

Danube-INCO.NET

Advancing Research and Innovation
in the Danube Region

Report on developments of 'labelling' processes

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List of Abbreviations

Danube-INCO.NET	Danube Region INCO-NET, an FP7 funded coordination and support action for the official EU Strategy for the Danube Region (EUSDR) in the field of research and innovation (R&I). Whereas the EUSDR addresses a wide variety of priority areas (ranging from PA 1A „Mobility/Waterways” to PA 11 „Security”), Danube-INCO.NET focuses mainly on two of them: PA7 „Knowledge Society” and PA8 „Competitiveness”. The project supports the policy dialogue, creates networks, and analyses and supports R&I activities. Project website: http://danube-inco.net/
DoW	Description of Work - in the Seventh Framework Programme obligatory Annex 1 of the Project Application. It contains project summary, list of beneficiaries, overall budget breakdown, and workplan tables, very detailed description of Work Packages, list of project deliverables and milestones, project efforts and costs.
DSP	The Danube Strategy Point is a joint venture of EUSDR stakeholders established in July 2015 at the Representation of Land Baden-Württemberg to the EU. DSP main objectives are coordination of EUSDR implementation, disseminating information, expert monitoring and evaluation, and linking the Strategy with the Danube Transnational Programme and other macro-regional strategies. (http://www.danube-region.eu/contact/danube-strategy-point)
DTP	The Danube Transnational Programme is a financing instrument of the European Territorial Cooperation. The Danube Transnational Programme (DTP) promotes economic, social and territorial cohesion in the Danube Region through policy integration in selected fields. http://www.interreg-danube.eu/
EUSBR	The European Union Strategy for the Baltic Sea Region (EUSBR) is the first macro-regional strategy in Europe. It aims at reinforcing cooperation within this large region in order to face several challenges by working together as well as promoting a more balanced development in the area. The Strategy also contributes to major EU policies and reinforces the integration within the area. (http://www.balticsea-region-strategy.eu/)
EUSDR	European Union Strategy for the Danube Region - The EU Strategy for the Danube Region (EUSDR) is a macro-regional strategy adopted by the European Commission in December 2010 and endorsed by the European Council in 2011. The Strategy was jointly developed by the Commission, together with the Danube Region countries and stakeholders, in order to address common challenges together. The Strategy seeks to create synergies and coordination between existing policies and initiatives taking place across the Danube Region. (http://www.danube-region.eu/)
LoR	Letter of Recommendation
PA	Priority Area - the EUSDR addressed a wide range of issues which are divided among 11 Priority Areas and 4 Pillars: <i>A – Connect the Region, B – Protecting the Environment, C – Building Prosperity, and D – Strengthening the Region.</i>
PACs	Priority Area Coordinators ensure the implementation of the Action Plan defined for the Priority Area by agreeing on planning, with targets, indicators and timetables, and by making sure there is effective cooperation between project promoters, programmes and funding sources. They also provide technical assistance and advice. The coordinators work in consultation with the Commission, and relevant EU

	agencies and national/regional bodies. Each PA is coordinated jointly by two Priority Area Coordinators from two different Danube Region Countries (e.g. PA 7 – Knowledge Society is coordinated jointly by Slovakia and Serbia)
SG	Steering Group of the Priority Area – each Priority Area has established a Steering Group, in order to advise and assist PACs, for the smooth implementation of Priority Area targets and to ensure that suitable actions are anchored all over the region and in all participating states. Furthermore, the Steering Group also makes decisions regarding the future development of the PA, its objectives, co-operations and guidelines. The Steering Group is also responsible for the labelling of projects to receive a Letter of Recommendation (if the relevant procedure is established), but not for the operational initiation, administration, organization or execution of such projects. In the Steering Group all EUSDR countries are represented.
UNS	University of Novi Sad (UNS), task leader of the Task 5.3 <i>Development and "Labelling" of Danube Region projects and proposals</i> . UNS also provided technical and organizational support to the coordination of EUSDR Priority Area 7 (PA7) "To develop the Knowledge Society (research, education and ICT)" from 2011 to 2015.
WP	Work Package

2 Executive Summary

The objective of the Task *Development and "Labelling" of Danube Region projects and proposals* within the Work Package "Promoting Innovative and Inclusive Danube Societies" was aimed to support the development of a tailored labelling approach for Priority Area 7 with a particular aim to fit projects and proposals into the EUSDR objectives. The task aimed to complement the ongoing activities and avoid duplication, and thus also had to undergo some changes when other labelling approaches have been presented. Danube-INCO.NET launched a pilot for the labelling of projects, but did not repeat this approach due to lessons learnt from the pilot, discussions ongoing with funding agencies as well as within the EUSDR. The deliverable *Report on proposals reviewed for 'labelling'* was planned to provide useful analysis of the proposals reviewed for 'labelling', while recently it was slightly reframed and enlarged to reflect the developments of the overall EUSDR labelling process and achievements, especially the strategic project initiative launched by the Danube Strategy Point (DSP). The new title is *Report on developments of 'labelling' processes*. The discussions within the priority area steering groups and beyond demonstrate that an overview on the labelling approaches and an analysis of strengths and weaknesses is necessary. Thus the objective of the deliverable is to feed into this discussion by providing an overview on different labelling approaches and their results and to provide reflections and recommendations.

This document should be of interest to the EUSDR policy makers, Priority Area coordinators and Steering Groups members, the Danube Strategy Point and other actors of EUSDR and related macro-regional strategies. Major target groups include funding schemes policy makers, RTDI administration and relevant call designers and call reviewers, who are expected to consider ways of recognizing the 'labels' and take them into account in planning calls and project proposals evaluation. Moreover, it could be useful to project coordinators and consortium partners of ongoing and future projects and project applications, including researchers, research institutes, universities and departments, research related SMEs, but also all types of organizations, institutions, NGOs, media and other relevant stakeholders of the Danube Region who are planning to develop and run targeted projects that fit into the EUSDR objectives, using different funding sources.

Finally, the deliverable D5.36 was enlarged and opened to the public to provide an extensive overview of the labelling objectives and benefits for the stakeholders. It summarizes labelling processes already implemented in the framework of the European macro-regional strategy for the Danube Region, the EUSDR Priority Areas practices of prioritizing projects, it also outlines various approaches for labelling of projects in other relevant programmes, analyses current efforts coordinated by the Danube Strategy Point and finally provides recommendations to the EUSDR Priority Area Steering Groups and the Danube Strategy Point.

3 Introduction

The Description of Work of task T5.3: *Development and "Labelling" of Danube Region projects and proposals* is part of the broader project initiative of Promoting Innovative and Inclusive Danube Societies (WP5). Referring to the DoW task T5.3 is elaborated as offering solution to the specific objective "support the development of targeted projects using different funding sources which shall fit into the EUSDR objectives, complement the on-going activities and avoid duplication".

More concretely Task 5.3 aims to support the evaluation of project proposals asking for "Letters of Recommendations" certifying their "relevance for the Danube Strategy" via a specific labelling process (labelling, the concept also used in the Baltic Sea Strategy which is being taken up in EUSDR and implemented in some of the PAs). Based on specific calls for proposals, invitations are circulated to propose projects with a specific relevance in and for the region for "labelling". Using this approach, an additional benefit is the promotion of the calls for proposals as well as an increased information exchange. A focus in the Baltic Sea area has been put on calls under European Territorial Cooperation (in particular calls focusing on the macro-region). Within Task 5.3 of the Danube-INCO.NET project a pilot was targeted to Horizon 2020, but also COST and other funding programmes have been considered (in cooperation with the Danube-INCO.NET Work Package 2).

The process foreseen can be outlined as follows: projects can send their outlines (in the respective forms of the call, to be received at any time after the publication but no later than 10 days before the deadline of the respective call) and a short statement on the relevance for the Region to the Task Leader. In the first round, the task partners issue recommendations based on the outlines handed in to improve the quality of Danube Region proposals as well as to steer them towards a better integration with EUSDR objectives. The task may – if requested – disseminate information about proposals under development to the partners in the different regions, who are invited to suggest additional partners to strengthen the connection with the EUSDR (while it is fully up to the contact points to suggest organisations for specific proposals and it is fully up to the consortia to include the suggested partners in their consortia). In the second round one week before the respective call deadline, delegated representatives from the PA Steering Groups assess which are the most relevant proposals for the implementation of the EUSDR (3-5) for the respective call among those proposals received and provide letters of recommendations to these projects. However, the scientific or technological quality or other criteria for the call will not be assessed and this will also be clearly stated in the letters of recommendation).

Project labelling is a familiar issue within the European macro-regional strategies, starting from the European Strategy for the Baltic Sea Region - EUSBSR and continuing with several approaches to labelling in the European Strategy for the Danube Region - EUSDR. From the lessons learned in practise it is suggested that labelling helps identifying strategic projects and initiatives at the time of financing decisions, while the labelling process needs to be simple and light.¹ Moreover, the relevant Priority Areas of the EUSDR have already partly established internal procedures for the labelling of

¹ European Union Strategy for the Baltic Sea Region, Workshop 2: How to deal with labelling and reporting processes for Mainstream Programmes, 11 March 2010, Riga, http://ec.europa.eu/regional_policy/archive/cooperation/baltic/pdf/events/riga/workshop2.pdf

flagship project and giving letters of recommendation.² On this basis the Danube-INCO.NET project has developed an outline for a process regarding the labelling of projects which has been implemented in a pilot phase and was reviewed as part of this deliverable. The pilot phase was launched in March 2014 and exercised in the framework of the EUSDR Priority Area 7 – Knowledge Society for the call H2020-TWINN-2015 under Spreading Excellence and Widening Participation Work Programme. In parallel, several projects received status of flagship projects or highlights through other means developed within the Priority Areas. Documents that outline such processes (e.g. how to become a flagship project) are inputs to the current deliverable.

Based on the new developments on the level of the EUSDR governance and the introduction of the Danube Strategy Point, which was given the task to support the implementation of flagship projects and to develop solutions (organize the labelling of strategic projects for the EUSDR), the process outlined in D5.4 was not exercised again, but the efforts were made to share good experience and contribute to the framing of the new processes. Thus, the recent document on EUSDR strategic projects presented in January 2016 by the Danube Strategy Point was also an input to the deliverable. Moreover, other processes coordinated mainly through EUSDR priority areas, related projects and initiatives which open floor for labelling of projects and ideas are also shortly presented and linked. Finally, aiming to provide comprehensive overview of labelling processes, this report includes also feedback from the projects that have so far received a label or flagship status, and opinions of the EUSDR priority area steering group members and stakeholders.

It should be mentioned that the developments of labelling processes and approaches are dynamic and that probably on the date of publishing this document more developments are on the ground. Therefore, to get the latest updates about labelling processes within the EUSDR please refer to the links of the official web platforms of the EUSDR, PAs and other relevant sources provided in the text.

4 Labelling objectives and targeted audience

4.1 Labelling objectives

The development of excellent project proposals with a remarkably relevant impact in a transnational, macro-regional environment is a challenging venture. In order to encourage stakeholders to actively engage in implementing of the EU Strategy for the Danube Region (EUSDR) through EU funding instruments and other funding possibilities, the labelling of specifically relevant projects was suggested as an applicable, comprehensible approach. The labelling aims to support the development of targeted projects using different funding sources which shall fit into the EUSDR objectives, complement the on-going activities and avoid duplication. This could be achieved by recognising ongoing initiatives and helping future project proposals to improve their quality and relevance and obtain the label.

Labelling of excellent projects opens great opportunities certifying the high-quality of the proposals and supporting their visibility and reputation region-wide. It aims to enhance funding possibilities for labelled projects from different sources, not only EU funding schemes, but also from regional, national and private sources. At the same time it intends to influence interest for the label and support the preparation of projects with a clear EUSDR added-value.

² PA7 - <http://www.danubeknowledgesociety.eu/projects>, PA9 - <http://www.peopleandskills-danuberegion.eu/project-criteria-of-priority-area-9/>

Receiving a label is no pre-judgement to the external evaluators of the European Commission or any other reviewers appointed in the context of each funding scheme. It merely reflects the strong commitment of the project to the EUSDR implementation and its strategic relevance for the EUSDR and targeted PA(s). It is an acknowledgement of the project's potential contribution to the overall achievements of the macro-regional strategy for the Danube Region in the respective field.

4.2 Targeted audience

This document should be of interest to the EUSDR policy makers, Priority Area coordinators and Steering Groups members, the Danube Strategy Point and other actors of EUSDR and related macro-regional strategies. Additional important target groups are funding schemes policy makers, RTDI administration and relevant call designers and call reviewers, who are expected to make a full recognition of the 'labels' and take it into account in planning calls and project proposals evaluation.

Moreover, it could be useful to project coordinators and consortium partners of ongoing and future projects and project applications, including researchers, research institutes, universities and departments, research related SMEs, but also all types of organizations, institutions, NGOs, media and other relevant stakeholders of the Danube Region who are planning to develop and run targeted projects that fit into the EUSDR objectives, using different funding sources.

Finally, the deliverable D5.36 was enlarged to provide an extensive overview of the labelling objectives and benefits, the labelling practices already implemented in the framework of macro-regional strategies and EUSDR Priority Areas, to refer to the Danube-INCO.NET proposal and outline of the process for labelling of projects, to analyse current efforts coordinated by the Danube Strategy Point, and to provide recommendation to the PAs and DSP.

5 Review of the labelling processes in the Danube Region

5.1 Inherited practices: the European Union Strategy for the Baltic Sea Region (EUSBR)

The European Union Strategy for the Baltic Sea Region was the first among four EU macro-regional strategies adopted so far³. It was adopted in 2009 as an integrated framework that allows the European Union and Member States to identify needs and match them to the available resources by coordinating of appropriate policies, thus enabling the Baltic Sea Region to achieve a sustainable environment and optimal economic and social development.

The EUSBR actions consist of flagship projects and other projects contributing to the implementation of the Strategy. The label of the EUSBR flagship project helps identification at the time of financing decisions, particularly in regard to the fact that not all of flagship projects have full funding of the project costs at the start. Labelling processes needs to be simple and light. In the Action Plan that accompanies the Strategy the labelling of projects is already addressed⁴. In one section it describes in detail the process of becoming a EUSBR flagship project. Flagship projects demonstrate the progress of the EUSBR and may serve as pilot examples for desired actions. A flagship project is frequently the result of a policy discussion within a priority area/horizontal action and it fleshes out the ambition of a priority area in a specified field of action. A flagship project may, for example, develop

³ http://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies/

⁴ <http://www.cbss.org/wp-content/uploads/2012/12/Action-Plan-2013.pdf>

key solutions, new methodologies, practises or new forms of cooperation. Once approved, a flagship project is listed in the Action Plan. In terms of structure, a flagship project may be either a single project or group of projects operating in the same field. The Action Plan also provides a set of criteria that flagship projects have to fulfil, including high macro-regional impact, contribution to fulfilling the objectives, indicators and targets of the EUSBSR etc. The Action Plan provides guidance for projects interested in obtaining the label of flagship project in the EUSBSR. The projects applying for the label are expected to: 1. identify under which the EUSBSR priority area/horizontal action the proposed flagship project would fit; 2. establish contact with the priority area coordinator(s) for the priority area/horizontal action concerned; 3. in order to assess the proposed flagship project, the priority area coordinator/horizontal action leader may invite the proposed project leader to attend a meeting of the priority area/horizontal action; 4. if the project proposal is supported, the priority area coordinator/horizontal action leader, after consulting the main stakeholders (national contact points, steering committee and/or national focal points) make a recommendation to DG REGIO regarding the project; 5. DG REGIO considers the proposal and makes a recommendation to the High-Level Group; 6. High-Level Group agrees on the flagship projects to be included in the Action Plan. A project can be listed as a flagship project in one priority area/horizontal action only.

In order to bring the Strategy and funding opportunities closer, the ESBR governance and stakeholders became aware of the necessity to build a wide-ranging methodology for labelling different interventions contributing to the EUSBSR, their monitoring and evaluation. In the absence of the mentioned approach the Interreg Baltic Sea Region programme would become the only instrument to support the macro-regional approach in the Baltic Sea Region.⁵ Aiming to support shared understanding that the EUSBSR is not only a joint declaration of Member States around the Baltic Sea, but an EU macro-regional strategy approved by the European Council in 2009 following a communication from the European Commission, the common methodology for labelling the EUSBSR projects, single monitoring system and closer ties between relevant policy sectors of the EU and the EUSBSR priority areas were recognized as highly relevant and compulsory. Making the labelling approach fully functional faced many difficulties, however it was feasible. Regular reports on ongoing and completed flagship projects of the EUSBR are published in form of the Annex to the Action Plan and available on the EUSBR web portal⁶.

5.2 The European Union Strategy for the Danube Region (EUSDR) – launch and approach to labelling

The EU Strategy for the Danube Region (EUSDR) is a macro-regional strategy adopted by the European Commission in December 2010 and endorsed by the European Council in 2011. The Strategy was jointly developed by the Commission, together with the Danube Region countries and stakeholders, in order to address common challenges together. The Strategy seeks to create synergies and coordination between existing policies and initiatives taking place across the Danube Region, it is not about funding but about closer cooperation.⁷

In the Action Plan of the EUSDR⁸ the labelling of flagship projects is not elaborated in detail, however the Action Plan presents projects by way of examples to stimulate further initiatives as the Strategy progresses, and as new ideas emerge. The aim was also to illustrate what is needed. In identifying

⁵ http://www.balticsea-region-strategy.eu/attachments/article/590700/Alignment_of_Funding_web.pdf

⁶ <http://www.balticsea-region-strategy.eu/action-plan/25-ongoing-and-completed-flagships-of-the-eusbsr>

⁷ <http://www.danube-region.eu/about>

⁸ <http://www.danube-region.eu/component/edocman/action-plan-eusdr-pdf>

the actions and example projects suggested in the Action Plan, the following factors have been taken into account:

- They should address identified priorities and be supported. The need for the action or project should have been clearly expressed by countries, stakeholders or Commission's services.
- They should have an impact on the macro-region (or a significant part of it). Many projects should therefore be transnational.
- They should be realistic, feasible (technically and financially) and there should be overall agreement between countries, stakeholders and the Commission of their worth.
- They should be coherent and mutually supportive. Actions and projects must be compatible with each other and create win-win solutions.

Also, it is clearly stressed that the Action Plan should be stable for a certain period of time. However, over the years, the priorities may evolve and hence, the actions and projects may be updated, transformed or replaced. The Action Plan is therefore "rolling", and will be regularly reviewed.

5.2.1 Danube Transnational Cooperation Programme

In the context of the labelling in EUSDR, the Danube Transnational Programme 2014-2020 shall be mentioned which is not a labelling exercise per se, but a financing instrument of the European Territorial Cooperation (ETC), better known as Interreg within the Danube Region; however, by applying a sound and formalized selection process to choose the best projects for funding, it acts as a quasi-labelling body within EUSDR.

The Danube Transnational Programme (DTP) promotes economic, social and territorial cohesion in the Danube Region through policy integration in selected fields. The Danube Transnational Programme finances projects for the development and practical implementation of policy frameworks, tools and services and concrete small-scale pilot investments. Strong complementarities with the broader EU Strategy for the Danube Region (EUSDR) are sought.⁹ EU funding is granted from three different funds: European Regional Development Fund (ERDF), Instrument for Pre-Accession Assistance II (IPA II) and European Neighbourhood Instrument (ENI). Up to 85% of the expenditures of the selected projects are financed. The DTP was launched in September 2015.

Although closely linked to the EUSDR the DTP has defined its own 4 thematic priorities and specific objectives for each:

- Innovative and socially responsible Danube Region
- Environment and culture responsible Danube Region
- Better connected and energy responsible Danube Region
- Well-governed Danube Region.

The Danube Transnational Programme is intended to contribute to and provide assistance to the governance of the Strategy in two ways. It provides support to the activities of the PACs under the specific objective „Support to the governance and implementation of the EUSDR“. On the other hand it ensures that proper quality, mature projects are prepared for the implementation of the EUSDR goals. Moreover, the programme is expected to enhance the sense of ownership by providing the platform for communication among different stakeholder representing the regional governmental

⁹ <http://www.interreg-danube.eu/about-dtp/programme-presentation>

bodies and civil society. In this manner, the selection process of the projects applied for funding under the DTP will at the same time act as labelling of the most successful proposals, with clear recognition and coordinated visibility.

5.3 EUSDR Priority Areas labelling

The EUSDR Priority Area Steering Groups have tackled the issue of labelling a number of times in regard to recognition of and providing support to the EUSDR strategic projects. Almost all PAs have established internal policies to award labels and/or issue letters of recommendation to projects. In regard to the set of criteria they have developed within their Steering Groups, Priority Areas mainly evaluate the projects' EUSDR relevance by awarding label and/or letter of recommendations to the ones which they assess to significantly contribute to defined Action Plan, targets and implementation of the roadmaps. More information about recognized projects per Priority Area is available on the webpages of Priority Areas¹⁰. Beside extensive lists of recognized projects some PAs also offer a list of criteria for labelling¹¹.

Although well set in practice of each Priority Area, the diversity of labelling approaches, terminology (flagship project, strategic project, etc.) and outcomes of the labelling process (PA flagship project, letter of recommendation, website recognition) is to a certain extent confusing for the funding authorities and stakeholders. Not all recognized projects were funded at the time of PA recognition and clear labels of EUSDR relevance were intended to also help those proposals in the process of fundraising. On the other hand, some PAs have become overloaded with the applications. A number of smaller and medium projects and initiatives have recognized their chance in attaining some kind of EUSDR label. PAs became aware that with many projects addressing them, the time consuming process of projects review/evaluation affects their main role of PA governance and policy level coordination and shifts it towards project assessment and issuing Letters of Recommendations. Some adjustments of the approach to labelling were required.

In addition the labelling approaches of PAs, which all intended to say the same thing, namely that the selected project/process is of an extraordinary relevance for the EUSDR, lacked coordination among PAs to make the process outcomes clear and easily recognizable for stakeholders and target groups in the Danube Region. For that reason it has been suggested that a single EUSDR label would have more visibility, and impact, and increase the interest to be obtained among eligible macro-regional projects and initiatives and be supported by stakeholders. For that reason on the occasion of the Annual Forum in Vienna in 2014 the Danube Region Foreign Affairs Ministers "called on Priority Area Steering Groups to further develop joint approach for labelling strategic projects of the EU strategy

¹⁰ PA1a - <http://www.danube-navigation.eu/projects-ideas>, PA1b - <http://www.danube-transport.eu/projects>, PA2 - <http://www.danube-energy.eu/ongoing-and-planned-energy-projects-selected-by-the-steering-group-of-the-priority-area-2>, PA3 - <http://www.danubecultureandtourism.eu/flagship-projects>, <http://www.danubecultureandtourism.eu/pa3-projects>, PA4 - <http://www.danubewaterquality.eu/projects>, PA5 - <http://www.danubeenvironmentalrisks.eu/projects>, PA6 - <http://www.danube-nature.eu/projects>, PA7 - <http://www.danubeknowledgesociety.eu/projects>, PA9 - <http://www.peopleandskills-danuberegion.eu/projects-of-priority-area-9/>, PA11 - <http://www.danube-security.eu/projects>

¹¹ PA9 - <http://www.peopleandskills-danuberegion.eu/project-criteria-of-priority-area-9/>, PA7 - http://www.danubeknowledgesociety.eu/uploads/files/projects/Criteria_label_of_flagship_project_final.pdf

for the Danube Region until the end of 2014"¹². To comply with the Ministers call several approaches have emerged in the last two years, however a fully operative single solution is not implemented yet, it is still developing.

5.3.1 Danube Strategic Project Fund

As an example for a newly initiated successful Priority Area labelling exercise, the Danube Strategy Project Fund (DSPF) shall be highlighted. The DSPF¹³ is established by PA10 – Institutional Capacity. It could be considered as another labelling capacity considering its main aim to support the implementation of transnational strategic projects aligned with the objectives of the EUSDR and with a specific added value at the interfaces between cohesion and enlargement/neighbourhood policy. It is co-financed with funds provided to the European Commission by the European Parliament and the City of Vienna and will be managed by PA 10 of the EUSDR (City of Vienna) in close cooperation with EuroVienna, affiliated entity to the City of Vienna.

The DSPF builds upon the experience gained during the implementation of the pilot initiatives START - Danube Region Project Fund and the technical assistance facility TAF - DRP, carried out by the City of Vienna in its capacity as Priority Area 10 "Institutional Capacity and Cooperation" of the EUSDR. Moreover, it refers as appropriate to the results, conclusions and recommendations of the "Socio-economic assessment of the Danube Region", which was implemented by Priority Area 8 "Competitiveness" and finalised in November 2015.

The DSPF focuses primarily on innovative pre-mature projects which could not be funded so far and respond to the actual needs in the Danube Regions functional area. Moreover, it will provide support for projects and initiatives which do not fit into a programme or funding scheme (or which need a combination of several funding instruments). The DSPF pays particular attention to projects that:

- Have a strategic impact, especially in view of Enlargement and Neighbourhood policies
- Have connections and/or spill-over effects in the territory covered by the EU Strategy for the Adriatic and Ionian Region
- Include neighbouring countries
- Include cross-cutting and/or horizontal measures covering several Priority Areas of the Strategy
- Follow a multi-level governance approach
- Support the establishment of economic and social cooperation
- Foster integration and reconciliation of Danube countries, with a particular focus on the training of young people.

The application procedure for the DSPF is organised as a semi-closed call. Priority Area Coordinators (PACs) of the EU Strategy for the Danube Region (EUSDR) and their Steering Groups (SGs) are experts on the needs in the Danube Region and can therefore invite organisations / clusters that are active in the Danube Region and qualify as potential DSPF applicants to submit an application for DSPF funding.

¹² Joint Statement of the Ministers of foreign affairs on the participation states of the EU Strategy for the Danube Region and of the European Commission, Vienna, 26 June 2014, http://www.danube-region.eu/attachments/article/616497/Joint_Statement_FINAL.pdf

¹³ <http://www.danube-capacitycooperation.eu/general-information-about-the-dspf>

Financial contributions to DSPF projects are estimated from € 70.000,00 up to € 100.000,00 per DSPF project, covering min. 50% and max. 90% of individual DSPF project budget. Regarding eligible partnership 2 to 4 partners are expected from at least 2 countries. While Lead Partner must be from the Danube Region and other partners can be also from the Adriatic and Ionian Region. In March 2017 the application phase of the DSPF was completed and the results are highly satisfactory. In total 56 applications were received by PACs, out of which 37 were approved as relevant for the aims and targets of the EUSDR and the addressed PAs.

5.3.2 Considerations on PA7 labelling of the Danube-INCO.NET project

As regards to labelling within specific PAs, it shall be mentioned that – within the implementation phase of the Danube-INCO.NET project – it has been briefly considered that the project itself would ask to be labelled (e.g. as a flagship project in PA7).

The following aspects were considered:

Expected, announced and possible benefits of a EUSDR label: one of the clear benefits of labelling in EUSDR is to be closer to the governance structure that officially (through the label) acknowledges the importance of the initiative or topic. As Danube-INCO.NET was already prepared with the official support of the EUSDR governance structures, it did not seem necessary to obtain an official status in that sense. It is necessary to bring increased visibility to clearly specified target groups, i.e. regular exchange with the governance structure, a position on the EUSDR related websites and other communication means, political push for the initiative when it comes to funding opportunities, support for the initiative in search for additional funding. The more obvious the added value for being a 'flagship' project is, the more interest there will be to register for the status. It is important for an initiative to consider the 'costs and benefits'.

Eligibility criteria: It is important to clearly understand the criteria for receiving a label, which is also closely connected with the benefits. So far, it was often considered that a 'label' would be mainly supporting the initiatives to receive funding, e.g. to transnationally address several Structural Funds / INTERREG sources. Thus, it would not make sense for an initiative that is already funded to apply, even if the eligibility criteria do not exclude it. The description of a possible 'flagship' (or whatever the name of the label would be) also needs to specify the level of maturity of an initiative. The options here are very wide, from an already funded project with a clear beginning and a clear end and an already confirmed funding source (e.g. Danube-INCO.NET) to a process or priority which could result in a cluster of projects (e.g. promoting nano-technology as a key enabling technology and creating networks of researchers, companies, related research infrastructures, etc. or more general to support the creation of joint doctoral degrees in the Danube Region). It seems that the latter could benefit more from a 'label' of priority and could spin-off more coordinated results as compared to an already clear initiative. Yet, if the eligibility criteria or application forms for a 'label' require a beginning/end date, a budget etc. then it is impossible to 'label' a more general initiative which at some point seemed to make more sense.

Comparability and cooperation with other labelled projects: Being in a network of high-level and competitive initiatives that have similar objectives, is an inspiration for all and can strengthen each of the initiatives by increasing their images. Current practices of labelling rather seemed to create a network of initiatives that have very different maturity and few common objectives. In order to create such a portfolio, an active identification of initiatives that fit the criteria of the labelling activity could be beneficial and a good start. For example, if running projects are targeted, these

could be identified e.g. by labelling the projects supported in the Danube Transnational Programme or key prestigious projects supported by Horizon 2020, e.g. ERA-Chairs, Twinning/Teaming projects or ERC projects implemented in the region. If proposals that search for funding are targeted, then the pilot labelling activity of Danube-INCO.NET could be a model, proposals for specific donors could be labelled before submission. Or similar to the Seal of Excellence initiative, projects could be labelled which have been positively evaluated, but did not receive funding. Such proposals could use the additional push to find adequate financing by being labelled by the EUSDR governance. In case, labels are going to go to broader initiatives and topics, some examples could be identified from the current discussion (on a more concrete level compared to the working groups), examples could include 'promoting bio-economy research in the Danube Region', 'promoting technology transfer and improving TT skills', 'improving PhD education through joint degrees' etc.).

These considerations led to the understanding that Danube-INCO.NET would not exactly fit to the group of labelled initiatives.

5.4 Danube-INCO.NET approach to the labelling and pilot

The FP7 funded coordination and support action Danube-INCO.NET has identified the need to develop better coordination among leading governance and implementation structures of the EU Strategy for the Danube Region in labelling of strategic projects and it had offered a framework for rethinking the process and proposing a sustainable solution. Aiming to deliver a balanced approach, which in one hand avoids overload of the Steering Groups with a number of applications asking for the EUSDR label while on the other hand supports only strategic projects and actions with truly significant macro-regional impact, the Danube-INCO.NET project deals with *Development and "Labelling" of Danube Region projects and proposals (project task 5.3)*. The objective of this task within the Work Package "Promoting Innovative and Inclusive Danube Societies" was to support the development of targeted projects using different funding sources which fit into the EUSDR objectives, complement the on-going activities and avoid duplication.

5.4.1 Concrete outline of process for labelling of projects

The Concrete outline of the process for labelling of projects¹⁴ was proposed in December 2014. This document was an integral part of the overall project attempt to promote innovative and inclusive Danube societies. It addressed the labelling of strategic projects of the EU Strategy for the Danube Region and proposed the framework for a joint approach and coordination of all Priority Areas and Steering Groups in this regard. The process outlined was based on the good labelling practices already established in some Priority Areas, and aimed at consolidating the current activities to a joint approach (a common Danube region one stop shop) organized in four stages:

- 1) Identification of calls - starting point was Priority Areas performing a selection of the most relevant open and announced calls,
- 2) Dissemination of information - extensive dissemination of selected calls to potential applicants,

¹⁴ https://danube-inco.net/object/news/14582/attach/D5-4_Concrete_outline_of_process_for_labelling_of_projects_final-1.pdf

- 3) Assistance in project/consortium development - through this facility assistance was planned to be offered to potential applicants for project and consortium development aiming to enhance project's strategic relevance for the EUSDR,
- 4) Evaluation and labelling - Priority Areas perform applications evaluation and labelling.

The process ends with a Letter of Recommendation (LoR) issued to each project labelled as strategically relevant for the EUSDR. The letter is aimed to accompany the formal project application for funding.

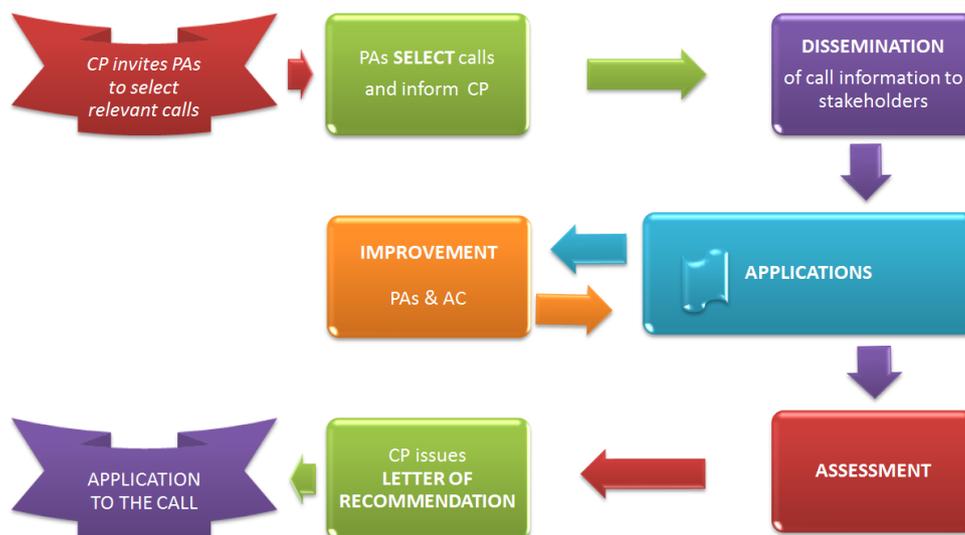


Chart 1: Concrete outline of process for labelling of projects

The specific objective was to provide a common system to support EUSDR Priority Areas and the work of their Steering Groups in targeting the most relevant calls under particular funding schemes (e.g. Horizon 2020) which fit into their objectives, complement their on-going activities and avoid duplication. Stakeholders expected to take part in future project proposals would be informed about targeted calls relevant for the EUSDR/Priority Area and invited to apply. Potential applicants would be also offered assistance in steering them towards better integration of EUSDR objectives in project application. The most relevant proposals would be given the EUSDR label and the Letter of Recommendation (LoR). The assessment decision should be based purely on the proposal's relevance for the EUSDR, PAs and targets and not cover any scientific or technical evaluation.

The main target groups for this labelling process were stakeholders with capacities, willingness and readiness to take part in or coordinate projects and collaborations with clear EUSDR added value. It includes researchers and research institutes, universities and departments, research related SMEs, non-governmental organizations, public institutions and other eligible parties in the Danube Region which plan to participate in large-scale projects that fit into the EUSDR objectives, addressing different funding sources.

The labelling process was expected to facilitate the information flow about relevant calls likely to support the implementation of EUSDR and PAs roadmaps, while improving networking and cooperation among stakeholders in the Danube Region. It should result in accelerated implementation of the EUSDR and Action Plan through advanced recognition of the most prominent

project applications, first internally among EUSDR governance structures and right after externally among funding decision makers.

5.4.2 The pilot phase and outcomes

The pilot phase was launched in January 2015¹⁵ in PA7 – Knowledge society for the specific Horizon 2020 Call for Twinning: Spreading Excellence and Widening Participation (H2020-TWINN-2015). All stakeholders were encouraged to develop Danube Region consortia and apply for the EUSDR label for the specific call.

The application for the EUSDR label and Letter of Recommendation was open for both projects that planned to use the stage 3 - assistance in project/consortia development and for those which were only interested in obtaining the label for the call.

For the pilot phase 7 proposals applied. The assessment of project proposals was the last phase of the labelling process. The evaluation was performed by the PA7 PACs and SG members solely based on proposals' relevance to the EUSDR and PA7 targets, objectives, and roadmap. In this evaluation scientific or technological quality or any other criteria were not assessed. PACs and SG members selected 3 winning proposals as the most relevant for the EUSDR and PA7¹⁶. Projects selected for the EUSDR label had demonstrated a strong macro-regional dimension in terms of impacts, partnership and/or location of the actions. Winning proposals were awarded EUSDR label and Letter of Recommendation to accompany their formal application. They received the Letter of Recommendation (LoR) one week before the Call deadline. They also received the Letter for the Evaluation Committee of the Twinning Call, which ought to provide a brief overview of this new established facility for labelling of the proposals relevant for the Danube Region, and the pilot phase implemented.

The proposed labelling approach took confidentiality issues with the utmost care. All persons involved in the assessment and evaluation, including PACs, SG members and PAC Support Team, were required to sign Confidentiality Statement in order to ensure confidentiality of the information the project applicants shared with them in the labelling process. Only those SG members who submitted signed Confidentiality Statement had received proposals and were involved in voting.

It was expected that this kind of joint approach and close co-ordination between the implementation of the EUSDR and the stakeholders will result in an increased number of successful project applications with very strong consortia, highly visible impact throughout the Danube macro-region and tangible outcomes. Moreover, setting the environment in favour of mutual understanding and positive reception of this initiative on behalf of the European Commission funding schemes (e.g. Horizon 2020) will increase chances for implementing and funding true strategic projects for the EUSDR, which will bring expected progress in connecting, strengthening, building prosperity and protecting the environment of the Danube Region. In addition, the establishment of formal relations and joint meetings with respective Call designers and recognition of the EUSDR objectives in the future calls (H2020, European Territorial Cooperation) can enlarge the impact of this activity.

Together with running the pilot, the new approach to labelling was presented to other PAs and circulated among EUSDR community. At the EUSDR Annual Forum in October 2015 in Ulm, Germany, it was planned to make an open presentation of the labelling facility, with the first practical feedback

¹⁵ Labelling of Danube Region Proposals - Pilot Phase Launched, <https://danube-inco.net/object/news/14582>

¹⁶ Labelling of Danube Region Proposals - Pilot Phase Outcome, <https://danube-inco.net/object/news/15275>

from the Pilot. However, at the time of the Annual Forum the new concept for Strategic Projects to be coordinated by the Danube Strategy Point was already announced. Finally, the Danube-INCO.NET project decided to provide its results and assistance in the designing of the new facility and submitted all relevant documents to the Danube Strategy Point.

5.5 New approach: EUSDR Strategic Projects, facilitated by the Danube Strategy Point

According to the official EUSDR web presentation the EUSDR is implemented, among others, through projects and processes. EUSDR strategic projects¹⁷ would frequently be a result of policy developments and discussions within a EUSDR Priority Area. Identification and implementation of "EUSDR Strategic Projects" aim at:

- contributing to stronger and clearer strategic focus of the activities and efforts undertaken within the EUSDR Priority Areas as well as fleshing out the ambition and the direction an EUSDR PA would have in certain policy area;
- supporting and further encouraging joint cooperation between EUSDR states and/or regions, which are strategically important for the Danube region;
- establishing the ground to further consider the strategic projects/processes within the revision process of EUSDR targets, actions, milestones and roadmaps;

This way set the EUSDR strategic projects are the projects with high impact and visibility for the EUSDR. As such they are expected to demonstrate the progress achieved in implementing the EUSDR and should strengthen and improve the communication on the EUSDR strategic focus. These projects could also serve as pilot examples for desired future changes (e.g. possible strategic support for embedding them into funding programs/sources). The DSP prepares and maintains list of EUSDR Strategic Projects. The list is endorsed by the EUSDR National Contact Points and published and regularly updated on the EUSDR webpage.

At the moment of delivering this report no results of the labelling EUSDR strategic projects have yet been available nor has the first cycle of selecting strategic projects been finalized. Based on the presentation *EUSDR Strategic Projects – report & prospects* given by DSP at the occasion of meeting with PACs in Brussels on January 12-13, the current stage of this labelling facility includes:

3 EUSDR Priority Areas (PA) have identified and proposed for screening 29 potential EUSDR Strategic Projects (SP): PA1a - 11 projects (approved by the SG – at meeting on 04.05.2016), PA 9 - 5 projects (approved by the SG - silent procedure on 27.04.2016) and PA10 - 13 Projects (approved by the SG – at meeting on 15.04.2016). The selection process is presented in the graph.

¹⁷ <http://www.danube-region.eu/funding/eusdr-strategic-projects>

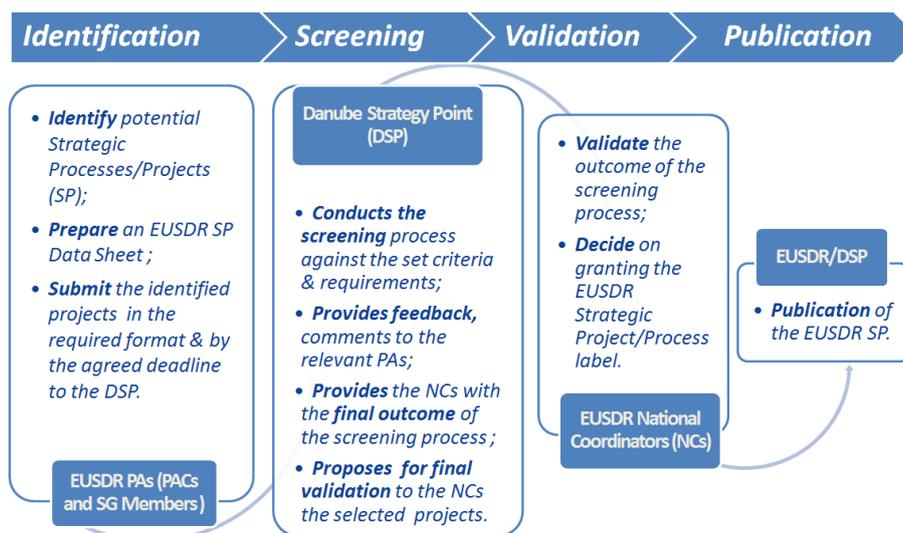


Chart 2: EUSDR strategic projects/processes selection

The DSP has performed screening process for the projects proposed: 5 projects are considered as EUSDR strategic projects (subject to review of the data sheet), 3 projects are considered potential EUSDR strategic projects (data sheets need to be reviewed/updated and re-submitted for screening after bilateral discussions PA – DSP) and 1 project along with 3 “affiliated projects” deemed to qualify as EUSDR Strategic Process (group of projects) in the field of comprehensive waterway management. Bilateral meetings between DSP and relevant PAs were organized aiming to reach agreement on the final outcome of the process and prepare for the validation.

At the time of this report submission the future of the Danube Strategy Point together with the EUSDR strategic projects facility is unclear. It was announced early in 2017 that the current state of the art regarding organization of the Danube Strategy Point hosted by the Representation of Land Baden-Württemberg to the EU in Brussels will end its term in May 2017, with not much details publicly provided on the future organization of the DSP and on the facilitation of selecting EUSDR strategic projects.

5.6 EUREKA Danube Region Multilateral Call labelling process

EUREKA is a publicly-funded, intergovernmental network, involving over 40 countries. EUREKA’s aim is to enhance European competitiveness by fostering innovation-driven entrepreneurship in Europe, between small and large industry, research institutes and universities. For this purpose, EUREKA aims to implement market-driven international R&D projects in a bottom-up approach.

EUREKA as a network in itself does not have a common fund or dedicated funding programmes in each participating country, but allows the applicants to get funding from a variety of potential funding sources according to national legislation. If a project has secured funding in an appropriate number of countries and fulfils the eligibility criteria and excellence requirements set by the network, a so-called EUREKA label is awarded to the project which adds value to the project and gives participants a competitive edge in their dealings with financial, technical and commercial partners. The general idea behind the labelling process is that if the relevant national authorities and the

EUREKA network both agree to award a label to a project this signals such a high technology and innovation, as well as market and competitiveness quality that other projects/initiatives and partners will be interested in pursuing further lucrative business with a given project and its participants.

This approach was taken over by the EUREKA Danube Region Multilateral Call in 2015. In close collaboration with the Danube INCO.NET project, the EUREKA representatives proposed to use the EUREKA intergovernmental initiative as a tool to contribute to the efforts in strengthening the cross-border collaborations in the Danube region. The countries participating in the initiative (Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Montenegro, Romania, Serbia, and Slovakia) launched the first call in 2015¹⁸ and made available dedicated funding to finance eligible and positively evaluated projects. The eligibility criteria are quite simple: there must be at least two independent enterprises from at least two participating countries to implement an industry-driven research, development and innovation project in any thematic area (bottom-up approach). One partner can have max. 75% of the total funding; a project should last between 12 and 36 months. The national funding bodies can set additional criteria to provide access to financing.

The application process was two-stage: first a project outline then a full project proposal should be submitted. The evaluation of the EUREKA project application is done separately in each Danube Region country according to the national regulations pertaining to the given national funding programme. As part of the evaluation, the operational level managers, the so-called National Project Coordinators (NPCs) are responsible for assessing each project in terms of labelling.

All NPCs within a EUREKA project application must score the proposal according to 19 central assessment criteria grouped into 4 main categories (crucial criteria, basic assessment criteria, technology and innovation criteria, market and competitiveness criteria). If the proposal scores above a defined threshold, a recommendation for EUREKA label is submitted for the High Level Group (composed of High Level Representatives who are the representatives of policy-level bodies with the task of endorsing new EUREKA projects, taking decisions on the management of the programme and preparing EUREKA-related discussions and negotiations within and beyond the network.

Prior to obtaining the Eureka label partners are required to present a draft of Consortium Agreement (on the commercialization of the product, process or service once the phase of research and development has been completed which includes the ownership and use of know-how and IPR settlements). After the HLG awarded the EUREKA label for a given project on the recommendation of the NPCs the project implementation can start from the allocated funding.

The label shows that the project has an obvious advantage and added value resulting from the technological cooperation between the participants in all countries (e.g. increased knowledge base, commercial leads, access to R&D infrastructure etc.) and serves as a "seal of excellence" for other relevant stakeholders. The EUREKA labelled projects are associated with such a quality (based on national-level strict assessments) which should attract additional funding opportunities at a national and EU level.

¹⁸ There was a second call in 2017 with less participating countries, i.e. Austria, Croatia, Czech Republic, Germany, Hungary and Romania

5.7 Discussion

Although the labelling processes are recognized among EUSDR governance, Priority Area Steering Groups and stakeholders as an important issue, one single fully operational solution is not delivered yet. Likewise, the parallel initiatives to align funding in the Danube Region should go hand in hand with the development of labelling processes, giving more tangible value to the sides of the matter. The requests for better coordination of policies, funding and efforts to avoid duplication and overlapping are present from the moment of the Strategy preparation. It is well known that the EUSDR, as well as other EU macro-regional strategies, is based on principles of 'no new legislation', 'no new institutions' and 'no new funds', and that the core idea of the Strategy is to ensure coordinated response to issues that can be better handled together than individually. On the other hand, the real on the ground implementation of the targets does not lie in hands of the Strategy governance and Priority Areas Steering Groups but in hands of stakeholders for the majority of EUSDR Priority Areas in question, while the number and diversity of eligible contributing stakeholders vary among them. Therefore, there is a continuous difficulty of steering the creation of projects to implement the targets. For the developing labelling initiatives several key questions remain open and need functional solutions. The potential discrepancy of the processes "on the paper" vs. "real impact" in practice is probably of a vital concern, together with introduction of clear and easily accessible mechanisms for impact monitoring through labelled projects. Finally, it would be good to think about sequence of steps in regard to assessment of strategic projects. Maybe we are making second step before the first. Do we already have a clear definition of what is actually a "normal" EUSDR project? We should have this before. If you do not have this definition, but only a clear definition of what a strategic project is, then there is high possibility that all projects will focus to become strategic ones. Then we could fear that promoters of "normal" projects could quickly completely lose the interest in the Strategy and at the end only the flagships/strategic projects remain. In total effect it would mean less than before.

5.7.1 Links with the EC funding authorities

It is essential for the success of labelling facility to raise awareness of programme committees and reviewers and to ensure they take into consideration judgment and understand intentions of the EUSDR governance with regard to labelling the most promising project applications for the Danube Strategy. In the Labelling Pilot the Letter for the Evaluation Committee of the Twinning Call about the relevance of the EUSDR label for the call was proposed to provide the first inputs, while improved communication, dissemination of targeted information and lobbying should encourage recognition of EUSDR label and LoRs among relevant funding structures.

One of the aims of macro-regional strategies is to intensify the use of the existing EU and other financing instruments in order to implement the targets and priorities of the Strategy. However, these intentions are only mirrored in the Strategy and its setting, but not in the process of programming EU financing instruments. Therefore, in practice it appeared difficult to make the best use of available EU funding to support EUSDR targets, while no recognition of the EUSDR (or other macro-regional strategies) relevance is integrated in the funding programmes and calls, expect the one instrument represented in the Danube Transnational Cooperation Programme. Therefore, in one hand the EUSDR faces the difficulties of steering project proposals to work on EUSDR targets, while sharing no influence on steering the funding in the same direction. Acting as some kind of a mediator between stakeholders that should be motivated to get deeply and actively involved in the Strategy implementation and funding authorities to recognize the Strategy relevance, but with no real power

on any of them, there is a reasonable suspicion that the Strategy governance and coordination could be trapped in vicious cycles of case by case actions to support highly EUSDR relevant proposals, processes and initiatives.

Although 3 projects were awarded with the EUSDR label, Letter of Recommendation and the Letter for the Evaluation Committee of the Twinning Call explaining the labelling pilot and relevance within the Danube-INCO.NET labelling Pilot, no feedback was received from the EU authorities. For this respective Twinning call the total number of proposals submitted (including proposals transferred from or to other calls and excluding abusive proposals) was 552, while after the evaluation 321 proposals were above-threshold. Total budget requested for above-threshold proposals was 323.064.973 EUR, however the total available budget was only 66.240.000 EUR¹⁹. None of the EUSDR labelled proposals got funded and no feedback was provided about the label itself. Being very open in terms of the fact that the label in no way means to pre-judge the evaluation of the independent experts for the Call, it however intends to show the perceived positive potential of the project with a view to macro-regional impacts, aiming to deliver solution in some of the most pressing challenges in the Danube Region. Although the PA7 Steering Group, which participated in the labelling pilot, has opened the floor for discussion, it has not received any formal or informal feedback from the Call authorities about the labelling.

5.7.2 Seal of Excellence

Under EC funded programme Horizon 2020 there is a new practice established in 2015 with regard to labelling excellent project proposals. The "Seal of Excellence"²⁰ is a quality label awarded to project proposals which were submitted for funding under Horizon 2020, passed stringent selection and award criteria but could not be funded due to budget constraints. The Seal of Excellence highlights proposals which deserve funding from alternative sources. These sources can be: public, private, national, regional, European or international. The proposers receive a Seal of Excellence Certificate as soon as the evaluation results are available, which is designed to satisfy multiple purposes, from informing to building reputation by highlighting the competitive and highly professional selection process, explaining which refers to the evaluation criteria used in Horizon 2020, while also demonstrating the political commitment with the signatures of the two Commissioners, and at the same time being unique and safe digitally sealed against fraud. The Seal of Excellence is currently awarded to above-quality threshold, unfunded proposals who applied to either the SME Instrument or Teaming under the Horizon 2020 programme.

5.7.3 Overview on the different labelling approaches in the Danube Region

To conclude the discussion, we provide a short summary on the different labelling approaches applied in the Danube Region within Table 1 below.

¹⁹ [https://ec.europa.eu/research/participants/portal/doc/call/h2020/h2020-twinn-2015/1665142-h2020_twinn_2015_flash_call_info_\(call_results\)_en.pdf](https://ec.europa.eu/research/participants/portal/doc/call/h2020/h2020-twinn-2015/1665142-h2020_twinn_2015_flash_call_info_(call_results)_en.pdf)

²⁰ <https://ec.europa.eu/research/regions/index.cfm?pg=soe>

Table 1 Overview on the different labelling approaches in the Danube Region

Label name	EUSBR	EUSDR PA7	DSPF PA10	Danube INCO.NET	Strategic Projects (DSP)	EUREKA Danube
Overall goal	Label of flagship projects helps identification of best projects at funding decisions	Acknowledge the extraordinary importance of projects for Danube Region Knowledge Society	To support the implementation of transnational strategic projects aligned with the objectives of EUSDR and with a specific added value	Accelerated implementation of EUSDR objectives in most relevant project applications	Strategic projects serve as pilot best case projects with high visibility and impact of EUSDR – guideline for other projects	EUREKA label shows that a project fulfils the strict E! quality criteria
Main function	Visibility	Visibility	Funding	Operative support / Visibility	Visibility / learning process	Visibility / Quality assurance
Process	On the invitation of EUSBR PA/horizontal task leader project proposal is presented, which should be supported by DG REGIO (final decision: HLG)	Applications for labels are submitted to relevant national Steering Group members for assessment based on a comprehensive list of criteria; best projects are present at SG meeting that offers label and Letter of Recommendation	Semi-closed call where EUSDR-related projects can apply that were not funded yet and do not fit into any programmes or funding schemes	PACs evaluate applications to calls considered highly relevant and award EUSDR label and Letter of Recommendation	Danube Strategy Point (DSP) conducts screening of potential applicants and proposes projects for label award to National Coordinators (who have the final say)	E! NPCs recommend for labelling based on PAM; HLG approves



This project has received funding from the European Union’s Seventh Framework Programme for research, technological development and demonstration under grant agreement no [609497]

Labelled project info available	Yes (action plan)	Yes	Yes	Yes	No	Yes
Impact measurement	EUSBR monitoring system	No	Yes – Project reporting	No	No	Yes - EUREKA reporting
Main advantages (+)	Well-defined set of criteria; common methodology; single monitoring system; close ties to relevant policy sectors at EU and EUSBR	Well-defined set of criteria; adherence to separate PA objectives and targets ensured	Ensuring a missing funding opportunity; Well-defined management structure and application process (eligibility criteria)	Assistance offered to stakeholders; a common Danube region one stop shop in place of many PA labels	Screening process roles allocated to various EUSDR management stakeholders (DSP, NCP, NC) so as not to overload PACs (as in PA labelling)	Well-known label; Strict and detailed labelling criteria; QA; common methodology; single monitoring system
Disadvantages (-)	Involvement of EU bodies may result in more red tape and delay	Not well-defined management structure (overwhelmed SG members / PACs); separate PA labels lead to confusion	Suitable only for smaller unfunded projects	Evaluation does not cover any scientific and technical evaluation; not close ties to relevant EU bodies	Unclear relations with other earlier initiatives (INCO.NET/PA labels); implementation halted due to finish of DSP (May 2017)	Rigidity in process (e.g. in timeline - only 2-times a year label is given); different process interpretation of partners
Funding incl.	Flagship projects – signal for excellence to funding bodies	No	Yes	EUSDR-labelled projects should have better chance to be funded in relevant calls	No	Only projects that secured funding are labelled – opportunity to further funding

6 Opinions of the stakeholders

6.1.1 Prof Dr Miroslav Vesković, Coordination of scientific support to macro-regional strategies, EC DG Joint Research Centre

Macro-regional strategies (MRS) have become a crucial element in the design of European Territorial Cooperation (ETC) for Cohesion Policy. Such strategies can be defined as: "an integrated framework endorsed by the European Council relating to Member States and non-EU countries in the same geographical area in order to address common challenges and to benefit from strengthened cooperation for economic, social and territorial cohesion". The approach encourages participating countries to mobilise new projects and initiatives, creating a sense of common responsibility. Macro-regions are not created ex-nihilo; they super-impose themselves as a "soft" strategic layer upon a contrasting set of pre-existing histories of transnational cooperation on the European territory. They do not create any new funds but aim to mobilise a variety of available financing sources - including the EU structural funds but also other EU and national sources - towards improved policy development.

The Ministers of Foreign Affairs and in charge of EU funds of the Danube countries have sent clear political messages on the need to unlock all available funds for the full implementation of the Strategy through the necessary investments. They have also committed, through the Joint Statements adopted in 2015, to take the necessary actions to improve the coordination of available funds at EU, state, regional and local level.

(It might be also worth mentioning that in the Joint Statement Moving Forward: Guidelines to improved Science systems, 2nd JOINT SCIENCE CONFERENCE WESTERN BALKANS Process / Berlin Process, Vienna · Austria · 22 – 24 May 2016, one of the Key Recommendations is stating: *Adopt special instruments within Horizon 2020 for WB6 and EU13 to combat inequalities in the EU and develop one central information hub for EU-funded opportunities*²¹. So the European Commission is requested to develop special instruments within Horizon 2020 for WB6 and EU13 to combat (long-lasting) inequalities in the financing and development of research and higher education.)

Nevertheless, bridging the gap between the strategies and funding opportunities is still a challenge. This challenges linked to the funding include the following:

- insufficient dialogue between key Strategy implementers and representatives of different funding instruments;
- reluctance and/or lack of interest from respective monitoring committees to acknowledge the added value of transnational cooperation and macro-regional strategies in achieving the objectives of respective programme.

²¹ https://www.leopoldina.org/fileadmin/redaktion/Internationales/JSC_2016/jsc2_joint_statement_web.pdf



In parallel to dialogue between key Strategy implementers and representatives of different funding instruments, the process of a tailored labelling should focus and strengthen activities and projects which lead towards reaching adopted quantifiable targets, the estimated impact of the project and European and macroregional added value.

6.1.2 Martina Hartl, Deputy Head of Department International Research Cooperation, Austrian Federal Ministry of Science, Research and Economy, Republic of Austria; Member of the PA7 Steering Group

Task 5.3 related to the labelling of projects has been an important exercise in many respects: It clearly demonstrated the importance of developing a strategic approach that answers the very obvious questions of “Why are we doing that?”, “Who should benefit from it?” and “How are we implementing such a procedure?” The implemented pilot exercise has shown some of the potentials but also pitfalls of such a process which are – at least partly – still valid today: a label has to create real value for the one receiving – this could be through increasing visibility, increasing chances of receiving financial resources or attracting new co-operation partners. In this sense the process(es) of labelling within the EUSDR still have a long way to go and it remains to be seen if the now followed approach of retaining parallel labelling procedures by the DSP and PAs is really beneficial for the projects. Moreover it seems that negotiations on political level with national and EU stakeholders are still needed to make sure that the recognition of these labels can be strengthened within the various evaluation processes.

7 Conclusions and Recommendations

As visible from this report, there is a variety of labelling approaches of different projects and initiative within the Danube Region with different overall objectives, main function, selection and award process, target groups, etc. (see Table 1). However, one single operational solution is not implemented within all EUSDR Priority Areas that practice separate labelling processes.

FP7 project Danube INCO.NET and the Danube Strategy Point tried to develop a one stop shop solution to offer a single label to projects deemed highly relevant (“strategic” or “flagship”). For various reasons, neither solution was truly successful in terms of achieving their objectives set. In order to understand their chances for success, we should consider the following:

- Is there a need for a single label encompassing all Priority Areas?
- If yes, what should be the objective of such a labelling process?
- How can the stated objective be best served (definition of a screening, selection and monitoring process – allocation of tasks between relevant EUSDR stakeholders)?

The uncertain approach to EUSDR labelling – where different objectives and processes are suggested by relevant stakeholders – reflects the constantly changing socio-economic environment in the Danube Region, including the multitude funding schemes and opportunities. The discrepancy between theory and funding in practice within the Region, where EUSDR relevant targets and objectives are integrated within the EU and national funding programmes only in strategies, but not in the relevant calls, also hinders the development and implementation of a labelling process with clear-cut objectives, management structure, screening, award and monitoring processes.

In order to find out the extent of need for a labelling process, the most relevant stakeholders should be first consulted, with a specific focus on the opinion of PACs and National Coordinators in each Priority Area. Best practice solutions should be also assessed, such as the long-running EUREKA labelling process and Baltic Strategy process. When providing recommendations, their feedback must be taken into account. However, based on past experience, some relevant factors can be identified that are essential for the success of any labelling process (irrespective of its objective and other implementation details):

- Well-defined overall objectives and targets of the labelling process
- Necessary human resources available; roles and responsibilities elaborated within a functioning administration and management structure
- Clear division of policy-level and project-level management (see EUREKA)
- Visibility provided – guidance to projects interested
- Pre-defined set of criteria for labelling adhered to by all stakeholders
- Common methodology – alignment of PA processes as much as possible
- Single monitoring system – comparability with other labelling process ensured
- Close ties and continuous dialogue with relevant EU stakeholders / their potential involvement in the labelling process
- Overall system should be as simple and light as possible (e.g. common definitions and support to projects interested)

Based on the outcomes of the Danube INCO.NET project, we invite the EUSDR stakeholders, particularly PACs and NCs, to strive to further explore the possibilities of a one stop shop labelling solution in the Danube Region. On the basis of this report and experience gained we recommend PACs and NCs to prepare a joint project proposal under the Interreg Danube Transnational Programme (DTP) or other relevant funding schemes, to deal with the continuing issue of the framework conditions that may enable or hinder such a labelling process, both on strategic and practical level.