

INFORMAL MEETING OF MINISTERS OF ECONOMY AND BUSINESS ENVIRONMENT

FROM THE EU STRATEGY FOR THE DANUBE REGION

Bucharest, 27 th June 2019

JOINT STATEMENT

On the role of SMEs and business support structures as instruments for regional development in the framework of the post 2020 Cohesion Policy

We, the Ministers in charge of Economy and Business Environment of the participating countries of the EU Strategy for the Danube Region (EUSDR) met on 27 of June 2019 in Bucharest, on the occasion of the 8th EUSDR Annual Forum and have decided on the following joint statement:

- **Acknowledging** the added value of the EUSDR for enforcing the role of SMEs and of business support structures, including transnational clusters, as instruments for regional development;
- **Welcoming** the objective pursued by the Romanian EUSDR Presidency to implementation of the Strategy through the ongoing revision of the EUSDR Action Plan, **underlining** that involvement of all key-stakeholders in this process represents a very important step in the direction of making the Strategy more inclusive, more efficient and better correlated to EU policies;
- **Given** the major importance of the Danube river both for the riparian countries and for Europe as a whole, from multiple perspectives, including strategic, economic, social and touristic, as well as its role in linking countries and people, contributing to the creation of sustainable growth in the region by building better economic, social and territorial cohesion.
- **Taking into account** the strategic transport link which the Danube river and its tributaries ensures among countries of the wider Central and South-Eastern Europe with the Mediterranean Sea, the Black Sea and South Caucasus;
- **Being aware** of the need for stronger links and improved coordination between the EUSDR and EU initiatives targeting connected regions, such as the Black Sea Synergy, with a special focus on connectivity and environment protection;
- **Bearing in mind** the objectives of the EU Cohesion Policy in 2014-2020 period¹ and the new objectives proposed for the post-2020 Common Strategic Framework to contribute to a strategy for smart, sustainable and inclusive growth, as well as the EU Funds specific missions pursuant to the Treaty-based objectives, including economic, social and territorial cohesion;
- **Taking into consideration** the latest developments at the EU level (adoption of the EU Council Conclusions on an EU Industrial Policy Strategy: A Vision for 2030 (ST 8879/19), of the EU Council Conclusions on "A new level of ambition for a competitive Single Market" (ST 9402/19), of the EU Council Conclusions on "The competitiveness of the tourism sector as a driver for sustainable growth,

¹EU Regulation No. 1303/2013 of The European Parliament and of The Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

jobs and social cohesion in the EU for the next decade” (ST 8871/2019) and of other relevant EU directives meant to boost competitiveness in Europe;

- **Highlighting** the need for well-targeted investments and renewed reform efforts to strengthen economic growth fundamentals and increase productivity of SMEs and of business support structures in all countries;
- **Having noted** the investment needs identified by the European Commission for the EU Member States (*Annual Growth Survey 2019* and the *Country Reports – 2019, with relevance for their National Reform Programmes*), and the priorities set together with the non-EU countries within the Economic and Financial multilateral dialogue and the Commission assessments of the 2019-2021 Economic Reform Programmes (ERP) of the candidate countries and potential candidates in the context of preparing for the 2021-2027 Multiannual Financial Framework of the EU;
- **Welcoming** the Doha Development Agenda regarding the multilateral negotiations of rules and commitments on electronic commerce;

The Ministers of Economy and Business Environment of the EUSDR countries:

- **Reaffirm** the need for improving the business environment through cross-border and transnational cooperation among EU-MS and between EU and non-EU countries, allowing the expansion and consolidation of new and better value chains in the Danube Region.
- **Support** Commission efforts for advancing the EU agenda related to the economic and financial fields, in order to increase growth and investment, to deepen and to support structural economic reforms in respective member states and for stimulating growth and investments in non-EU EUSDR countries.
- **Underline** the importance of the political commitment of the partner states, especially with regard to a better embedding of the EUSDR into funding and to the support of the management of the EUSDR.
- **Express** their strong commitment for promoting research, innovation, digitalization and sustainable development as important topics within EUSDR, in order to increase the competitiveness of the economy and industry.
- **Are aware** of the need for developing regional export strategies in the Danube Region to become competitive on external markets, as well as for fostering a network of internationalization hubs in the region, connecting SMEs and business support structures interested to cooperate at macro-regional level for internationalization.
- **Highlight** the role of multilateral cooperation developed in the Danube Region in enhancing project-based interaction between the EUSDR and other formats and regions, particularly with the cooperation processes developed under the Black Sea Synergy, the Black Sea Economic Cooperation Organization, with the Organization for Security Cooperation in Europe and with the International Commission for the Protection of the Danube River, but also within newer cooperation formats like the 3 Seas Initiative, in order to improve the dialogue among interested parties on water management and sustainable development of the Danube Region, and to create the necessary synergy between related formats of regional and economic cooperation.
- **Encourage** better links between the EU Strategy for the Danube Region and the Black Sea Synergy and other EU policies and strategies relevant for the region, and especially relevant joint actions for the sustainable development, new transport and energy links in the region.

- **Share** the recommendations included in the 2019 Report of the European Commission on the implementation of four Macro-Regional Strategies and in the 2019 Council Conclusions endorsing the Commission Report for further promotion of the smart specialization strategies within macro-regions and for using the opportunities of embedding the Macro-Regional Strategies' objectives in the framework of the post 2020 Cohesion Policy and its programs.
- **Underline** the need for allocating appropriate EU resources to SMEs - for creating a new axis to support smart cities and to enhance the possibility of financing the regional smart specialization strategies.
- **Encourage** the representatives of SMEs, chambers of commerce, employers' associations, sectoral associations, cluster initiatives and authorities to continuously discuss and cooperate in order to promote and support coherently the appropriate mechanisms for generating and attracting investment in the region.
- **Encourage** the cooperation of the Danube Region stakeholders and authorities in charge with SMEs support to closely collaborating with established EU related schemes, i.e. Enterprise Europe Network, the EU network of excellence supporting SMEs to innovate and internationalise.
- **Reaffirm** the need to carry out coherent economic policies in the region for ensuring better transportation links, well-interconnected logistical hubs and trade networks, not only as simple transport routes, but also as genuine economic corridors with multiple commercial effects, especially in the field of investments, by improving connectivity, mobility and multimodality on the waterways, as well as road, rail and air, especially in support of the developing landlocked Danube countries.
- **Call on all interested parties to make better use of the Danube River as a multimodal transportation route** for ensuring a reliable and environmentally friendly freight transportation and strategic connection link between the Black Sea - Danube and the Rhine–Main–Danube Canal, welcoming the latest agreements of the Ministers of Transport of the Danube region.
- **Call on relevant stakeholders** to set up further transnational frameworks and instruments to stimulate transformative activities through clusters in the context of EUSDR in order to spur investments and jobs along emerging value chains through need based cross-regional cooperation.
- **Underline** the huge potential of the European countries to boost digital economic development in the Danube region by: supporting transnational projects among SMEs, clusters' development and start-ups hubs focussing on development of the Internet of Things related technologies, big data-analytics and digital infrastructure (artificial intelligence, block-chain), and related cyber-security measures.
- **Note** that digitalisation turns Europe's cultural resources into an important building block for the digital economy and provides Europe's cultural and creative Industries, allowing for the creation of new jobs and by using existing potential stimulating innovation in other sectors, with a competitive edge.
- **Acknowledge** the importance of the ESIF mainstream programmes, like COP in Romania (Competitiveness Operational Program), of the Horizon Europe program and other related funding for ENI and IPA countries for the development of Platform Industry 4.0 and digitalisation of SMEs.
- **Observe** that whereas smart specialisation strategies/S3 are not aligned in the Danube region, one of the main challenges for ensuring sustainable cross-regional economic cooperation among respective countries remains aligning S3 related policy instruments to the EU recommendations, as well as their proper implementation within the national policies and at the regional level.

- **Support** joint measures among interested countries for setting up transnational framework conditions for cross-regional cooperation, including development of regional hubs and of transnational cluster initiatives, as key actions of the Post-2020 Cohesion Policy within the EUSDR and as driving forces of the future Joint Cluster Initiatives proposed under the Single Market Programme 2021-2027.
- **Support** cross-regional cooperation, including development of regional hubs and of transnational cluster initiatives, as key actions within the EUSDR.
- **Encourage** further investments in research and innovation facilities, enabling our countries to cope with the new industrial revolution, driven by new-generation technologies, by developing new skills and digital competences within SMEs, which would significantly contribute to a better cross-regional cooperation.