF+, the CF, the JTF and the EMFF and financial rules for those and for the AMIF, ISF and the BMVI.

¹⁴ 1) cross-border cooperation, 2) transnational cooperation, 3) interregional cooperation, 4) outermost regions' cooperation

when. Several EUSDR member states highlighted that the role of the EC is crucial, being the central institution where all information is available, and requested a comprehensive report that can be incorporated into the system of the EUSDR. Further clarification with DG REGIO is necessary, in order to assess the extent to which this reporting can contribute to the data collection of the monitoring¹⁵.

Additional input from NCs, managing/programming authorities and external experts

Additionally, **NCs** contribute to provide further information on the embedding at national level, having contacts to the programming authorities and an overview on the relevant programmes. Ideally, NCs were involved in the programming process and could bring in EUSDR priorities. Reports on the programming process at national levels are provided by NCs in the course of **EUSDR Task Force (EMBD-DR) meetings for embedding** the EUSDR into EU Programmes (e.g., on the 4th meeting of the TF EMB-DR held in June 2021).

Also the different **networks with/of programme-level stakeholders** (MAs, programming authorities, intermediate bodies etc.) can be utilised as valuable source of information. As these network meetings will continue, reports on the programming process at national levels in EU member states (ESF and ERDF/CF network) and non-EU countries (IPA/NDICI network) can be used for the monitoring.

In addition, the EUSDR embedding process will be assessed by **external experts** in the course of the EUSDR policy/impact evaluation, which is being conducted from 07/2021 to 04/2022. The evaluation questions include the efficiency of the EUSDR embedding process in the programming phase and the role of the Strategy in Partnership Agreements and EU funding programmes 2021-2027. As different countries have different approaches, an analysis of the processes should identify good-practice examples and bottlenecks in order to improve the process in the future.

Analysis of available budget for EUSDR relevant objectives

An additional approach is to analyse the **financial allocation** defined in the EU funding regulations and programmes. An analysis of how much budget is dedicated to which objectives gives an overview of the scope of available resources and allows to quantify the possible contribution of EU funds to the EUSDR. The potential financial contribution to EUSDR relevant topics should serve as background information that allows to put the actual contribution (see 2.2 monitoring of implementation) into perspective. A summary of the financial allocation of the most important funds is presented in the Annex and also included in the funding instrument sources document.

Furthermore, it could be analysed if programmes have an earmarked Union support for macro-regions or dedicated shares of funding for operations located outside the programme area.

¹⁵ Possible solutions are, e.g., an extract from the EC's database containing relevant information from all OPs or a more elaborated (qualitative) analysis provided by DG REGIO.

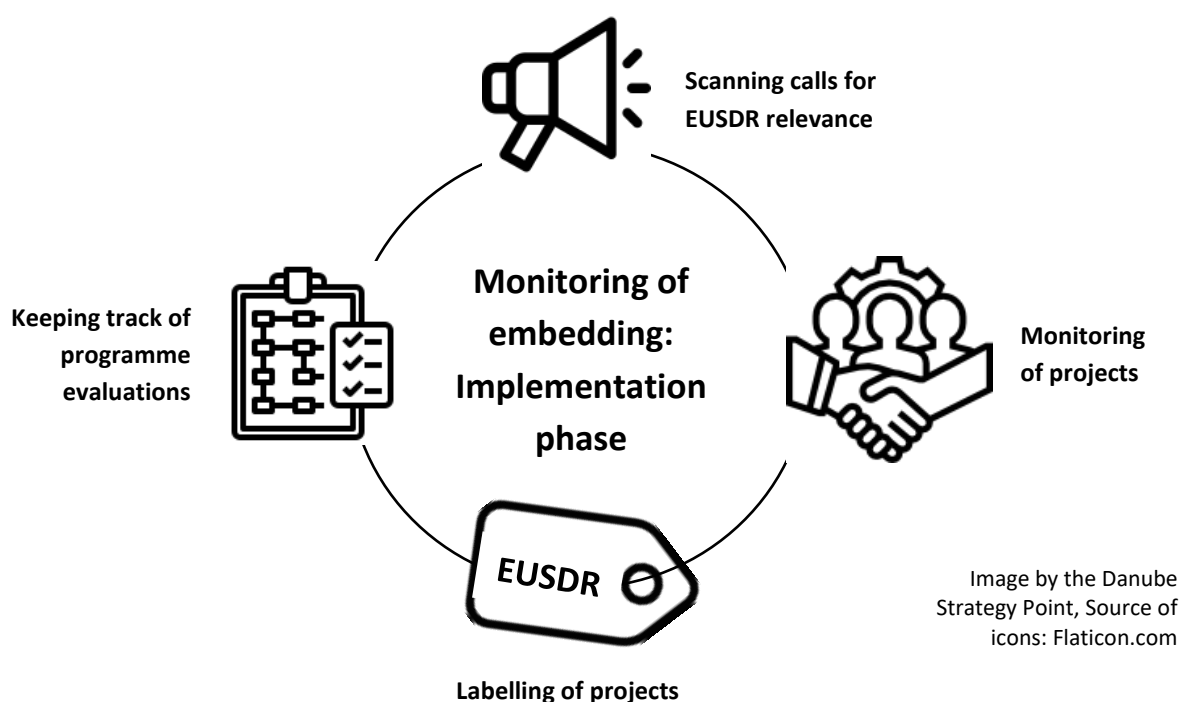
Possible indicators

Possible indicators for the programming phase:

- List/Number/Share/Examples of Partnership Agreements with (extensive) consideration of EUSDR
- List/Number/Share/Examples of countries with at least one EUSDR strategic topic in the Partnership Agreement
- List/Number/Examples of EUSDR strategic topics in operational programmes
- List/Number/Share/Examples of programmes with definition of specific reference or concrete action to implement EUSDR
- Assignment of financial resources per fund and objective (maximal possible financial resources for EUSDR relevant activities/projects)
- Assignment of financial resources in country/region specific agreements and regulations
- Assignment of financial resources in operational programmes
- List/Number/Share of programmes with earmarked Union support for macro- regions in the budget of priority axes
- List/Number/Share of programmes with dedicated shares of funding for operations located outside the programme area

A final selection and further elaboration of indicators will be made by the DSP, in close coordination with information providers and potential users, depending on the quantity and quality of information provided by the EC, NCs, MAs and the EUSDR policy evaluation.

2.2. Implementation phase



Monitoring of calls, application and selection process

After the programming (preparation) phase is completed, centrally and shared managed EU programmes start with implementation, which is usually (but not exclusively) organised by **calls for proposals**. As soon as concrete programme calls are launched, the respective sources can be scanned regarding their relevance for the EUSDR. This task will be an ongoing one as there are continuous launches of new specific calls.

An excellent source of up-to-date information on calls and available funding from centrally and shared managed programmes provides the online tool *EuroAccess Macro-Regions* (www.euro-access.eu). The aim of the tool is to support the optimal search for current funding opportunities by looking for relevant calls regarding the region, thematic focus, or type of funding. Originally, in 2016, it was implemented only for the EUSDR, but it was subsequently expanded to all MRS. Via this tool, the DSP can regularly scan new calls regarding its relevance for the EUSDR. The DSP has been closely cooperating with *EuroAccess* and aims to further intensify this cooperation for monitoring purposes and for a more efficient and targeted dissemination of funding and call information on thematic, PA and cross-pillar level.

Beside the thematic relevance of calls, it can also be checked if and how EUSDR related information is promoted or if specific selection criteria or approaches are used for stimulating EUSDR-relevant operations (e.g., extra points for projects with EUSDR relevance). Providing additional points for EUSDR relevant project proposals, on the basis of specific selection criteria, would also allow to monitor projects with EUSDR relevance (see below).

Monitoring of projects

If a programme or call is identified as highly relevant for the EUSDR it is still not granted that proposals are submitted, even if the possibility exists. Therefore, knowing which **projects with relevance for the EUSDR** are funded by which programme is an important outcome of the monitoring of the embedding process.

Special attention should be also paid to **strategic projects**¹⁶. These type of projects, initiatives or processes serve to strengthen a sector or branch or to generate model solutions to important challenges faced within the Danube Region or among MRS. They provide national and international visibility for EUSDR actions and create awareness among the general public.

The new **monitoring concept for reporting on the Progress and Achievements of the EUSDR Priority Areas** supports the thorough monitoring of projects in this aspect. The new monitoring system is planned to be implemented as an online tool from 2022 (reporting once in two years). Via this tool, PACs will share detailed information on projects in their respective PA, including funding sources and budget. In addition, PACs can inform about relevant activities and how their respective PAs contributed

¹⁶ A Guidance Paper for identifying and listing EUSDR Strategic Projects/Processes is currently being developed

to the implementation of PA specific actions and targets which are described in depth in the revised EUSDR Action Plan and/or their work plans/roadmaps.

A way of monitoring the outcomes of the embedding process is to look how projects funded by EU programmes contributed to the implementation of EUSDR actions and/or strategic topics. This way, it can be monitored, which funds and programmes contributed to the achievement of the actions. The corresponding assignment of projects and funding instruments to actions could be carried out by the PACs in the course of the biennial reporting system from 2022 onwards.

Extra points for MRS related projects or labelling of projects

Another approach would be to make use of the **project assessment** and/or **monitoring systems of programme (managing) authorities**¹⁷.

Awarding **additional points to project proposals with MRS (EUSDR) relevance** has already proven as a useful and working tool in identifying EUSDR relevant projects. In this case, it is necessary to set clear and precisely defined criteria for the selection of projects through calls for project proposals (EU and non-EU likewise) as well as through the entire implementation process. The selection criteria should be jointly developed by all relevant stakeholders (EC, programme-level and MRS/EUSDR-level stakeholders), based on e.g.,

- a) Contribution of the project to the objectives of one/more Priority Areas (strategic topics) of the EUSDR
- b) Relevance for the macro-region (territorial impact).

With this information available for each project, it would be easy to identify and monitor projects with EUSDR relevance, e.g., by a defined set of few categories to be included in the programme monitoring systems.

Programmes' authorities could alternatively identify and **label projects** that are relevant for / connected to the EUSDR, without granting extra points. Also in this case it needs to be clearly defined which projects to consider as MRS (relevant) projects. Currently, in most cases MAs report on fund contribution by broadly attributing thematically relevant projects. In certain fields, e.g., water quality or connectivity, such general attribution could be still considered. However, in general projects without any form of 'external' cooperation are of limited relevance for the EUSDR, even if they are thematically compliant with the Strategy. Projects are relevant for the EUSDR if they a) contribute to one or more of the EUSDR (strategic) topics AND b) include some form of interaction, coordination or cooperation with stakeholders or actors in other MRS countries.

¹⁷ In the 2021-2027 programming period, the annual implementation reports should be replaced by an annual structured policy dialogue based on the latest information and data on programme implementation. In addition, quantitative data on the selected operations and achievements of output and result indicators shall be submitted five times per year.

In the EUSBSR such labelling of projects is part of the MA network discussions. Several categories are considered to be included in the programme monitoring systems: projects without transnational cooperation; projects with declared interest to be part of EUSBSR; transnational projects not (yet) part of EUSBSR; and macro-regional projects which are part of EUSBSR. Furthermore, MAs are asked to link projects to one Policy Area (Priority Area in the EUSDR) of the MRS. That way, the number of projects and amount of funding committed in the different categories per PA can be monitored. In addition, it is possible to report various concrete achievements by using the common output and result indicators.

However, both systems are very much dependent on coordination, good will, capacity and understanding on the side of programme-level stakeholders. As extra points for MRS related projects or project labelling is not clearly defined in the funding regulations, it is not mandatory to be put into practice. And even if programmes' authorities chose to give extra points or label MRS projects, this approach might however hinder comparability on (cross) macro-regional level when implemented differently in each MRS, participating state or EU programme. The possibility of extra points and project labelling in the programme monitoring systems could be further discussed with the EC and (managing) authorities, e.g., in the course of MA/programming authorities network meetings.

Keep track of programme evaluations

An additional approach would be to use **programme evaluations**¹⁸ as additional source of information on the outcomes of the EUSDR embedding process. To assure efficient use of funds, according to Article 44 of the CPR, managing authorities of ESIF programmes shall carry out evaluations of each programme and set up a plan for this process. The evaluation shall assess the programme's effectiveness, efficiency, relevance, coherence and EU added value with the aim to improve the quality of the design and implementation of programmes. In addition, the MAs shall carry out an evaluation for each programme to assess its impact by 30 June 2029 (EC, 2021a). Evaluation of MRS impact could be integrated in the evaluation plan, assessing the impact of supported operations and their contribution to MRS implementation. A harmonised approach towards ESIF programme evaluation would provide comparable data on the progress achieved, fund contribution to MRS thematic objectives and processes, and impact (change brought by supported operations) of funded operations in the MRS context. However, such an evaluation would assess the territorial impact (programme level data) and could reflect on the joint cooperation initiatives implemented by several countries and regions¹⁹, but not the added value of MRS cooperation as such. Furthermore, it has to be noted that the consideration of MRS in the programme evaluations would bring additional (financial) burden for programme authorities. If it is not specified in the regulations, it cannot be ensured that MAs consider MRS in their evaluations.

¹⁸ An overview of evaluations carried out by Member States can be found here: https://ec.europa.eu/regional_policy/en/policy/evaluations/member-states

¹⁹ in line with Art 22(3) of the Common Framework Regulation

Possible indicators

Possible indicators for the implementation phase:

- List/Number of thematically relevant calls of centrally and shared managed programmes
- Budget of thematically relevant calls of centrally and shared managed programmes
- Share/examples of calls (or programmes) with additional points awarded to projects with MRS/EUSDR-relevance
- Share/examples of calls (or programmes) with available EUSDR related information or advice in guidance material for applicants
- Share/examples of calls (or programmes) with application of specific selection criteria or approaches used for stimulating EUSDR-relevant operations
- List/number of strategic projects of all PAs (centrally and shared managed programmes)
- List/number of submitted project proposals of all PAs (centrally and shared managed programmes)
- List/number of approved projects of all PAs
- Overall budget and EU contribution (per fund) of projects of all PAs

A final selection and further elaboration of indicators will be made by the DSP, in coordination with information providers and potential users, depending on the results of the discussion with programme-level stakeholders and the EC.

3. The Roles of EUSDR Stakeholders

National Coordinators (NCs):

The EUSDR NCs are key actors for the embedding process in each participating country and shall coordinate as early as possible with the national/regional authorities responsible for the CP, IPA III and NDICI funds (see also: *EUSDR – Governance Architecture*²⁰).

For monitoring the inclusion of EUSDR topics in the funding programmes, NCs (and/or members of NC teams) should have the overview on the programmes' content and cooperate closely with the respective authorities of their country/region, as indicated in the *Guidance Paper for Embedding the EUSDR into EU Programmes*²¹. It should be the responsibility of the NCs to be informed about the content and priorities of the respective funding programmes and also, preferably, to seek to be included in the programming processes to be able to achieve an embedding of strategic EUSDR topics. As also pointed out in the *Guidance Paper for Embedding the EUSDR into EU Programmes*, a further possibility for the NCs (and/or members of NC teams) to support and streamline the process would be

²⁰ <https://danube-region.eu/about/governance/>

²¹ <https://danube-region.eu/projects-and-funding/embedding-2021-2027/>

becoming a member of the national/regional monitoring committees (MCs) of the respective funding programmes and play an active role in embedding the EUSDR.

Priority Area Coordinators (PACs):

PACs (after consulting their SGs) already identified strategic topics relevant in their PA for the implementation of EUSDR (see also: *EUSDR Governance Architecture*). PACs should also have an overview of the (strategic) projects that run or are intended to be run under their respective PA, which constitutes an important part of monitoring the outcomes of the EUSDR embedding processes. PACs are the thematic experts and are, together with their SGs, also key actors in informing the national MAs and relevant stakeholders about the key topics of the respective Priority Areas.

Some PACs also have experience in embedding their thematic priorities into funding instruments. Some PAC initiatives include, for example, work on multilateral research programmes (PA 7), Innovation-Express (PA 8) and the ESF network (PA 9 and PA 10).

PACs are to report on the progress and achievements of their PAs, including relevant information on embedding, via the new monitoring tool from 2022 onwards every second year.

Steering Groups (SGs):

Also, the members of SGs might engage and meet with the respective programming authorities in their participating state to increase the range of thematic impact. A special advantage can be if SG members are also part of national MCs as they can enforce the embedding of EUSDR relevant topics in the respective funding programme. It is also encouraged to build networks on specific topics or funds or also on states/regions and to cooperate closely with the regarding NCs.

European Commission (EC):

The EC, especially DGs of high relevance for the EUSDR such as DG REGIO or DG NEAR, are up to date in the programming of centrally and shared managed EU funds. They can approach the respective funding authorities, manage the partnership between them and invite the programmes' authorities to include EUSDR relevant topics in the programming of funds and programmes (e.g., via EC's Geographical units). The role of the EC includes checking the draft programmes on their relevance for MRS and EUSDR specifically. DG REGIO confirmed to screen all draft programmes and to check the consideration of MRS. DG REGIO assesses all programmes against a detailed checklist which requires, among others, that programmes indicate how they take into account MRS at the level of specific objectives (SO). If the drafts are not sufficient enough, the EC geographical units will ask the respective authorities for amendments and revisions.

The EC shall further guide, supervise and monitor the cooperation processes of EC, programmes' authorities, and NCs. This task could be facilitated by regular meetings of networks of (managing)

authorities for the Danube Region (EUSDR ESF network as well as the recently established ERDF/CF and IPA/NDICI networks).

Programming/managing authorities (MAs):

The authorities of shared managed funds and programmes and of each EUSDR participating state are responsible for providing information on the respective funds and programmes, selecting projects and monitoring the implementation. It is of high relevance to establish cooperation between programming authorities (or intermediate bodies) and EUSDR stakeholders (e.g., line DGs or NCs) to facilitate the inclusion of EUSDR relevant priorities in the respective funds and programmes.

One approach consists of building networks of national/regional authorities focusing on the Danube Region. One good practice example is the EUSDR-ESF network which, since 2015, includes the ESF managing authorities in the Danube Region, PA 9, PA 10 and the EC (represented by DG EMPL). Other important networks are the ERDF/CF, which was established in January 2021, and IPA/NDICI, which was established in April 2021. Further meetings of/with (managing) authorities are scheduled for 2021 under the Slovak and Ukraine EUSDR Presidency. Such meetings between programmes' authorities could become a permanent tool for coordinating and monitoring the implementation of macro-regional actions and projects.

Networks of (managing) authorities aim also at enhanced cooperation to influence the design and time of calls of national and regional OPs and to further strengthen the transnational cooperation between the authorities. The EC strongly encourages the emergence of these networks and sees it as an approach with mutual benefits.

National/Regional Monitoring Committees (MCs):

NCs (and PACs) should use their contacts to national MCs to support the EUSDR embedding processes. National/Regional MCs can provide information on the monitoring outcomes about the respective funding programmes and cooperate with EUSDR stakeholders. EUSDR representatives could also seek the participation in MCs to ensure to represent EUSDR interests.

Networks on national/transnational level:

Networks on national level could include the respective NCs, SG members, representatives of the respective authorities responsible for planning and programming, and members of MCs. These networks should focus on embedding EUSDR relevant topics in the respective national funding programmes.

On transnational level, cross-MRS networks would be a useful supplement to coordinate joint efforts for the embedding of MRS and to exchange experience between MRS stakeholders. These network activities could be supported by Interact and the EC (e.g., DG REGIO).

Danube Strategy Point (DSP):

The DSP has been intensively supporting the overall coordination of the EUSDR embedding processes among all relevant EUSDR stakeholders. Further, the DSP can take the leading role in the monitoring of the outcomes of the EUSDR embedding processes. This would include to

- scan relevant sources and documents regarding funds and programmes as described above,
- to collect relevant information from NCs, (managing) authorities and the EC,
- and to use the results of the PAC reporting conducted every two years from 2022 onwards.

Based on that information and on selected indicators, the DSP can produce and regularly update a monitoring report to summarise the results of embedding the EUSDR into EU funds and funding programmes.

4. Timeline

Programming phase

The DSP can scan relevant regulations and documents as described above, collect further information for the agreed indicators from the EC, MAs and NCs and prepare a consolidated output paper on the embedding of EUSDR in funds and programmes. This task has already started with the preparation of the embedding tool and the funding instrument sources document. The documents can be updated as soon as all relevant EU regulations are finalised, and be further elaborated in 2022 when the programmes are in place and running (to be completed by the end of 2022).

Implementation phase

As embedding the EUSDR into EU funds and programmes is a rolling process for the whole funding period 2021-2027, it is advisable to constantly monitor the outcomes of the embedding processes. A good starting point for monitoring the implementation phase (projects and calls) would be in 2022 when the PAC reporting under the system elaborated by the DSP will be conducted for the first time (covering the reporting period 2020-2021). The PACs will report about the projects in their respective PA and the first calls for the new programming period have been launched as the regulations for funds are finalised. Since it is planned to conduct the PAC reporting every two years, it would be possible to use these data also for the monitoring of the embedding outcomes. This would mean a monitoring of the embedding outcomes in the years 2022, 2024, 2026, and 2028 for the funding period 2021-2027. It would then also cover the same period as the monitoring of EC on the four MRS and as the monitoring of DSP on the progress and achievements of PAs.

References

Council of the European Union, 2020: Council conclusions on the implementation of EU macro-regional strategies; 13424/20. [Online](#).

EC, 2021a: Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy. [Online](#).

EC, 2021b: Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund. [Online](#).

EC, 2021c: Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments. [Online](#).

EC, 2020: REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS on the implementation of EU macro-regional strategies; COM (2020) 578 final. [Online](#).

EC, 2018a: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL: establishing the Instrument of Pre-Accession Assistance (IPA III); COM (2018) 465 final. [Online](#).

EC, 2018b: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL: establishing the Neighbourhood, Development and International Cooperation Instrument; COM (2018) 460 final. [Online](#).

EUSDR Action Plan, 2020: EU Strategy for the Danube Region – Action Plan. [Online](#).

Joint Statement, 2015: Joint Statement of Ulm on the EU Strategy for the Danube Region. [Online](#).

Joint Statement, 2020: Joint Statement of the Ministers responsible for the implementation of the EU Strategy for the Danube Region. [Online](#).

METIS, 2020: Policy Recommendations for Streamlined Funding within the Priority Area 8 of the EU Strategy of the Danube Region (EUSDR).

Annex

2012 – 2027 Multiannual Financial Framework (MFF)

The MFF determines how much the EU can spend on measures and programmes in the respective period and offers a great opportunity for MRS including the EUSDR to include macro-regional priorities within the programmes 2021 – 2027 relevant for the Region. The 2021 – 2027 MFF sets out an amount of EUR 330 billion for economic, social and territorial cohesion (ERDF, CF and ESF+) and EUR 7.5 billion for the Just Transition Fund (JTF) (EC, 2021a).

Cohesion Policy defines five policy objectives (POs) that will drive EU investments in 2021-2027 (EC, 2021a):

- 1) a **more competitive and smarter** Europe by promoting innovative and smart economic transformation and regional ICT connectivity;
- 2) a **greener, low-carbon** transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility;
- 3) a more **connected** Europe by enhancing mobility;
- 4) a more **social and inclusive** Europe implementing the European Pillar of Social Rights;
- 5) a Europe **closer to citizens** by fostering the sustainable and integrated development of all types of territories and local initiatives.

Regional development investments will strongly focus on policy objectives 1 and 2: 55 - 85% of the ERDF and CF resources will be allocated to these priorities in the funding period 2021-2027 (EC, 2021b). More specifically, operations under the ERDF are expected to contribute 30 % of the overall financial envelope of the ERDF to climate objectives, and operations under the CF are expected to contribute 37% of the overall financial envelope of the CF to climate objectives (EC, 2021a). The Regulation on the ERDF and CF also foresees an increased focus on sustainable urban development by dedicating 8% of ERDF resources to this area, delivered through territorial instruments (EC, 2021b).

In addition to the five policy objectives, some programmes financed fully or partly within CP define specific objectives, e.g., within European Territorial Cooperation (ETC) two specific INTERREG objectives are defined (EC, 2021c):

- **A better cooperation governance:** support for capacity building, addressing cross-border legal and administrative challenges, support for institutional capacity to support macro-regional strategies, support for trust-building including people-to-people and civil society
- **A safer and more secure Europe:** external borders: support for border crossing management, mobility and migration management including the protection of migrants



Up to 25 % of the funds for each programme may be allocated to these two INTERREG-specific objectives. The financial envelope foreseen for transnational programmes (INTERREG B) represents 18.2 % of the overall ETC budget. Where an INTERREG B programme supports a macro-regional strategy, at least 80 % of the ERDF contribution shall contribute to the objectives of that strategy. (EC, 2021c)

Besides Cohesion Policy, for the non EU countries of EUSDR the Instrument for Pre-Accession Assistance (IPA) and the Neighbourhood, Development and International Cooperation Instrument (NDICI) are of special relevance. IPA aims to prepare candidate and potential candidate countries for EU membership for the rights and obligations associated with it, which concerns the EUSDR member states Bosnia and Herzegovina, Montenegro, and Serbia. The EC proposed to allocate 14.5 billion EUR for the period 2021-2017 (EC, 2018a). One of the specific objectives of IPA states to support territorial and cross-border cooperation (EC, 2018a). Coherence with the NDICI is also sought, in particular with the investment component. The geographic component of NDICI (with a financial envelope of 68 billion EUR) consists of geographic programmes for the European Neighbourhood amongst others, which concerns the EUSDR member countries Moldova and Ukraine (EC, 2018b).