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OVERVIEW OF CURRENT FINANCIAL INSTRUMENTS ON TRANSNATIONAL WATER MANAGEMENT

1 DECEMBER 2016 BUDAPEST
EUSDR PA4 12TH SG MEETING

Key question

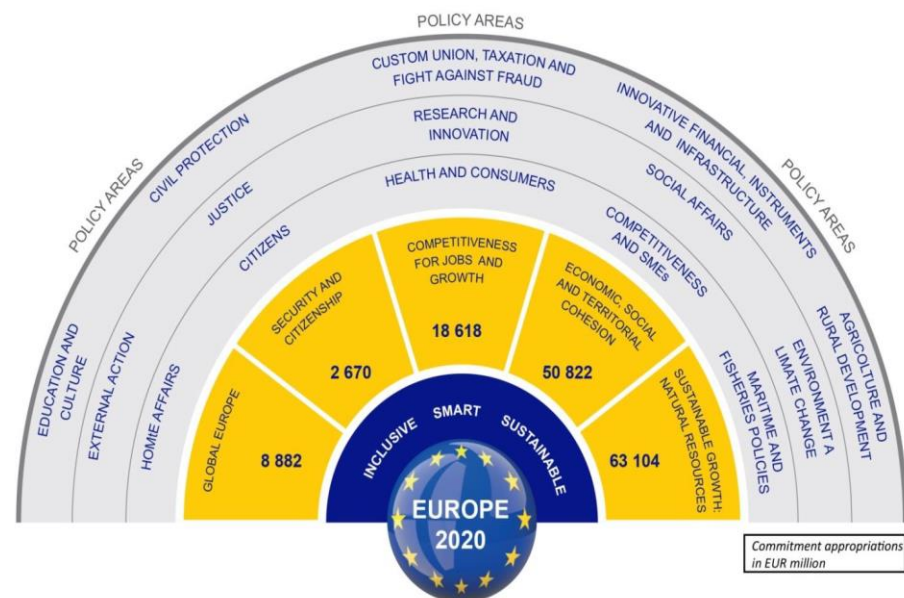
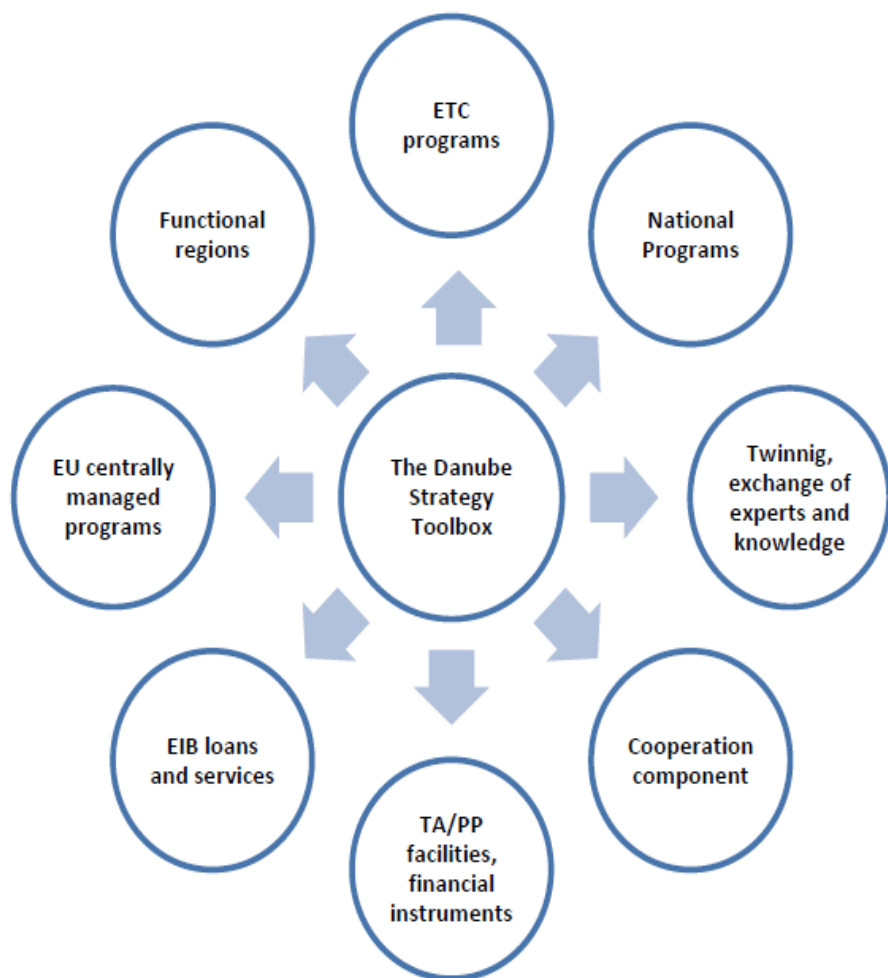
**Funding is
available**

BUT



WHERE DO WE FIND IT?

EUSDR toolbox

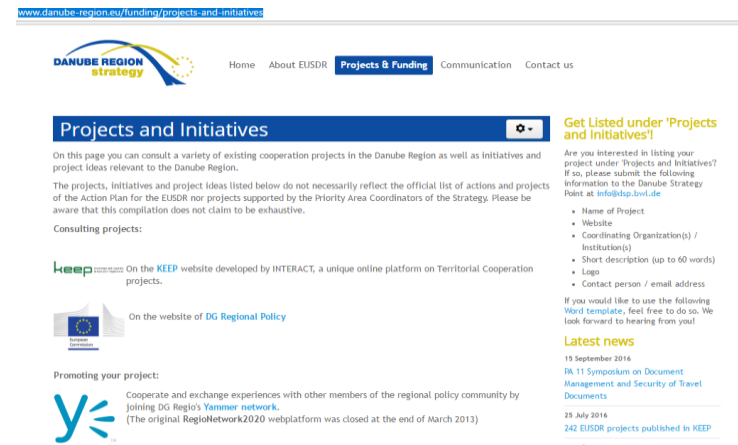


EUROPE 2020 TARGETS							
EMPLOYMENT	R&D	FIGHTING POVERTY	EDUCATION		CLIMATE CHANGE AND ENERGY SUSTAINABILITY		
75%	3%	20 Mil	10%	40%	-20%	20%	20%
of the 20 64 year- olds to be employed	of the EU GDP to be invested in R&D	fewer people in or at risk of poverty and social exclusion	ceiling for early school leaving	of 30 - 34 year olds completing third level education	greenhouse gas emissions than 1990	of energy from renewables	increase in energy efficiency

Useful sources

Danube Implementation Facility

- **Seed Money Facility** for project development & implementation
- **Technical Assistance Facility**
- **EuroAccess:** Online-tool for searching EU funding options
- www.danube-euroaccess.eu
- <http://www.danube-region.eu/funding/projects-and-initiatives>



International Financing Institutions:

- **European Investment Bank:**
<http://www.eib.org/infocentre/publications/all/the-eib-in-the-danube-region.htm>
- **European Investment Advisory Hub**
- **EBRD, World Bank, etc.**
- **National, regional and local sources**
- **Private investments**

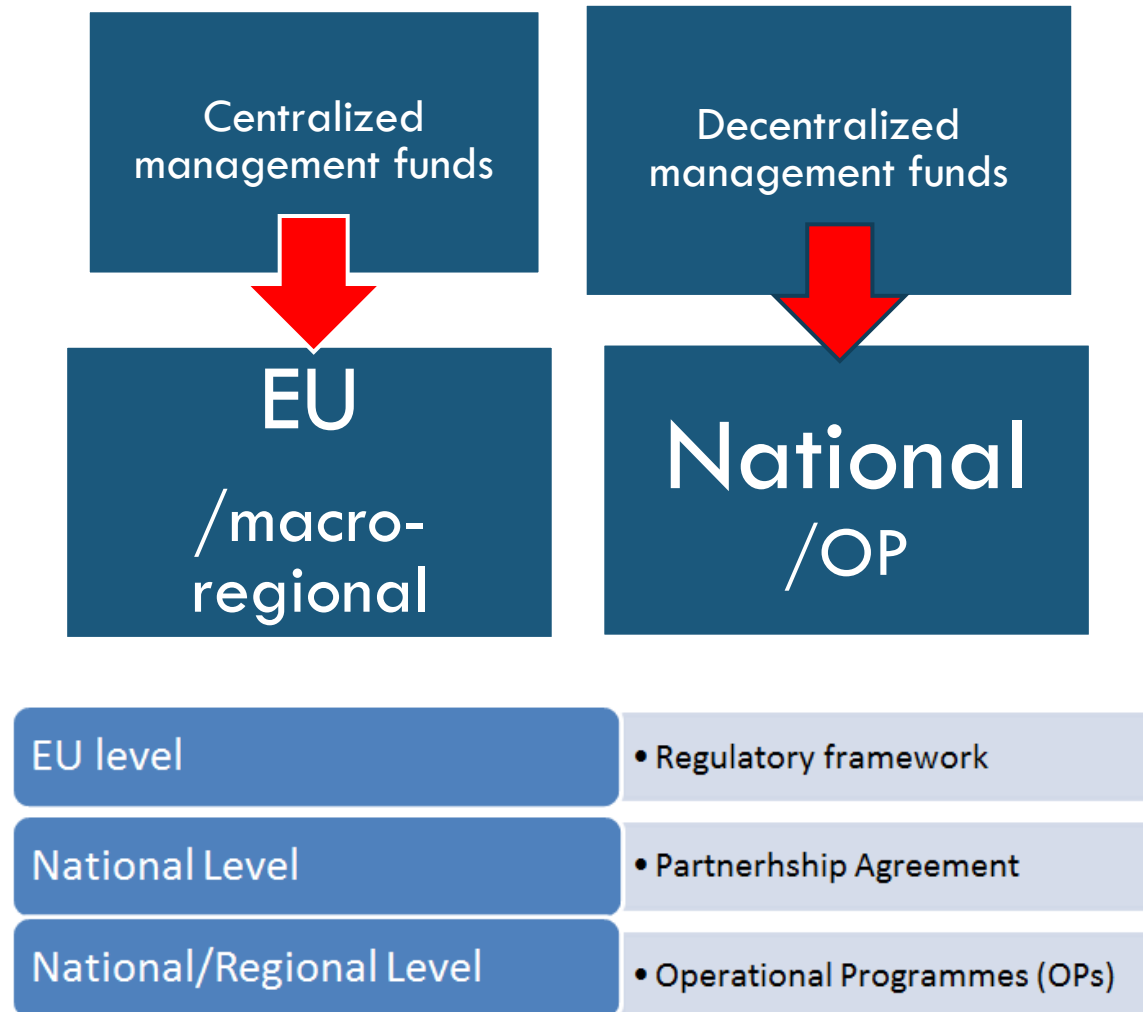


Problem

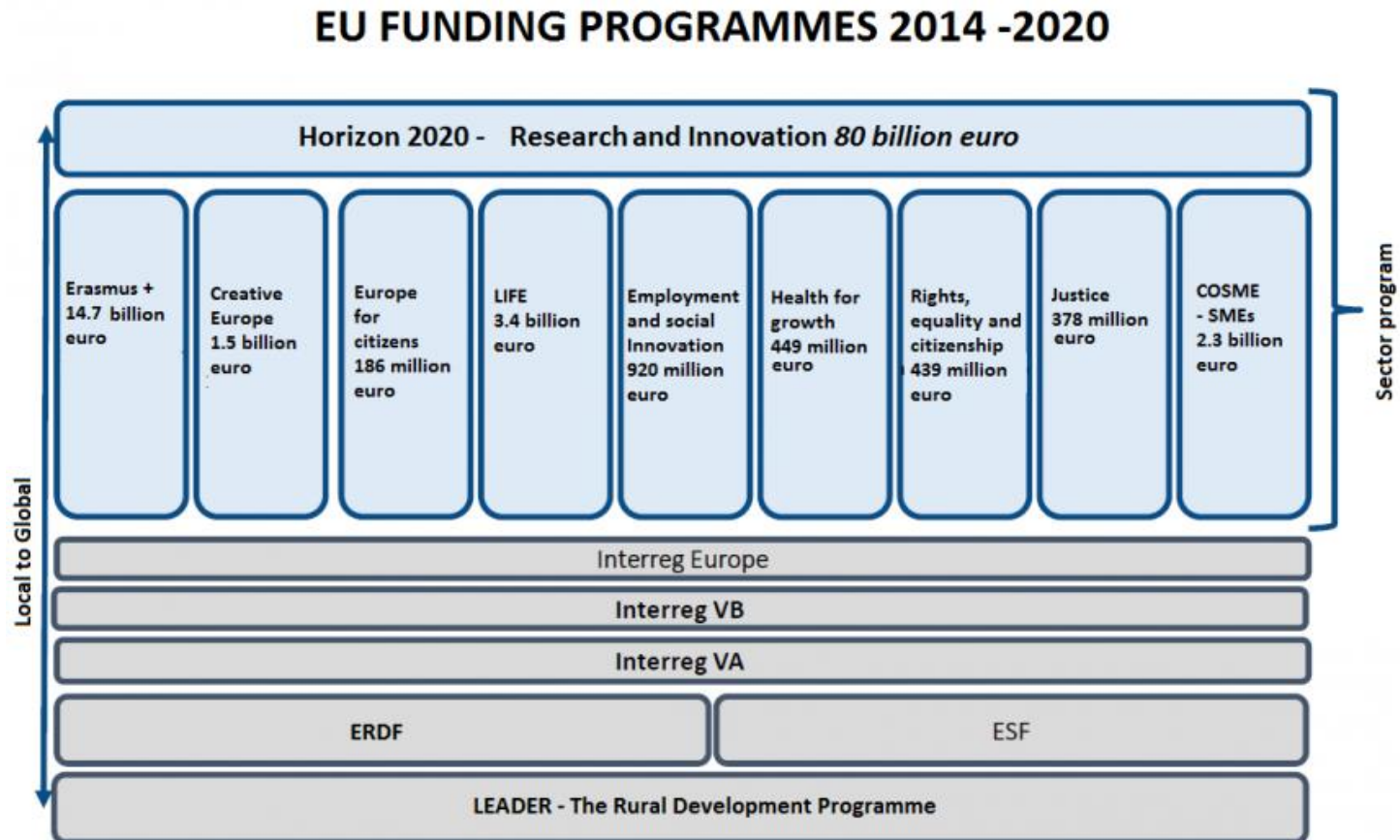
Usually no specific
heading for water



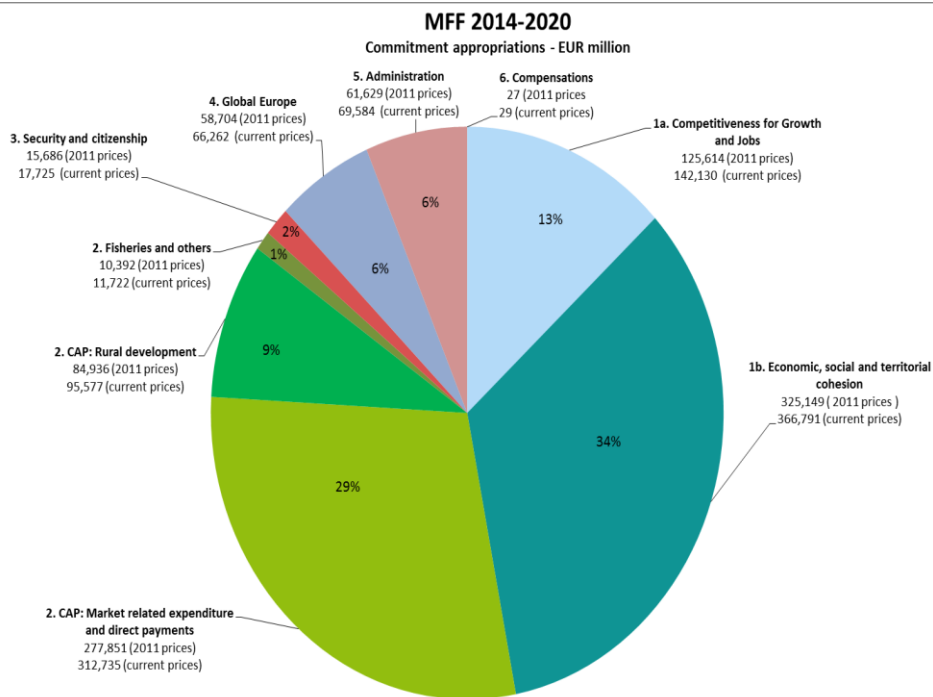
Financial instruments: different channels



Financial instruments: different channels



MFF 2014-2020



Multiannual Financial Framework (EU 28) adjusted for 2017

All years

(EUR million - current prices)

COMMITMENT APPROPRIATIONS	2017	Total 2014-20
1. Smart and Inclusive Growth	73 512	513 563
1a: Competitiveness for growth and jobs	19 925	142 130
1b: Economic, social and territorial cohesion	53 587	371 433
2. Sustainable Growth: Natural Resources	60 191	420 034
of which: Market related expenditure and direct payments	44 146	308 734
3. Security and citizenship	2 578	17 725
4. Global Europe	9 432	66 262
5. Administration	9 918	69 584
of which: Administrative expenditure of the institutions	8 007	56 224
6. Compensations	0	29
TOTAL COMMITMENT APPROPRIATIONS	155 631	1 087 197
as a percentage of GNI	1.04%	1.04%
TOTAL PAYMENT APPROPRIATIONS	142 906	1 025 429
as a percentage of GNI	0.95%	0.98%
Margin available	0.28%	0.25%
Own Resources Ceiling as a percentage of GNI	1.23%	1.23%

[//ec.europa.eu/budget/mff/figures/index_en.cfm](https://ec.europa.eu/budget/mff/figures/index_en.cfm)

ESI Funds (ESIFs)

"Structural and Investment Funds" 2014-2020 – shared management



4

With a budget of EUR **454 billion** for 2014-2020, the European structural and investment funds (ESIFs) are the European Union's (EU's) main investment policy tool. **(76% EU budget)**

- the European Regional Development Fund (ERDF),
- the European Social Fund (ESF),
- the Cohesion Fund (CF),
- the European Agricultural Fund for Rural Development (EAFRD) and
- the European Maritime and Fisheries Fund (EMFF).
- The ESIFs contribute to the Investment Plan for Europe and complement the European Fund for Strategic Investments (EFSI) in several ways: by leveraging public and private investment, supporting structural reforms, and improving access to funding.

Programmes that could finance water related issues

Heading 1a: Competitiveness for growth and jobs

- Horizon 2020
- Competitiveness of Enterprises and SMEs (COSME)

Guarantees to small and medium-sized enterprises for loans mainly up to EUR 150 000.



Heading 1b: Economic, social and territorial cohesion

- Regional Convergence
- Transition
- Competitiveness
- Territorial cooperation
- Cohesion Fund

Heading 2: Sustainable growth: natural resources

- Environment and climate action (Life+)

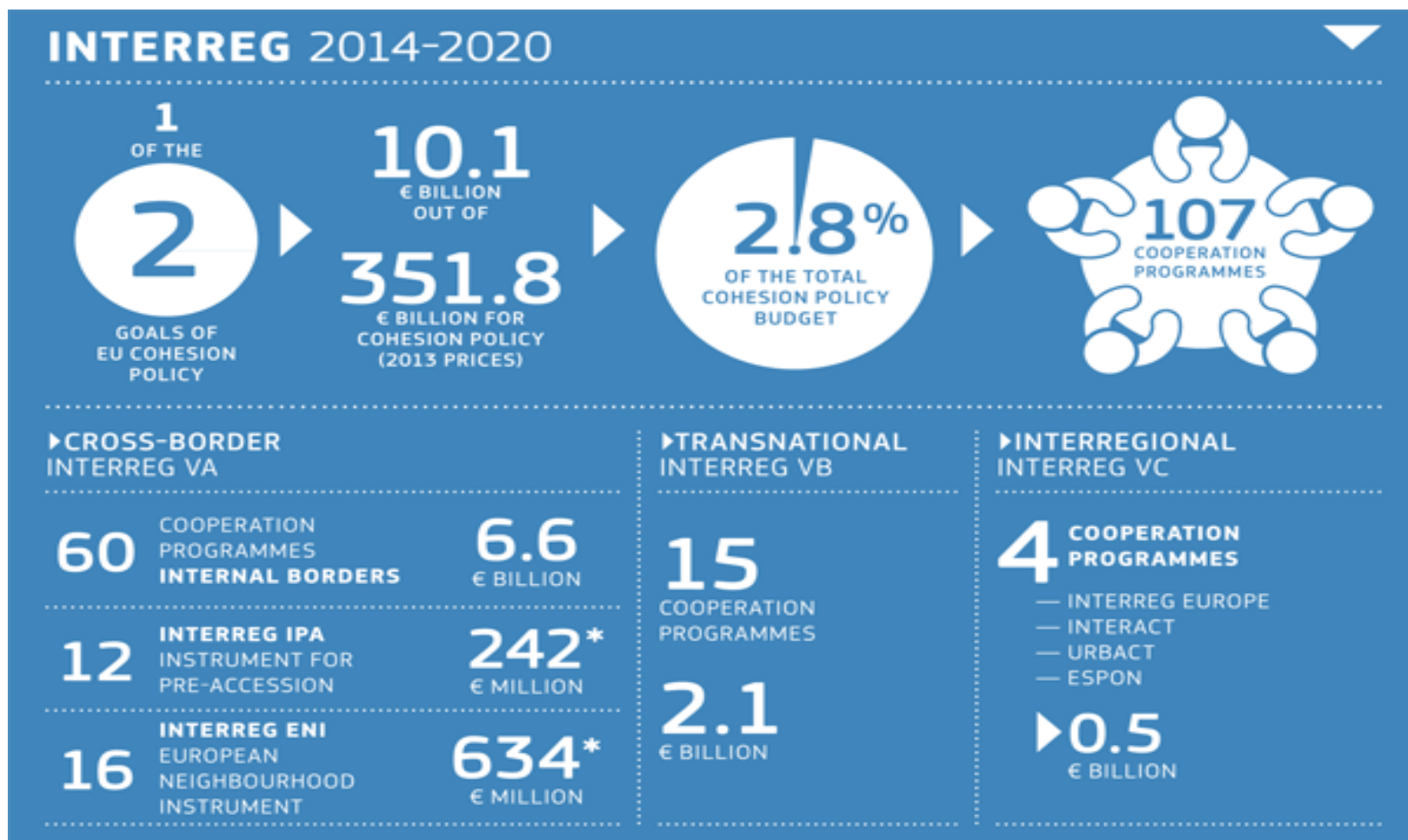
Heading 4: Global Europe

- European Neighbourhood Instrument (ENI)
- Instrument for Pre-accession assistance (IPA)
- Partnership Instrument (PI)

European Territorial Cooperation (ETC)

- Framework for the implementation of joint actions and policy exchanges between national, regional and local actors from different Member States.
- The overarching objective of ETC is to promote a harmonious economic, social and territorial development of the Union as a whole.
- Interreg is built around three strands of cooperation: **cross-border** (Interreg A), **transnational** (Interreg B) and **interregional** (Interreg C).

INTERREG 2014-2020



Transnational possibilities

- **Interreg Europe**
- **Interreg CENTRAL EUROPE:** Priority Axis 3, at least 3 partners up to 12 partners, (cc EUR 1-5 M), building on existing knowledge to deliver realistic results, driving a measurable change (improvement) of the initial situation in the area.
 - Austria, Croatia, Czech Republic, Germany (parts), Hungary,
 - Italy (parts), Poland, Slovakia and Slovenia
- **Interreg Danube Transnational Programme,** Priority Axis 2

www.interreg-central.eu

info@interreg-central.eu

www.interreg-danube.eu

Cross-border, transnational and interregional co-operation for water

Austria

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Austria-Hungary [DE] [HU]
- Interreg V-A - Slovenia-Austria [DE] [SL]

Bulgaria

- Balkan-Mediterranean [BG] [EL]
- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Greece-Bulgaria [BG] [EL]

Croatia

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]

Czech Republic

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Germany/Saxony-Czech Republic [CS] [DE]

Germany

- Baltic Sea [DA] [DE] [ET] [FI] [LT] [LV] [PL] [SV]
- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - France-Germany-Switzerland (Rhin supérieur/Oberrhein) [DE] [FR]

- Interreg V-A - Germany/Saxony-Czech Republic [CS] [DE]

- North Sea [DA] [DE] [FR] [NL] [SV]

Hungary

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Austria-Hungary [DE] [HU]
- Interreg V-A - Romania-Hungary [HU] [RO]
- Interreg V-A - Slovakia-Hungary [HU] [SK]

Romania

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Romania-Hungary [HU] [RO]

Slovakia

- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Slovakia-Hungary [HU] [SK]

Slovenia

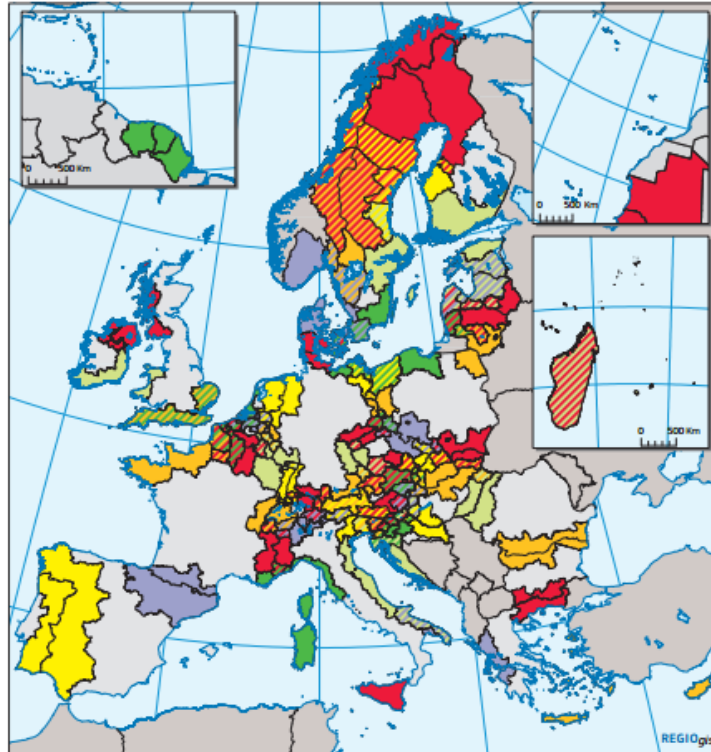
- Danube [BG] [CS] [DE] [HR] [HU] [RO] [SK] [SL]
- Interreg V-A - Italy-Slovenia [IT] [SL]
- Interreg V-A - Slovenia-Austria [DE] [SL]

National Programmes (for search water)

□ National programmes

- Bulgaria
 - Operational programme “Environment” [BG]
- Czech Republic
 - Environment [CS]
- Hungary
 - Environmental and Energy Efficiency OP [HU]
- Croatia
 - Competitiveness and Cohesion OP [HR]
- Romania
 - Large Infrastructure Operational Programme [RO]
- Slovenia
 - Operational Programme for the Implementation of the EU Cohesion Policy in the period 2014 – 2020[SL]
- Slovakia
 - Quality of Environment [SK]

Cross border cooperation-examples



ERDF Cross-border cooperation programmes 2014-2020

This map shows the areas of the cross-border programmes co-financed by the ERDF. Each programme area is shown with a specific colour. Hatched areas are part of two or more programme areas simultaneously.

Source: DG REGIO

- **Hungary participating in the different 2014 -2020 cross -border, transnational and interregional co-operation programmes, such as**

- Interreg V-A - Slovenia-Hungary (TO 6.c 10 mill EUR)
 - Interreg V-A - Slovakia-Hungary (TO 6.c 55,4 mill EUR)
 - Interreg V-A - Hungary-Croatia (TO 6.c 27,2 mill EUR)
 - IPA CBC Hungary - Serbia (TP2 22,5 mill EUR)
 - Interreg V-A - Austria-Hungary (TO 6.c mill EUR)
 - Interreg V -A - Romania-Hungary (TO 6.c 30,5 mill EUR)
 - ENI- Hungary-Slovakia, Romania-Ukraine-(TO 6 14 mill. EUR)
 - Central Europe and Danube Transnational programmes.
- (In brackets the amounts allocated to environment-water related priorities)



General characteristics of the Cross border Programmes

- Each programme differs in its objectives according to the findings of the analysis, but each programme declares its commitment to contribute to the macro-regional strategies, specifically the EUSDR;
- As a consequence of the above, various shares of the specific programmes are dedicated to the categories in question;
- The programmes differ in their approach of collecting projects. Some operates with an open-end system (AT-HU, SI-HU or ENI), some with periodic Calls (SK-HU, HU-CRO, HU-SRB, HU-RO) and some of them also plan strategic/restricted Calls;
- Eligible partners are public or public equivalent bodies from the programme areas;
- Monitoring methods (project progress reports; project follow-up reports etc.);
- The typical project size and duration varies), the expected success rate is around 40%;
- The ratio of financial support is the maximum 85% ERDF with an additional 10-15% government co-financing (depending on the legal form of the partner);
- Further information about the specific programmes relations are available on the following websites:

www.skhu.eu; www.huro-cbc.eu, www.huhr-cbc.com,
www.interreg-ipa-husrb.com, www.at-hu.net, www.si-hu.eu

CBC experiences

- Very good co-financing rates (15%)
- Relatively high success rate (40%- depending on the programme)
- Less competition (compared to H2020)
- Preparation time: 7-36 months
- 6-9 partners

SECTORAL Programmes

- H2020 for water
- LIFE for water

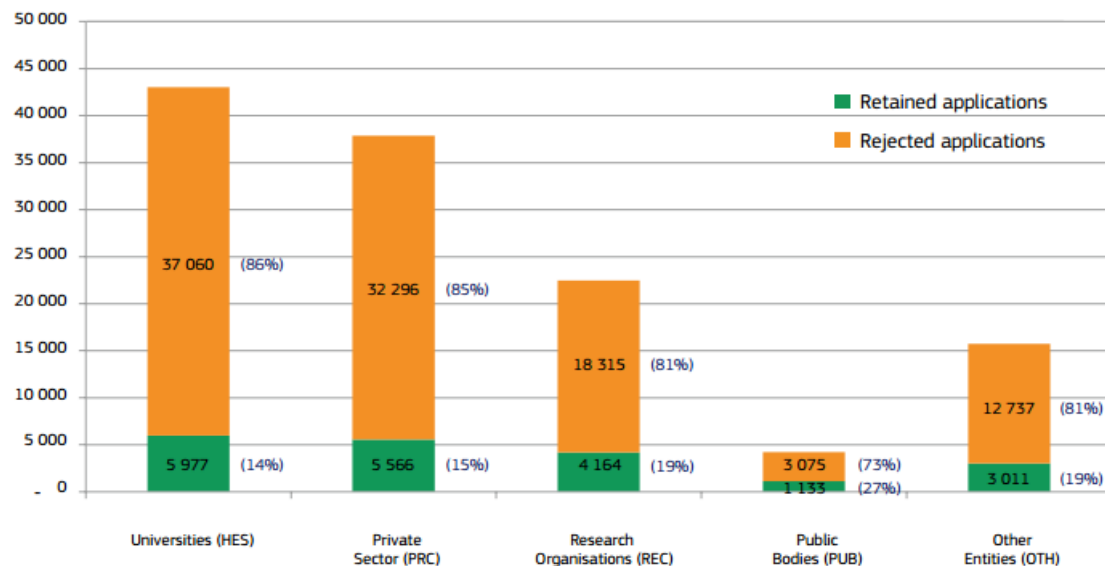
H2020 experiences

- In total, 31 115 full proposals were submitted under Horizon 2020's first 100 calls.
- 4 315 proposals were retained for funding. The **overall success rate** of eligible full proposals under the first 100 calls is **around 14%**, compared with around 20% for the whole of FP7.
- **38% of successful applicants were newcomers** (compared to 13% in 2013, the last year of FP7).
- **102 projects from ENV. challenges (av. 5 years, 6,6 M EUR (ranging 1-38 M/ 31 partners)**

H2020 experiences

Which types of organisations applied to Horizon 2020?

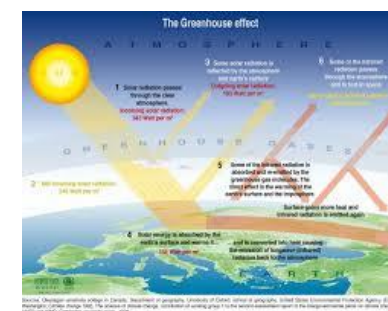
Number of applications to Horizon 2020 per type of organisation



More information: <http://ec.europa.eu/programmes/horizon2020/>

General characteristics of the LIFE Programme

- **A source of funding for environmental cooperation and integration in the framework of the EUSDR**
- 1. Transnationality is an added value
- 2. Integrated projects: need to mobilise other funds, including EU funds related to other EU policies (e.g. ERDF and CF Funds)
- 3. Non – EU countries can participate (under certain conditions)
- 4. Covers all the main topics of the Environmental Pillar Priority Areas





LIFE 2014-2020 – Objectives

- contributing towards a **resource-efficient, low-carbon and climate-resilient economy**; **protecting and improving the environment**; maintaining and improving **biodiversity**, ecosystems and, in particular, the **Natura 2000 network**
- Implementing the **7th Environment Action Programme**
- Priority to the following projects:
Water, floods and drought — Annex III, Section A, points (a)(i)-(ii)
WFD, UWWT, MSFD, Nitrates, Groundwater, Bathing water





LIFE 2014-2020 – Geographical Coverage

Principle: Applicable where the Treaty on European Union applies

Participation:

Certain Third Countries may participate on the basis of and in line with the conditions of a cooperation agreement

Cooperation with International Organisations is possible when necessary to reach LIFE objectives





LIFE - General features

- **Applicants - SME, NGO, public administrations** active in the field of environment and climate protection
- Emphasis on **replicability/transferability, long-term sustainability, and an EU added value** of the project results, **pilot or demonstrative projects, priority to projects that put into practice, test, evaluate and disseminate actions**, methodologies or approaches that are new or unknown Union wide. Indicators!
- **Not focussed on research** (↔ H2020)
- **No large infrastructure; not focussed on rural or regional development** (↔ agricultural, structural funds)
- **Support and monitoring:** From Contracting Authority (EASME or Commission) and external monitoring team

LIFE and water projects

Env: 10% SUCCESS RATE of applications.

- Danube 17
- Altogether water 434



Instrument for Pre-accession Assistance

- The EU supports reforms in the 'enlargement countries' with financial and technical help. The IPA funds build up the capacities of the countries throughout the accession process, resulting in progressive, positive developments in the region. The most important novelty of IPA II is its strategic focus. Country Strategy Papers are the specific strategic planning documents made for each beneficiary for the 7-year period.
- Current beneficiaries are: Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia, and Turkey.
- http://ec.europa.eu/enlargement/instruments/overview/index_en.htm

Danube Strategy Additionality



Setting up the first **European Territorial Cooperation Area with a Non EU country** with EUSDR help (Szabolcs county-Nagyvárd, Transcarphatia)

Danube-Pannon **region cooperation with 6 cities** (HU-UA-SR)

Assistance in **UA for urban-waste water issues**, Solotvyno salt mine

DRBMP2015 Update includes and acknowledges ideas and results of EUSDR cooperation (Sediment, Tisza, Oper&Cooper)

PA4: **WFD, UWWT implementation:** discussion with SG members, identification of further needs, fill gaps (buffer strips, UWWT small settlements)

PA5: Danube Region Operative Flood Management and Cooperation Programme (**DR Oper&Cooper**) approved by the SG and ICPDR, part of the Flood RBMP



Projects can give significant input to the actions and/or can serve as a pilot activities or good samples relevant in basin wide scale.

What do we need further?



What do we need further?



- **More transnational cooperation** is needed since **challenges have cross-border nature**. Strengthened co-operation also with **Non- EU countries**.

Crucial to guarantee on national level the implementation of the WFD and in transboundary scale to ensure funds and support (labelled) projects.

Successful project applications in long term, resulting sustainability for improved water quality of the Danube and its tributaries.

Good projects are needed to improve water quality in practice and to achieve results.

EUSDR PA4 will further assist in providing information related to water financing and will offer networking platform for water projects and stakeholders aiming for successful environmental projects.

EUSDR tools 2016-2019



Seed Money Facility (DTP)-presented by JS DTP-project selection decision by DTP-Lumpsum based (amount still to be defined by the DTP)



Danube Strategic Project Fund (via PA10) € 70.000,00 - € 100.000,00 / DSPF project –project selection by JURY

Thank you for your kind attention

Zsuzsanna Kocsis-Kupper
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<http://www.danubewaterquality.eu/>