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	SK0 - Slovensko SK01 - Bratislavský kraj SK010 - Bratislavský kraj SK02 - Západné Slovensko SK021 - Trnavský kraj SK022 - Trenčiansky kraj SK023 - Nitriansky kraj SK03 - Stredné Slovensko SK031 - Žilinský kraj SK032 - Banskobystrický kraj SK04 - Východné Slovensko SK041 - Prešovský kraj SK042 - Košický kraj SKZ - Extra-Regio NUTS 1 SKZZ - Extra-Regio NUTS 2 SKZZZ - Extra-Regio NUTS 3 UA002 - Chernivtsi oblast UA003 - Ivano-Frankivisk oblast UA015 - Zakarpatska oblast UA017 - Odesska oblast
Strand	Strand B: TN Transnational Cooperation Programme (ETC)

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1. Joint programme strategy: main development challenges and policy responses

1.1. Programme area (not required for Interreg C programmes)

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

The programme area consists of a total number of fourteen countries making the macro-region with the highest number of participating countries out of all the transnational programmes of the EU: Member States (MS): Austria, Bulgaria, Croatia, Czech Republic, Germany (Baden-Württemberg and Bayern), Hungary, Romania, Slovakia and Slovenia; accession countries: Bosnia and Herzegovina, Montenegro and Serbia, Neighbouring Countries: Moldova and Ukraine (Chernivetska Oblast, Ivano- Frankiviska Oblast, Zakarpatska Oblast, Odessa Oblast). There are some special "Danubian" transnationally related territorial features that are major factors in the cohesion of the whole macro-region. Geographically, the area overlaps with the territory addressed by the EU Strategy for the Danube Region (EUSDR), comprising also the Danube River Basin and the mountainous areas (such as the Carpathians, the Balkans and part of the Alps), making up one fifth of the EU's territory and being inhabited by approximately 114 million people. The variety of natural environment, the socio-economic differences and cultural diversity of the various parts of the area may be perceived as major challenges but actually represent important opportunities and unexploited potential. Territorial, economic and social cohesion features create transboundary (functional) areas to be managed and developed jointly on macro-regional level. One of the most decisive is related to the Danube's river system which calls for joint water, risk and habitat management within transnational river basins. Low share of renewables despite of energy dependency is a joint feature that unites the region. Along with high biodiversity the outstanding cultural diversity with ethnic, religious and language groups build strong intercultural links and people-to-people bridges across nations and countries creating a shared "Danubian" space. The weak inclusiveness and social innovation causes socio-economic challenges on transnational level.

1.2 Joint programme strategy: Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other funding programmes and instruments, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

Reference: point (b) of Article 17(3), point (b) of Article 17(9)

Sustainable economic development

Danube Region is characterised by large competitiveness gaps between the old, the new Member States and the non-EU countries, including their status within the regional innovation ecosystem. In this context, large social and professional categories have been left out from current flows of information and knowledge exchange (e.g. students, researchers, teachers, businessmen etc). Across Danube Region, there is a low share of technology and knowledge-intensive activities (map 1). The Research, Development and Innovation (RDI) activities are overly concentrated within the western regions or the major urban hubs, including capital cities or university towns and the non-matching innovation profiles of the DR countries still exists e.g. there are heavily unbalanced RDI expenditures and knowledge management capacities (map 2). Current scientific and technological transnational cooperation is hindered by factors such as different levels of knowledge transfers and innovations capacities meaning that the ability to implement knowledge-based and technology-intensive policies and activities is still weak in the region. In addition, the spatially and structurally fragmented human resources and financial expenditures for innovation keep the transnational ecosystem badly functioning. Thus, the current system is still characterised by lack of joint and designated management, scientific research and valorisation environs. There is a need for strengthening the synergies and cross-relationships between quadruple innovation stakeholders in order to facilitate the uptake of innovative technologies across the region. Therefore, promoting RDI cooperation, experience exchanges and capacity building among innovation actors, hubs and RDI centres is of great significance for creating a well-functioning innovation ecosystem. In addition, the RDI sector, including its capacity to offer a functional environment for the valorisation and uptake of development technologies, is lagging behind in many states and regions (map 3). Thus, apart from research, it is of great significance to improve the speed of up-taking innovative technologies across the DR. Furthermore, considering the overall entrepreneurial sector and, in particular, the SMEs, the innovation levels are substandard which results in a share of innovative enterprises below the EU average (map 4). Consequently, the added value generated is unsatisfactory e.g. product and technological development and advancement of SMEs is below expectations. Because of this, structural problems arise, especially with regard to the development of hi-technology economic sectors or to the level of Information and Communication Technologies (ICT) employment (below the targets –map 5). To overcome such bottlenecks, transnationally coordinated policy support for producing higher value-added products and services is needed, especially in the quest for intensifying the innovation uptake process. Also, generating support for transnational cooperation and capacity building within supplier networks and cluster policies in order to integrate the SMEs into vertical and horizontal value chains can be seen important, especially towards the process of adopting new/advanced technologies across the macro-region.

Transport is one of the areas where the adoption of advanced technologies can benefit the region. The introduction of alternative fuels, next generation lithium-ion batteries, safer autonomous navigation systems or Internet of Things (IoT) - route planning, accident prevention - are just few examples which could contribute to the advancement of the region in terms of transport innovation. There is also a need for supporting smart regions/cities solutions as well as advanced technologies regarding circular economy. Therefore, there is space for supporting innovation partnerships and regional and urban platforms for regional research and technological development.

However, in other social and economic aspects e.g. developing skills for smart specialisation, industrial transition, entrepreneurship and competitiveness, DR is still characterised by large cohesion gaps (map 6). The macro-region consists of various sub-regions of transnational importance in specific fields of actions such as agricultural (e.g. the Hungarian Great Plain, Wallachian Plain), industrial (e.g. Moravian-Silesian Region), service (e.g. Tyrol, Adriatic Croatia) and technology (e.g. Upper Bavaria, Baden-Württemberg).

This is crucial also since the macro-region could capitalise from acting as a transit(ion) zone and a region of interaction for trans-European business relations including trade, Foreign Direct Investment (FDI) and technology transfer etc. To this end, solutions to the above cohesion gaps can be delivered through digitization and digitalization, industry 4.0 processes and or smart specialisation strategies and policies (S3) – with a special focus on SMEs. It is a real challenge that there are still insufficient measures to capitalize from comparative advantages and economic peculiarities on a transnational level in order to support more robust catching-up policies. There are large differences in S3 in terms of field of specialisation, sectors and territorial coverage. While some participating states have their own national plans as well as their regional economic administration, in some it is still considered as a new, emerging topic. Therefore the lack of related planning and management is quite common. Subsequently, support for transnational alignment of S3 strategies is of great importance.

The employment in hi-tech sectors is very uneven across the Danube Region (map 1). High-technology sectors represent more sustainable, crisis-proof employment opportunities and the employment of highly qualified, skilled labour, furthermore potential for a technology-intensive economy in an era of growing uncertainties resulting from deepening lack of manual labour. With regard to 'The Skills Composite' of advanced industrial technologies, that captures the share of professionals with advanced technology skills within EU, the share of STEM graduates and firms with ICT skills, the value can be considered low across the macro-region (map 7). Only the westernmost and the metropolis regions tend to stand out in having sufficient people with adequate skills to be employed in advanced technological fields. By comparing the Danube Region average to the rest of the EU average, one may notice that there has been a decreasing - but still visible competitiveness gap - in favour of the European Union, especially in relation to the added value of SMEs. The share of the SME sector is lower compared to both EU15 and EU28 (map 8).

In the very recent times the situation of entrepreneurship is heavily affected by COVID-19. With regard to the economic sentiment indicator, economic actors had a positive view in 2019. Due to the pandemic, the confidence of economic actors decreased seriously in 2020. The value of the economic sentiment indicator dropped by 11.2% (from 101.3 to 90) between September 2019 and September 2020 in the EU28. Based on the changes in the values of the above-mentioned indicator, the Danube Region was particularly affected by the negative economic effects of the pandemic. Except for Germany (-2.9%) and Slovenia (-9.7%), all countries of the Danube Region have suffered a significantly higher decrease in terms of economic confidence. Montenegro (-44.1%) has suffered an extraordinary decline, furthermore the values of the economic sentiment indicator have significantly dropped in the case of Croatia (-21.9%), Serbia (-19.2%), Hungary (-17.0%), Romania (-13.7%) and Slovakia (-13.6%) as well. The Danube Region was particularly affected by the economic consequences of the pandemic, thus the recovery of the region's economy requires increased attention.

All described challenges should be seen in the broader context of existing strategic frameworks such as the EUSDR (especially with regards to PA7, PA8 and partly PA9), the Territorial Agenda 2030, the New Leipzig Charter, the Recovery and Resilience Facility and the European Green Deal.

Environment, energy and climate change

In the Danube Region the share of renewable energy in gross final energy consumption (map 9) is low, and has never reached 50% in any countries. Notable shares can be mentioned in Montenegro (40%), Austria (32.6%) and Croatia (27.3%), while in Slovakia (11.5%), Hungary (13.3%), the Czech Republic (14.8%) and Germany (15.5%) renewables play minor role compared to traditional fossil fuels as well as nuclear energy. In the majority of the countries the shares of renewables were stagnating (e.g. Austria, Bulgaria) or even significantly decreased (Montenegro, Hungary). Increase occurred only in Germany, Slovakia, and the Czech Republic.

Considering the EU2020 targets, the Member States are performing heterogeneously; in some countries the target was set low and thus it has already been reached (see Czech Republic or Hungary), while some countries still have to take steps to realise the targets set for 2020 (e.g. Slovenia, Germany).

Thus Danube Region still heavily relies on fossil fuels in relation to both production (map 10) and consumption (map 11). Despite of significant favourable changes in many states, the energy sector is very far from being a low-carbon economic field. Sustainable production and consumption would require significant shift to renewables in all states since the share of fossil fuels in production is generally between

80 and 65%. The majority of the Danube Region still heavily relies on uncertain supply of fossil fuels from Russia and this exposure to non-renewable sources results in energy dependency and lack of energy security.

In spite of having a large variety of renewable energy sources (RES) across the macro-region, which could potentially contribute to safeguarding security of supply, with a few similar and complementary endowments from region to region, the utilisation level of renewables is still low compared to fossil fuels. The production and consumption of renewables have similarities across the macro-region given that biofuels and hydropower are having significant shares, and solar energy, wind, geothermal energy have changing utilisation levels, the thermal power plant network is facing inefficient technology and infrastructure.

Another reason for a greener energy sector is the high and steadily increasing level of energy consumption paired with a low level of diversification of energy sources. Therefore, the support for harmonised actions and transnational cooperation on renewable energy is required in order to decarbonise the energy and the related transport and building sector, especially considering the heating and cooling systems of buildings. The still relatively high greenhouse gas (GHG) and air pollutants emission by the transport sector within the territory of the EU, documented in the European Union emission inventory report 1990-2019 (LRTAP 1990 2019) published by the European Environment Agency (EEA), calls for increasing utilisation of alternative fuels and new technologies, which could be a field of joint measures and policies. High GHG emission is caused also by the heating and cooling sector (e.g. burning of fossil fuels, especially coal), which is still characterised by low utilisation of RES, requiring a profound shift to a more environmentally friendly energy production and consumption. The use of e.g. non-combustible RES, biogas and bioLPG together with actions towards sustainable transport should additionally contribute to better air quality. The identified challenges and actions are in line with the key commitments of the European Green Deal in terms of supplying clean, affordable and secure energy, with the Recovery and Resilience Facility by aiming to support green transition and environmental sustainability and with Territorial Agenda 2030, as well as EUSDR, especially of PA2.

Despite of the recognised negative impacts of climate change, insufficient adaptation can be observed regarding many effects of climate change (e.g. floods, droughts, decreasing biodiversity). Low climate change adaptation abilities call for the propagation of best practices in climate change adaptation methods and strategies and for supporting macro-regional initiatives that aim to reduce the negative effects and impacts of climate change by transnational actions (e.g. researches, policy recommendations, joint actions, territorial action plans, development/ improvement of forecasting tools, as well as operational cooperation), which is also in line with the aims of the EU Strategy on adaptation to climate change, the European Green Deal, or the EU Territorial Agenda 2030. High risk of flood damage is a major challenge across the Danube River Basin, in particular along the Tisa river and its tributaries, but also the Danube, the Mura-Drava and the Sava River Basins are flood prone areas (map 12). Along these transnational rivers flood management need coordinated measures among the countries, in contribution also to the Danube Flood Risk Management Plan, in line with the EU Floods Directive. Besides severe floods, the increasing frequency and intensity of heat waves and of heavy precipitation events can have strong direct impacts on human health and wellbeing, society, ecosystems and agriculture. Increasing surface temperature (map 13) supplemented by rain deficiency cause soil moisture drought, affecting plant and crop growth, which can deepen sometime into a hydrological drought affecting watercourses, water resources and groundwater-influenced natural ecosystems. The frequency and severity of droughts showed significant increases in recent decades in case of many Danube Region countries. Based on regional climate change models the potential forest fire risk will increase seriously, especially in the Mediterranean and Central Europe, affecting also many Danube Region countries. Besides the climate change induced environmental disasters various sources of accidental pollution of rivers can lead also to major, transnational scale disasters along the Danube and its tributaries. Operational industrial sites producing, or storing chemicals, as well as old contaminated sites, including landfills and dumps, in potentially flooded areas are widespread across the macro-region, causing major risk of accidental pollution. Although the Accident Emergency Warning System is established and coordinated by ICPDR along the main transboundary rivers of the Danube River Basin, still, it is important to further coordinate and work on preventing accidental pollution, as well as on improving the response capabilities in the region. The

above-mentioned climate change-related disasters and accidental pollution of rivers carry high risk at transnational level in the countries of the Danube Region, therefore, activities encouraging cooperation in integrated environmental risk management, research, forecasting, adaptation and mitigation are of paramount significance. Transnational risk management plans for areas exposed to climate change-related environmental risks, or accidental pollution disasters are also important to be developed and implemented. These challenges and actions are also in line and contributing to the EUSDR, especially PA5.

Danube Region covers the water system of the Danube and its tributaries. Transboundary water bodies link the related regions and connect the given upstream and downstream countries. The complex functional areas of river basins create joint challenges and requires joint solutions, calling for territorially integrated actions in relation to negative changes in water quantity and quality parameters, water habitats as well as environmental, water and risk management activities. From quantity point of view, the increasing water use across the region, decreasing ground water levels and shrinking supplies call for urgent measures for sustainable management of transboundary water abstraction together with innovative solutions on water-saving retention and reuse in agriculture and industry, and reducing groundwater overexploitation. Due to climate change the periods of low water on the main rivers of the DRB affect sediment transport, navigation, hydropower management and ecology, which call for cooperation of key stakeholders of the affected countries. Transboundary contamination and water pollution diffusion is also a transnational challenge (map 14). Support for joint transboundary water management initiatives linked to joint water catchment areas including joint actions in monitoring, prevention and reduction of water pollution (organic, nutrient, hazardous substances, pharmaceutical, plastics) is therefore a very much needed field of cooperation, contributing also to the EU Action Plan: 'Towards Zero Pollution for Air, Water and Soil', as well as the Danube River Basin Management Plan, which is defining the main transnational challenges and proposed measures, in line with the EU Water Framework Directive. The disturbed sediment transport and balance along the Danube and its tributaries affects river morphology, potentially increasing flood risk, reducing groundwater level, deteriorating river ecosystems, negatively affecting navigation and hydropower plant operation, therefore joint efforts of riparian countries needed to ensure balanced sediment regime and undisturbed continuity. Weakening connections between wetland habitats can be considered as a challenge to extensive transboundary areas, so revitalisation and rehabilitation of transboundary water streams and water systems in the Danube River Basin is considered also important which can at the same time reactivate a more natural sediment transport as well. The identified challenges of the Danube Region and the related proposed actions are responding also to the aims of the European Green Deal aiming for zero pollution and preserving and restoring ecosystems that provide essential services such as fresh water, the objectives of the Horizon Europe Mission ‘Restore our ocean and waters by 2030’ like preventing and eliminating pollution of our ocean, seas and waters; as well as the EU Territorial Agenda 2030 that stands for sustainably accessible water sources and contributing also to the objectives of EUSDR PA4.

In Danube Region there are extensive habitat types with transboundary nature, many of those are unique and valuable, facing different problems and potentials to protect and valorise their biodiversity. The macro-region is rather a colourful mosaic of different biogeographical regions like the Pannonian, or the Alpine regions, that unite many areas across the countries. The ecological picture of the Danube Region is heterogeneous and this transboundary diversity gives special attention to the transnational protection and management of the ecological regions of the Danube Region (map 15).

Fragmentation of transnational habitats and ecosystems, as well as insufficient measures to secure biodiversity of the macro-region can be considered key challenges of the Region (map 16). This calls for support for the improvement of ecological connectivity between habitats, nature protection areas along transnationally relevant ecological corridors. The Danube Region is rich in different categories of protected areas including transboundary regions of high biodiversity (map 17). There are territories with significant natural values which could be protected transnationally due to their exceptional flora, fauna and/or landscape shared by neighbouring countries. However, the management of nature protection of these areas is challenged by the still low level of joint management and protection initiatives and the notable differences in the regulations, competences, human and financial resources of the protected areas. Despite of some good examples of cooperation networks, borders are usually still barriers to effective nature protection on a transnational level. Weak management capacities and skills for ecological regions

of transnational relevance raise the need for developing transnational management schemes. Joint conservation and preservation techniques and planning schemes are needed. Institutionalised, long-term management network(s) of 'Danubian' transboundary ecological regions would create real transnational impact. Wetland habitats are of great significance in the Danube Basin and in order to reduce their fragmentation and to preserve and improve their ecological status, revitalisation and rehabilitation of transboundary water habitats and adjacent green infrastructure are very much needed in the macro-region. Invasive species endanger the ecological balance in many transboundary ecological area, in particular water habitats (map 18). This urges nature protection stakeholders to come up with joint solutions combating the spread of invasive species. Furthermore, the valorisation and sustainable economic utilisation of natural heritage and protected areas should be supported instead of irreversible exploitation of areas with high biodiversity. Due to the transboundary nature of their habitats, the successful protection of transnationally relevant flagship (umbrella) species, like for example sturgeon species, or the large carnivores of the Danube Region require transnational cooperation keeping in mind the shrinking population of these species of great environmental value. The identified challenges and actions are in line with the key commitments of the European Green Deal, of the EU Biodiversity Strategy for 2030 and its EU Nature Restoration Plan, the objectives of the Horizon Europe Mission 'Restore our ocean and waters by 2030', the EU Territorial Agenda 2030, as well as objectives of EUSDR PA6 and the protocols of the Carpathian Convention to reduce the loss of biodiversity as well as protect and restore (riverine) ecosystems, the integration of ecological corridors, to promote green and blue infrastructure; effective management of all protected areas and their networks, combatting invasive alien species, as well as sustainable soil management.

The types of Programme actions are also compatible with the Do No Significant Harm Principle, since they are not expected to have any significant negative environmental impact due to their nature.

Inclusive Labour Markets and Human Capital

The Danube Region's continuing socio economic progress is contingent on a well-functioning labour market, which is fundamental to providing employment and regional growth and which is rooted in society. By inclusive labour markets we refer to a concept whereby everyone of a working age can participate in paid work, with a focus on the vulnerable and disadvantaged. Connected to this but also having a wider social and cultural value is the role of human capital seen as the knowledge, skills and experience possessed by an individual or population.

High inequalities can be detected in terms of employment in the DR, which characterizes an imbalanced labour market on a macro-regional scale. In the majority of the countries of the programme area there are relatively low unemployment rates of under 5% (post 2018) but there remain, despite an improving trend, higher rates, particularly in parts of the West Balkans with Bosnia and Herzegovina, Montenegro and Serbia at over 10% (Map 19). Despite the majority of countries improving there remain outlying disadvantaged regions in which there are persistent high rates of unemployment e.g. all EU countries of the DR apart from the German part of the programme area and the Czech Republic, have individual regions or counties with unemployment above 8% e.g. Austria, Vienna; Bulgaria, North West Region; Croatia, Split-Dalmatia; Hungary, Szabolcs-Szatmár; Romania, Buzau; Slovakia, Eastern Slovakia. A common underlying feature across the EU and the DR is the high share of long term unemployed (LTU) within unemployment rates, this with the range in the DR of 28.9-61.8 (Map 20). LTU disproportionately affects the disadvantaged and vulnerable, workers with low qualifications; migrants; people with disabilities; disadvantaged ethnic minorities such as the Roma; the aged and those from disadvantaged regions. Excluding parts of Germany and Austria, employment rates are usually higher in cities. In Germany the employment rate is 78.9% for the rural areas but this compares to 58.8% in Bulgaria, Hungary 67%, Slovakia 64.6%, Romania 63%, Croatia 56.3% and Serbia 59.9% (Map 24). These rates for rural areas in the DR are lower in comparison with the EU average. Ongoing accessibility, demography and migration challenges in rural areas and smaller settlements are often compounded by crisis vulnerable local mono-functional employment structures, employing large numbers of vulnerable employees. Positive restructuring and diversification of employment along with re-skilling to meet skills gaps, including those that are or will be needed for the transition to a low carbon economy, can be developed by the implementation of territorially integrated action plans for employment, with a special focus on enhancing the spread of innovative structures targeting mono-functional regions. New developments

could also find alignment with the European Green Deal.

The integration of ethnic minorities presents an ongoing challenge for the DR, both in terms of migrants and national minorities. A large ethnic minority in the DR at disadvantage is the Roma community and although there is generally a lack of data on economic integration across the region very low rates of employment are in evidence (Roma Inclusion Index - ten year period the EU (2016)); the Second European Union Minorities and Discrimination Survey (2017), Roma which indicated (self-declared) unemployment rates for 5 of the DR EU countries at between 23% and 62%. In every country the employment rate of women is lower than men and in many countries there is a significant percentage point (pp) difference. In the Czech Republic (14.2 pp), Hungary (14 pp), Slovakia (12.7 pp), Romania (17 pp), Serbia (13.7 pp) and Montenegro (12.6 pp). The gap is significant also in comparison with the EU average (10.5 pp). The largest minority in the Danube Region is the disabled community and employment is a challenge across the EU and DR with significantly higher unemployment rates in evidence compared to non-disabled. In the European Union Statistics on Income and Living Conditions 2018, unemployed individuals with limitations in 7 of the 8 EU DR countries ranged from 15.4%-33%. In considering groups at disadvantage a deeper understanding, new models (including social economy approaches), supportive working structures including accessibility and equality considerations are needed along with non-standard forms of working e.g. part-time working; remote working (apart from Austrian and Germany, low levels in region Map 27) are needed.

An important consideration for employability is the level of education, training and vocational skills that individuals possess. The less educated with low attainment levels correlates with the widest strata of vulnerable groups on the labour market. Those of working age with lower secondary educational attainment suffer not only from higher unemployment but also low income and risk of poverty. In all countries of the DR the highest employment rates are for the most educated active age population. Germany (60.7%) is the only country where the employment rate of people with lower secondary education at most exceeds that of EU28 (56.1%) (map 26). A significant contributory factor to low attainment rates is the incidence of early school leaving. Early school leaving is a challenge across the DR. From the western border of Hungary towards the east, the value of early school leavers is in excess of 10%. In Germany, Austria and Czech Republic along with the Balkan Peninsula with Slovenia and Croatia the ratio is lower, averaging around 7.5-10%. There are outliner regions around DR for example Karlsruhe (10.1%); Severozápad (17.1%); Bucharest (8%). In order to build human capital, accessible and inclusive education should be further developed, along with vocational education and training and life-long learning opportunities which add value to the economy and society. In significant parts of the DR the currently applied learning structures tend to be rather rigid, with accessibility issues, a lack of flexibility and responsiveness to learner and labour market needs. Along with innovative participation and retention development, the use of proven labour market learning and training structures, models and processes can efficiently contribute to human capital development and increased employment.

At the same time as a low attainment and vocational challenges there exist high levels of inequalities in terms of tertiary qualified individuals and employees in the DR, with the western part of the macro-region stronger in this respect and with increasing opportunities. Along with the east to west migration dynamic we also see a rural to urban dynamic. Capital regions tend to be the main centres where the more educated population concentrates e.g. Bratislava (60%), Prague (57%), Budapest (55%), Bucharest (51%) and Vienna (48%) (Map 23). The migration processes are resulting in regions with high depopulation levels, particularly affecting rural areas and an ageing demographic, along with a lack of skilled labour. Skill gaps in particular regions and settlements are exacerbated by the missing match between the workers needed in particular fields for example manufacturing and ICT and the subjects studied at tertiary education institutions. There is a need for innovative policies and inter-regional initiatives to retain skilled labour, develop skills and to encourage a more sustainable migration of populace (Map 24). At the same time as the migration dynamic one of the most universal challenges for the DR and the EU is the ageing demographic.. Apart from Slovakia, Bosnia and Herzegovina and some outlying regions the proportion of working-age population (ages between 15 and 64) is now lower than 70% in the vast majority of the analysed regions. Romanian, Bulgarian, Serbian and Croatian regions suffer the most from a low share of working-age population but the problem is acute for many areas within the overall DR (Map 21).

The Coronavirus pandemic has affected the labour market to differing degrees in the DR during its phases,

and according to the exposure of different sectors e.g. high exposure of tourist sector. Initial impacts on the labour market were dramatic in 2020 but employment related statistics have improved across the DR in 2021 pointing to a more cyclical type challenge as with a time of recession. The DRP focus is intended to support disadvantaged regions and vulnerable individuals in relation to the labour market and the approach is intended to address more structural type challenges. At the time of writing it is too early to understand if the effects of Coronavirus will lead to structural change but responses should be flexible to this and also cohere with labour market related initiatives for example: New Generation EU; National ESF+ Programmes; Erasmus+; Green Employment Initiative; Horizon Europe; The Digital Education Plan 2021-2027 and national and regional level initiatives. Consideration is also recommended towards the aims and benchmarks of the developing European Education Area as a new strategic framework. The overall Programme approach strongly aligns with the The European Pillar of Social Rights, in particular Chapter 1, Equal Opportunities and Access to the Labour Market and Chapter 3, Social Protection and Inclusion.

Heritage & Cultural Tourism and Community

Based on Eurostat findings, high tourist activity couples with lower regional unemployment rates. In Danube Region countries the role of tourism is essential to employment as for example in Croatia (23%) and Austria (16%). The share of tourism in employment is relatively high in Slovenia (13%), Germany (12%) and Bulgaria (11%), and moderate in the case of Hungary (9%), Czech Republic (9%), Slovakia (6%) and Romania (6%).

Up until Covid-19, tourism was a largely successful sector for the macro-region though the concentration on a relatively few traditional resorts limited cohesion and opportunity. There are insufficient interconnections and level of cooperation between destinations, services, products and stakeholders, and tourist infrastructure displays large inequalities within the macro-region. The Danube Region has developed good facilities but typically in capital cities, the Alps, the Adriatic, the Black Sea and a limited number of renowned destinations in each country. Based on overnight stays the most popular tourist destinations are the high mountainous regions (Eastern Alps) and the seaside resorts (e.g. Dalmatia in Croatia, Sunny Beach in Bulgaria) as well as metropolitan regions (e.g. Prague, Vienna). There exist substantial differences in the distribution of tourist nights, with a strong east-west divide.

The involvement of local heritage, culture, and communities in the development of existing tourism hubs can add to the existing local offer and in addition there also remains a vast array of heritage and culture throughout the region that can be recognised, understood, developed and valorised as part of the tourism sector offer. Connections to existing or new tourist routes have proved increasingly popular and in the Danube Region several cultural routes of the Council of Europe have been designated and certified in order to better connect the cultural and natural heritage sites and tourist attractions of Europe. These can be regarded as development tools to support the transnational interconnection and management of the tourism products and services. Cultural tourism policies, recommendations and guidelines drafted in the framework of Routes4U also need to be implemented.

According to the designated Roadmap for the Danube Region the management structures of successful cultural routes in the Danube Region should be analysed to compile and share best practices on management structures and implementation of activities in the Danube macro-region. The main need in this respect includes creation of cultural tourism products requiring the involvement at the local destination and a wide range of private and public stakeholders from the cultural and tourism sectors.

Social innovation can be a driver for new approaches and can lead to diversification, thus securing and creating jobs and alternative additional income sources in areas where there is a lack of employment opportunity because of weak economic structures or poor accessibility. Furthermore, areas hit by depopulation can gain a new development impetus by (re)integrating them to the socio-economic networks of tourism and cultural spheres. Innovative solutions can open up new opportunities for people with disabilities, the elderly, and excluded minorities. Often the local regions and their populations possess outstanding cultural and natural heritage on which to innovate.

With the expansion of heritage and cultural tourism through the Danube Region, much of the knowledge will lie with the local communities and tourism management structures should be developed which recognise community involvement and are inclusive in terms of composition and of being community led.

There is a strong need for capacity building in innovative management schemes in relation to the enhancement of the role of tourism in economic development.

This approach can be connected with the Recovery and Resilience Facility and potentially the European Green Deal and the New European Bauhaus initiative.

Governance

The whole Danube space is suffering from its highly fragmented political and administrative feature with different roles and responsibilities given to the participating regions in distinct state models. This is a real hindering factor to cooperation and implies the need for better governance solutions and territorial strategies within the macro-region. The most striking challenges include demographic developments such as shrinking local work forces due to internal (labour) migration and ageing or a growing urban-rural divide leading to a shortage of basic public service provision and weak accessibility in rural or deprived urban and sub-urban areas. Furthermore, the Danube Region is characterized by a low institutional integration along transboundary functional (sub-) areas and a lack of institutional capacities for developing and/or implementing integrated territorial development strategies (e.g. the EU Strategy for the Danube Region, the Territorial Agenda 2030, the New Leipzig Charter). In general, the involvement of citizens and civil society organisations into decision making on all levels is lagging behind as compared to other regions in Europe, leading to a perceived democratic deficit and detachment of public institutions from the lives of average Europeans. Owing to low fertility and high emigration one of the most common characteristic of the Danube Region is ageing (excluding some north-eastern territories). The increase share of the elderly population compared to the young population has resulted in a state where there are almost no regions where the population under 15 years outnumber the population over 65 years (map 28). In the most aging regions of Bulgaria, Serbia and Germany the indexes indicate that more than two time larger elderly people population is living in the most ageing part of the macro-region. The extreme level of ageing results in challenges which need to be solved in relation to population retention, local employment, social and health care services, silver economy since radical change in demographics has not been foreseen.

Concerning migration patterns, it has to be noted that a large proportion of relocations takes place within the territory of the macro-region, though the directions and the results of migration are unbalanced. Regions with positive migration balance are typically of two types of geographic areas; they are either the western(most) regions of the given countries or the whole Danube Region (e.g. Győr-Moson-Sopron County (Hungary), Timiș County (Romania), Istria County (Croatia) or capital regions (Bratislava, Budapest, Bucharest, Vienna, Prague especially). Thus, there are huge differences in migration patterns within the Danube Region. In general, Germany and Austria has the highest share of regions with strong immigration, and the rest of the regions (except the capital regions) on macro-regional scope are areas with strong emigration. Germany, Austria and the Czech Republic stand out owing to the low number of regions affected by negative migration balance. Almost all the regions with significant immigration are from Germany.

In contrast, large parts of Croatia, Romania, Serbia and Montenegro have to cope with strong emigration (Croatia being in the worst situation in terms of emigration, except for Teleorman County (Romania) and Smolyan County (Bulgaria). Migration processes have led to the intensification of spatial disparities resulting in decreasing economic and social cohesion among Danube Region states in many ways Because of long-term emigration several extensive peripheries have been emerging on the map of Europe characterised by low population retention force and weak economic structures. This all results in a massive depopulation, and fast ageing as well as lack of qualified workforce capable of acting as the basis of prosperity. On the other hand, in regions of high positive balance the integration of such large number of immigrants with various cultural and educational backgrounds can be challenging. Since high inequalities in labour market, income, quality of life is going to be present in a long run, it is of major importance to tackle the challenges deriving from strong migration flows and changing population distributions. The majority of the macro-region has to tackle with the intensifying westward and urban directions of migration. In the frames of the discussed movement of people both target and source areas are strongly interconnected to each other, thus the management of the given flows cannot be separated from either population loss or population gain regions.

There has been an increasing urban-rural divide in many aspects of cohesion (functions, economic growth, employment etc.) within the macro-region. When it comes to the degree of urbanisation, the Danube Region has been characterised by a strong urban-rural duality. This polarisation of the 'Danubian' settlement network has emerged in the form of two distinct development paths, which is reflected in various elements of economic and social cohesion as well calling for different transnational cooperation needs. This divide can be detected and is having demographic, migration, economic competitiveness, and environmental, etc. implications. Generally, urbanised areas have a wide range of public and private functions to offer, are often the core areas of socio-economic development as engines of growth, characterised by population increase, and are also targets to major business investments and migrants (including highly skilled and younger/active age population, labour and student migrants from the Danube Region), and have special challenges such as pollution, traffic congestions, urban sprawl, challenges of social integration etc. Rural areas are often having a small range of functions for public provision, emigration of intellectuals, young generations, depopulation effects, less educated, but more ageing and deprived population thus weak competitiveness as well as accessibility, less favourable situation for economy of scale and deploying new functions and institutions.

Urbanisation is not necessarily connected to administrative boundaries, and in the last years urbanisation processes created even more towns and suburbs as well as reinforced twin cities, created transboundary suburban areas (e.g. around Bratislava or Košice), transboundary (polycentric) functional urban areas as well (e.g. around Vienna, Bratislava, Brno and Győr) with special problems and potentials. Nowadays, transnational answers should be given to the challenges of the much urbanised as well as to the largely rural areas of the macro-region owing to many similarities and emerging urban structures across the borders.

The functional effects of urban agglomerations are crossing administrative boundaries especially in the 'Danubian' urban space which is fragmented by multiple state borders. The macro-region is covered by lots of urban hinterlands of transboundary (or even transnational) character overlapping each other and the state borders. Monocentric inland urban networks can be supplemented by the other side's urban centres. The state borders that became more open as a result of European integration created an opportunity for networking of bordering settlements that in many case had been almost hermetically separated from each other for decades. The spatial organizing power of cities can be re-established by organizing transboundary metropolitan areas, agglomerations, twin cities and town twinning cooperation. With the transformation of spatial organization, the provision of public services and other central functions of the cities will result in newly strengthening types of functional urban areas and settlements. The coordinated development of urban functions based on joint and complementary features and the management of the centres and their hinterlands creates a new situation in terms of international city competition. Thus, encouraging transnational cooperation between municipalities in functional urban areas separated by state borders should be supported especially in terms of policy co-ordination for the planning and operational efficiency of these zones and functional developments (preparation of integrated development plans, joint transboundary management and governance).

Apart from the aforementioned governance challenges of transnational character also relate to the field of transport and accessibility. The lack of sufficient institutional cooperation, missing forms of governance and planning has led to extensive areas of weak accessibility. Therefore, there is a need for capacity building for better embedding transport and accessibility aspects into integrated transnational governance schemes.

All described challenges are to be seen in the broader context of existing strategic frameworks such as the EU Strategy for the Danube Region Action Plan (especially with regards to Priority Area 10), the Territorial Agenda 2030, the New Leipzig Charter, the Recovery and Resilience Facility and the European Green Deal.

Covid-19 pandemic effects in the Danube region

The Danube Region Programme (DRP) brings together 14 countries with different cultures and different economic development levels. The current covid-19 pandemic put a huge pressure on the budgets of these countries creating massive cash-flow and liquidity problems. Nevertheless countries are still putting significant effort in ensuring sustainable socio-economic and green recovery. In addition, the pandemic

directly impacted on people's professional and personal life due to repeated lockdowns, remote working or soaring unemployment. Since it is unlikely that these negative effects will instantly disappear once the pandemic is over there is a need to develop new/ innovative solutions to be implemented in various socio-economic sectors. For example, tourism, culture and creative industries, transport (especially air transport) have been heavily hit by the pandemic. Many employees lost their jobs and their income and entire supply and logistic chains were disturbed. Also many entrepreneurships had to be closed or severely limited their activities and lost sources of income and a chance to grow and to develop on the market

In practical terms, the Danube Region Programme is facing an increase in project partners withdrawing due to liquidity problems. Moreover, it is expected that also in the following years cash-flow problems will hamper the participation of partners in DRP projects Furthermore, restrictions and lockdowns make impossible the implementation of certain type of activities that cannot be done remotely in front of a computer (e.g. pilot actions, study visits, field measurements etc.). All these elements have an impact on the general performance of the programme.

Lessons learned

Transnational cooperation in the Danube Region started in 2014, after more than a decade cooperation history in the area (from CADSES and continuing with South East Europe transnational programme).

The predecessor programme as well as the other transnational programmes that cover partly the region offer valuable achievements based on which the current programme is addressing both existing and emerging challenges and trends. DRP continues the cooperation in innovation, water management, biodiversity, cultural and natural heritage and governance themes building on the results already achieved and making use of the partnerships and networks that have been set up. Despite the valuable projects financed in this fields (such as eco-innovation, bio-economy, cluster policies, technology transfer, flood risk prevention, sediment management, eco-corridors and network of green infrastructures in the Danube Region, promotion of tangible and intangible heritage for economic development, migration, inclusion of vulnerable groups etc.) that developed and tested solutions, strategies and tools, there are still challenges that need to be tackled in order to close the disparities between eastern and western countries, as well as urban and rural and peripheral regions: huge inequalities in terms of economic development persist, creating manoeuvres for better integration, there are shared water bodies and water catchment areas with transnational importance which connect the given upstream and downstream countries, the large heterogeneity of distinct habitat types is in danger across the region because of weak adaptation techniques as well.

Furthermore, new challenges emerge in the region where action is needed such as climate change, accessible and inclusive labour markets and quality services in education, training and lifelong learning.

One of the lessons learned is that involvement of the right partners is, on one side maximising the impact and on the other ensure that the projects' results are used in practice, this being the reason the programme aims to involve not only the local and/ or regional level but also national decision makers, civil society and practitioners.

Complementarity and synergies

Danube Region Programme would be one of the financing instruments of the EUSDR and strong cooperation with other programmes/ financing instruments existing in the Danube Region is of outmost importance.

Cross-programme cooperation and coordination was implemented already from the programming process in order to create synergies, but also during implementation. However, this is not meant to avoid overlaps in terms of topics since the specificity, common needs and challenges of the territories to be covered by the programmes is at the core of the programming process.

Each EU programme has its own specificity for its whole area and, on the other hand, the territory of TNC programmes also includes parts which overlap with one or more other EU programmes. DRP fully overlaps with a high number of future ERDF/ESF/CE programmes run by the EU MS and a large number of cross-border programmes between EU Member State regions, and between these and IPA and NDICI countries to be set up in each border region of the Danube area. Additionally, partial overlaps also exist with several transnational programmes (Adriatic and Ionian, Alpine Space, Central Europe, Mediterranean

and North West Europe). The specificity of each programme is visible in the types of beneficiaries, areas and projects. The challenge during the programming phase is to make these specificities as distinctive as possible, compared to the programmes with which an overlap exists. It may take the form of 'comparative strengths or programme niches'. Additionally, where applicale, the programme will create complementarities with ITI and CLLD (e.g. ITI Danube Delta).

Danube Region Programme (DRP), since it shares the core values of the New Bauhaus Initiative, will promote and mainstream the new initiative and will create synergies when the calls for proposals are launched.

Nevertheless the complementarities and synergies are implemented starting with the programming process by involving the relevant institutions of the Danube area in the stakeholders' consultations (National Committees through partner states representatives, EUSDR NCs, PACs and stakeholders, mainstream programmes though the Partner States representatives etc.). Furthermore direct contact with other programmes was kept exchanging information their chosen SOs/ focus/ indicators (either during Interact events or events organised by other programmes). DRP TF members are participating in the programming committees of other programmes and are organising their national committees thus ensuring synergies not only with ETC programmes but also mainstream ones. During implementation phase of the programme synergies and complementarities are observed already at the application phase (when applicants are asked to describe the synergies with other EU, regional, national initiatives/ programmes/ projects), to assessment and implementation phase where DRP works in close cooperation with other programmes overlapping from a territorial point of view (e.g. with Central Europe JS there is a long history of cooperation in sense of double checking with the applications submitted in the programmes on a certain similar topic, joint meetings on with complementary projects etc.). The national committees of the programme participating countries will facilitate the coordination with other ESIF programmes. Stronger link between mainstream programmes and DRP will be ensured by the MA/ JS (through participation in the Partnership Agreement MCs). The NCPs may participate in the relevant national committees according to the rules of the countries.

During implementation the managing authority will promote the strategic use of public procurement to support policy objectives (including professionalization efforts to address capacity gaps). Beneficiaries will be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives should be incorporated into public procurement procedures.

European Union Strategy for the Danube Region

Danube Region Programme, through the potential topics to be addressed will fully contribute to the EUSDR Action Plan. This stems also from the fact that the Strategy covers a much larger spectrum of topics compared to the ones a transnational programme could cover. The involvement of the EUSDR governance bodies in the programming process proved to be a success, since in both rounds of stakeholders' consultations the rate of answer from the PACs was very high, proving the importance of the programme for the EUSDR. Furthermore, EUSDR facilitated also the involvement in the consultation process of the steering group members and their professional networks. All the challenges identified by the Territorial Analysis are coherent and in line with the EUSDR Action Plan.

Programme mission statement

"From a region of barriers to a region of flows"

Mission Statement of the Danube Region Programme

The Danube macro-region is a region of barriers, due to its highly fragmented status in political, socio-economic and administrative aspects as well. The effects of such fragmentation are decisive for the development of the whole region; therefore, the related border effects should be tackled and mitigated. This fragmented status of the Region, besides being a weakness, offers at the same time the opportunity for stronger cooperation and coordinated actions across these countries to overcome these

barriers in the field of innovation, environment, governance and social issues.

The whole Danube space is suffering from its highly fragmented political and administrative character, which is further complicated by the extreme economic diversity of its countries and regions. The European measures for a stronger cohesion along with the accession and neighbourhood policies create a new, unique historic situation for the better integration of the Danube space. Creating a better institutional platform and transnational cooperation environment for the territorial, economic and social integration should be the main mission of the DRP.

The main focus of the new programme should be along those thematic areas where the overall measures for better integration could be linked to those relevant and specific needs, which can be effectively addressed by transnational projects (e.g. depopulation, migration, economic inequalities, energy dependency, climate change). In this very heterogeneous and diverse region, a specific emphasis is to be given to ensure that the different needs of the countries (given their different political and economic status) are considered in a fairly balanced and well-integrated manner.

Horizontal principles

Projects financed by the programme must respect the horizontal principles of equal opportunity, non-discrimination (including based on national or ethnic origin, colour, religion, age or mental or physical disability), gender equality, sustainable development and accessibility (green public procurement, nature-based solutions, lifecycle costing criteria, standards going beyond regulatory requirements, avoiding negative environmental impacts, climate proofing and 'energy efficiency first principle')during project design and implementation and will embed them in the work plan. Already in the application phase the Lead partners will be requested to explain in the Application Form how horizontal principles are followed and how they are integrated in the activities (and this is subject to assessment), while during implementation the partnership has to report in each progress report how the horizontal principles have been applied in practice providing evidence in this respect and the MA/ JS is assessing the information as part of their checklists. Furthermore during the preparation and implementation the programme will take into account the EU Charter of Fundamental rights.

DRP is not financing large infrastructure or productive investment, nevertheless the durability of the outputs and results is part of the project preparation, assessment and implementation. In the project preparation phase the applicants are requested to demonstrate that the outputs and results of the projects are durable, replicable and transferable and also these elements are embedded in their projects (e.g. by proposing concrete measures to ensure the durability). All these elements are part of the assessment process and specific assessment criterion is applied and are monitored during the project implementation.

In implementation the responsible project partners are requested to carry out SEA procedure in accordance with their respective national regulations in case a cooperation project supported by the Programme intends to develop a strategy or plan at transnational, national or local level in a thematic field with potential significant impact on the environment including nature, as well as on health, which falls into the scope of the SEA Directive and/or that of the UN Protocol on strategic environmental assessment of the Espoo Convention. The responsible project partners shall also follow their respective national regulations on the environmental impact assessment within the environmental licensing procedure in case a cooperation project intends to plan, implement investments with potential significant adverse environmental impacts, on nature and protected areas falling into the scope of the EIA Directive and/or that of the UN Espoo Convention on environmental impact assessment in a transboundary context.

1.3. Justification for the selection of policy objectives and the Interreg-specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure

Reference: point (c) of Article 17(3)

Table 1

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies	1. Priority 1 - A more competitive and smarter Danube Region	The majority of the Danube Region is still considered a technology-follower area characterised by large gaps between the old and the new Member States as well as the associated countries in relation to innovation ecosystem. This is reflected in indicators including intramural RDI expenditure (GERD), RDI share in GDP, patent applications, share of ICT in employment. The Danube Region consists of both RDI leaders and followers, which gives potential to breaking down the hindering factors in knowledge production and transfer(most innovative regions of Europe including Austria (GERD per capita: 1279.6 EUR) and Germany (1121.7), the “transition zone” of East-Central European countries (Slovenia 393.4, Czech Republic 280.8, Hungary 139.5, and Slovakia 118.1) and economies with low investment in knowledge and technology advancement (Bosnia and Herzegovina 9.4, Ukraine 10, Montenegro 20.6, Romania 41.4, Serbia 43.6). Thus, mostly the westernmost economies are well integrated into the European level of RDI, while the latter group of countries are almost excluded from effective RDI cooperation. Knowledge-intensity shows large territorial differences, while there are uncoordinated profiles and capacities, overly concentrated RDI activities. The mediocre performance is partly owing to the weak knowledge links bringing stronger

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			cohesion across the macro-region. Consequently, RDI activities represent a high potential in joint knowledge management and valorisation initiatives covering joint knowledge production and transfer The uptake of innovative technologies is moderately slow. Considering employment in ICT, compared to European-scale changes, the Danube Region exceeded (increase by 0.31% point between 2008 and 2018) the growth of the EU15 (increase by 0.26% point) but failed to catch up with the development pace of the EU28 (0.36% point). The reason behind this is the low advancement in non-Member States in particular. It is expected that by supporting actions dedicated technological and non-technological transfer and the uptake of technologies the programme will contribute to addressing the hindering factors in knowledge production and transfer. Form of support: grants (since the programme does not finance financially viable operations)
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.4. Developing skills for smart specialisation, industrial transition and entrepreneurship	1. Priority 1 - A more competitive and smarter Danube Region	The macro-region consists of economies with many common and complementary features related to economic structure to be utilised jointly. The Danube Region is still characterised by large gaps in relation to economic competitiveness and catching-up and could capitalise from acting as a transit(ion) and interaction zone for trans-European business relations owing to its geographic position. The macro-region is built from diverse economies with different fields of excellence and specialisation. Large inequalities (calculated by the shares of the added value of the given activities in GDP) lie in all sectors including agriculture (e.g. Moldova 10.2%, Ukraine 10.1% and

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			Montenegro 6.8% against Germany 0.7%, Austria 1.2%, Slovenia 1.9%, or the Czech Republic 2%) or services (e.g. Austria 62.7%, Germany 61.5%, Croatia 58%, and Moldova 53.3%, Ukraine 51.3% and Serbia 51% on the other hand). With the implementation of this specific objective the programme is to enhance the complementing economic and thematic features through skills development for smart specialization and entrepreneurship. Industry has larger proportion (28.25% in 2018) in the related economies compared to EU28 (21.9%). Unpreparedness for the challenges related to Industry 4.0 can cause severe loss in competitiveness since many economies are heavily based on industry (e.g. Czech Republic 32.7%, Germany 28%, Slovakia 31.3%, Romania 29%, Slovenia 28.9%). Slow transition is a common problem. Except for capital city regions mostly (e.g. Budapest, Bratislava Region 10.2% of total employment) hi-tech sectors are weakly developed (e.g. in Sud-Vest Oltenia 1% from Romania, Šumadija and Western Serbia 1.1%, Yugoiztochen 1.1% from Bulgaria). Weak entrepreneurship is reflected in that while in the EU28 47.6 SMEs per 1000 inhabitants are operating, the Danube Region had 39.2. The share of the SME sector in the value added of enterprises (53.8%) is lower compared to EU28 (55.5%). Except for Germany and Austria low proportion of enterprises are innovative in terms of organisation/marketing and product/process type of innovation. In this context, the programme aims at offering support for supporting the ongoing transition towards i4.0. Form of support: grants (since the programme does not finance financially viable operations)

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
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	RSO2.2. Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001[1], including the sustainability criteria set out therein	2. Priority 2 - A greener, low-carbon Danube Region	All power systems are based on fossil fuels which reach at least 60% in each country. The efficiency of thermal power stations is low since only Austria (64.6%) surpasses the EU average (50.5%) significantly. The energy dependence in several countries is higher than the EU average (53.6%), such as in Germany (63.5%), Austria (62.5%), Slovakia (59%) and Hungary (55.6%). Apart from Slovenia (-2.8% points) and Austria (-2% points) the rate has not decreased notably, or even increased between 2012 and 2016. The share of renewables in gross final energy consumption is low, and has never reached 50% in any countries. In the majority of the countries the share was stagnating (e.g. Austria +0.2% points, Bulgaria -0.3% points) or significantly decreased (Montenegro -3.7% points, Hungary -2.9% points). Increase worth mentioning occurred only in Germany (3.1%), Slovakia (1.4% points), and the Czech Republic (1% points). Notable shares can be mentioned in Montenegro (40%), Austria (32.6%) and Croatia (27.3%), while in Slovakia (11.5%), Hungary (13.3%), the Czech Republic (14.8%) and Germany (15.5%) renewables play minor role compared to fossil fuels and nuclear energy. There is a huge variety in the energy mix of the macro-region by region and source. Biofuels responsible for more than 50% in all countries except for Germany (36%, while EU28 average is 49%), and represent the highest rates in Hungary (87%) and Ukraine (79%). Hydropower (EU28 11%) in Serbia (41%), Austria (34%), Bosnia and Herzegovina, Slovenia (32% each) and Montenegro (29%) is by far the second most utilised source. Wind, solar energy, municipal waste and

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			geothermal energy are less preferred, but altering DR countries have specialised in them. As a result of underutilised renewables, energy dependency, lack of high energy safety characterises the DR that still heavily relies on fossil fuels. An increased use of RES for energy production and sustainable transport may contribute to a better air quality. Thus, the shift towards renewables is crucial. Form of support: grants (since the programme does not finance financially viable operations)
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	RSO2.4. Promoting climate change adaptation and disaster risk prevention, resilience taking into account eco-system based approaches	2. Priority 2 - A greener, low-carbon Danube Region	CC adaptation can be regarded as a horizontal issue that should be taken into consideration in any actions within SO iv. The transnational Continental and Carpathian/Alpine Mountain bio-geographical regions covering multiple countries in the Danube Region both have to tackle with increasing extremities in relation to environmental disasters caused by climate change. Out of these, extreme amount of water as well as intensifying water scarcity, droughts are considered the main challenges. Owing to having both upstream and downstream areas with a transboundary character, the Danube Region experiences frequent floods risking large transboundary riverside areas. Neighbouring regions with high number of floods (over 16 between January 1985 and September 2019) are part of the catchment area of the Upper Tisa and the Dniester in particular. These regions incorporate the joint border areas of Ukraine (e.g., Zakarpattia Oblast), Romania (e.g., Maramureș County) Slovakia (e.g., Prešov Region), Hungary (Szabolcs-Szatmár-Bereg County) and Moldova. Other highly flood hazardous regions with extreme flood levels from the last ten years can be found on the Tisa and its

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			tributaries, the Sava, the Mura-Drava as well as the Danube river. There is a need for a more efficient coordination of river basin management with emphasis on flood risk, and joint actions in disaster prevention, forecast and response. Given the basin and transnational character of the river system within the Danube Region, apart from natural disasters such as floods, risk prevention, emergency response and disaster management especially concerning the water-related man-made catastrophes (e.g. cyanide, heavy metal or salt pollution) should also be better addressed. Climate change related environmental risks and disasters like droughts, forest fires or heat waves are becoming more frequent issues season after season in many different parts of the Danube Region. Although these phenomena don't have transnational impacts, it is important to harmonise and standardise the preparation of response authorities and organisations and their related procedures at transnational scale for a more effective preparedness and response in case of emergency situations. Form of support: grants(since the programme does not finance financially viable operations).
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	RSO2.5. Promoting access to water and sustainable water management	2. Priority 2 - A greener, low-carbon Danube Region	One of the specific features of the macro-region is that the Danube Region covers the water system of the Danube and its tributaries, i.e. the Danube Basin. There are shared water bodies and water catchment areas of transnational importance. Joint river sections, surface and underground water bodies also mean that both the quantity and the quality of such waters, e.g. contamination and water pollution or increasing water use, decreasing ground water levels, shrinking supplies across borders, increase of low water periods

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			in rivers, disturbed sediment transport and balance are real threats to tackle jointly. Climate change is forecasted to affect both the quantity, as well as quality of transnational water bodies in the Danube River Basin that requires joint solutions. Regarding the chemical status of the Danube Region rivers, transnational intervention would be needed in the case of Tisza and many of its transboundary tributaries (Someş, Körös) in particular. The chemical status of the Danube is failing on long shared border sections in Serbia, Romania and Bulgaria. The chemical status requires joint measures on the east of the Budapest–Sarajevo line. There is a need for better coordination between water management and certain economic activities such as agriculture, navigation, hydropower and flood protection, which are strongly influencing water quantity and quality quite often. Transnational coordination in the field of water supply management in the frames of a river basin management system is required in relation to surface and groundwater. Groundwater bodies cover almost the same size of area as Bulgaria (106 883 km2). As many as 11 groundwater bodies exist which have a transnational relevance. The protection and usage of these water bodies are relevant since many of them act as major source for e.g. drinking, agriculture or industry. SOiv SOv and SOvii are needed to manage territorially integrated and therefore effective actions within transnational functional areas of catchment areas, river basins. Form of support: grants(since the programme does not finance financially viable operations)
2. A greener, low-carbon transitioning	RSO2.7. Enhancing protection and	2. Priority 2 - A	The macro-region is high in biodiversity, which is in

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
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	preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution	greener, low-carbon Danube Region	danger also because of weak adaptation techniques to climate change that comes with e.g. invasive species or fragmenting habitats. All the 7 biogeographical regions within the Danube Region have a transboundary nature, including Continental as the most widespread region. The Pannonian region unites many regions of Hungary, Slovakia, Czech Republic, Ukraine, Romania and Serbia, while Alpine covers various territories in Austria, Germany, Slovakia, Ukraine, Romania, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro and Bulgaria. Out of the 13 ecological regions formed in the Danube Region all of them are transboundary in character. Pannonian mixed forests are autochthonous in as many as 10 countries. Other ecological regions with strong transboundary feature include Carpathian montane coniferous forests (Czech Republic, Slovakia, Ukraine, Romania), Dinaric Mountains mixed forests and Illyrian deciduous forests (Slovenia, Croatia, Bosnia and Herzegovina, Montenegro) and East European forest steppe (Ukraine, Moldova, Romania, Bulgaria). The high diversity is reflected in high number of transboundary protected areas from wetland habitats (e.g. the Danube Delta) to hilly and mountainous landscapes (e.g. Carpathians, Dynaric Alps, Czech Forest-Bavarian Forest). Nature protection is challenged by the still low level of joint management and protection initiatives, furthermore by notable differences in the policies, competences, and human and financial resources of the given protected areas. Despite of some cooperation (e.g. Mura-Drava-Danube Transboundary Biosphere Reserve), borders are barriers to effective nature protection on transnational

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			level. Apart from the ecological corridors and regions, the protection of umbrella species is also of great significance. Therefore enhanced transnational cooperation is needed with regard to safeguarding the transboundary habitats of indigenous animal population including e.g. wild sturgeons. The ratio of Natura 2000 areas in the Danube Region is significantly higher in almost all states compared to the EU average (18%) with the exception of Germany (15%), Austria (15%) and Czech Republic (14%). Form of support: grants - the programme does not finance financially viable operations
4. A more social and inclusive Europe implementing the European Pillar of Social Rights	RSO4.1. Enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy	3. A more social Danube Region	The justification for this specific objective comes firstly from the understanding of a shared labour market in the Danube Region (DR). A collection of interdependent labour markets in which human capital provides the labour for institutions and commerce, whose connections and value chains cover every part of the Danube Region. Within the Region there has developed a persistent North West and South East spatial inequality in which the pull and push factors from the North West and South East respectively contribute to depopulation, ageing demography; skills gaps and declining social cohesion in significant parts of the Danube Region. DRP projects can develop a better understanding of migration within the Region with shared information and systems, capacity building, bringing stakeholders together, understanding impact and creating the basis for shared solutions. In considering the labour market in the Region there are underlying challenges which cut across the DR. One of these is long-term unemployment, which, despite generally improving

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			unemployment figures in the DR has proved particularly difficult to address. Evident within long-term unemployment rates are high proportions of disadvantaged and vulnerable groups which include minorities, disabled, the aged, migrants and those with a rural disadvantage. The programme can provide innovative and coordinated planning which builds on good practice in the DR to support the integration of disadvantaged groups and vulnerable groups, particularly in the most affected regions. There are also opportunities for DRP projects to develop innovative employment schemes to encourage the tertiary educated to remain in regions affected by brain drain and also schemes which can generate increased employment levels e.g. for women. Whilst as noted migration can be a cause of an ageing demographic, this is a wider trend which is affecting the majority of the DR. Danube Region Programme projects can lead to a more coordinated policy and planning to encourage and develop active ageing solutions and build on good practice in the DR. Form of support: grants (since the programme does not finance financially viable operations)
4. A more social and inclusive Europe implementing the European Pillar of Social Rights	RSO4.2. Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training	3. A more social Danube Region	The justification lies in understanding the crucial role of human capital, in developing a balanced, highly employed, competitive and socially cohered DR. In all countries of the DR the highest employment rates are for the most educated active age population. Quality employment for those of a working age with lower secondary educational attainment can be difficult often with the continuous risk of unemployment. Germany (60.7%) is the only Danube country where the employment rate of people with

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			lower secondary education at most exceeds that of EU28 (56.1%). A significant contributor to low educational attainment is the high ratio of early leavers from education with most parts of the DR failing to meet the EU 2020 targets. A deteriorating tendency is observable especially in eastern regions, which contain rural areas with a high share of disadvantaged populace and a weak integration of children into the school system. The underrepresentation of minority groups and the rural disadvantaged is also apparent at the tertiary level. Projects can maximise the use of existing knowledge and experience to develop best practices in inclusive and accessible education policy and, models and contribute to policy reform. The DR needs to be responsive to labour market need. The applied learning structures tend to be rigid with educational infrastructure and services lacking flexibility, competence, orientation, openness and adequate governance structures. Projects can encourage the development of a more harmonised vocational education and training (VET) approach meeting the needs of business and society with proven innovative, inclusive and accessible labour market VET structures that contribute to socio-economic development and cohesion. The pandemic has led to a surge in innovative digital and remote education and the DRP can take advantage of these developments in supporting e-solutions to mitigate rural disadvantage and to provide relevant employment related training. Understanding brain drain and how this challenge can be addressed at the regional level is missing and DRP projects can fill a gap with the development or improvement of scientific and educational networks.

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			Form of support: grants since the programme does not finance financially viable operations
4. A more social and inclusive Europe implementing the European Pillar of Social Rights	RSO4.6. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation	3. A more social Danube Region	The macro-region incorporates a large number of transnational cultural and natural heritage sites on which the development of joint tourism, destination management and cultural products and services can be based on for job creation in areas with vulnerable populations and areas of depopulation. High potential lies in the cultural diversity. Valorisation, such as the preservation of cultural heritage and the development of creative industries can have direct positive socio-economic impacts. The outstanding diversity is underlined by the coexistence of 30 ethnic groups, many as national minorities. Groups can function as connecting links. Inter-ethnic and P2P relations can counter xenophobia, and Euroscepticism across the whole Danube Region. 7 EuroVelo routes and 19 Cultural Routes of the Council of Europe have been certified to better connect heritage sites from the Iron Curtain across Roman and Jewish heritage to Art Nouveau and viniculture which can be built upon. Tourism is one of the most relevant economic activities which significantly contributes to employment and added value in many regions, but it is concentrated on a few mountainous and seaside resorts (Eastern Alps, Dalmatia, Sunny Beach in etc.). both having strong macro-regional tourist flows. There are severe differences in attractiveness based on tourist nights (E.g. Adriatic Croatia 59.005, Tyrol 50065, Prague 14.100 or Yugoiztochen 9.529 compared to Sud-Muntenia 681, Severozapaden 728, Republika Srpska 689 or Moldova 545). Weak connectivity and management of destinations hinders

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			a more balanced and synergic development in the Danube Region. Valorisation of joint heritage can support job creation, which can support anti-poverty measures and better integration of vulnerable groups, the elderly, people with disabilities and Roma. Social innovation, offering new solutions, has an important role owing to the fact that the macro-region incorporates several regions with a high share of population at risk of poverty (e.g. Nord-Est 33.4%, Sud-Vest Oltenia 33.4%, Serbia 25.7%, Severozapaden 32.8%, and Montenegro 23.6%). Form of support: grants (since the programme does not finance financially viable operations)
6. Interreg: A better Cooperation Governance	ISO6.4. Enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies (all strands)	4. A better cooperation governance in the Danube Region	Danube Programme is a unique tool for facilitating overarching territorial and macro-regional frameworks, especially with regard to EUSDR. Through the targeted support for the governance of EUSDR, the programme can add significant momentum to the smooth and effective functioning of EUSDR structures and bodies, in view of successful implementation of EUSDR action plan. Form of support: grants (since the programme does not finance financially viable operations)
6. Interreg: A better Cooperation Governance	ISO6.6. Other actions to support better cooperation governance (all strands)	4. A better cooperation governance in the Danube Region	The Danube Region is a macro-region of borders: 44.7% of its territories are situated closer than 30 km to at least one state border. Consequently, no major developments can be carried out without having at least indirect transboundary impacts covering several national territories. The Danube Region is heterogeneous in terms of level of European integration. It consists of old and new Member States, candidate countries, a potential candidate and

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			countries targeted by mostly the Eastern Partnership. There is still a lot of room to cooperate in breaking down administrative and legal obstacles within the Danube Region to serve the four freedoms. Good governance and regional policy can also function as a prime tool for increasing the level of trust towards the EU. DRP can support the EU integration; strengthen the visibility and close-to-people character of the Regional Policy. Except for Germany (E-Government Development Index: 0.88), Austria (0.83) and Slovenia (0.77) the macro-region has less developed e-governance structures compared to the European average of UN states (0.77). The countries differ in their political-administrative systems. Subsequently, there is no homogeneity between the countries which can render regional cooperation challenging and at the same time offer room for enhancing legal harmonisation. Hence, high diversity in public administration and governance can be challenging to overcome, and efficiency of public administration regarding cooperation on a transnational level. The political fragmentation and the challenges of transnational character (e.g. aging, transport bottlenecks) calls for better and new models of governance, inter-institutional cooperation and transnational institutions to manage functional areas (e.g. cross-border functional urban areas, areas affected by labour migration). Form of support: grants (since the programme does not finance financially viable operations)

2. Priorities

Reference: points (d) and (e) of Article 17(3)

2.1. Priority: 1 - Priority 1 - A more competitive and smarter Danube Region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Reference: point (e) of Article 17(3)

Enhancing innovation and technology transfer in Danube region

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Based on the territorial findings, the Danube Region (DR) innovation performance is charactherised, to a large extent, by outdated labour-intensive, technology-follower type of workflows and processes. Additionally, Danube Region is affected by large economic competitiveness and social gaps among old, new Member States and the non-member states part of the DR area (NDICI and IPA countries), with direct impact on the region's capacity to cooperate, especially when it comes to RDI developments such as the uptake of innovation, being technological or non-technological innovation. Thus, joint measures to support the better share of innovation capacities and the joint uptake of innovation and advanced technologies are of high relevance. Such actions should result from new, RDI related policies and furthered through quadruple helix approaches. Therefore, promoting RDI cooperation, exchanging experiences and capacity building between innovation actors such industrial and technological hubs and parks, private enterprises, professional clusters, universities, RDI centres, NGOs, local, regional and national policy makers (e.g. administrations, agencies) is of great significance for creating a well-functioning DR innovation ecosystem and increasing regional capacity for absorbing innovation. Complementary, support for transnational cooperation able to stimulate vertical and horizontal development of thematic value chains across DR is important. Direct actions in regard to circular economy or environment-friendly and low-carbon transport systems are needed. Circular economy interventions should focus on the sectors that use most resources and where the potential for circularity and transnationality is high: electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and buildings, food and nutrients. Transport related interventions should strive for proposing and developing smart, sustainable and green transport technologies and networks, as well as e-mobility solutions e.g. the introduction of alternative fuels, next generation lithium-ion batteries, safer autonomous navigation systems (route planning, accident prevention, electrified highways). Furthermore, slow integration of innovative regional and urban technologies in the planning, management and development of DR regions and cities can be addressed by stimulating partnerships among regions and cities coming from countries with different innovation performance levels (see the annual EC Innovation Scoreboard). For all the above, digitalisation and digitisation should act as RDI cross-sectoral, horizontal enablers. Within this specific objective, future interventions must prove their capacity to act as territorial catalyst by capitalizing on past thematic experiences and achievements. In addition, the future interventions should be aligned to NextGenerationEU plan that aims to repair the immediate economic and social damage brought about by the **Coronavirus** pandemic. **Post-COVID-19** Europe will be greener, more digital, more resilient and better fit for the current and forthcoming challenges. Actions might benefit from coordination with other EU funding instruments, such as Horizon Europe, Interregional Innovation Investment (I3), ERDF mainstreaming programmes or national innovation funds. Key strategic orientations defined in the Horizon Europe Strategic Plan, in the "Restore our Oceans and Waters" mission and related partnerships could be reference points for complementarities. Supported actions are encouraged to contribute to the objectives of the European Research Area (ERA), by also fostering the deployment of R&I results. Such synergies allow wider territorial impacts in DR. Moreover, future projects should consider the targets and actions of EUSDR PA7 and PA8 or other relevant EUSDR PAs as described in the Territorial Strategy and to the other policy documents mentioned there e.g. Territorial Agenda 2030, EU Grean Deal, etc. The

objectives of the programme take into account the "do no significant harm" principle**.** To conclude with, the focus of the proposed intervention should be on the followings:

Focus 1. RDI related transnational policies and processes for closing innovation gaps and towards the uptake of innovation and advanced technologies e.g. artificial intelligence, nanotechnologies, advanced materials, advanced manufacturing and processing (production technologies) and biotechnology.

Focus 2. Transnational RDI related activities for capacity building along thematic value chains.

Focus 3. Technology transfer and technology uptake towards and from SMEs and improved access to quadruple transnational research and innovation infrastructures with macro-regional significance.

Focus 4. Circular economy policies and processes in specific related domains e.g. electronics and ICT batteries and vehicles, packaging, plastics, textiles, construction and buildings, food and nutrients.

Focus 5. Developing smart, sustainable and green transport technologies and networks, as well as e-mobility solutions.

Focus 6. Integration of smart cities and smart regions solutions in the planning, management and development of DR regions and cities.

Examples of related types of possible actions (non-exhaustive list)**:**

· Improving transnational cooperation to support joint technology generation, uptake and upscaling in the following fields: nanotechnologies, advanced materials, advanced manufacturing and processing (production technologies) and health industry (establishing joint medicine research clusters/centres, usage of digitalisation and artificial intelligence in medicine/health care, analysing big data sets in medicine, biotechnology).

· Support for transnational uptake of technologies alongside thematic value chains: specialisation in transnational Danube Region clusters for emerging industries, support for a higher level and new forms of collaboration within the quadruple helix to encourage co-inventions and innovation cooperation as well.

· Support for transnational circular economy collaboration forms, harmonisation of related policies and uptake of technologies in specific related domains (e.g. electronics and ICT batteries and vehicles, packaging, plastics, textiles, construction and buildings, food and nutrients);

· Support for technology generation and uptake of related technologies regarding smart, sustainable and green transport technologies and networks, as well as e-mobility solutions in relation to transnational transport networks and transboundary functional urban areas;

· Support for the uptake of advanced technologies in relation to smart infrastructure in Danube Region cities: integration of smart cities and smart regions solutions in the planning, management and development of the Danube Region cities and regions.

The implementation of transnational cooperation projects, which focus on the thematic fields and carry out such actions that are defined within this SO, will equip the stakeholders with the skills necessary to advance policies for closing innovation gaps, in the field of smart, green, circular and low-carbon economy, also supporting technology transfer and uptake of new technologies.

Expected results:

Transnational cooperation actions will lead to increased capacity at the level of relevant stakeholders to innovate, being technological or non-technological innovation, and move pastoutdated labour-intensive, technology-follower type of workflows and processes. Supported actions will improve policy learning and implementation, encourage policy changes towards a green and digitalised economy in lagging behind regions and help these catching up with innovation leader regions. Actions will lead to improved framework conditions for innovation and foster the sustainable uptake of advanced technologies. Improved cross-sectoral cooperation, technology transfer and coordination will bring substantial contribution to the general effort of reducing innovation barriers and closing the innovation gap across the Danube Region.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.1	RCO116	Jointly developed solutions	solutions	0	33
1	RSO1.1	RCO87	Organisations cooperating across borders	organisations	0	132
1	RSO1.1	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	33
1	RSO1.1	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	44

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.1	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	33.00	Monitoring system	
1	RSO1.1	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	33.00	Monitoring system	
1	RSO1.1	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	132.00	Monitoring system	The indicators is semi-qualitative

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies.

Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities responsible for research, innovation, technology transfer institutions, sectoral agencies and regional development agencies, networks, clusters and associations, research and development institutions, universities with research facilities, business support organisation (e.g. chamber of commerce, business innovations centres, technology information centres), higher education, education/training centre and school, NGOs, private enterprises including SME, or industrial and technological hubs and parks.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the DRP supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. In practice the programme will facilitate the cooperation between advanced and lagging behind regions in the programme areas in order to overcome the large disparities of the region.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	012. Research and innovation activities in public research centres, higher education and centres of competence including networking (industrial research, experimental development, feasibility studies)	937,262.78
1	RSO1.1	Interreg Funds	026. Support for innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs	1,874,525.55
1	RSO1.1	Interreg Funds	030. Research and innovation processes, technology transfer and cooperation between enterprises, focusing on circular economy	1,874,525.55
1	RSO1.1	Interreg Funds	010. Research and innovation activities in SMEs, including networking	1,874,525.55
1	RSO1.1	Interreg Funds	028. Technology transfer and cooperation between enterprises, research centres and higher education sector	1,874,525.55
1	RSO1.1	Interreg Funds	015. Digitising SMEs or large enterprises (including e-Commerce, e□Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start□ups, B2B) compliant with greenhouse gas emission reduction or energy efficiency criteria	1,874,525.55
1	RSO1.1	Interreg Funds	017. Government ICT solutions, eservices, applications compliant with greenhouse gas emission reduction or energy efficiency criteria	1,874,525.55
1	RSO1.1	Interreg Funds	018. IT services and applications for digital skills and digital inclusion	937,262.78
1	RSO1.1	Interreg Funds	029. Research and innovation processes, technology transfer and cooperation between enterprises, research centres and universities, focusing on the low carbon economy, resilience and adaptation to climate change	5,623,576.64

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	01. Grant	18,745,255.50

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	33. Other approaches - No territorial targeting	18,745,255.50

2.1.1. Specific objective: RSO1.4. Developing skills for smart specialisation, industrial transition and entrepreneurship

Reference: point (e) of Article 17(3)

Development of skills for advancing smart specialisation strategies, industrial transformation and transition towards industry 4.0, including cross-sectorial collaborations

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Danube macro-region is characterised by countries with different economic and social development paths, performance convergence potentials or links to the European economic market. More exactly, in spite of the notable elements of convergence across some national level economies, one may notice that the spatial pattern is quite fragmented, especially due to growing gaps between urban regions as engines of growth and rural regions as peripheries. The latter, in most cases, are lagging behind. Whilst some regional economies of the Danube Region are heavily industrialised (or significant reindustrialisation has taken place), most economies seem to be unprepared for the challenges arising from transitioning to industry 4.0. (i4.0). Such developed vs undeveloped, integrated versus isolated, urban versus periphery, industrial vs non-industrial (or deindustrialised) clivages can be mitigated by implementing i4.0 processes (including skills) and working towards harmonised smart specialisation strategies (S3) and policies. Within this specific objective, future interventions must prove their capacity to act as territorial catalyst by capitalising on past thematic experiences and achievements. Support for transnational knowledge transfer, S3 and policy harmonisation and i4.0 technologies testing is needed in order to restore and gain competitiveness both at transnational and national level. This calls for a tighter cooperation in the framework of S3 and policies with a special focus on SMEs, industrial transition and related professional skills. It has to be noted that there are large differences among S3 and policies in terms of field of specialisation, sectoral focus or territorial outreach. While some states have their own national S3 and policies, including alignment of regional economic administration, in some countries it is still considered as a new, emerging topic. Therefore, the lack of related S3 and policies transnational planning and management is a common thing. Consequently, support for transnational alignment of S3 and policies is of great importance. A smart networking combination of business, educational, scientific knowledge and infrastructure is fundamental for creating products and services with transnational impact. For all the above, digitalisation and digitisation should act as cross-sectoral, horizontal enablers. In addition, the future interventions should be aligned to NextGenerationEU plan that aims to repair the immediate economic and social damage brought about by the **Coronavirus** pandemic. **Post-COVID**-19 Europe will be greener, more digital, more resilient and better fit for the current and forthcoming challenges. Moreover, future projects should consider the targets and actions of EUSDR PA8, partially PA9 or other relevant EUSDR PAs and to the other policy documents mentioned there e.g. Territorial Agenda 2030, EU Grean Deal, etc. The objectives of the programme take into account the “do no significant harm” principle. To conclude with, the focus of the proposed intervention should be on the followings:

Focus 1. Skills development for and of joint advancement of smart specialisation strategies and policies including a special focus on less advanced regions.

Focus 2. Skills development and cross sectorial collaborations between smart industries and traditional type of industries for industrial transformation and transition towards industry 4.0, robotisation, mechatronics, digital technologies (including internet of things, artificial intelligence and creative industries).

Focus 3. Skills development for delivering products and services with transnational impact.

Examples of related types of possible actions (non-exhaustive list):

· Enhancing cooperation related to entrepreneurial skills in advanced technologies, industries of high Danube Region importance (i.e. owing to social impacts, market needs) to better combine existing capacities and competences;

· Building cooperation structures to obtain innovation capacity needed to be competitive at regional and EU level, identify niches within the EU market and become attractive as a partner within the Danube Region or towards other EU regions;

· Establishing platforms enabling transfer of knowledge and skills and building inter□regional synergies for the development of regional smart specialisation strategies and policies with a special focus on the involvement of entrepreneurial actors and existing networks in discovering and exploiting promising areas of specialisation;

· Setting up and piloting measures for regions allowing for exchange of experience on implementation of smart specialisation strategies, e.g. networking of regions specialised in the field of industry 4.0 and related professional skills, support for related knowledge exchange between model regions and regions lagging behind in terms of elaborating and implementing industry 4.0 planning schemes.

The implementation of transnational cooperation projects, which focus on the thematic fields and carry out such actions that are defined within this SO, will equip the main stakeholders with the skills necessary to develop and implement smart specialisation strategies, preparing the Danube Region for transition to industry 4.0 while fulfilling sustainability, circular and low-carbon economy aspects.

Expected results:

Transnational cooperation actions will enhance skills and capacities of the stakeholders for harmonised advancement of S3 and will also set up the much needed tools, methods and processes for ensuring a smooth transitioning towards industry 4.0. Transnational cooperation actions will build capacities of and empower public authorities, intermediate bodies and other institutions to create framework conditions that help improve skills of employees and entrepreneurs in view of challenges like green economy, digitalisation, artificial intelligence related skills and industrial transition. This will result in policy learning for the delivery of new and better services for skills development. It will help to increase the regions' competitive advantage by enhancing capacities necessary for an efficient entrepreneurial discovery process and the preparation or updating of smart specialisation strategies. The framework conditions will also have to be inclusive to allow actors from all territories to benefit from the transition process. Actions have to take into consideration the specific territorial challenges and disparities. By doing so, these actors are expected to bring substantial contribution to the general effort of closing the innovation gap and fostering the economic development across the Danube Region.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.4	RCO116	Jointly developed solutions	solutions	0	33
1	RSO1.4	RCO87	Organisations cooperating across borders	organisations	0	132
1	RSO1.4	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	33
1	RSO1.4	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	44

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.4	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	33.00	Monitoring system	
1	RSO1.4	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	33.00	Monitoring system	
1	RSO1.4	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	132.00	Monitoring system	The indicator is semi-qualitative.

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies.

Target groups comprise according to their thematic scope among others both public and private actors such as enterprises, (future) entrepreneurs, cluster organisations, public authorities, intermediaries, education and training organisations, private and public research institutions, regional development agencies, chambers of commerce, technology transfer institutions, NGOs, innovation agencies, business incubators.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the DRP supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. In practice the programme will facilitate the cooperation between advanced and lagging behind regions in order to overcome the deficiencies in skills development (e.g. periphery regions, shrinking territories etc.).

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	027. Innovation processes in SMEs (process, organisational, marketing, co□creation, user and demand driven innovation)	1,874,525.55
1	RSO1.4	Interreg Funds	023. Skills development for smart specialisation, industrial transition, entrepreneurship and adaptability of enterprises to change	7,498,102.19
1	RSO1.4	Interreg Funds	013. Digitising SMEs (including e□Commerce, e□Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start□ups, B2B)	1,874,525.55
1	RSO1.4	Interreg Funds	016. Government ICT solutions, e□services, applications	1,874,525.55
1	RSO1.4	Interreg Funds	018. IT services and applications for digital skills and digital inclusion	2,811,788.33
1	RSO1.4	Interreg Funds	021. SME business development and internationalisation, including productive investments	2,811,788.33

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	01. Grant	18,745,255.50

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	33. Other approaches - No territorial targeting	18,745,255.50

2.1. Priority: 2 - Priority 2 - A greener, low- carbon Danube Region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO2.2. Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001[1], including the sustainability criteria set out therein

Reference: point (e) of Article 17(3)

Support greening the energy and transport sectors in the Danube Region by enhancing the integration of renewable energy sources

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The DR still heavily relies on fossil fuels in relation to both production and consumption. Despite significant favourable changes in many related states, the energy sector is very far from being a low-carbon economic field. In line with European Green Deal, a shift to renewables in all states is necessary since the share of fossil fuels in production is generally between 80 and 65%. The need for shift to renewables is also underlined by the inefficient technology and infrastructure related to the thermal power plant network, which has not been reconstructed, thus no major positive changes have taken place in recent years. The majority of economies still heavily relies on uncertain fuels from Russia (and by track Ukraine). This brings up the question of lack of energy security. This exposure to non-renewable sources results in energy dependency of the vast majority of the Danube Region to energy sources of external markets. Security of supply is not safeguarded, for which regional renewables available in the macro-region could contribute for in transnational cooperation. In spite of having a large variety of renewable energy sources across the macro-region with a few similar and complementary endowments from region to region, the utilisation level of renewables in still low. Apart for some countries, the share of renewable energy in gross final energy consumption is low in the Danube Region, and has never reached 50% in any country. The production and consumption of renewables have similarities across the macro-region given that biofuels and hydropower are having significant roles, and solar energy, wind, geothermal energy have changing utilisation levels. Another reason for a greener energy sector is the high and steadily increasing level of energy consumption paired with a low level of diversification in energy sources. .

Recovery and Resilience Facility as well as the EUSDR with PA1a- Water Mobility, PA1b-Rail-Road-Air Mobility and PA2-Sustainable Energy, just like the given SO support green transition and environmental sustainability. There is the goal to commit to green priorities, environmental objectives in relation to flagship areas of power up (generation and use of renewable sources) and renovate (energy efficiency of buildings) as well as innovative approaches for sustainable transport, such as alternative fuels with respective propulsion systems and related technology in accordance to the rules stated under the Taxonomy Delegated Act (including taking into account the DNSH principle also at the project submission stage), **the NEC and RED II Directives.** Non-combustible RES, biogas and bioLPG create benefits for air quality and contribute to the zero pollution ambition of the European Green Deal. Therefore, the support for harmonised actions and transnational cooperation is required in order to decarbonise the energy and the related transport and building sector, especially considering the heating and cooling systems of buildings' heating and cooling systems. The SO focus is fully in line with the Territorial Agenda 2030 also which highlights the need for sustainable and resilient solutions such as renewable energy, greener, decarbonised economic activities. Also, the still relatively high GHG and air pollutants emissions by the transport sector calls for increasing the utilisation of renewables. Introduction of alternative fuels and new technologies in transportation could be a field of joint measures and policies. High GHG and air pollutants emission is not caused only by transport, but

also by the heating and cooling sector (e.g. burning of fossil fuels, especially coal), which is a significant factor in creating a greener energy mix.The sector is still characterized by low utilisation of RES, thus the sector requires a profound shift to a more environmentally friendly energy production and consumption **to reduce both GHG and air pollutants' emission and to improve air quality**. Submitted projects should comply with the EU Directives on air quality and on the reduction of national emissions of certain atmospheric pollutants, as well as taking into account the DNSH principle. This is in line with Territorial Agenda 2030 according to which renewable energy should be seen as a sustainable and resilient solution to support to reach a healthy and green Europe thus increasing energy efficiency and diversifying energy production are important measures to take. The objectives of the programme take into account the "do no significant harm" principle.

The programme main goal is to contribute to the reduction of region's dependency on imported fossil fuels by facilitating a better integration of renewable energy sources and consequently greening the energy and transport sectors.

Supported projects shall take into consideration the fact that Danube Region Programme is not financing infrastructure type of projects, nevertheless preparation of infrastructure projects can be financed by the programme, including environmental studies necessary for the implementation of the infrastructure.

Focus 1: Increasing the share of renewable energy in the Danube region

Focus 2: Decreasing carbon intensity in the power and transport sectors

Examples of related types of possible actions (non-exhaustive list):

· Strategy making and policy support in reaching low-carbon energy production and supporting the decrease of energy dependency in countries and regions most dependent on fossil fuels and resources from external (non-macro-regional) energy markets;

· Capacity building for sustainable energy planning especially in regions with high share of non-RES energy production or consumption;

· Support for harmonized, cost effective actions and transnational cooperation in the buildings' heating and cooling sector (e.g. decreasing carbon intensity in heating, RES integration in building sector combining it with storage solutions) with special attention to countries and regions where heating and cooling sector has outstanding share in energy consumption;

· Reduction of GHG and air pollutants emissions in the transport sector: introduction of alternative fuels and new technologies (e.g. electric vehicles) in transportation and innovative mobility solutions, support shift to more environmentally friendly means of transportation, especially in public transport and freight transport on waterways, rails and roads, coordination between energy providers in relation to infrastructure elements of Danube Region relevance;

· Promoting the production and use of advanced biofuels, notably the second (produced from non-food crops, such as cellulosic biofuels and waste biomass) and third generation biofuels (algal biomass;

·Pilot testing of solutions for the production of decentralized renewable energy, and supporting the empowerment of renewables self-consumers and communities, especially in rural areas;

·Joint planning of solutions for the utilisation of RES with the facilitation of knowledge exchange between regions of the lowest and the highest share of RES in the energy mix;

· Development of incentive schemes to encourage the renewable energy production based on the Danube Region available resources and to strengthen the sustainable usage of RES and energy storage solution.

Joint strategies, solutions developed, capacity building actions developed by transnational projects will lay the ground for increasing RES share in the Danube region as well as raise awareness on environmental friendly solution in transport as well as building heating and cooling sector, contributing also to the actions and targets of EUSDR PA2.

Expected results:

Enhanced capacities of the relevant stakeholders to plan and develop innovative solutions for advancing renewable energy and support greening of energy and transport sectors. Support the development of innovative solutions, strategies and action plans towards a diversification of energy source including joint testing of their viability (leading to decrease the DR's dependency on fossil fuels and on imports).Transferable pilot activities shall develop good practice examples to boost the share of RES in energy production and in transport on the long run.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.2	RCO116	Jointly developed solutions	solutions	0	26
2	RSO2.2	RCO87	Organisations cooperating across borders	organisations	0	104
2	RSO2.2	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	35
2	RSO2.2	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	26

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.2	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	104.00	Monitoring system	The indicator is semi-qualitative
2	RSO2.2	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	26.00	Monitoring system	
2	RSO2.2	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	26.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies.

Target groups comprise according to their thematic scope among others local, regional and national public authorities and related entities, regional development agencies, energy suppliers, energy management institutions and enterprises, regional associations, regional innovation agencies, NGOs, financing institutions, education and training centres as well as universities and research institutes.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region. Different actions are focused to the needs of specific areas: urban and rural territories, areas with different local sources for production of renewable energy. Applying solutions for renewable energy production in different territories requires adaption in the approach and involvement of specific target groups.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.2	Interreg Funds	049. Renewable energy: biomass	1,738,967.71
2	RSO2.2	Interreg Funds	041. Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures	1,304,225.79
2	RSO2.2	Interreg Funds	046. Support to entities that provide services contributing to the low carbon economy and to resilience to climate change, including awareness□raising measures	2,608,451.57
2	RSO2.2	Interreg Funds	047. Renewable energy: wind	1,738,967.71
2	RSO2.2	Interreg Funds	048. Renewable energy: solar	1,738,967.71
2	RSO2.2	Interreg Funds	052. Other renewable energy (including geothermal energy)	2,608,451.57
2	RSO2.2	Interreg Funds	042. Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures compliant with energy efficiency criteria	869,483.87
2	RSO2.2	Interreg Funds	050. Renewable energy: biomass with high greenhouse gas savings	1,738,967.71
2	RSO2.2	Interreg Funds	044. Energy efficiency renovation or energy efficiency measures regarding public infrastructure, demonstration projects and supporting measures	1,304,225.79
2	RSO2.2	Interreg Funds	045. Energy efficiency renovation or energy efficiency measures regarding public infrastructure, demonstration projects and supporting measures compliant with energy efficiency criteria	1,738,967.71

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.2	Interreg Funds	01. Grant	17,389,677.14

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.2	Interreg Funds	33. Other approaches - No territorial targeting	17,389,677.14

2.1.1. Specific objective: RSO2.4. Promoting climate change adaptation and disaster risk prevention, resilience taking into account eco-system based approaches

Reference: point (e) of Article 17(3)

Promoting climate change adaptation capacities in the Danube Region and disaster management on transnational level in relation to environmental risks (taking into account ecosystem-based approaches

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The Danube Region is forecasted to be exposed to climate change greatly by increasing annual mean temperatures, the wet regions becoming wetter, the dry regions drier in general, as well as increase in the intensity and frequency of heat waves, dry periods, and of heavy rainfalls on local, regional level. The frequency and severity of environmental disasters like floods, droughts, or forest fires are predicted to increase in the next decades. As the impacts of the changing climate and of the more frequent and extreme related disasters affect the ecosystem, economic sectors and human life in the Danube Region, climate change adaptation in general shall be a horizontal issue to be taken into consideration in each Priority of the Danube Region Programme, while the limited resources of PO2 / SO2.2 (iv) is to be focused on harmonised, joint capacities in forecasting and vulnerability assessment to support policy making and awareness; transboundary disaster management, emergency response in relation to floods, droughts, forest fires and accidental pollution along main transnational river(-basin)s of the region. Water scarcity aspect of CC adaptation, low water periods affecting the balanced use and the quality of water, avoiding overexploitation is to be addressed in SO2.3 (v), while biodiversity related CC adaptation, especially in relation to their effects on habitats, protected areas and forestry are to be addressed in SO2.4 (vii). Flood risk, droughts and the related disasters are major challenges across the Danube Region. The main transboundary river basins, the Tisa in particular, but the Danube, the Mura-Drava, and the Sava River Basins as well are flood prone areas that emphasise the necessity of transnational cooperation in joint, integrated flood risk management and preparedness for disasters, including application of nature-based solutions (exploring the potentials of floodplain restoration measures can fit SO 2.2, if specifically focusing on flood management). Actions to be supported by the programme can have relevant contribution to the implementation of the Danube Flood Risk Management Plan (DFRMP), developed and adopted by the member countries of the International Commission for the Protection of the Danube River (ICPDR), a policy platform coordinating water related issues, including floods, of the Danube River Basin countries, being great value for the Danube Region. The potential impact and damage that accidental pollutions can cause along these major transboundary rivers across countries make also necessary of coordinated, harmonised approaches of emergency response. Flood and accidental pollution management actions supported in the frame of SO 2.2 (iv) shall focus on the main transboundary river(-basin)s of the DRB, following a territorially integrated, cross-sectoral approach. Climate change related environmental risks and disasters like droughts, forest fires or heat waves are becoming more frequent issues in many different parts of the Danube Region. Although these phenomena don't have transnational impacts, it is important to harmonise and standardise the procedures of response authorities and organisations at transnational scale for a more effective preparedness and response in case of emergency situations. Socio-economic impacts of Climate Change can also be tackled under this SO by improving the preparedness and adaptation capacities of the society, economy and the environment.

Supported projects shall take into consideration the existing mechanisms (e.g. EU Civil Protection Mechanism; or Accident Emergency Warning System of ICPDR, etc.), solutions in the targeted thematic fields in order to gain synergies and avoid duplication of the efforts, as well as that no major infrastructures

can be financed by the DRP. The objectives of the programme take into account the "do no significant harm" principle

Focus 1: Supporting harmonised, joint capacities and data availability in Danube Region scale climate change forecasting and vulnerability assessment to support policy making and awareness raising

Focus 2: Supporting harmonised, coordinated, joint disaster prevention, preparedness and response activities on environmental risks, on floods, droughts, or accidental pollution of rivers on transnational river(-basin) scale and climate-change related other disasters (e.g. wildfires, heat waves)

Focus 3: Strengthen the preparedness and adaptive capacity of the society (including also disaster management organisations, volunteer rescue teams), economy and nature to cope with impacts of climate change and establish climate services to foster the resilience

Examples of related types of possible actions (non-exhaustive list):

· Harmonised, joint solutions and measures for climate change modelling, forecasting and vulnerability assessment on Danube Region / River Basin scale ensuring their application at policy and, or operational level;

·Integration of new research results into climate change adaptation practice for different types of territories in targeted thematic fields (e.g. floods, droughts) and improving skills and competences for policy makers and stakeholders;

· Coordinated, harmonised efforts on transnational river(basin) scale to prevent flood risks, or drought, with a preferred option of nature-based solutions;

· Harmonised, joint planning, monitoring and alert systems, accident hot-spot inventories on industrial, mining and contaminated sites, improving operational cooperation, interoperability, institutional and technical capacities of emergency response authorities and non-governmental organisations to combat environmental risks, such as flood, drought or accidental pollution of transboundary river(-basin)s, or wildfires and climate-change related other disasters;

· Developing and implementing regional level climate change, environmental risks related disaster preparedness activities and establish standardised minimum requirements for disaster responders to achieve better and more effective transnational disaster response in the region.

The implementation of transnational cooperation projects, which focus on the thematic fields and carry out such actions that are defined within this SO, will ensure that climate change adaptation, disaster risk prevention and resilience is well promoted within the Danube Region and at the same time will also contribute to the EUSDR, especially to the actions and targets of PA5.

Expected results:

Transnational cooperation actions will result that the society, economy and nature of the Danube Region is better prepared for and more resilient to the potential impacts of climate change and the related environmental risks (like floods, droughts, wildfires, heat waves or accidental pollution of rivers) through the improved, harmonised human and technical capacities, data availability, strategic and operational cooperation and broader application of pilot tested, innovative solutions in the field of climate change adaptation, risk prevention and disaster management.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.4	RCO87	Organisations cooperating across borders	organisations	0	120
2	RSO2.4	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	40
2	RSO2.4	RCO116	Jointly developed solutions	solutions	0	30
2	RSO2.4	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	30

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.4	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	30.00	Monitoring system	
2	RSO2.4	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	120.00	Monitoring system	The indicator is semi-qualitative
2	RSO2.4	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	30.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies.

Target groups comprise according to their thematic scope among others of public sector including local, regional and national authorities, policy makers, research institutions in the field of water-flood management, hydro-meteorological services, disaster management, regional development agencies, associations, special interest groups, professional and volunteer civil protection and rescue organisations, NGOs, education and training organisations, financing institutions and the private sector.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region and encourage approaches at the macro-regional scale. Territories that are most vulnerable and affected by climate change impacts should however be in the focus in order to benefit most from exchanging with and learning from other regions with similar pressures.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	058. Adaptation to climate change measures and prevention and management of climate related risks: floods and landslides (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	10,024,271.79
2	RSO2.4	Interreg Funds	059. Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2,004,854.36
2	RSO2.4	Interreg Funds	060. Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	7,016,990.25
2	RSO2.4	Interreg Funds	061. Risk prevention and management of non□climate related natural risks (for example earthquakes) and risks linked to human activities (for example technological accidents), including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches	1,002,427.18

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	01. Grant	20,048,543.58

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	33. Other approaches - No territorial targeting	20,048,543.58

2.1.1. Specific objective: RSO2.5. Promoting access to water and sustainable water management

Reference: point (e) of Article 17(3)

Sustainable, integrated, transnational water and sediment management in the Danube River Basin ensuring good quality and quantity of waters and sediment balance

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

One of the basic features of the Danube Region that it covers almost the entire water system of the Danube River Basin (DRB). Beyond the Danube River there are shared water bodies and water catchment areas of transnational importance, like the Tisa (TRB), Sava (SRB), Mura-Drava River Sub-basins. Pressures affecting the water quantity quality and sediment balance of these transboundary river(basin)s, surface and underground water bodies like contamination and water pollution or increasing water use, decreasing ground water levels, shrinking supplies, increasing periods of low water in transnational river systems can have serious impacts beyond country borders that make necessary the cooperation of key actors from upstream and downstream countries. It is a great advantage of the region that the policy framework for transboundary cooperation in the field of water management exists for many years and facilitated on the DRB level by the International Commission for the Protection of the Danube River (ICPDR), on the SRB by the International Sava River Basin Commission (ISRBC), or on the TRB by the Tisza Group of ICPDR. These platforms elaborated and regularly update the respective transnational river basin management plans (RBMP), identifying the Significant Water Management Issues and the necessary measures on transnational level. Actions to be supported by the programme can have relevant contributions to the implementation of the DRBMP and of the other sub-basin RBMPs. Despite the improvements achieved in previous years by the coordinated efforts of these countries, for good chemical and ecological status of the transnational water bodies of DRB, further cooperation is needed to tackle pollution (organic, nutrient, hazardous substances, pharmaceuticals, plastics) affecting quality of water in transboundary river systems and groundwater bodies. Emergency response to accidental pollution of these river systems are however to be addressed in connection to SO2.2 (iv). Hydromorphological alterations, including interruptions of river continuity and sediment balance alterations, may impact the status of transboundary surface and ground water systems. Support can be made for integrated, transnational river(-basin) scale efforts for harmonising management practices between water management, agriculture and forestry, environment, navigation, hydropower and flood protection to improve the quality and quantity of water and sediment in relevant river systems. Exploring the potentials of floodplain restoration can fit SO 2.3 (v) if its focus is on improving water quality, or reactivating a more natural sediment transport (if the focus is on flood protection, then projects shall address SO 2.2 (iv) and reconnection of flood plains and wetlands in relation to ecological corridors and biodiversity shall be addressed in the context of SO2.4 (vii)). Due to climate change the periods of low water in river systems are incrising in the DRB, affecting the quantity and quality of its waters. Transnational coordination in the field of water supply management in the frames of a river basin management system, including basin-wide importance of groundwater bodies, is required. Integrated, transnational approaches are needed also to address low water periods along the main rivers of the DRB, affecting sediment transport, navigation, hydropower operation, ecology, as well as the quality of these waters. Water management actions supported in the frame of SO2.3 (v) shall focus on the main transboundary river(-basin)s of the DRB, following a territorially integrated, cross-sectoral approach and shall take into consideration the potential negative effects of climate change, as well as that the DRP is not financing investments of major infrastructures. Actions should seek synergies with European and national instruments, in particular related to the EU Green Deal, taking into account results from programmes like LIFE, Horizon Europe, or its specific initiative the Danube River Basin lighthouse. The objectives of the programme take into account the “do no significant

harm" principle.

Focus 1: Strengthening capacities for prevention and mitigation of water pollution or for restoration of good quality of transnational water bodies

Focus 2: Harmonising management practices between water management, agriculture, environment, navigation, hydropower and flood protection to improve the quality and quantity of water and sediment in transnational river systems, taking into consideration the potential impacts of climate change.

Focus 3: Transnational coordination of water supply management, especially in relation to basin-wide importance of groundwater bodies.

Examples of related types of possible actions (non-exhaustive list):

· Ensuring harmonised data availability by more effective monitoring and modelling systems for improving transnational water management measures ;

· Strengthening institutional, management and technical capacity to prevent and mitigate water pollution or to restore good quality of water with special regard to hazardous and emerging substances pollution, agriculture and waste water management, taking also into account the possible impacts of climate change on the quality of water;

· Improving sediment balance and related morphodynamics, or exploring the potentials of reconnection of adjacent floodplains / wetlands in order to improve water quality, in transnational water bodies;

· Developing harmonised, joint monitoring and modelling sytem(s) in order to better understand the transboundary groundwater systems of Danube River Basin;

· Defining joint strategies and harmonised measures, elaborating and adopting innovative solutions (e.g. water reuse best practices) in relation to water exploitation and protection ensuring balanced use of water, taking also into account the impacts of climate change for future water demand;

· Ensuring harmonised data availability, adaptation of integrated strategies, plans and solutions in connection to climate change induced increase of low water periods on the main transnational rivers of DRB, affecting sediment transport, navigation, hydropower management and the ecosystem.

The strengthened institutional capacities, harmonised monitoring tools, integrated solutions on transnational level with the involvement of key actors and sectors for reducing water pollution, improving quality, quantitiy and balanced use of water, ensuring sediment balance in transnational river systems, addressing also the related challenges of climate changewill strongly contribute to the objective of sustainable water management within the Danube River Basin and the EU, to the objectives of EUSDR, especially to the actions and targets of PA4.

Expected results:

Through the transnational cooperation actions the key stakeholders will gain improved capacities, integrated strategies and harmonised, joint solutions, which will enable them to better prevent and mitigate pollution of transnational water bodies. Transnational actions will improve cross-sector management practices contributing to improvement of the quality and balanced us of water, as well as the sediment balance in transnational river systems. Harmonized approaches and jointly tested solutions will improve capacities, data availability and allow better preparedness to adapt to the changing climate affecting transnational rivers of the Danube River Basin.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.5	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	23
2	RSO2.5	RCO87	Organisations cooperating across borders	organisations	0	92
2	RSO2.5	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	31
2	RSO2.5	RCO116	Jointly developed solutions	solutions	0	23

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.5	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	92.00	Monitoring system	The indicator is semi-qualitative
2	RSO2.5	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	23.00	Monitoring system	
2	RSO2.5	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	23.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities responsible for water management, or environmental issues, hydro-meteorological services, infrastructure and (public) service providers (e.g. for water supply, waste water treatment, hydro power plants), interest groups including NGOs (e.g. international organisation, environmental organisations, farmer associations, voluntary association, etc.), research and development institutions, universities with research facilities, higher education, education/training centre and school.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the needs and challenges of the entire Danube river basing (including shared bodies and water catchment areas of transnational importance).

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	064. Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)	15,262,584.99

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	01. Grant	15,262,584.99

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	33. Other approaches - No territorial targeting	15,262,584.99

2.1.1. Specific objective: RSO2.7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

Reference: point (e) of Article 17(3)

Protecting and preserving the biodiversity in ecological corridors and eco-regions of transnational relevance in the Danube Region

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The Danube Region is a colorful mosaic of different biogeographical regions resulting in high biodiversity, the Danube River and its tributaries being the veins of the region with its riverine and wetland habitats (e.g. the Danube and its Delta, the Mura-Drava-Danube TBR) while mountainous landscapes (e.g. Carpathians, Dynaric Alps, Czech Forest-Bavarian Forest) framing the territory. The major rivers and mountain ranges are also important transnational ecological corridors providing connectivity between key habitats. This richness of the region is also reflected by the high number of protected areas. However this rich biodiversity is endangered by many factors, human interventions, spreading of invasive alien species and the climate change impacting the conditions of ecosystems, which need solutions often on a broader territorial level in which transnational cooperation can be essential. One of the main challenges is related to the fragmentation of transnational habitats and ecosystems, which calls for supporting the improvement of ecological connectivity, tackling fragmentation between habitats, nature protection areas along transnationally relevant ecological corridors. This can include exploration of the potentials of restoration and reconnection of floodplains, wetlands and their adjacent areas as well as forest ecosystems for improving ecological connectivity and enancing biodiversity, (floodplain restoration initiatives focusing on flood protection shall address SO 2.2, while those focusing on waterquality issues fit SO 2.3). Despite of existing cooperation frameworks of ecological regions and protected areas (DANUBEPARKS, Carpathian Network of Protected Areas, Mura-Drava-Danube Transboundary Biosphere Reserve, European Green Belt Initiative) weak management capacities and skills for ecological regions of transnational relevance (e.g. Carpathian Mountains, Pannonian landscapes, transnational river habitats, European Green Belt) raises the issue of development of transnational management schemes, establishing and strengthening cooperation frameworks in relation to ecological regions and protected areas in an integrated territorial approach involving other key sectors (e.g. transport, agriculture, forestry, navigation, water management, spatial planning, tourism, fishery). Joint conservation and preservation techniques and planning schemes are needed, including protecting the quality of soils to enhance biodiversity of the targeted eco-regions. Institutionalised management network(s) of transboundary ecological regions would create real transnational impact. The ecological balance of ecosystems in the Region, the protected areas are endangered also by invasive alien species. This calls for joint solutions in prevention and control of IAS and management of their priority pathways within targeted ecological regions of transnational relevance. Joint and harmonised measures for preserving and restoring the dynamics of key habitats of umbrella species of the transnational ecological regions are also very important as such measures can contribute to the protection of many other species as well within that territory.As climate change is more and more affecting the biodiversity, efforts shall be made to address such risks by coordinated and harmonised measures within trasnationally relevant ecological regions and plan activities that can ensure stronger resilience and adaptation to the changing conditions. Projects in general are expected to address transnationally relevant geographic areas, distinct biogeographic regions, ecological corridors, ecoregions and depending on the thematic focus, they shall strive for an integrated territorial approach involving other key sectors beyond environmental and nature protection relevant in the specific context and area, taking also into consideration that major infrastructural investments cannot be financed from DRP. The objectives of the programme take into account the “do no significant harm” principle.

Focus 1: Transnational cooperation for the improvement of ecological connectivity between habitats, nature protection areas along transnationally relevant ecological corridors of the Danube Region and for transnational conservation and restoration measures for endangered umbrella species as well.

Focus 2: Creation and strengthening of networks of cooperation in relation to the ecological regions and among protected areas

Focus 3: Coordinated and harmonised measures within trasnationaly relevant ecological regions ensuring resilience and adaptation to climate change to reduce its impacts on biodiversity

Examples of related types of possible actions (non-exhaustive list):

· Harmonised, joint efforts to improve, restore, manage and monitor ecological connectivity along transnationally relevant ecological corridors, including examination of the potentials of green and blue infrastructure developments and solutions for effective defragmentation;

· Actions in revitalisation and rehabilitation of water habitats along major transnational river (systems), exploring the potentials of restoration and reconnection of floodplains, wetlands and their adjacent areas;

· Establishing (institutionalised) management and cooperation network(s) of 'Danubian' transboundary ecological regions, harmonised management strategies and solutions, conservation and preservation techniques, toolkits ensuring also sustainable use of natural resources;

· Increasing the resilience of habitats and ecosystems of transboundary ecological regions and their ability to adapt to climate change impacts by development of eco-friendly land use systems, landscape management and soil protection and restoration measures;

· Coordinated, joint solutions in prevention and control of IAS and management of their priority pathways.

· Joint and harmonised development and implementation of transnational monitoring, conservation and restoration and management plans for endangered umbrella species (e.g. sturgeons, large carnivores) of the Danube Region.

The transnational activities will contribute to the improvement of ecological connectivity along transnational ecological corridors, to the strengthening of cooperation networks in ecological regions, the enhancement of conditions for umbrella species, combating IAS and reducing impacts of climate change on biodiversity that together will enhance protection and preservation of nature, biodiversity, and green infrastructure in the Danube Region and the EU, contributing at the same time to the objectives of the EU Biodiversity Strategy 2030 (e.g. at least 30% of the land … should be protected in the EU; restoring freshwater ecosystems) and of EUSDR, especially to the actions and targets of PA6.

Expected results:

Transnational cooperation actions will improve policy development and increase knowledge and capacities leading to more effective protection and preservation of the nature and biodiversity in ecological corridors and eco-regions of transnational relevance in the Danube Region. Transnational actions will contribute to new and better coordinated cooperation networks and improved governance of protected areas and ecological regions. Pilot tested, innovative solutions will provide better preparedness ensuring resilience and adaptation to climate change to reduce its impacts on biodiversity of the Region.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.7	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	33
2	RSO2.7	RCO116	Jointly developed solutions	solutions	0	25
2	RSO2.7	RCO87	Organisations cooperating across borders	organisations	0	98
2	RSO2.7	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	25

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.7	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	25.00	Monitoring system	
2	RSO2.7	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	98.00	Monitoring system	The indicator is semi-qualitative
2	RSO2.7	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	25.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities responsible for environmental and nature protection issues, agriculture (farming, forestry, fishery), spatial planners, infrastructure and (public) service providers (e.g. water management, transport, hydropower), interest groups including NGOs (e.g. international organisation, environmental organisations, voluntary association, etc.), research and development institutions, universities with research facilities, higher education, education/training centre and school.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the transnational ecological corridors of the Danube region as well as ecological regions.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	078. Protection, restoration and sustainable use of Natura 2000 sites	2,454,099.19
2	RSO2.7	Interreg Funds	079. Nature and biodiversity protection, natural heritage and resources, green and blue infrastructure	9,816,396.78
2	RSO2.7	Interreg Funds	060. Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	4,090,165.32

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	01. Grant	16,360,661.29

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	33. Other approaches - No territorial targeting	16,360,661.29

2.1. Priority: 3 - A more social Danube Region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO4.1. Enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy

Reference: point (e) of Article 17(3)

Accessible, inclusive and effective labour markets

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The Danube Region (DR) is affected by the interconnected challenges of persistent long-term unemployment, profound income inequalities, intensifying westward labour migration and a weak social economy. Employment is a field in which increasing socio-spatial disparities in the DR can be found causing severe weakening of cohesion.

Prior to the pandemic there had been significant improvements in overall national employment rates in parts of the DR, particularly in large urban conurbations. However, there exist patterns of entrenched long term unemployment throughout the DR which have not changed significantly. It can be observed that these patterns are mostly evident amongst vulnerable groups, which include ethnic minorities (e.g. Roma), the aged and those persons with disabilities. It is also generally observed that the vulnerability is enhanced in rural areas and amongst those with relatively low levels of education; a disadvantage which begins at a young age. This is compounded in certain regions which have historically relied on employment in mono functional industrial and agricultural production facilities which over time have been subject to closure, downsizing or re-purposing. In every country of the DR women's employment rate is less than men which needs to be understood to improve integration and develop potential opportunities.

The persisting north-west versus south-east divide in spatial inequalities on the labour markets is resulting in depopulation, ageing, unfavorable economic structures, low population retention, and transboundary peripheries. The DR is a part of Europe where large shares of the population are currently living abroad partly because of differences in employment conditions. Since high inequalities are going to be present in the medium/long run, it is of major importance to tackle the challenges deriving from westward migration flows. The challenge is exacebated in rural areas with migration internally to the larger conurbations.

It can be observed that the social economy is relatively weak in significant parts of the region and the development of the social economy alongside traditional employment support measures can potentially provide innovative approaches in tackling the long term unemployment challenge. In addition, capacity building across the region towards producing and managing information flows on employment, vulnerability and migration trends can help guide understanding towards the development of effective policy, planning and initiatives.

It is important that measures towards accessible, inclusive and effective labour markets take a holsitic approach in considering both the demand side needs of employers and the supply side needs of labour. The current context and potential impact of the Covid 19 pandemic on employment should also be an important consideration.

Focus 1: The integration of vulnerable groups into the labour market, with special attention on regions that display high proportions of disadvantaged.

Focus 2: Retaining skilled labour and developing a more sustainable migration of educated people.

Focus 3: Capacity building for employment support bodies (information and data systems; coordination; training e.g. in social economy).

Examples of related types of possible actions (non-exhaustive list):

- Joint coordination of policies and planning aimed at integrating disadvantaged groups (elderly people, people with disabilities, ethnic minorities, rural people, women, youth etc.) to support accessible and inclusive employment in regions that display high proportions of disadvantaged populace;
- Support for designing innovative policies and planning to retain skilled labour and a more sustainable migration of educated people (e.g. by introducing transnational study and RDI programmes, promoting innovative employment schemes suitable for the needs of the tertiary educated living in rural regions or regions significantly affected by this type of migration);
- Creation of an information system and support for the provision of information and data about life events connected to periodic and permanent migration of workforce, caused by labour market inequalities; between the eastern and the western parts of the macro region;
- Coordinated policies and strategies to tackle active ageing (e.g. by social entrepreneurship) in regions and cities of the macro region affected by a high level of ageing;
- Developing cooperation and innovative planning between bodies responsible for labour market integration and the private sector towards enhancing the inclusion of the disabled in the labour market;
- Build-up of a "Danube observatory system" about labour migration and its impacts on cohesion; involving public bodies responsible for monitoring & evaluation, academia and civil society;
- Developing models to explore and demonstrate the effectiveness of remote working towards developing employment inclusiveness and meeting regional social and economic goals;
- Restructuring and diversification of employment by the implementation of territorially integrated action plans for employment with a special focus on enhancing the spreading of innovative structures targeting mono-functional (e.g. agricultural, industrial) regions. This could include green jobs development.

These type of activities contribute to this SO through developing more effective employment support structures in the Danube Region, promoting inclusion of the disadvantaged, working to enhance the social economy and providing the understanding of and direction towards a more balanced socio economic development. The approach 20 principles of the European Pillar of Social Rights are the beacon guiding us towards a strong social Europe that is fair, inclusive and full of opportunity. There is a strong contribution to PA9 of the EUSDR with the approach to tackling the challenge of unemployment but also PA10 with the capacity building direction. The objectives of the programme take into account the "do no significant harm" principle.

Expected results:

Transnational cooperation actions will lead to the developed capacity of regions to facilitate the integration of vulnerable groups into the labour market, to understand and promote sustainable migration in the Danube Region and to be proactive and innovative as part of region wide information flows, joint knowledge development and shared innovative practice. Regional imbalance will be reduced and regions will be better prepared and more resilient to face changing labour market dynamics.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO4.1	RCO82	Participations in joint actions promoting gender equality, equal opportunities and social inclusion	participations	0	200
3	RSO4.1	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	34
3	RSO4.1	RCO116	Jointly developed solutions	solutions	0	26
3	RSO4.1	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	26
3	RSO4.1	RCO87	Organisations cooperating across borders	organisations	0	103

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO4.1	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	26.00	Monitoring system	
3	RSO4.1	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	26.00	Monitoring system	
3	RSO4.1	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	103.00	Monitoring system	The indicator is semi-qualitative
3	RSO4.1	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021-2027	100.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities, social services providers, labour market organisations, non-governmental organisations, research and development institutions, universities with research facilities, higher education, education/training institutions.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region and encourage approaches at the macro-regional scale. The different actions should address the needs of e.g. disadvantaged, remote regions.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.1	Interreg Funds	135. Measures to promote access to employment of long□term unemployed	2,308,626.18
3	RSO4.1	Interreg Funds	146. Support for adaptation of workers, enterprises and entrepreneurs to change	1,539,084.12
3	RSO4.1	Interreg Funds	139. Measures to modernise and strengthen labour market institutions and services to assess and anticipate skills needs and to ensure timely and tailor□made assistance	3,847,710.30
3	RSO4.1	Interreg Funds	147. Measures encouraging active and healthy ageing	1,539,084.12
3	RSO4.1	Interreg Funds	154. Measures to improve access of marginalised groups such as the Roma to education, employment and to promote their social inclusion	4,617,252.36
3	RSO4.1	Interreg Funds	138. Support for social economy and social enterprises	1,539,084.12

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.1	Interreg Funds	01. Grant	15,390,841.20

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.1	Interreg Funds	33. Other approaches - No territorial targeting	15,390,841.20

2.1.1. Specific objective: RSO4.2. Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

Reference: point (e) of Article 17(3)

Accessible and inclusive quality services in education, training and lifelong learning

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The integration of an individuial into the labour market, their socio-economic well being, ongoing development and value to their society and region is highly dependent on their education and skills, vocational education and training and lifelong learning. There are good education models within the Danube Region to facilitate this but at the same time there are many regions that lack effective structures and models to develop their human capital which contributes to regional imbalances and negative trends e.g. out migration. It is fundamental therefore that the provider systems are accessible and inclusive and tailored to the level and background of individuals whilst at the same time providing relevant and recognised training and qualifications for the Danube Region and beyond.

The ratio of early leavers from education is significant through most parts of the region, with the majority failing to meet the EU 2020 targets. A deteriorating tendency is observable especially in the eastern regions, which usually contain rural areas with a high share of disadvantaged population and with a weak integration of the children into the school system. Underrepresented minority groups and rural disadvantaged are also apparent in terms of those benefitting from a tertiary education.

The currently applied and running learning structures tend to be rather rigid, and the majority of the educational infrastructure and services lack flexibility (in terms of responsiveness to labour market needs), competence, orientation and openness (e.g. acknowledgement of informal education) and adequate governance structure. Non-harmonised demand and supply concerning vocational education and training and vocational schools cause frictions in the labour market that result in exclusion. The development of proven inclusive labour market vocational education and training structures can efficiently contribute to inclusion, cohesion and long-term unemployment reduction.

Though more difficult in rural areas organised vocational education and training has an established history in the region which can be built upon. However, supportive independent lifelong learning is below the EU average in all countries of the region but Austria and Slovenia.

Focus 1: Developing innovative educational models, programs, practical tools and materials for disadvantaged learners, including early school leavers

Focus 2: Maximising the use of existing knowledge and experience to develop best practices in inclusive education policy and advancing education and policy reform

Focus 3: Innovative approaches to encourage and improve inclusive vocational education and training and and life long learning

Examples of related types of possible actions (non-exhaustive list):

· Development of joint innovative educational models, programs, practical tools and materials to support accessible and inclusive education for disadvantaged learners.The expected approach to develop on from model regions within the Danube region and with mutual learning developed from pilot

regions;

· Developing best practices in education policy, gathering and disseminiating kowledge and advancing education and policy reforms at the national and regional level across the Danube Region;

· Establishment or development of existing scientific and educational networks to combat brain drain, whereby educated and skilled individuals leave regions for better prospects. Networks should bring existing knowledge and research together and develop concrete outputs;

· Innovative digital and remote education with e-solutions to mitigate rural disadvantage, provide employment related training and combat brain drain;

· Knowledge exchange and the sharing of experience in elaborating and developing accessible and inclusive vocational education and training models and systems. This should lead to concrete outputs e.g. the development of work based training schemes which better support relevant skills development to match the needs of the labour market.

The above direction will contribute to the specific objective through using the strengths within the region to develop a more connected, balanced and inclusive education, training and lifelong learning provision for disadvantaged regions and individuals. The approach links closely to the PA9 and PA10 of the EUSDR with the inclusive education and training approach, the link to employment needs and the capacity building aspects. The objectives of the programme take into account the "do no significant harm" principle.

Expected results:

The transnational cooperation actions will result in capacity developed to improve regional human capital for the benefit of society, the economy and regional balance. Regions will complement their existing models of education with dedicated best practice and innovative models to address disadvantaged learners which will result in a more inclusive education system and an expanded and more attractive potential workforce. Participating organisations will provide regions with the opportunity, perhaps for the first time, to feel part of a wider network within the Danube Region dedicated to inclusive education and opportunity.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO4.2	RCO116	Jointly developed solutions	solutions	0	26
3	RSO4.2	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	26
3	RSO4.2	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	34
3	RSO4.2	RCO87	Organisations cooperating across borders	organisations	0	103
3	RSO4.2	RCO82	Participations in joint actions promoting gender equality, equal opportunities and social inclusion	participations	0	200

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO4.2	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	26.00	Monitoring system	
3	RSO4.2	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	103.00	Monitoring system	The indicator is semi-qualitative
3	RSO4.2	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	26.00	Monitoring system	
3	RSO4.2	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021-2027	100.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities, social services providers, labour market organisations, non-governmental organisations, research and development institutions, universities with research facilities, higher education, education/training institutions.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region and encourage approaches at the macro-regional scale.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	149. Support for primary to secondary education (excluding infrastructure)	3,078,168.24
3	RSO4.2	Interreg Funds	150. Support for tertiary education (excluding infrastructure)	1,539,084.12
3	RSO4.2	Interreg Funds	151. Support for adult education (excluding infrastructure)	4,617,252.36
3	RSO4.2	Interreg Funds	152. Measures to promote equal opportunities and active participation in society	1,539,084.12
3	RSO4.2	Interreg Funds	154. Measures to improve access of marginalised groups such as the Roma to education, employment and to promote their social inclusion	4,617,252.36

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	01. Grant	15,390,841.20

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	33. Other approaches - No territorial targeting	15,390,841.20

2.1.1. Specific objective: RSO4.6. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

Reference: point (e) of Article 17(3)

Socio-economic development through heritage, culture and tourism

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The Danube Region is characterised by an outstanding cultural diversity that over the centuries has left a rich legacy of intangible and tangible heritage that is often not recognised for its potential towards economic development, social inclusion and social innovation. Generally, major cities have, to varying degrees, acknowledged and sought to use this value, whilst smaller communities in rural and remote areas have not, even though they have a great potential in valorising their diverse heritage towards increasing the well-being of their communities.

Many of the remote, rural areas and smaller settlements are confronted with a lack of in depth recognition of the heritage and cultural assets value potential that they have and miss inclusive strategic planning to guide and coordinate its valorisation. Furthermore, even where initiatives exist, their implementation is often hindered by the skepticism of the local communities.

Part of the problem lies in the historically limited access to cultural and heritage assets and initiatives, both in a geographical and a socially inclusive sense in the Danube region. Efforts should therefore be made to make these assets and initiatives available to all, even if this can be a challenging process for minorities and rural and remote areas. With experience across 14 countries, transnational cooperation can support this with jointly developed valorisation and touristic models and solutions in rural, remote areas and smaller cities. This based on the existing heritage and culture and underpinned from the strong involvement of all parts of the local community.

The consideration of heritage and culture, its valorisation and inclusive accessible development is multifaceted and necessitates the bringing together of partnerships of public and private actors along with social, cultural actors and local communities. Such partnerships can create strategic frameworks and planning towards sustainable valorisation of the heritage and culture, creating and sustaining in particular, community led tourism. Understanding the potential of existing assets will require the consideration of supportive infrastructure, and partnerships may consider how to maximise the use of existing supportive infrastructure but also to plan future investments which support accessibility for all. Social innovation is strongly encouraged, which can provide a more inclusive and effective approach in meeting the needs of local communities and provide sustainable impact.

Digitisation, digitalisation, artificial intelligence and the internet of things are spurring innovative approaches in all industries and tourism is no exception. Accessibility, valorization and community led culture and heritage based tourism can all be enhanced by these developments. Such approaches can also contribute towards initiatives such as Europe’s Digital Decade andEurope’s digitization targets for cultural heritage assets.

During the course of planning and implementation the principles of sustainable development and sustainable and responsible tourism are expected to be in focus. Approaches towards socio-economic development through heritage, culture and tourism initiatives should, as a standard, takefull account of their of current and future economic, social and environmental impacts.

Focus 1: Valorisation of local cultural and natural heritage for the development of sustainable tourism products and tourism services in order to increase

regional added value and employment

Focus 2: Improvement of accessibility of cultural and natural heritage for all, amongst others youth and vulnerable groups in order to promote social inclusion.

Focus 3: Promoting community led natural and cultural heritage management and associated nature based and cultural tourism in rural areas and small cities

Examples of related types of possible actions (non-exhaustive list):

· Improving the accessibility of tourism and culture infrastructure, products and services for vulnerable groups, such as minorities, people with disabilities, the elderly and youth in regions with low levels of accessibility and high levels of vulnerable groups. Innovative approaches involving digitization, digitalization, artificial intelligence and the internet of things are encouraged;

·Valorisation of joint natural and cultural heritage and cultural activities through the elaboration of new or improved thematic initiatives for example cultural, hiking, cycling or other thematic routes and initiatives across the macro-region with a special focus on rural or less visited areas;

· Capacity building and development of innovative models for community based tourism to better secure the engagement of host communities by involving them in the planning, management and implementation tourism development in their respective regions;

· Capacity building in social innovation to better support valorisation of joint cultural and natural heritage, in particular for tourism and their heritage management schemes (study, collection, preservation, digitalization, exhibition and re-interpretation of joint tangible and intangible elements);

· Promoting quality products, services and transnational infrastructure in the tourism and culture sector to support the social inclusion of disadvantaged people via new employment forms and job opportunities. This especially in relation to regions with a high share of ethnic minorities and areas with a large share of population at risk of poverty including the youth, elderly or disabled;

Promote sustainable and slow tourism concepts, planning methodologies, model regions, and management tools in the Danube Region, in regions of mass tourism as well as in regions having a weakly developed tourism sector, including those at risk due to climate change. Actions should promote and safeguard employability and employment possibilities to vulnerable groups of host communities, and capitalise on EUSDR projects in the interconnected areas of culture, nature and tourism.The above contributes to the specific objective with its socio-economic approach which develops inclusivity and economic opportunity in the frame of sustainable tourism which connects the local to the wider Danube Region. The approach also coheres with the EUSDR, particularly PA3 with the valorisation and sustainable tourism and also with the employment, skills and capacity building of PA9 and PA10 respectively. The objectives of the programme take into account the "do no significant harm" principle.

Expected results:

The transnational cooperation actions will result in new and widened understandings of the value of local nature, cultural heritage and the local community and how this connects more widely in the Danube Region. Concepts, plans and models will result in accessible natural and cultural heritage and community involved valorisation of this through tourism. The existing touristic offer will be strengthened, widened and more sustainable and the offer will be expanded with new initiatives finding the understanding and space to develop. The foundation will be provided for social inclusion through new and expanded community involvement in planning and with capacity built to support employment opportunities including social enterprises and SMEs.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO4.6	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	46
3	RSO4.6	RCO87	Organisations cooperating across borders	organisations	0	137
3	RSO4.6	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	34
3	RSO4.6	RCO116	Jointly developed solutions	solutions	0	34

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO4.6	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	34.00	Monitoring system	
3	RSO4.6	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	34.00	Monitoring system	
3	RSO4.6	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	137.00	Monitoring system	The indicator is semi-qualitative

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities responsible for environmental, tourist and cultural issues, sectoral agencies, regional development agencies, social enterprises, employment organisations, tourist operators, tourist information centres (points), regional tourism boards/ destination management organisations and museums, research and development institutions, universities with research facilities, business support organisation (e.g. chamber of commerce, business innovations centres), higher education, education/training centre and school, NGOs, private enterprises including SME.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region and encourage approaches at the macro-regional scale. The different actions should address the needs of e.g. remote, rural areas and smaller settlements.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.6	Interreg Funds	137. Support for self□employment and business start□ups	4,104,224.32
3	RSO4.6	Interreg Funds	134. Measures to improve access to employment	5,130,280.40
3	RSO4.6	Interreg Funds	154. Measures to improve access of marginalised groups such as the Roma to education, employment and to promote their social inclusion	5,130,280.40
3	RSO4.6	Interreg Funds	138. Support for social economy and social enterprises	4,104,224.32
3	RSO4.6	Interreg Funds	146. Support for adaptation of workers, enterprises and entrepreneurs to change	2,052,112.16

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.6	Interreg Funds	01. Grant	20,521,121.60

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.6	Interreg Funds	33. Other approaches - No territorial targeting	20,521,121.60

2.1. Priority: 4 - A better cooperation governance in the Danube Region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: ISO6.4. Enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies (all strands)

Reference: point (e) of Article 17(3)

Support for the governance of the EUSDR

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Danube Programme support to the EUSDR shall contribute to ensuring continuity, stabilization and further evolvement of the EUSDR governance in view of successfully implementing the EUSDR Action Plan. A support scheme for EUSDR PAs shall strengthen the internal governance PAs and enable the effective functioning of PA Steering Groups under active involvement of non-EU member states. It shall, furthermore, pave the way for a more strategic and comprehensive approach with regard to horizontal coordination among PAs, other EUSDR key-stakeholders, other macro-regional strategies and relevant Managing Authorities of funding programmes (“embedding”).

There is a need for funding a support structure (Danube Strategy Point) in charge of facilitating and coordinating the activities of EUSDR bodies and main actors and for carrying out horizontal EUSDR-level tasks in relation to EUSDR evaluation, monitoring, capacity building for specific target groups and communication, including support to the organization of EUSDR Annual Fora.

A seed money facility (SMF) shall serve as tool to kick-start strategic projects and for initiating and preparing of large-scale initiatives. The set-up of a SMF shall ensure effective ownership through EUSDR PAs and shall be fully aligned to the EUSDR Action Plan.

All support measure shall consider horizontal challenges such as the better involvement of non-EU states into the EUSDR framework or bringing the EUSDR closer to civil society and citizens. At the same time the link between the political level and the EUSDR shall be strengthened through an intensified involvement of political key-actors, more targeted lobbying for and implementation of EUSDR topics at legislative levels. Finally, the programme support to the EUSDR shall consider major political frameworks such as the green deal pact, the Western Balkan Enlargement Process or the Territorial Agenda 2030 and shall ensure the adequate coordination between EUSDR actions and post pandemic programmes. The objectives of the programme take into account the “do no significant harm” principle.

Main objectives of the Danube Region Programme support to EUSDR governance

· Strengthening capacities and technical support to facilitate coordination, monitoring, evaluation and communication of the EUSDR in view of the successful implementation of the EUSDR action Plan.

·Strengthening the transnational coordination and cooperation within the EUSDR PAs thus facilitating the strategy implementation and enabling the active participation of all the EUSDR Partner States, with special attention to the non-Member States.

·Strengthening the capacity for the development of transnational strategic projects that contribute to the EUSDR Action Plan.

Expected result:

Improved effectiveness of well-functioning EUSDR governance structures and strengthened capacities of the EUSDR key stakeholders to implement and communicate the EUSDR.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
4	ISO6.4	RCO116	Jointly developed solutions	solutions	0	4
4	ISO6.4	RCO118	Organisations cooperating for the multi-level governance of macroregional strategies	organisations	0	84
4	ISO6.4	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	4

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
4	ISO6.4	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	4.00	Monitoring system	
4	ISO6.4	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2027	84.00	Monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include EUSDR governing bodies, all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities, research and development institutions, universities with research facilities, business support organisation (e.g. chamber of commerce, business innovations centres), higher education, education/training centre and school, civil society organizations, expert bodies or networks (in fields such as urbanism) private enterprises including SME.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. Moreover the content of the programme is steaming from the territorial analysis and territorial strategy developed for the Danube Region.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.4	Interreg Funds	171. Enhancing cooperation with partners both within and outside the Member State	13,810,929.26

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.4	Interreg Funds	01. Grant	13,810,929.26

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.4	Interreg Funds	33. Other approaches - No territorial targeting	13,810,929.26

2.1.1. Specific objective: ISO6.6. Other actions to support better cooperation governance (all strands)

Reference: point (e) of Article 17(3)

Increased institutional capacities for territorial and macro-regional governance

2.1.1.1 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Comprising 14 countries - old and new Member States, candidate countries, a potential candidate and neighbourhood countries - the Danube Region is characterized by distinct administrative fragmentation and low level of institutional integration. Lagging behind legal harmonization and limited capacities of public bodies, especially on sub-national levels, are substantially hindering integrated territorial developments along shared functional ties.

Strengthening multi-level governance in the Danube Region is, therefore, much more than in other parts of Europe a precondition for enabling sectorial developments and territorial cohesion as such.

Focus 1: Transnational cooperation is needed to address major territorial governance-challenges like demographic change, severe urban-rural discrepancies or fostering the close-to-people character of regional policy. For achieving a high leverage effect a clear focus should be put on promoting truly integrated approaches under strong involvement of civic and local actors, fostering inter-institutional relations along functional areas and strengthening capacities of public bodies in selected fields. The integrative character shall be reflected not only by the integration of different administrative levels but also through connecting sectorial aspects like transport or accessibility to major territorial governance challenges. The improved provision of public services of general interest and digitalization are to be considered as horizontal elements. All measures shall substantially take into account, moreover, existing main territorial/spatial development frameworks such as the Territorial agenda 2030 or the New Leipzig Charter.

Examples of related types of possible actions (non-exhaustive list):

· Integrated governance models for addressing challenges arising from demographic change (e.g. aging, depopulation, brain drain);

· Integrated urban-rural governance models including specific territorial development strategies for rural/remote areas as well as accessibility aspects and transport bottlenecks;

· Support for more and stronger inter-institutional relations for the integrated development of transboundary functional areas;

· Capacity building considering especially a better involvement of local and regional public bodies as well as civic actors in transnational policy making, territorial development frameworks and governance models;

· Support for the monitoring and analysis of territorial processes affecting the cohesion and cooperation of the Danube Region to assist capacity building and institutional capacity.

The implementation of transnational projects in fields such as described above will contribute to this Specific Objective by strengthening capacities in relation to territorial challenges and functional areas where institutional cooperation across borders is low or insufficiently coordinated. Capacity building measures shall also target the digital transformation of public authorities (e.g. language technologies for improving citizens' access to public services). The

bottom-up involvement of local and civic actors will be actively promoted. This Specific Objective is offering direct contributions especially to actions and targets defined under the EUSDR Action Plan for PA10. The objectives of the programme take into account the “do no significant harm” principle.

Expected results:

Increased institutional capacities for intensified and better coordinated transboundary interaction along functional areas and main territorial challenges, leading to new or improved transnational multi-level governance schemes based on an intensified involvement of local actors, a more homogenous territorial development of the cooperation area and better access of citizens’ to improved public services.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
4	ISO6.6	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	55
4	ISO6.6	RCO87	Organisations cooperating across borders	organisations	0	165
4	ISO6.6	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	41
4	ISO6.6	RCO116	Jointly developed solutions	solutions	0	41
4	ISO6.6	RCO120	Projects supporting cooperation across borders to develop urban-rural linkages	projects	0	5

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
4	ISO6.6	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2027	41.00	Monitoring system	
4	ISO6.6	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2027	41.00	Monitoring system	
4	ISO6.6	ISI	Organisations with increased institutional capacity due to their participation in cooperation activities across the borders	No. of organisations	0.00	2021-2027	165.00	Monitoring system	The indicator is semi-qualitative

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded operations include all public and private institutions and stakeholders that will be involved or use/ benefit from the project outputs/ results. Target groups are according to their legal form local, regional and national public authorities/institutions, bodies governed by public law, EGTC, international organisations and private bodies. Target groups comprise according to their thematic scope among others local, regional and national public authorities and organisations established and managed by public authorities, research and development institutions, universities with research facilities, business support organisation (e.g. chamber of commerce, business innovations centres), higher education, education/training centre and school, civil society organizations, expert bodies or networks (in fields such as urbanism) private enterprises including SME.

2.1.1.4. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3

The Danube Region Programme will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the programme supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories. The actions under this specific objective address the challenges and opportunities of the whole Danube region and encourage approaches at the macro-regional scale as well as the urban-rural cooperation level.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

The programme does not plan to use financial instruments.

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	171. Enhancing cooperation with partners both within and outside the Member State	27,452,677.74

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	01. Grant	27,452,677.74

Table 6 - Dimension 3 – territorial delivery mechanism and territorial focus

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	33. Other approaches - No territorial targeting	27,452,677.74

3. Financing plan

Reference: point (f) of Article 17(3)

3.1. Financial appropriations by year

Table 7

Reference: point (g)(i) of Article 17(3), points (a) to (d) of Article 17(4)

Fund	2021	2022	2023	2024	2025	2026	2027	Total
Interreg Funds	0.00	38,097,187.00	37,018,409.00	37,600,945.00	38,229,557.00	31,655,886.00	32,445,873.00	215,047,857.00
Total	0.00	38,097,187.00	37,018,409.00	37,600,945.00	38,229,557.00	31,655,886.00	32,445,873.00	215,047,857.00

3.2.Total financial appropriations by fund and national co-financing

Reference: point (f)(ii) of Article 17(3), points (a) to (d) of Article 17(4)

Table 8

Policy objective	Priority	Fund	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
1	1	Interreg Funds	Total	40,489,751.00	37,490,511.00	2,999,240.00	10,122,438.00	9,110,194.00	1,012,244.00	50,612,189.00	79.9999996048%	0.00
2	2	Interreg Funds	Total	74,586,383.00	69,061,466.00	5,524,917.00	18,646,596.00	16,781,936.00	1,864,660.00	93,232,979.00	79.9999997855%	0.00
4	3	Interreg Funds	Total	55,407,028.00	51,302,804.00	4,104,224.00	13,851,757.00	12,466,581.00	1,385,176.00	69,258,785.00	80.0000000000%	0.00
6	4	Interreg Funds	Total	44,564,695.00	41,263,607.00	3,301,088.00	11,141,174.00	10,027,057.00	1,114,117.00	55,705,869.00	79.9999996410%	0.00
	Total	Interreg Funds		215,047,857.00	199,118,388.00	15,929,469.00	53,761,965.00	48,385,768.00	5,376,197.00	268,809,822.00	79.9999997768%	0.00
	Grand total			215,047,857.00	199,118,388.00	15,929,469.00	53,761,965.00	48,385,768.00	5,376,197.00	268,809,822.00	79.9999997768%	0.00

4. Action taken to involve the relevant programme partners in the preperation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation

Reference: point (g) of Article 17(3)

The programming process of the Danube Region Programme has been underpinned with the broad involvement of public and civic society actors through the multi-level governance and bottom-up approach.

The programme introduced a number of platforms for effective communication with relevant partners and stakeholders throughout the entire programming process and in line with regulatory requirements laid down in Article 8 of the CPR.

Online consultations with the stakeholders played an important and decisive role in the programming process. The involvement and consultation of relevant national stakeholders was one of the key elements in the preparations of the DRP. The first round of consultations was conducted in two steps: a transnational consultation at programme level by the MA/ JS done through the programme website and addressed to the general public, as well as any institution that would have been interested to give a feedback on the programme and a separate one at national level addressed to the relevant national stakeholders identified by the Partner States. Before starting the stakeholders' consultations, the MA/ JS with the support of experts, developed a guideline document for the stakeholders consultations together with an on-line questionnaire. Due to the ongoing Coronavirus pandemic face to face consultations were not possible; therefore online consultations have been conducted. The transnational public consultation has been advertised on the programme website, social media and through the partner states in order to reach a high number of respondents. The responses have been analysed by the experts and the feedback was included in the programme document.

The national consultations, destined to the national stakeholders, were launched in May 2020. In accordance with it, each Partner State identified and selected the relevant territorial stakeholders in its country (regional, local, urban and rural authorities), including economic and social partners, relevant bodies representing civil society (environmental organisations, bodies responsible for promoting social inclusion, fundamental rights, rights of persons with disabilities, gender equality and non-discrimination, universities and research. Online questionnaire (prepared and managed by the external experts) was sent to those indicated stakeholders and their inputs were analysed by the external experts and introduced in the Territorial Strategy and the IP. The selection of the relevant stakeholders has been done in a transparent way, in line with the programme themes and the thematic competences of the institutions involved in the consultations.

In order to carry out this stakeholder survey first the delineation of the recipients took place. Recipients were grouped into two groups of relevant stakeholders. To ensure consistency with the EU Strategy for the Danube Region (EUSDR) and find synergies between the transnational programme and the macro-regional strategy of the Danube area the EUSDR experts (Steering Group members and Priority Area Coordinators) were targeted as a starting point. Apart from them, the national level was also addressed to participate in the survey. The survey was sent to those whose contacts were given by the National Contact Points, i.e. to the national stakeholders in role of relevant national experts in their respective countries as an addition to the EUSDR level recipients.

The number of recipients reached more than 1400 on national level (number of respondents 229) and almost 430 (number of respondents 164) on EUSDR level, while the total number of addressees who received the survey questions exceeded 1800.

These valuable inputs served as a basis for the document Analysis of territorial relevance and stakeholders' consultation which provided some interim evidence for the programming process of DRP. The analysis, in its finalised form, is an integral part of the Territorial Strategy. Thanks to these efforts in involving the broad area of relevant national stakeholders, the programming actions managed to connect the two main factors (territoriality and stakeholder opinions), with special attention being paid to cases that are of vital importance from the side of both territoriality and stakeholders.

The second online stakeholder consultation (from the transnational perspective) was launched in the

period of 1st February till 19th February 2021. In view of the COVID-19 global crisis, the 2nd stakeholders consultations were conducted online, through the DRP website, based on a short questionnaire to be answered by the relevant stakeholders. Additionally the consultations addressed directly certain international organisations of the Danube Region (e.g. ICPDR, etc.) as well as the EUSDR PACs. The online survey was accessible on the DRP website, with its wide promotion on social media. The aim was to gather the feedback on a draft version of the IP DRP, which already included the description of transnational programme priorities, specific objectives and topics. 157 inputs were provided by stakeholders as part of the public consultation procedure. The stakeholders' input gave relevant contribution to the programming process providing better understanding if and how the logical link between the programme strategy, focus of the specific objectives, types of actions proposed in connection to the specific objective and the target groups are appropriate and further directions to be considered.

In all programme consultations the stakeholders have been given sufficient time to respond (between 3 – 4 weeks). The draft Interreg programme was available on the programme website and the outcomes of the consultations have been published on the programme website as well, together with the updated Interreg Programme document.

Danube Programme covers 14 countries of the Danube Region being the largest transnational programme in terms of geography. All countries are represented in the programme Monitoring Committee with a limited number of members nominated (up to 3 representatives per country) representing national and regional level. Nevertheless each country is organising national committees (or other mechanisms/bodies as provided for by the respective national rules) which are consulted in relation to the programme implementation, monitoring and evaluation. These national committees are the ones bringing together thematic experts, local/ regional/ national institutions, civil society (including gender equality bodies), environmental organisations, academia, research and innovation community.

Bearing in mind the above mentioned, in the implementation and evaluation of the Programme, different representatives of relevant state administration and regional/local authorities as well as other socio-economic partners, including gender equality organisations from the Partner States will be actively involved through different mechanisms. Planned involvement during the implementation of Danube Region Programme is intended to ensure the continuous participation of relevant partners / stakeholders in the implementation of the Programme. This is important in order to ensure the ownership of the programme among partners, as well as to exploit their knowledge and expertise and to increase transparency in decision-making processes. The relevant stakeholders will be involved in the evaluation of the programme both as recipients of the surveys/ interviews/ focus groups and also in the analysis of the results of the evaluation exercises through the national committees (or other mechanisms/bodies as provided for by the respective national rules). The administrative level of all participating Partner States will be represented in the Monitoring Committee (MC), which among other tasks is responsible for approval of appraisal and selection criteria and selection of operations to be funded from the cooperation programme. The partnership principle will be ensured by the MC representatives through the prior involvement of relevant partners in national coordination committees (or other mechanisms/bodies as provided by the respective national rules) in preparation of the MC meetings. National coordination committees support the MC members in the execution of MC tasks, including the preparation of calls for proposals and programme progress reports as well as the monitoring and evaluation of the programme. National coordination committees will be organised in compliance with applicable national requirements concerning their composition, functioning and management of obligations on data protection, confidentiality and conflict of interest. National coordination committees represent the platforms in which relevant national stakeholders can voice their positions on strategic matters concerning the implementation of the programme. Moreover national committees (or other mechanisms/bodies as provided for by the respective national rules) will facilitate the coordination with mainstream programmes, other ETC programmes and national funding instruments through involving representatives of institutions participating in the implementation of relevant national and/or regional programmes.

Project lead partners and their project partners complement the overall Programme management structure. Most of the projects try to involve, as well, the most relevant regional, local stakeholders who give strong policy profile and may influence shaping and further implementation of policy recommendations, etc. All those partners can/shall be contacted for future evaluation of the programme implementation and its

outreach and thus provide a deep, insiders' understanding.

5. Approach to communication and visibility for the Interreg programme (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)

Reference: point (h) of Article 17(3)

Main role of communication: to support the Programme's overall objective of creating better transnational cooperation environment for the territorial, economic and social integration of the Region. It focuses on building shared understanding among all the Programme stakeholders, ensuring transparency of all operations, and contributing to effective participation of project partners, collaboration of Programme bodies and engagement of target audiences.

Objectives and target audiences:

- Attracting relevant applicants: relevant target groups as defined for each SO in the Programme as well as multipliers receive clear and timely information about the new Programme; focusing on awareness raising on calls for funding & assisting with the application process - with at least 1% of applications per each specific objective (statistics)
- Supporting the partners: easy access to information, tools and assistance to project partners in all phases of project implementation; involving all Programme bodies in supporting stakeholders - with at least 85% satisfaction with the programme support among implementing projects (survey)
- Making achievements visible: project outputs and results are collected and used for increasing the awareness of the Programme among Partner States, EU Commission, EUSDR governing bodies and stakeholders and relevant stakeholder groups with interest in Programme priorities; disseminating the results through thematic newsletters, events, brochures and other forms of targeted communication - with average number of visitors to website increasing by 5% each year after 2026 (website statistics) and a minimum of 100 media appearances in media (project reporting) by 2029

Target groups for communication are set according to their thematic scope as defined in each SO.

The implementation of communication will be carried out through detailed annual work plans.

Communication channels:

A diverse range of communication channels and messages, all aligned to a consistent, centralized brand identity will be used as means of achieving communication objectives. New graphic elements, reinforcing the distinct regional character of the Danube area, will create better brand recognition in relation to other strands of the Interreg.

Relying mainly on digital communication platforms, the Programme's website will be used as the main gateway to information linked to national website portals of all Partner States. Direct mails and social media channels as well as public events, and print will be used to reach out to various target groups, build relations with the stakeholders, increase website traffic and boost brand awareness. MA/ JS and NCPs will closely cooperate to communicate the Programme especially to national and local audiences. Common physical events & limited amount of print materials to support Programme visibility might be foreseen.

The messages that will be communicated will be aligned to the Programme mission statement and adopted for specific audience. Content for dissemination through thematic campaigns will be produced in various formats, including videos, digital storytelling, infographics and data visualization design.

Budget:

A budget planned for communication, from 2024 until 2029, is expected to be EUR 702,000 or 4.3 % of the total TA budget.

Monitoring and evaluation:

Communication activities will be evaluated annually with both quantitative and qualitative indicators. Digital tools (Google analytics for the website, or analytics for social media platforms) will be used next to other quantitative indicators (number of participants in events or applications received). On-line surveys and questionnaires will be used to evaluate communication activities quality and to get feedback

on usefulness and satisfaction of applicants/stakeholders/project partners for future planning.

Proposed indicators (will be further elaborated in annual work plans, including also for the NCPs):

Output indicators: participation in events, web traffic, social media engagements, analytics for communication campaigns.

Project communication:

The communication of projects resulting from the Seed Money Facility calls, prepared in cooperation with the EUSDR to address the targets of the strategy, will be implemented in close cooperation with the beneficiaries. These activities will include dedicated public relations actions and networking to promote the projects among representatives of partner states, EU and other relevant institutions.

As for other projects, communication requirements for implementation are to be defined in the Implementation Manual prepared by the MA/JS (which will integrate, among others, the specific Interreg elements in terms of: obligation to have a project website and display the information about the project on the project partners' organisations websites/ social media; publicly displaying at least one poster/ durable plaque or billboards in line with EC Regulation).

The communication officer of the DRP has already been nominated. Since the programme is a continuation of the 2014-2020 one, the same communication officer will take over the responsibilities.

6. Indication of support to small-scale projects, including small projects within small project funds

Reference: point (i) of Article 17(3), Article 24

Danube Programme will not make use of small project funds, nevertheless smaller size projects – e.g. preparation projects - may be supported including through the seed money facility. This instrument is part of the EUSDR governance support and aims at preparing projects that contribute to the EUSDR. The target group of these projects are the EUSDR stakeholders that are seeking to develop projects addressing the EUSDR action plan. The Monitoring Committee of the programme will decide on the financial allocation for such projects but, if the practice of 2014-2020 will be kept, the maximum amount would be no more than 50.000 euro. The framework for these projects development, application and implementation will be developed during the programme implementation in cooperation with the MC, and with potential involvement of the EUSDR governing bodies.

7. Implementing provisions

7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 9

Programme authorities	Name of the institution	Contact name	Position	E-mail
Managing authority	Ministry of Finance	Imre Janos Csalagovits	Head of Managing Authority and Joint Secretariat	imre.csalagovits@pm.gov.hu
Audit authority	Directorate General for Audit of European Funds (DGAEF)	Balázs Dencső	Director General	balazs.dencso@eutaf.gov.hu
National authority (for programmes with participating third or partner countries)	Directorate for European Integration of the Council of Ministers of BiH	Nada Bojanić	Head of Division for Territorial Cooperation Programmes	nada.bojanic@dei.gov.ba
National authority (for programmes with participating third or partner countries)	Federal Ministry for Housing, Urban Development and Building; Federal Ministry for Economic Affairs and Climate Action	Dr. Daniel Meltzian; Bernd Kloke (Bernd.Kloke@bmwi.bund.de)	Head of division	Daniel.Meltzian@bmi.bund.de
National authority (for programmes with participating third or partner countries)	Federal Ministry of Agriculture, Forestry, Regions and Water Management Directorate-General III – Forestry and Sustainability Directorate III/6 - Coordination Regional Policy and Spatial Planning in Austria	Jutta Moll-Marwan	Desk officer	jutta.moll-marwan@bml.gv.at
National authority (for programmes with participating third or partner countries)	Foreign Assistance Department, Ministry of Finance of the Republic of Moldova	Iulia Ciumac	Head of Foreign Assistance Department	iulia.ciumac@mf.gov.md
National	Government	Nadja Kobe	Monitoring	nadja.kobe@gov.si

Programme authorities	Name of the institution	Contact name	Position	E-mail
authority (for programmes with participating third or partner countries)	Office for Development and EU Cohesion Policy, Slovenia		Committee member	
National authority (for programmes with participating third or partner countries)	Ministry for Communities and Territories Development of Ukraine	Ivan Lukeria	Deputy Minister	LukeriaIM@minregion.gov.ua
National authority (for programmes with participating third or partner countries)	Ministry for Regional Development of the Czech Republic	Jiří Horáček	European territorial cooperation Unit	Jiri.Horacek@mmr.cz
National authority (for programmes with participating third or partner countries)	Ministry of Development, Public Works and Administration	Maria Magdalena Voinea	Head of National Autority	magdalena.voinea@mdlpa.ro
National authority (for programmes with participating third or partner countries)	Ministry of European Affairs	Jovana Marovic	Deputy Prime Minister for Foreign Policy, European Integration and Regional Cooperation and Minister of European Affairs	jovana.marovic@mep.gov.me
National authority (for programmes with participating third or partner countries)	Ministry of European Integration – Government of the Republic of Serbia	Mihajilo Dašić	Acting Assistant Minister	mihajilo.dasic@mei.gov.rs
National authority (for programmes with participating third or partner countries)	Ministry of Investments, Regional Development and Informatisation of the Slovak Republic	Michal Blaško	Director of Department of Transnational Cooperation Programmes	michal.blasko@mirri.gov.sk
National authority (for programmes with	Ministry of Regional Development and EU Funds	Mislav Kovač	Head of Sector for coordination of European	mislav.kovac@mrrfeu.hr

Programme authorities	Name of the institution	Contact name	Position	E-mail
participating third or partner countries)			Territorial Cooperation programmes and Macro-Regional strategies	
National authority (for programmes with participating third or partner countries)	Ministry of Regional Development and Public Works, Bulgaria "Territorial Cooperation Management" Directorate	Desislava Georgieva	Head of the Bulgarian National Authority	D.G.Georgieva@mrrb.government.bg
National authority (for programmes with participating third or partner countries)	Prime Minister's Office, Department for International Territorial Development Co-operation	Zsuzsanna Drahos	Head of Department	zsuzsanna.drahos@tfm.gov.hu
Group of auditors representatives	Accounting Chamber of Ukraine	Victor Bohun	Member of Accounting Chamber of Ukraine	Bohun_VP@rp.gov.ua
Group of auditors representatives	Agency for the Audit of European Union Programmes Implementation System	Neven Šprlje, Ana Srdinić Kovačić (substitute)	Director	neven.sprlje@arpa.hr
Group of auditors representatives	Audit Authority	Nataša Simonović; Stana Gačević (substitute) stana.gacevic@revizorskotijelo.me	Deputy Auditor General	natasa.simonovic@revizorskotijelo.me
Group of auditors representatives	Bavarian State Ministry for Economic Affairs, Regional Development and Energy	Dr. Kai Vahrenkamp	Head of audit authority	Kai.Vahrenkamp@stmwi.bayern.de
Group of auditors representatives	Court of Accounts of the Republic of Moldova	Teodorina Goriuc	Head of Professional Training Department within the General Directorate on Methodology, Planning and Reporting	t_goriuc@ccrm.md
Group of auditors representatives	Directorate General for Audit of European Funds	Ágnes Riskó; Piroska Szántó (substitute) piroska.szanto@eutaf.gov.hu	Director	agnes.risko@eutaf.gov.hu

Programme authorities	Name of the institution	Contact name	Position	E-mail
Group of auditors representatives	Executive agency “Audit of European Union Funds”, Ministry of finance, Bulgaria	Ludmila Rangelova	Executive Director	aeuf@minfin.bg
Group of auditors representatives	Federal Ministry of Agriculture, Forestry, Regions and Water Management Secretary General – Department “EU Financial Control and Internal Auditing” – Unit “EU Financial Control ERDF” in Austria	Bernhard Fleischer; Diane Muntean (substitute)	Desk officer	Bernhard.fleischer@bml.gv.at
Group of auditors representatives	Governmental Audit Office of EU Funds – Government of the Republic of Serbia	Ljubinko Stanojević, Svetlana Novaković	Director, Head of Audit Group for Regional and Territorial Cooperation	ljubinko.stanojevic@aa.gov.rs
Group of auditors representatives	Ministry of Finance and Treasury of BiH	Katarina Puljić; Dana Šarčević (substitute)	Senior Specialist for Financial Control in the National Fund; Adviser for Financial Control in the National Fund	kpuljic@mft.gov.ba
Group of auditors representatives	Ministry of Finance of the Czech Republic	Milan Puszkailer; Michaela Kotalíková	Audit Authority Unit	Milan.Puszkailer@mfcr.cz
Group of auditors representatives	Ministry of Finance of the Slovak Republic	Alena Vidová	Head of Division of other Programmes	alena.vidova@mfsr.sk
Group of auditors representatives	Ministry of Finance, Budget Supervision Office	Ms. Mirjam Novakovič	Head of Department	mirjam.novakovic@gov.si
Group of auditors representatives	Romanian Court of Accounts - Audit Authority	Lucian Dan Vlădescu	President	dan.vladescu@rcc.ro
Body to which the payments are to be made by the Commission	Hungarian State Treasury	Szabolcs Jakab	Head of Department	jakab.szabolcs@allamkincstar.gov.hu

7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

The participating countries agreed to have an integrated management structure combining managing authority and joint secretariat functions to be set up at the premises of the Ministry of Finance of Hungary in Budapest. Being integrated into a single department of the Ministry, the Managing Authority and Joint Secretariat (hereinafter referred to as 'the MA/JS') is a functionally independent body guaranteeing the impartiality of the project application and evaluation process as well as of transnational programme implementation. General employment conditions (no of positions, salary ranges, recruitment procedure) for the MA/JS will be presented in the Programme Complement (hereinafter referred to as 'PC') as agreed at programme level. Operation of the MA/JS is financed through the Technical Assistance budget (TA) of the Programme, including all staff costs.

The employees of the MA/JS will be employed according to the applicable Hungarian legislation, however, principal decisions regarding the personnel of the MA/JS are to be agreed by the participating countries as well. Each non-administrative position shall be filled in based on a call announcement which - depending on the position - can be open or restricted and which is in accordance with the preliminary job description agreed by the Recruitment Committee. The MA/ JS staff is international. The Recruitment Committee should be set up by the MC in order to support the recruitment process of the MA/JS staff.

7.3. Apportionment of liabilities among participating Member States and where applicable, the third or partner countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission

Reference: point (c) of Article 17(6)

In line with the **principles of shared management** referred to in Article 16(1) and Article 55 (2) of Regulation (EU) 2021/1059 (hereinafter referred to as the Interreg Regulation), Member States and partner countries (hereinafter referred to as 'Partner States' or 'PS') and the European Commission shall be responsible for the management and control of the DRP.

The programme language is **English**. PSs agreed that all communication between the PSs, the MA/JS, the audit authority (AA) and the project lead partners (LP) are concluded in English.

Detailed provisions on the **implementation structures and arrangements of the DRP** will be included in the PC, the Programme Manual (comprising the Applicants' Manual, the Implementation Manual and the Eligibility Manual), the Call Announcements, the Control Guidelines, the Evaluation plan to be endorsed by the MC.

These **common set of rules laid down in the above documents** setting out mutual rights and obligations with regard to the implementation and financial management of the DRP shall be applicable equally to all PSs of the programme. All **PSs will bear ultimate responsibility** for the recovery of amounts unduly paid to beneficiaries located on their territories and jointly assume liability for irregularities deriving from their common decisions. Responsibilities of the PSs (including the list of responsible authorities) in accordance with Article 69 of Regulation (EU) 2021/1060 (hereinafter referred to as the CPR) are presented in details in the PC.

In accordance with Article 112(4) of the Financial Regulation, a **Financing Agreement** shall be concluded between the Commission and each participating partner country to be also signed by the MA/JS of the DRP. Financing Agreements ensure that the whole regulatory framework related to the implementation of the programme is applied directly in the concerned PS also covering the final recovery of funds by the EC on behalf of the MA/JS.

Without prejudice to the provisions of the respective Financing Agreement, the provisions of the CPR and of the Interreg Regulation as well as of acts based on these two Regulations shall apply.

In accordance with Article 69(2) of the CPR, PSs shall take all required actions to **prevent, detect, correct and report on irregularities including fraud**. PSs shall report on irregularities to the Commission, to the MA/JS and AA in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided and the format for reporting set out in Annex XII of the CPR.

In case an investigation has been initiated in relation to a possible irregularity affecting the expenditure of a project partner, the **MA/JS may interrupt the payment deadline** referred to in point (b) of Article 74(1) of the CPR. The LP concerned shall be informed in writing of the interruption and the reasons for it. Detailed procedures on the recovery of funds from the project partnership will be described in the PC, the Programme Manual and in the Subsidy Contract.

Without prejudice to the PSs' responsibility for detecting and correcting irregularities and for recovering amounts unduly paid as referred to in Article 69(2) and Article 74(1) (d) of the CPR, and in accordance with Article 52 of the Interreg Regulation the **MA/JS shall ensure that any amount paid as a result of an irregularity is recovered from the LP**. The project partners shall then repay the LP any amounts unduly paid. In line with Article 52 (2), the MA/JS will not recover an amount unduly paid that does not exceed EUR 250 (not including interest) in contribution from the Interreg funds paid to an operation in a given accounting year.

If the LP does not succeed in securing repayment from a project partner or if the MA/JS does not succeed in securing repayment from the LP, **the PS on whose territory the project partner concerned is located** shall reimburse to the MA/JS the amount unduly paid to that project partner. The MA/JS is responsible for reimbursing the amounts concerned (once recovered from the LP/Member State) to the general budget of

the Union as referred to in Article 52(3).

In accordance with Article 103 of the CPR, the PSs shall protect the Union budget and apply **financial corrections** by cancelling all or part of the support from the Funds to an operation where expenditure declared to the Commission is found to be irregular. Financial corrections (amounts to be withdrawn, deducted or recovered) required in connection with individual or systemic irregularities detected in projects of the DRP will be monitored by the certifying authority and included in the subsequent payment applications to be submitted to the Commission.

Since PSs have the overall liability for the Community support (ERDF/IPA/NDICI) granted to LPs or PPs located on their territories, they shall ensure that – prior to certifying expenditure – any financial corrections required will be secured and they shall seek to recover any amounts lost as a result of an irregularity/fraud or negligence caused by a beneficiary located in their territory. Where appropriate, a PS may also charge interest on late payments.

In accordance with Article 52 (4) of the Interreg Regulation, once the PS has reimbursed the MA/JS any amounts unduly paid to a partner, it may continue or start a **recovery procedure** against that partner under its national law.

Article 52 (5) of the Interreg Regulation will apply for amounts unduly paid to a partner which any of the PSs have not reimbursed to the MA/JS.

The irregular expenditure which has been subject to financial corrections applied by the MA/JS in respect of any individual irregularities detected by the PSs or the AA shall be deducted from the accounts submitted to the Commission. Systemic errors at the programme level might be detected by the AA and/or the GoA or the European Commission and might lead to **financial corrections imposed by the European Commission** based on Article 104 of the CPR.

Irregularities shall be reported by the PS to the MA/JS in the form of **summary reports or irregularity reports** attached to the verification report to be submitted quarterly in accordance with the format set out in the PC.

The **PSs will bear liability** in connection with the use of the programme ERDF/IPA/NDICI funding as follows:

- Each PS bears liability for possible financial consequences of irregularities caused by the LPs and PPs located on its territory and its own control system (e.g. one-off irregularity or systemic irregularity attributable to the national control system);

- For a systemic irregularity or financial correction on programme level that cannot be linked to a specific PS (i.e. grounded on the decisions of the MC), the liability shall be jointly borne by the PSs in proportion to the expenditure claimed to the European Commission for the period which forms the basis for the financial correction.

- If there is a need for a financial correction on programme level because the residual error rate from the audits of operations exceeds the 2 % materiality level, the PSs together shall be liable for the payment of such correction in proportion to the expenditure claimed to the European Commission for the period which forms the basis for the extrapolated correction.

The above liability principles also apply to corrections to Technical Assistance calculated in compliance with Article 27 of the Interreg regulation, since such corrections would be the direct consequence of project related irregularities (whether systemic or not). The MA/JS will keep the PSs informed about all irregularities and their impact on TA. The MA/JS will carry out a reconciliation to verify if there is a remaining balance of irregularities that have affected the TA budget and could not be reused. In case of a remaining balance the MA/JS will inform and request the respective PS to reimburse the corresponding ERDF/IPA/NDICI amount to the DRP Bank Account. Detailed procedures are set in the PC.

Responsibilities of the main programme bodies listed below are presented in details in the PC.

The **MC** set up in accordance with Article 28 of the Interreg Regulation – consisting of representatives of each participating country – supervises the implementation of the DRP and selects projects to be financed. Its overall task is to ensure the quality and effectiveness of programme implementation as referred to in Article 30 of the Interreg Regulation, assisted by the MA/JS.

The **MA/JS** is responsible for the overall programme implementation; carrying out the functions laid down in Articles 72, 74 and 75 of the CPR as well as Article 46 of the Interreg regulation. The Managing Authority will set up an electronic data exchange system which will ensure that all exchanges of information are carried out between beneficiaries and the programme authorities electronically in accordance with Annex XIV of the CPR.

The counterparts for the MA/JS with the coordination role on the territory of the participating countries will be the **MC members representing the national authorities** of the concerned PSs responsible for the DRP. The institutions of the responsible national authorities and the procedure for nominating MC members are defined in the PC.The **Certifying Authority (CA)** will carry out the accounting function in accordance with Article 47 of the Interreg regulation consisting of the tasks listed in points (a) and (b) of Article 76(1) of the CPR; in particular, the CA is responsible for drawing up and submitting payment applications to the Commission and receiving payments from the Commission.

The **Audit Authority** will carry out the functions laid down in Article 77 of the CPR and Article 48 and 49 of the Interreg Regulation in the whole of the territory covered by DRP. The AA will be assisted by a Group of Auditors (GoA) comprising of representatives from responsible bodies of each PS.

National Contact Points will be set up by each participating country to complement transnational activities of the MA/JS by involving stakeholders from the national level.

Controllers will be designated by each PS to carry out management verifications in order to ensure the compliance of expenditure incurred by the project partners with Community and national rules within the meaning of Article 74(1) of the CPR and in accordance with Article 46(3) of the Interreg Regulation. Controllers shall be nominated in line with the national administrative provisions of each PS in accordance with Article 46(9) of the Interreg Regulation. Each country participating in the DRP will be responsible for verifications carried out on its territory.

The **process of verification** within the meaning of point (a) of Article 74(1) and Article 74(2) of the CPR carried out at national level includes administrative verifications in respect of payment claims made by beneficiaries and on-the-spot verifications of operations. Management verifications shall be risk-based and proportionate to the risks identified ex ante.

In order to provide assurance that the accounting functions are respected, the MA/JS operates **a verification reporting system.** Before drawing up payment applications to the European Commission by the CA, the MA/JS submits a programme level verification report on the procedures and management verifications carried out in relation to expenditure included in the payment applications.

The procedures put in place for the **resolution of complaints** are differentiated according to the subject of the complaint and will formally be regulated in the PC and the Programme Manual. In particular, specific procedures apply with regard to complaints related to the assessment and selection of applications, to the decisions made by the MA/JS during project implementation or related to the work of the national controllers.

In case of appeal to the judiciary system against the decisions of the programme authorities including the MA/JS or the MC related to the project selection, the court of Hungary has the jurisdiction of the matter. Appeals against the decisions of national authorities with regard to the work of controllers or the functioning of the national control system shall be lodged to the national court of the concerned PS.

In case of implementation difficulties, the PSs concerned shall support the MA/JS to clarify the individual cases and help to lift potential sanctions imposed to the DRP, to a LP or to a Project Partner.

Rules applicable to **non-respect of provisions agreed among PSs** are included in the PC.

8. Use of unit costs, lump sums, flat rates and financing not linked to costs

Reference: Articles 94 and 95 of Regulation (EU) 2021/1060 (CPR)

Table 10: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 94 and 95 CPR	Yes	No
From the adoption, the programme will make use of reimbursement of the Union contribution based on unit costs, lump sums and flat rates under the priority according to Article 94 CPR	☐	☒
From the adoption, the programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR	☐	☒

Appendix 1

A. Summary of the main elements

Priority	Fund	Specific objective	Estimated proportion of the total financial allocation within the priority to which the simplified cost option will be applied in %	Type(s) of operation covered		Indicator triggering reimbursement		Unit of measurement for the indicator triggering reimbursement	Type of simplified cost option (standard scale of unit costs, lump sums or flat rates	Amount (in EUR) or percentage (in case of flat rates) of the simplified cost option
				Code(1)	Description	Code(2)	Description			

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 CPR

(2) This refers to the code of a common indicator, if applicable

Appendix 1

B. Details by type of operation

C. Calculation of the standard scale of unit costs, lump sums or flat rates

1. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data, where the data is stored, cut-off dates, validation, etc):

2. Please specify why the proposed method and calculation based on Article 94(2) is relevant to the type of operation:

3. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and, if requested, provided in a format that is usable by the Commission:

4. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate:

5. Assessment of the audit authority or authorities of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data:

Appendix 2

A. Summary of the main elements

Priority	Fund	Specific objective	The amount covered by the financing not linked to costs	Type(s) of operation covered		Conditions to be fulfilled/results to be achieved triggering reimbusresment by the Commission	Indicator		Unit of measurement for the conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission	Envisaged type of reimbursement method used to reimburse the beneficiary or beneficiaries
				Code(1)	Description		Code(2)	Description		

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 to the CPR and Annex IV to the EMFAF Regulation.

(2) This refers to the code of a common indicator, if applicable.

B. Details by type of operation

Appendix 3: List of planned operations of strategic importance with a timetable - Article 22(3) CPR

Danube Region Programme's thematic content is developed based on the territorial analysis which constituted an extensive exercise to define the needs and challenges of the Danube Region complemented by a further analysis of the actual needs and challenges that can be best addressed by transnational cooperation and the specific type of interventions that the Programme is financing. The second call for proposals, to be launched in for 2023-2024, is planned to address the strategic needs of the Danube region in line with the thematic content of the programme, including sub-territories and strengthening the programme support for preparation of EU-accession of non-EU countries of the programme area.

From a strategic point of view the Seed Money Facility is supporting the EUSDR in development of strategic transnational projects addressing the targets of the strategy. The Seed Money Facility is a tool that can kick off cooperation in the region in different sector and thematic fields. The call is prepared in close cooperation with the Strategy who provides the strategic direction and priorities. Also this call is planned to be launched in 2024-2025.

DOCUMENTS

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent by
Danube Region Programme Area map	Map of Programme Area	22-Jul-2022			Danube Region Programme area map		