

## **The Strategy Concerning the Development of the Danube Euroregion, Between Desire and Pragmatism**

**Petru Filip<sup>1</sup>, Stavăr Mihai Bogdan<sup>2</sup>**

**Abstract:** This work examines the framework of the Danube Strategy, the way it is implemented in Romania and brief analysis of the corresponding current and future projects. This is a pioneer work on this topic. In the development of the work public materials are used, e.g. the ones published by the Romanian authorities and the Final Declarations of the Strategy Conferences. The article is an observation of the projects (future) implemented in Romania based on the currently available data. On the course of the research it became clear that the Strategy results are still modest, and better cooperation between member states, supported by a European Union grant program, is needed to reach the objectives set by the Strategy. The present article would be useful for researchers as it sums up all the information available at this moment in Romania about the programs that are being implemented. The importance of the work is given by the fact that is the first that analyses how successful is the Strategy until now and how well Romania, as a member state, benefits from it.

**Keywords:** the Danube Euroregion; Danube Strategy; European Union grant program

The study proposes an exhaustive analysis of the situation for proposed projects in the frame of the Danube Euroregion by the interested public institutions, of the way in which these are managed at the Romanian Government level, and the pursuit of their accomplishment. Furthermore, it also attempts to make a comparative analysis of the Romanian actuality in the administration of these projects from a managerial perspective.

Danube Euroregion, a concept of macroregion encompassing EU and non-EU countries, was established as idea, accepted afterwards by the EU institutions, from the initiation of 2 Danube crossed countries, Romania and Austria, promoted via a common letter at the prime-minister level in June 2008, and addressed to the Commission president. The Danube Strategy, also known as EUSDR, was approved in June 2011 by the European Council, representing the 2nd such kind of EU cooperation mechanism after the EU Strategy for the Baltic Sea.

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<sup>1</sup> Associate Professor, PhD, Dimitrie Cantemir University, Romania and Chairman of the Committee on Foreign Affairs, Romania, Address: 176 Splaiul Unirii, 4 District, Bucharest, Romania, E-mail: stavar.mihai@gmail.com.

<sup>2</sup> MA, Faculty of Political Science, University of Bucharest, Romania, Address: 3 Alea Negru Vodă, Bucharest, Romania, Corresponding author: stavar.mihai@gmail.com.

The Danube Euroregion accomplishes countries and nations crossed by the main river of Europe, Danube, of whom existence along the history depended of the presence of this path of communication, human connection and transport (products, persons, business, customs, mentalities etc.).

It is for the first time in the modern history of Europe, also of UE, when it is desired for the Danube, as back spine of the old continent, to become again a direct link, constant and coherent, not only for the cultural and economic values, creating the material and spiritual relationship between the Black Sea and the North Sea. It is, accepting the comparison, a European road on water, similar to the silk route.

Therefore, the Danube Euroregion covers 14 countries, some of them with their entire national territory (e.g. Romania, Hungary, Austria), some only under the Danube's influence (e.g. Bosnia and Herzegovina, Montenegro), some non-EU members (e.g. Serbia, Republic of Moldavia, Ukraine, Bosnia and Herzegovina, Montenegro), while the number of European citizens belonging to this macroregional entity amount approx. 150 million. For this matter, the conceptual novelty resides in the Danube Euroregion acceptance as an entity of the European continent, trans-institutional EU.

The European countries that understood the challenge to their integrated development, from the perspective of Danube's importance, and the multiple nuances that it bears, started a persuasion act upon the decisional factors, because as known, the infrastructural development of an objective, even in the case of a river, demands and requires funds and integrated projects along the entire length of the Danube, and a common view and approach to its development, regardless if it concerns Hungary, Romania, Bulgaria or Germany.

The study proposes to analyse the way in which Romania succeeded organizing its non- and governmental superstructures required for the coordination and management in a coherent way of the Romanian projects corresponding and eligible to European funding, in accordance with the assumed Romanian priorities.

The strategy for the Danube region was worked out as a first step in the capitalization as fair as possible of the material and human resources made available by the macroregion, through the realisation of concrete measures, identified by actions and proposed projects in the frame of integrated devised strategies, through the participation of all the involved stakeholders, and via the efficient organizing of the analysis, implementation and monitoring of the activities intended for the attainment of the aimed objectives: prosperity, security, a clean environment, economic growth, social cohesion, access to information or encouraging of partnerships for education and research.

The Danube Strategy encompasses priority objectives and identifiable projects at national level by each riverside state, plus some cross-border projects. In this regard, the decisional Romanians have shaped, even from the start, the main

priorities of Romania, respectively: environmental protection and economic development, sustainability based on green technologies, on research and innovation, the assurance of the rivers navigability by reconditioning the fairway and the upgrade of the harbour infrastructure. (Note regarding the Romanian participation at the Conference on the EUSDR, 2010)

The achievement of territorial interrelation requires the establishment of a real horizontal coordination between the different sectorial politics, both at community and at national level, and of a vertical coordination, between the different institutions at European level, up to the local level. According to the Brochure published by the MDRAP, there are 168 persons technically involved in the EUSDR implementation, grouped into 12 directing committees. (MDRAP Brochure, 2013)

For this matter, the EUSDR governance is realized at more levels:

1. At European level: a) The Council of the European Union, which ensures the general political orientation; b) The European Commission (Directorate General Regional Policy – DG Regio), with the coordination role of the politics, monitoring, reporting and evaluating; c) The group of high level officers for macroregional strategies that include representatives of all EU member states, and that participate in the macrostrategies and support the Commission for the Strategy coordination; d) National coordinators, which on one hand ensure the national coordination and propose practical aspects of the activities, and on another hand consult and coordinate among themselves at macroregional level to promote consistency between the priorities and the governance models of the participant states; e) Coordinators of Priority Areas and Directorate Groups of the Priority Areas, which apply the Strategy Action Plan;
2. At national level – the national structure of implementation, drafted by the Ministry of External Affairs in its quality of national coordinator is the National Forum, and includes the following directions: a) The ministerial plan, which ensures the political support, presided by the Minister of External Affairs, and formed by the ministers that coordinate the priority domains of the Strategy (the Minister of Regional Development, the Minister of European Funds); b) The EUSDR National Coordinator and the EU Strategy Bureau for the Danube Region, located at Ministry of External Affairs level; c) The Interministerial workgroup – presided by the EUSDR National Coordinator, formed by the representatives of ministries involved in line with the EUSDR implementation; d) The Consultative Council in which representatives of central and local administration, of business market, the academic and scholastic environment, and the civil society sit on. (MDRAP Brochure, 2013)

In theory the National Coordinator should be localized at the Ministry of Foreign Affairs, but some states amended this structure and nominated more national coordinators or localized the National Coordinator at the level of another Ministry. Thereby it can be exemplified by Austria, which designated 3 national coordinators, one of them located at the Federal Chancellery; furthermore, Bulgaria, Republic of Moldova, and Ukraine designated coordinators at the Ministry for Regional Development, while the Czech Republic and Slovakia designated coordinators at the Government level. Nevertheless, maybe the most interesting case is the one of Hungary that created a new unique structure within the Ministry of Foreign Affairs and Commerce, to manage exclusively the Danube Strategy, respectively the Ministerial Commissary for the Danube Region Strategy.

As it can be observed, each participant state pursued to designate coordinators in the institutions' framework level considered to better suit the Danube Region Strategy.

To define the concept of macroregional strategy one must relate to the EU Regulation no. 1303/2013 of 17<sup>th</sup> December 2013 that defines it as an integrated frame approved by the European Council, which can be supported by the European Structural and Investment Funds among others, in order to tackle common challenges that are confronted by a defined geographical challenge, which relate to the member states and 3<sup>rd</sup> party states located in the same geographical area that hence benefit by a consolidated cooperation, which contributes to the achievement of economic, social and territorial cohesion. (Regulation EU no.1303/2013)

The 4 domains proposed by the European Commission on which the strategy will focus are:

- 1) The interconnection of the Danube region (transport, energy, tourism, culture);
- 2) The Environmental protection in the Danube region (centred on waste water purification, floods risk protection, and biodiversity preservation);
- 3) The prosperity growth in the Danube region (the development of a society based on knowledge, research, and education, the support of enterprises' competitiveness and cluster development, the investment in humans);
- 4) The consolidation of the Danube region (the remediation of institutional capacity and cooperation, the promotion and problem resolution regarding organized crime).

The 4 domains are split in 11 priority areas, and each area is coordinated by 2 regional states. Romania coordinates 3 priority areas, respectively: the internal navigable waterways together with Austria, the promotion of culture and tourism along Bulgaria, and the management of environmental risks with Hungary. About financing, the Strategy has been adopted under the imperative of "the 3 NOs",

meaning no new institutions, no new regulations, and most important, no new funds.

For the project funding of this Strategy, the European Parliament highlights the necessity for a coordinated approach, which to target a better and broader absorption of all EU funds available in the states located along the Danube river, in order to achieve the Strategy objectives, and encourages the use of existent operational programs. For this, it is estimated that 8 operation programs exist together with approx. 30 European programs of cross-border/interregional/transnational territorial cooperation, amounting over 100 milliard EUR. (MDRAP Brochure, 2013)

Although the Strategy was adopted under the assumption of “the 3 NOs”, Romania pursued the creation of a new funding instrument dedicated to the Danube pool for the financing period 2014 – 2020. The Romanian position regarding the creation of the funding instrument it was highlighted in the Final Declaration by the first Danube Parliamentary Conference that stated: “(Member states) are of the opinion that the objectives of the European Union Strategy for the Danube Region must be made part of the European Union grants programmes for 2014 – 2020.” (Final Declaration by the First Danube Parliamentary Conference, 2013)

The Commission launched for the period 2014 – 2020 the Danube Transnational Program amounting approx. 263 million EUR. (Danube Draft PO 2014-2020, 2014)

Romania, as member of the Danube Region Strategy, submitted for funding 19 projects. From these only 4 are being implemented, the remaining being in different approval phases or stagnate due to objective reasons. For example, the “Sturgeon Program 2020” being highly appreciated by the European Commission has even obtained several funds from BEI, LIFE, EUSDR-START, but stagnates due to the fact that no technical solution was identified in order to bypass the hydro energetic complex the Iron Gates.

The projects now implementing in Romania are “High Performance Green Port Giurgiu”, for the construction of an intermodal terminal for containers in the freeport area of Giurgiu, with an estimated budget of 15.5 million EUR, of which 85% funded by the Connecting Europe Facility program.

Furthermore, another project under implementation with the partners Austria, Slovakia, Hungary, Croatia, and Bulgaria consists in the implementation of the Master Plan for the Rehabilitation and Maintenance of the fairway, financed through the Connecting Europe Facility program with a budget of 8.5 million EUR.

Another project under implementation is “Fast Danube” in partnership with Bulgaria, having the scope to revise the feasibility study for the navigation conditions improvement on the Romanian-Bulgarian common sector. The project is

funded 85% via the Connecting Europe Facility program with an estimated budget of 5.25 million EUR.

The last project under implementation in Romania is “Danube Flood Plain” partnering with Austria, Serbia, Slovakia and Hungary, and should be finalized in 2016. The project relates to the reduction of flooding risk, by establishing a united common approach for the management of low areas in flooding exposed countries. The budget is 7.5 million EUR and financed through the South East Europe 2007-2013 program.

From the projects now in different approval phases<sup>1</sup> is worth mentioning the “Intermodal Terminal of Galati”, project partnered with port Duisburg of Germany, which proposes the construction of a trimodal terminal for containers (by ship, railway and road), for the goods transportation on the route Rhine-Danube-Asia, so to faster connect Central Europe with the EU East border. The project’s budget amounts to approx. 80.5 million EUR, of which 56 million are covered by the Connecting Europe Facility program, 9.5 million is the state contribution and 15 million is provided privately.

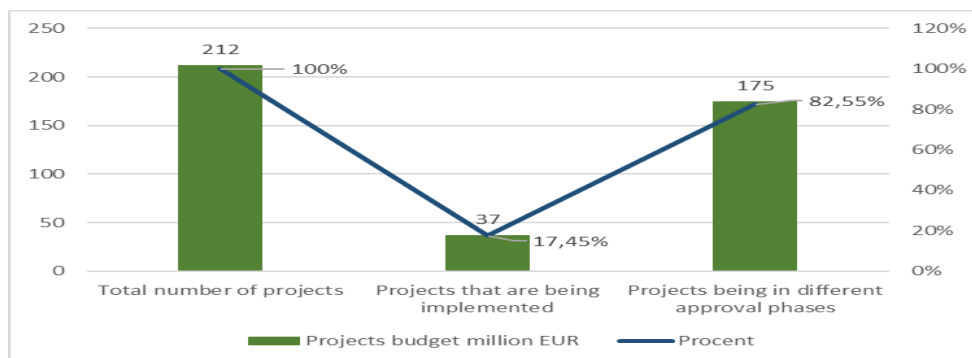
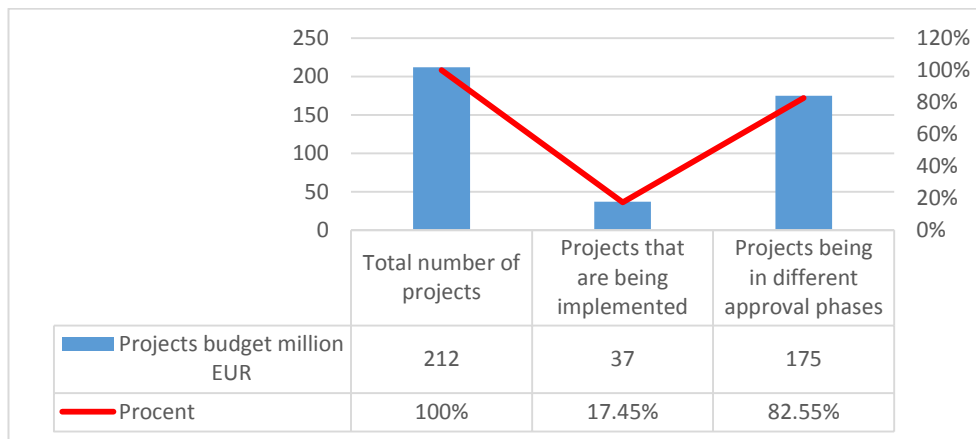
Moreover, another interesting project is “East Avert”, with the main partners Ukraine and Republic of Moldavia. The goal of this project is to prevent and protect against flooding in the upper basin of the Prut and Siret rivers via the implementation of a modern system of automatic monitoring. The estimated budget is up to 9.25 million EUR, of which 8.3 million should be provided by the EU. The project’s beneficiaries are 8 Romanian counties, 2 regions of Ukraine and 3 districts in Republic of Moldavia. The project is at start-up stage and has been proposed to the Directorial Committee of Priority Area 5 on the 29<sup>th</sup> of February 2016.<sup>2</sup>

Without extensively analysing each project, it is useful to present graphically the situation of Romanian projects’.

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<sup>1</sup> See the list of all projects that are now in different approval phases in Annex no.1

<sup>2</sup> Priority Area 5 regards the management of environmental risks



From the presented figures some conclusions may result. Even if the Danube Strategy has been approved since 2011, Romania succeeded in implementing only 4 related projects, representing 21% of the projects submitted for funding, and amounting 17.45% from the estimated budget for all the 19 projects.<sup>1</sup> If the analysis covers the projects now in different approval phases for which the budget has not been estimated, it can be stated that the budget percentage corresponding to the now implementing projects is even lower.

Likewise, if the projects' budget is to be reported to the 100 milliard EUR representing the operational programs budgets through which the projects of the Danube Strategy may be funded, the percentage becomes insignificant.

Nevertheless, the 100 milliard EUR value is considered unrealistic, primarily because it relates to a total budget designated for the respective programs, from which other projects should as well be funded, including major infrastructure planning, and secondly because the respective value should be divided according to

<sup>1</sup> The mentioned data and percentages are only a rough guide, considering that for some projects the budget was never estimated.

the assignments of the programmatic period 2014-2020 for the 10 states, which are only partially EU members.

As well it is worth mentioning that Romania intends to promote, for the 2014 – 2020 European Union granting programs, 10 more projects related to the Danube Strategy, projects with a total estimated budget of 19.5 million EUR.<sup>1</sup>

A graphic presentation of the Romanian projects' might be useful to understand the scale of the projects. Only the projects that have a clear geographic target are highlighted.



## Conclusions

Even in these conditions some partial conclusions can be drawn. First of all, it can be seen that although the Danube Strategy is based on a few basic principles, among them the cooperation between the Danube riparian countries, until recently it did not have its own budget. For this reason, member states used existing funding programs to develop various projects, not necessarily in coordination and in agreement with the other members. For this purpose, it can illustrate using the project “SWIM”, which aimed to achieve an integrated system of intelligent waterway management, plus the purchase of a dredging ship, and should have the main partners Bulgaria and Romania. However, Bulgaria decided not to participate in this project and did not signed the partnership agreement with Romania.

Moreover, waste management projects and those regarding the port infrastructure improvements are being made individually, not as part of an integrated strategy.

<sup>1</sup> See the list of all projects that Romania intends to promote, for the 2014 – 2020 European Union granting programs in Annex no. 2



Secondly, it can be seen that Romania failed to attract much funding, nor promote large-scale projects. Indeed, time since the approval of the Danube Strategy is short, but the changes that were made, including the creation of a designated program for the projects' funding, may substantially enhance the manner and speed of projects' implementation. Although the projects that are being submitted for funding, for the 2014 – 2020 European Union granting programs, will be implemented at the earliest since 2017, according to the Partnership Agreement that was signed by Romania with European Commission this projects could be finalized until 2023. (Partnership Agreement, Romania)

Lastly, it can be pointed out that the number of people involved in the management of the Danube Strategy may be excessive, over 168 persons in technical positions of EUSDR. This fact could dilute the responsibility of the decision makers and hinder the adoption of projects of common interest. Also, the fact that the projects related to the Strategy are funded by a variety of European programs make it very difficult to track at the state level the ones which are already under implementation.

The Danube Strategy represents an ambitious project that can prove successful only through closer cooperation between member states, and by creating new methods of collaboration.

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**Annex no. 1****List the projects that are being in different approval phases**

<b>No.</b>	<b>Project</b>	<b>Short description</b>	<b>Estimated budget</b>	<b>Approval phase</b>
1	Intermodal Terminal of Galati	The project main objective is the construction of a trimodal terminal for containers (by ship, railway and road), for the goods transportation on the route Rhine-Danube-Asia, so to faster connect Central Europe with the EU East border.	80.798.947 € of which 56,156,492 € is funded by Connecting Europe Facility, 15,011,182 € is financed by private contribution, 9,631,273 € is the state contribution.	The project was submitted for financing in November 2015.
2	SWIM	The main objective of the project is to implement an integrated system of intelligent waterway management and to purchase a dredging ship.	15.000.000 € of which 85% is financed by Connecting Europe Facility.	The project was submitted for financing in February 2016. Bulgaria decided not to participate in this project and did not signed the partnership agreement with Romania
3	Constanța Green Port	The project goal is to undertake a study with pilot scheme regarding the implementation of an permanent system for environmental management in Constanța Port, the system should be integrated organizational and functional in the management system.	4.950.000 € of which 85% is funded by Connecting Europe Facility	The project will be submitted for financing.

4	PROTECT	The project main objective is to improve the port infrastructure in Constanta Port by extension of the 2 <sup>nd</sup> berth in port and purchase an technological line and five mobile equipment for waste collection. The second objective of the project is to undertake a study about development of technologies for greening the Midia Port.	30.000.000 € of which 85% is financed by Connecting Europe Facility	The project will be submitted for financing.
5	DAPhNE – Danube Ports Network	The main objective is to undertake studies regarding the development of 60 Danube ports, to harmonize the legislation regarding the ports in the Danube Region, to analyze the management and administration methods of the ports and to elaborate plans for the development of the ports.	4.000.000 € it will be funded by Danube Transnational Programme	The project was submitted for financing in 2015.
6	DANTE	The project main objective is to identify and eliminate administrative barriers for the transportation on the Danube and its tributaries and the development of an electronic platform.	2.590.000 € it will be funded by Danube Transnational Programme	The project was submitted for financing in 2015.
7	INCREASE	The main goal is to increase energetic efficiency.	Funded by Danube Transnational Programme.	The project was submitted for financing and passed the first stage of evaluation.
8	Danube Culture Platform	The main objective of the project is to create a permanent room for strategic cultural policy exchange mixing a top-down and bottom-up approach.	Funded by Danube Transnational Programme. Budget is depending on how many activities Romania will	The project was submitted for financing.

			organize	
9	EAST AVERT	The goal of this project is to prevent and protect against flooding in the upper basin of the Prut and Siret rivers via the implementation of a modern system of automatic monitoring.	9.244.000 € of which 8.280.000 € financed by EU funding programs.	The project was submitted for financing in February 2016.
10	Danube Sediment Project	The key goals of the project are to bring together everything in terms of sediment data, to develop a basin-wide sediment balance for the Danube and to implement pilot studies covering the key activities (navigation, hydropower, biodiversity, flood risk, drinking water supply, etc.)	The estimated budget is slightly over 4.000.000 €, the budget will be revise in the light of more precise tasks to be implemented by the project partners.	The project will be submitted for financing.
11	Sturgeon Program 2020	The main objective of the project is to protect and rehabilitate the Danube sturgeons	Financed by BEI, LIFE, EUSDR-START. Budget depending on the technical solution to bypass the hydro energetic complex the Iron Gates	The project is stagnates due to the fact that no technical solution was identified in order to bypass the hydro energetic complex the Iron Gates
12	DANUBIUS	The project main objective is to create a pan-European research infrastructure, which will include a data collection center and research Supersites in other countries. The project also include the purchase of two research ships.	Total budget 150.000.000 €, for this phase 40.000.000 € financed by HORIZON 2020 Programme.	The project was registered for 2016 ESFRI list. It will be submitted for financing in June 2016.
13	Green skills for Ecotourism in Danube Region	The project aim to form a group of experts in ecotourism and to introduce this subject in educational curricula in the future.	Financed by ERASMUS+. The budget depends on the number of experts that will be form	The project is being prepared and it will be submitted for financing in

			in ecotourism.	2016.
14	Project financed by Konrad Adenauer Foundation	The project main goal is to create a network to facilitate the information exchange along the Danube.	Financed by Konrad Adenauer Foundation.	The project was submitted for founding.

**Annex no. 2**

**List of the projects that Romania intends to promote for the 2014 – 2020 European Union granting programs**

<b>No.</b>	<b>Project</b>	<b>Short description</b>	<b>Estimated budget</b>
1	DANOST	The project main objective is to provide a joint and integrated approach to data monitoring and management in the tourism field by creation of the Danube Observatory on Sustainable Tourism.	1.950.000 € of which FEDER 1.147.500 € IPA 510.000 €
2	Active Spa Network	The project main objective is to increase the attractiveness and accessibility of attractions of natural-cultural heritage in a sustainable way through involvement of active tourism corridors and by enhancing cooperation of different sectors	1.570.000 € of which FEDER 1.249.500 € IPA 85.000 €
3	Connect GREEN	The project main objective is to improve connectivity and appropriate management of eco-corridors of transnational relevance. The proposal could have been more concrete on the geographic target of the project, as Carpathians region is mentioned to have special focus on.	2.344.384 € of which FEDER 1.874.725 € IPA 118.001 €
4	ART NOUVEAU	The proposal targets the Art Nouveau cultural heritage and build around preserving and to harness this heritage in the Danube region.	1.200.000 € of which FEDER 871.250 € IPA 148.750 €
5	D-STIR	The main objective of the D-STIR project proposal is to improve Danube framework conditions for innovation by integrating Responsible Research & Innovation in the whole innovation process.	1.902.100 € of which FEDER 1.499.638 € IPA 117.147 €
6	Danube SKILLS	A proposal addressing challenges of specific Danube Region relevance, i.e. the fragmented legal framework in Danube navigation and institutional	1.830.000 € of which FEDER 1.421.200 € IPA 134.300 €

		bottlenecks regarding the adoption of European qualification standards and policies in the inland navigation sector	
7	EGUTS	The proposal tackles the implementation of e-transport solutions in the Danube region based on commonly developed standards and a joint strategy accompanied by an on-line tool (application for booking, purchase of tickets, rentals, charging etc.) and pilot actions based on feasibility studies developed also within the project.	1.979.000 € of which FEDER 1.634.125 € IPA 48.025
8	Open Danube	The proposal aims at establishing a governance framework for open data sharing, defining public / governmental bodies as main target group.	2.127.956 € of which FEDER 1.751.387 € IPA 57.375 €
9	A Green Canal Net	The proposal identifies better channels as important corridors between protected areas in the Pannonian region and try to elaborate geo-database background and management guidelines for improving the management for better protection and connection of natural habitats.	2.976.352 € of which FEDER 2.244.299 € IPA 285.600 €
10	Green Danube	The project intends to provide a common strategy and a Policy Agenda for the reduction of the negative impact of IWT on the Danube eco-system (in rural and protected areas) through the development of a database of current pollutants (based on measurements), operating regimes of inland ships, existing ship greening technologies and alternative fuel supply facilities.	1.613.000 € of which FEDER 1.303.645 € IPA 67.405 €