

Danube Project Support

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In the Danube Region, many different instruments have made it their mission to provide support to projects in a variety of thematic fields. These instruments or funding programmes have very different starting points and pursue different approaches to accomplish similar objectives: to effectively and efficiently support high-quality projects.

The funders – public bodies, banking institutes, foundations, etc. – are in for rather high workloads to set up their instrument, and often find themselves in a situation in which they have to reinvent the wheel.

At the same time, a large diversity of instruments for project-development support have been tested and successfully implemented across the Danube Region. They contribute not only to their various thematic objectives but also to capacity building of project promoters.

Drawing on the experiences of nine of these instruments across the Danube Region, the present Danube Project Support (DPS) Toolkit provides guidance for organisations interested in establishing (or revising existing) instruments for supporting projects in their field of competence in the Danube Region and beyond.

Introduction

Who is behind this Toolkit? An initiative of PA10 – Institutional Capacity and Cooperation

The City of Vienna and Slovenia's Centre for European Perspective have joined forces to coordinate Priority Area 10 *Institutional Capacity and Cooperation* of the EU Strategy for the Danube Region.

PA10 established different pilot initiatives to support project promoters, three of which (implemented between 2013 and 2016) are presented in the toolkit. The DPS Toolkit was developed at the initiative of PA10 to forward this capacity-building effort.

The Toolkit is based on interviews held with representatives of 9 different funding instruments.

The DPS Toolkit provides

- A checklist of the six most important questions to ask yourself before establishing a projectsupport instrument, including graphics, examples, and practical tips
- An opportunity for funders to get inspired by project-support instruments that have already been implemented successfully
- Recommendations based on experiences shared by interviewees of the analysed instruments

It is based on interviews with representatives of nine different project-support instruments. Factsheets of these instruments are integrated into the Toolkit for reference and for illustration.

The Toolkit does not provide an evaluation or exhaustive information on the presented instruments; it highlights different options for the set-up of future project-support instruments based on these examples.

Is it for you?

This Toolkit is for you if

- You would like to establish an instrument to support projects whether your organisation is public or private, or has a local, regional, national or transnational scope of action
- You want to make informed decisions based on lessons learned by others
- You have financial resources available to support your own instrument

This Toolkit is not for you if

You are looking for financing for your project*

* If you are looking for financing for your project, www.danube-euroaccess.eu may be of help. INTRODUCTION

Instruments analysed

The Toolkit was elaborated in consultation with a focus group consisting of representatives of the nine analysed instruments. These instruments that are presented in the Toolkit have in common:

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- They were or are located in the **Danube Region**
- They have been implemented at least in the form of a pilot phase (so that lessons learned can be transferred)
- They address the central need of capacity building through or in project development, either as a direct objective or as a side effect

The analysed instruments represent the diversity of possible models for project-development support. While some of the instruments were still up and running at the time this Toolkit was compiled, others are finished. Below, the selected instruments are listed by name and context.

Instruments

- → START Danube Region Project Fund, EUSDR
- → TAF-DRP Technical
 Assistance Facility for Danube
 Region Projects, EUSDR
- → **DFD** Danube Financing Dialogue, EUSDR
- → InnovFin Bank Austria (European Fund for Strategic Investments)
- Erste Foundation

Erste Foundation

→ Visegrád Grants

Visegrad Fund (Czech Republic, Hungary, Poland, Slovakia)

→ Perspektive Donau

Baden-Wurttemberg

- → BACID Building Administrative Capacity in the Danube Region and Western Balkans, Austrian Association of Cities and Towns
- → ESF Roma Austrian Ministry of Labour, Social Affairs and Consumer Protection (European Social Fund)

How can my organisation establish a successful project-support instrument?

To use this Toolkit

- Answer the questions in part A before reading the Toolkit
- Read the Toolkit and answer the questions in part B
- 3. Use the checklist below to decide on how to set up your future instrument

A Your basis

Financing: Who is prepared to finance how much?

Fields of competence: What is it you would like to finance?

Objectives: Why would you like to support project development, and what would you like to achieve?

B DPS Toolkit

- 1. Whom would you like to support?
- 2. Where is the support needed?
- 3. What support would you like to offer?

4. Which financial framework would you like to set up?

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- 5. Which timeline would you like to set up?
- **6.** How would you like to manage your instrument?

Your own instrument

Now, outline your own project-support instrument. Remember that the examples given are not meant for copy-paste or as one-size-fits-all solutions.

You can use any of the presented instruments as a starting point, use one of the many other ones that are out there, combine different elements to match your needs and wishes, or just be inspired and think of something new altogether.

And don't forget to come up with a catchy name:

Let's get started!

Whom would you like to support?

Reaching the target group

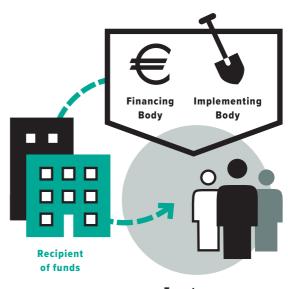
You will need to define a clear-cut target group.

Decide: Can you address your target group directly?

- Yes Your project-support instrument can be tailored to your target group directly
- No You will need to define funding recipients who know how to reach the target group and can do it

Tips

- The more closely you define your target group and, consequently, recipients of funding beforehand, the better the chances that you will be able to address them appropriately.
- Choosing organisations over individuals as recipients of funds limits the risk for the financing body for liability
- Make sure you know the needs of the target group. If you do not, make sure to select recipients that do know.
- A check of recipients' capacity is central. It could include financial, personnel and institutional capacity.
- Make sure your instrument is accessible to the recipients. For example, in case of NGOs with limited capital, a prefinancing instrument might be advisable.



Target group

In most cases, *organisations* (NGOs, associations, universities, etc.) act as recipients, while target groups are individuals or social groups (e.g. students, artists, marginalised communities).

Example

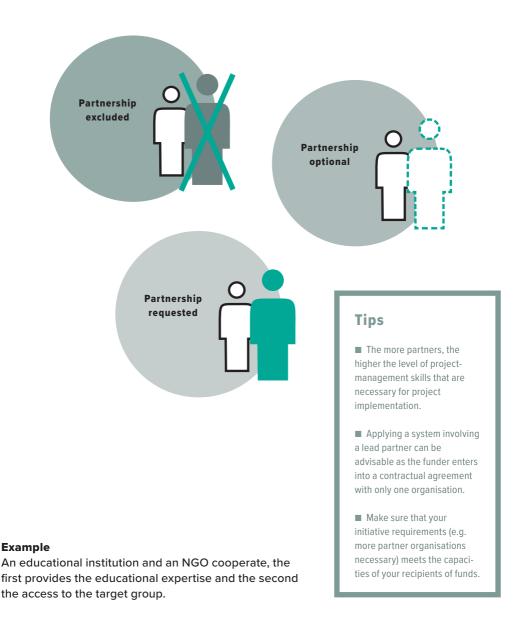
A bank wants to support education for unemployed women. The target group is individual women, but the recipients of your fund will be education and labour service organisations who know the needs of the target group, who have the capacity to manage the funds, and who can provide the education services.

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Partnership

Can your objectives be reached more effectively by projects implemented by partnerships? Requiring your projects to be implemented by partners from different types of organisations or from different countries may represent an added value.

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Where is the support needed?

Where is your target group located, where are your recipients? Where do your envisioned project activities take place?

While you should answer the first question, the second may be left to the project applicants who – in some cases – may also know better where to reach the target group.



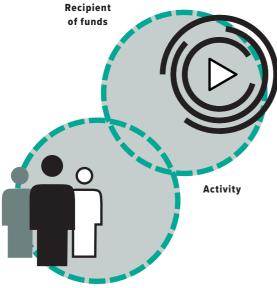
Recipient, target group and activity are in the same region

Example

NGOs in Germany receive funds to implement activities in Bulgaria for the benefit of schools with a significant share of Roma pupils. In order to access and integrate local expertise, the German NGOs are required to cooperate with on-site organisations.

DPS TOOLKIT





Target group

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Recipient, target group and activity are in different regions – local/regional, national or transpational

Example

NGOs in Germany receive funds to implement activities in Bulgaria for the benefit of schools with a significant share of Roma pupils.

- You may decide to support recipients located in a country addressing target groups located in another country if you consider that there are no suitable recipients (e.g. with necessary know-how) in the region of the target groups.
- Strategies for reaching the target group might differ from region to region and different measures might be effective.
- You can prefer to support local/regional projects which usually are more visible and tangible in terms of outputs.
- International projects have the advantage of fostering exchange and intercultural communication between recipients and target groups from different countries. But they are also more complex to manage (e.g. language barrier, payment transfers etc).

What project activities do you envision to be most appropriate to reach your objective?

What support would you like to offer?

Studies. research Events/ workshops Others **Project** activities Infrastructure & equipment **Technical** assistance Networking

Tips

- Any combination of project activities may be suitable.
- You may define a very strict catalogue of possible project activities and eligible costs. This makes it easier to evaluate the successes of the instrument.
- If you decide to provide the fund recipients with freedom to decide the best option to reach their project's objectives, you allow your recipients to be creative in finding new, innovative ways of addressing the needs of the target groups. However, this may make it more complex to evaluate the project's level of achievement.

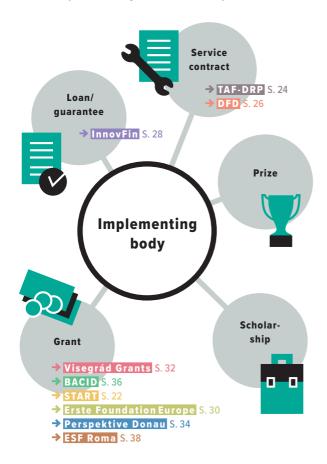
Example

Organisations with limited prior experience are to receive technical assistance to set up projects and apply for EU funding. While receiving direct mentoring (technical assistance) by experts, they also are refunded for costs of their preparatory meetings with partners.

CHAPTER

What is the most suitable form of money distribution to the recipients, for you and the recipients?

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Example

The implementing body distributes grants to universities. A share of the money is used by the university to establish a curriculum, the rest is used to distribute scholarships to individual students who are selected based on criteria established by the university.

To ensure commitment, many instruments do not cover the total project expenses. The missing share frequently has to be provided by the recipient organisation itself as its own contribution. Another option is to request recipients to obtain third-party funding in addition.

- To promote a sense of ownership of the project results amongst the recipients, a share of own financial contribution might be necessary.
- If your recipients have very limited financial capacities, the own contribution should not be higher than 10 20% of the total expenses.
- In case you would like to address your target group directly, they may not have any financial capacities at all (e.g. students, young people, etc.). In this case, you might offer support directly via scholarships or prizes that exclude or minimise financial risk to the recipient.
- For profit-oriented businesses, SMEs and start-ups with innovative business ideas that promise financial benefits, loans or guarantees are frequently the best option of support.

Which financial framework would you like to set up?

Project size

How much budget per project will be necessary to achieve the desired outcomes? Taking this into consideration, how many projects can you finance with the available funds?

30,000 – 100,000 €

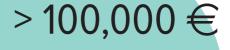
- → Perspektive Donau S. 34
- → **DFD** S. 26

< 30,000 €



- → Visegrád Grants S. 32
- BACID S. 36
- **→ TAF-DRP** S. 24

- Many small projects make for a proportionally higher management workload for you and the recipients.
- In case of very small projects, special attention has to be paid to the concern that the administrative hassle does not outweigh the actual work on the project contents. To downsize the administrative workload, consider employing lump sums instead of reimbursement of real costs.





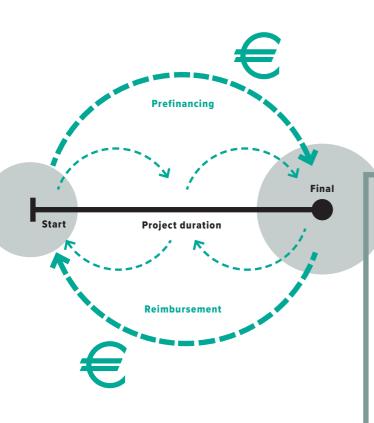
- → ESF Roma S. 38
- → Erste Foundation

DPS TOOLKIT

Payments

Which payment modalities match your needs and the needs of your intended recipients? Ill-fitted payment modalities should not get in the way of your project support instrument achieving its objective.

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Example

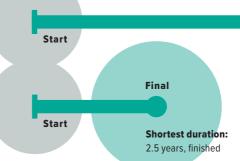
For the purpose of raising awareness for waste prevention, local NGOs of a city are targeted as recipients of funding. Especially small, local NGOs could successfully contribute to the objective. To avoid that only the large, "usual suspects" are able to participate, 50% of the budgeted costs are pre-financed upon the signing of the grant agreement.

- For NGOs and associations working at a local level, smaller projects might be better suited, as they tend not to have the financial capacities to pre-finance larger amounts.
- For projects implemented by a large consortium (e.g. transnational infrastructure or research projects), a larger amount of money must be made available to reach significant outputs. The additional workload of coordinating between the project partners should be taken into consideration.
- If your intended recipients do not have the capacity to fully pre-finance their project costs, reimbursement only may be insufficient consider pre-financing a share of the expenses.

Which timeline would you like to set up?

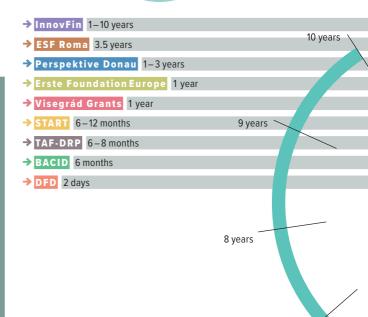
Instrument duration

How long will your project-support instrument be up and running? Organisational and/or financial constraints may play a role when determining the duration of your instrument.



Tips

- Make sure you plan enough time for preparing your instrument; depending on the type of support you would like to offer, up to 12 months must be expected.
- Most instruments analysed were established for a short period (e.g. one to two rounds of projects). An evaluation can be considered to assess the result of the testing phase, and to adjust the instrument if needed
- Duration is also often related to availability of funding sources.



7 years

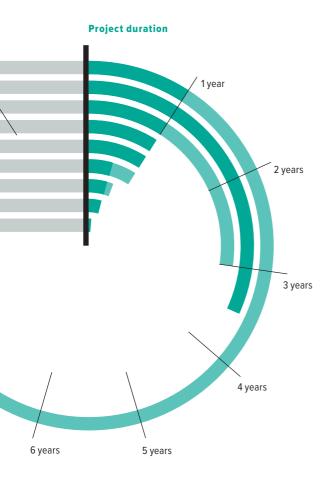
Project duration

How long do you expect your projects to last? While many projects are implemented within the timeframe of six months to three years, shorter or longer projects may suit your thematic requirements better.

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Final

Longest duration: 16 years and counting

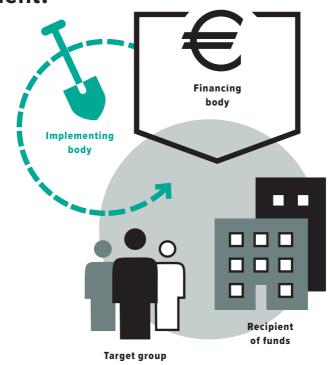


- The duration of individual projects is directly linked to the scope of project activities and the amount of money available for the project implementation. Smaller projects thus often last about one year and larger ones about two to three years.
- Often the project duration can be extended upon request e.g. when more time is needed to implement the planned activities or spend the planned budget. This is very frequently done and should be considered when scheduling a project-support instrument.

How would you like to manage your instrument?

Direct or indirect management

Would you like to manage the instrument yourself or would you like to appoint a different implementing body? Once again, organisational restrictions and consideration of available capacities will play a crucial role.



Example

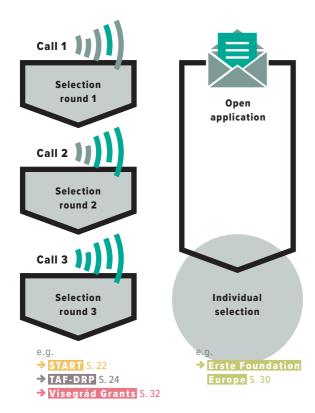
A foundation tenders the implementation of a support instrument for innovative, green infrastructure projects. The financing body – the foundation – provides an outline of the desired outputs. The implementing body – a company with adequate experience in the field of programme management – sets up the processes accordingly.

DPS TOOLKIT

Application and selection procedures

How do you ensure getting suitable, high-quality projects? This is determined by how you organise the application and selection procedure of your instrument. Many instruments decide to hold calls for project proposals within limited timeframes. Others accept applications on an ad hoc basis. The same is true for the selection of projects for funding.

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Example

An instrument with limited funds chooses to hold calls for proposals. After each call closes, the received applications are evaluated and a selection is made. After two rounds, the leftover funds are distributed in a 3rd, smaller round to only a handful of projects.

- The more information you request during the application procedure, the better you can assess the content of the project and the likely outcomes
- The more information you request during the application procedure, the higher the workload for applicants and consequently the higher the barrier to entry for organisations (or individuals), especially for those with little experience and/or other capacities.
- A well-versed jury or similar decision-making body is crucial to the success of your instrument. When setting up a jury, be careful to exclude conflicts of interest of its members.
- Reports during and after project implementation are crucial to describing the status quo of project implementation.

What else to consider?

Capacity building

Capacity building amongst the target groups as well as amongst the organisations participating in the instrument will be one of the effects of your instrument – even if you do not make it one of your objectives.

■ Frequent problem: Applicants who lack capacities at application writing are not selected for funding due to e.g. formal errors, while their potential contribution to the instruments objectives may be considerable.

Solution: Offer special and personalised support during the application procedure, and select or develop low-threshold tools for application and implementation (e.g. application forms and monitoring systems).

Publicity

For many instruments, sufficient publicity is crucial to reach potential recipients of support. Project-support instruments are developed with a certain (ideal) number of project applications in mind, yet often reality turns out somewhat differently. In order to avoid receiving, on the one hand, too few applications or, on the other hand, too many to handle, well-targeted and adequate publicity measures are the key.

- Frequent problem: Applicants come from a very limited pool of organisations; after some time and a few rounds, the instrument is used mostly by "familiar faces".
- Solution: Take care to set up an easy, straightforward application procedure to encourage new entries, address different potential recipients via targeted publicity, and budget a sufficient share of your funds for this purpose.

DPS TOOLKIT

Reaching the intended recipients

In many cases, management bodies of project-support instruments are in for a surprise in regards to their target groups or intended recipients of funds. They may dispose of less experience and prior knowledge than anticipated, or they may be less prone or able to prefinance and/or cover costs at their own expense.

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- Frequent problem: Intended recipients of funds are not as strongly represented amongst the actual recipients of funds.
- Solution: A prior close-up analysis of the intended recipients of funds can provide greater clarity of their actual needs and potential obstacles for their participation in the instrument.

International cooperation

International cooperation is fostered by many funding instruments, and project partnerships are frequently a prerequisite for projects to be funded.

- Frequent problem: The management of projects involving partners from different countries tends to be considerably more complex. Some project partnerships are established as an end in itself, rather than in view of effectively and efficiently achieving the project targets.
- **Solution:** Project partners should be evaluated with regard to the added value they are expected to give to the project.

Support for SMEs

For support instruments that plan to support SMEs, a combination in particular of the European Structural and Investment Fund (ESIF) and the European Fund for Strategic Investments (EFSI) should be considered, as it is a high priority within the Investment Plan for Europe. (http://ec.europa.eu/regional_policy/sources/thefunds/fin_inst/pdf/efsi_esif_summary_en.pdf)

START

Full name	START – Danube Region Project Fund	
Duration	Per round: 3 years	Projects: 6 – 12 months
Budget for project support	675,000 €	Per project: 10,000 – 40,000 €
Funding source	European Union 95%, City of Vienna 5%	
Support mechanism	Seed money facility (pre-financing of 50 grant agreement), grant is max. 90% of	-
Application mechanism	Open calls for project proposals	
Needs addressed	The European Commission's study on the need for financial instruments in the Danube Region (2011) showed that project idea owners are suffering from a lack of funding to initiate the implementation of complex projects with strategic impact and to build up partnerships in a transnational environment. "Facilitation of project preparation" and "support for small projects" were identified as major needs of project promoters.	
Objective(s)	Support the preparation and development of transnational projects in the Danube Region and the implementation of specifically small projects with a transnational impact.	
Geographic coverage	Danube Region	
Target group(s)	Target groups of START are those defined in the Action Plan of the EU Strategy for the Danube Region, covering all thematic priorities of the Strategy.	
Recipients of funds	Project holders with little experience and limited access to funding in partnerships of two to five organisations	
Projects supported	Project activities	 Preparatory actions (e.g. setting up a partnership, elaboration of a project concept, calculating a project budget, conducting studies or surveys, etc.) Implementation of entire small projects
	Thematic focus	All thematic focuses covered by Priority Areas of the EUSDR
Management body	PA10 (City of Vienna) and EuroVienna Gr	mbH
Management structure	☑ Direct management	□ Outsourced management (tender of services)
Management tasks (amongst others)	 Application procedure, incl. organisation and publication of the call Assessment procedure, incl. organisation and coordination of the decision-making procedure Contracting procedure Monitoring of projects' progress via midterm and final reports Consultancy of selected project lead partners during the implementation Verification of project expenses, payments to beneficiaries and recovery 	

Outputs & indicators

Per round:

- Approx. 500 applications received
- 24 projects supported
- Approx. 100 organisations received support, roughly 55% NGOs and 23% universities or research institutions
- All Priority Areas of the EUSDR addressed by selected projects
- Partners from all countries of the Danube Region involved in the implementation of the selected projects
- Project outputs: 50 workshops, 15 events/conferences, 20 project concepts, 20 project budget plans

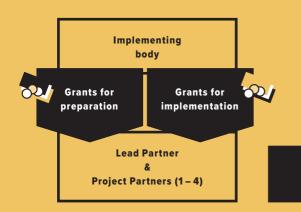
Management specificities

- High management costs for setting up the initiative and the management structure (pilot)
- Lower management costs can be expected if a regular implementation (repeated calls for proposals) is planned
- To anticipate management costs, the number of projects selected has to be considered, not (solely) the amount of money allocated
- Easy and open application process led to an enormous number of applications and a high administrative workload during selection
- Addressing the target group of non-experienced project holders made a high level of consultancy service necessary

General information on the instrument

START was established in 2014 as a pilot initiative within the Danube Implementation Facility of the EUSDR. Two calls for project proposals were held. Continuation was planned within the Danube Transnational Programme's Seed Money Facility.

The pilot instrument was closed in 2016.



Example supported project:

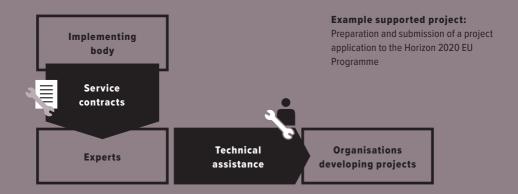
Establishment of a platform to exchange know-how and best practice in the field of combatting illicit trafficking of firearms

Project activities Target groups defined by projects

TAF-DRP

Full name	Technical Assistance Facility for Danube Region Projects	
Duration	2 years	Projects: 6 – 8 months
Budget for project support	430,000€	Per project: 25,000 € (value of external services provided, incl. VAT)
Funding source	European Union 95%, City of Vienna 5%	
Support mechanism	Selected beneficiaries receive technica experts.	l-assistance services by assigned
Application mechanism	EU-wide call for tender for the pool of consultants, closed calls for project proposals to receive the technical assistance (pre-selected potential applicants are invited to submit applications)	
Needs addressed	The European Commission's study on the need for financial instruments in the Danube Region (2011) showed that project idea owners are suffering from a lack of funding to initiate the implementation of complex projects with strategic impact to build up partnerships in a transnational environment. "Facilitation of project preparation" was identified as a major need of project promoters.	
Objective(s)	Support the preparation and development of projects in a transnational, macro-regional environment to increase the absorption of EU funds in the Danube Region	
Geographic coverage	Danube Region	
Target group(s)	Target groups of TAF-DRP are those defined in the Action Plan of the EU Strategy for the Danube Region, covering all thematic priorities of the Strategy. Organisations with strong needs and new ideas, but with limited experience in the development of transnational projects. However, in practice many organisations which applied for TAF-DRP support were already engaged in EU or other international projects.	
Recipients of funds	Experts who provide technical assistance	ce to target group
Projects supported	Project activities	TAF-DRP experts support selected beneficiaries in various project preparation tasks, such as: Defining the project partnership, scope (logframe) and budget Searching for funding sources for implementation phase of the project Clarifying legal or technical issues Preparing and submitting an application for (mostly EU) funding
	Thematic focus	All thematic focuses covered by all Priority Areas of the EU Strategy for the Danube Region
Management body	PA10 (City of Vienna) and EuroVienna	

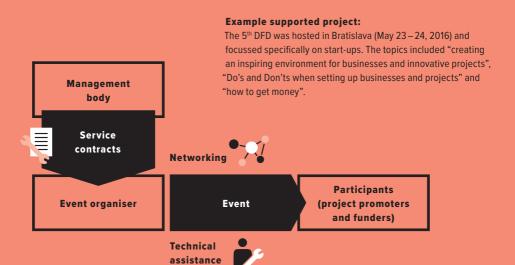
Management structure	□ Direct management	☑ Outsourced management (tender of services)
Management tasks (amongst others)	 EU-wide tendering procedure for selection of the experts Call for project proposals, incl. assessment and selection Contracting experts and assigning them to selected projects Monitoring of expert assignments Supporting experts during the assignments e.g. in case of difficulties with the beneficiaries 	
Outputs & indicators	 3 consultancy providers subcontracted for the technical assistance support, covering 3 different thematic areas 20 project applications received 17 projects selected to receive technical assistance support 	
Management specificities	 Beneficiaries do not select experts but are assigned an expert who is contracted beforehand by the managing authority. This way, conflicts of interest are avoided and the managing authority can more readily monitor the services and outputs. High management costs for setting up the initiative and the management structure (pilot) No own financial contribution is required (this can lead to varying degrees of commitment amongst the beneficiaries) Working language English (beneficiaries need sufficient knowledge of English) High workload: EU-wide tender procedure for selection of experts 	
General information on the instrument	TAF-DRP was established in 2013 as the first pilot initiative within the Danube Implementation Facility of the EUSDR. The success of the initiative (2014 – 2015, 2 calls) led to its prolongation until 2016 and the organisation of a 3 rd call. The pilot instrument was closed in 2016.	



DFD

Full name	Danube Financing Dialogue	
Duration	Per round: 9 months	Projects: 2 days
Budget for project support	30,000 € per event	
Funding source	European Union 95%, City of Vienna 5%	
Support mechanism	Event free of charge to participants to p between project promoters and funders	- 11
Application mechanism	Registration open to all interested poten served basis	ntial participants – on first-come, first-
Needs addressed	The European Commission's study on the need for financial instruments in the Danube Region (2011) showed that project idea owners are suffering from a lack of funding to initiate the implementation of complex projects with strategic impact and to build up partnerships in a transnational environment. "Opportunities for project promoters and potential funders to meet and connect" was identified as a major need of project promoters.	
Objective(s)	Provide a platform to stimulate matchmaking of organisations looking for funding and institutions providing funding in order to increase the number of implemented projects in the Danube Region	
Geographic coverage	Danube Region	
Target group(s)	Target groups of DFD are those defined in the Action Plan of the EU Strategy for the Danube Region (EUSDR), covering all thematic priorities of the Strategy	
Recipients of funds	Beneficiaries are the participants of the DFD events: Project promoters (SMEs, local authorities, etc.) National and international financial institutes Stakeholders of the EUSDR	
Projects supported	Project activities	Holding a DFD event incl. podium discussions, matchmaking sessions, workshops, presentations, etc.
	Thematic focus	Financing of project ideas with no thematic restrictions
Management body	PA10 (City of Vienna) and metis GmbH	
Management structure	□ Direct management	☑ Outsourced management (tender of services)
Management tasks (amongst others)	 Setting up the event structure Preparation (invitations, agenda, speakers etc.) Implementation in cooperation with hosting financial institutes Dissemination of the events 	

Outputs & indicators	Per round: One DFD event 200 participants Four thematic blocks with three to four presentations each One matchmaking session
Management specificities	 Hosted in cooperation with national banks High workload for establishing the event concept Flexible approach to thematic contents
General information on the instrument	DFD was implemented between January 2014 and June 2016 as a pilot initiative within the Danube Implementation Facility of the EUSDR. In total, 5 DFD events were hosted. The pilot instrument was closed in 2016. A future follow-up is not foreseen.



InnovFin

Full name	InnovFin SME Guarantee Facility	
Duration	Availability of loans: 2 years	Term of Loans: Min. 1 year, max. 10 years
Budget for project support	UniCredit Bank Austria: 200 million € UniCredit Banks in CEE: 160 million €	Per project: min. 250,000 € - max. different per country (Bosnia and Herzegovina 1.25 million € – Austria 7.5 million €
Funding source	European Union: Joint European Investr Commission (EC) initiative under Horizo	
Support mechanism	EIF provides a guarantee to the selected UniCredit banks, which covers up to 50% of the loss on each new eligible loan. Due to the guarantee of EIF, the interest rate charged by the Financial Intermediary for the final beneficiary is reduced and EIF provides additional collateral.	
Application mechanism	Open application procedure for all innov 499 employees) according to EU definiti	
Needs addressed	InnovFin is a guarantee or counter-guarantee on debt financing provided to financial intermediaries in order to improve SME's access to finance	
Objective(s)	Foster innovation, entrepreneurship, gr	owth and jobs in the European Union
Geographic coverage	Instrument: EU Member States and Associated Countries (Horizon 2020) UniCredit Banks' InnovFin agreements cover Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Serbia, Slovakia	
Target group(s)	Innovative SMEs and Small Mid-caps (up to 499 employees) in Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Serbia, Slovakia	
Recipients of funds	 SMEs investing in the production or development of innovative products, processes and/or services that present a risk of technological or industrial failure SMEs and Small Mid-caps that are "fast growing enterprises", i.e. their workforce or turnover has increased by at least 20% p.a. over the last 3 years SMEs and Small Mid-caps that have a significant innovation potential or are R&I-intensive enterprises, i.e. satisfying at least one "innovation criterion" out of a set of pre-defined eligibility criteria 	
Projects supported	Project activities	Open to all sectors except EU restricted sectors (e.g. illegal economic activities, tobacco, casinos, etc.)
	Thematic focus	No thematic focus
Management body	UniCredit Bank Austria resp. UniCredit E	Banks in CEE countries
Management structure	☑ Direct management	Outsourced management (tender of services)

Management tasks (amongst others)

- Application and due diligence process with EIF
- Negotiation and conclusion of framework agreement
- Implementation of agreement and alignment with bank processes
- External Marketing, Internal Training
- Full delegation of credit process by EIF to UniCredit Bank, including credit origination, risk analysis, servicing and monitoring of recipients

Outputs & indicators

Austria:

- 40 up to now (expected: approx. 200)
- Distribution via commercial banking network in Austria and CEE
- Numerous external information events, speeches, panel discussions, interviews, marketing. Internal training for network and risk management CEE: More than 200 SMEs and Small Mid-Caps are planned to benefit

Management specificities

- Setting up the initiative, the application and contracting process requires considerable internal resources and time
- Very efficient and quick application procedure for SMEs + Small Mid-caps

General information on the instrument

The InnovFin SME Guarantee Facility is established under the "EU InnovFin Finance for Innovators" initiative backed by EU's research and innovation programme Horizon 2020. It provides guarantees and counter-guarantees on debt financing of between 25,000 € and 7.5 million € in order to improve access to loan finance for innovative SMEs. The facility is managed by EIF and is rolled out through financial intermediaries − banks and other financial institutions − in EU Member States and Associated Countries. Financial intermediaries are guaranteed by EIF against a proportion of their losses incurred on the debt financing covered under the facility.

The InnovFin SME agreements with UniCredit Bank Austria and the UniCredit banks in Bulgaria, Croatia, Czech Republic, Slovakia, Hungary and Romania benefit from the support of the European Fund for Strategic Investments (EFSI). The purpose of EFSI is to support access to finance and productive investments in the European Union.



Example supported project:

Provide a guarantee for a loan to finance the acquisition of a 3D machine for cutting metals to improve activities previously performed by 2D machines or acquisition of a newly-developed application to improve online orders from smartphones.

Favourable loans

SME and small midcaps

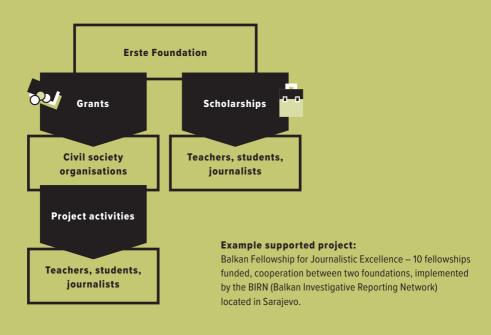
ERSTE Foundation Europe

Full name	ERSTE Foundation Europe		
Duration	Per round: 14 months	Projects: 12 months	
Budget for project support	Total: 3.5 million €	Per project: 750 € to 1.5 million € Most projects are between 15,000 € and 20,000 €	
Funding source	ERSTE Foundation 100%		
Support mechanism		Payment mechanism is negotiated with each organisation individually, mainly pre-financing of approx. 80% to 85% of total grant, balance payment is paid after the projects are completed	
Application mechanism	Open application procedure for all inter restrictions (no calls for proposals)	ested organisations, no time	
Needs addressed	The first Austrian savings bank was founded in 1819 in Vienna as a civil society initiative. ERSTE Foundation as legal successor of this initiative still has this social character embedded in its legal statutes.		
Objective(s)	The major aim of ERSTE Foundation is to share profits with the civil society of the regions in which ERSTE group works as an operational unit.		
Geographic coverage	Europe, with a special focus on South East Europe		
Target group(s)	Civil society organisations; teachers, students, journalists		
Recipients of funds	Civil society organisations; teachers, students, journalists		
Projects supported	Project activities No restrictions		
	Thematic focus	No restrictions	
Management body	ERSTE Foundation		
Management structure	☑ Direct management	Under of services)	
Management tasks (amongst others)	 Setting up the initiative (management structure, implementation processes, technical and legal requirements, etc.) Implementation of the defined processes: application, approval, project support during implementation and after completion Communication activities (e.g. organising events) 		
Outputs & indicators	20 projects supported10 information events		
Management specificities	■ The workload is very different for individual projects. For some projects an intensified cooperation leads to more workload. Additional work-packages such as communication activities, additional project meetings etc. are conducted by ERSTE Foundation. Thus, projects are likely to establish a more sustainable structure and have greater success when submitting reapplications.		

General information on the instrument

The idea for an ERSTE foundation grant instrument was born in 2003 while first money was spent in 2005. Until 2010, the implementation processes were further developed and administration was improved by establishing a sound documentation system.

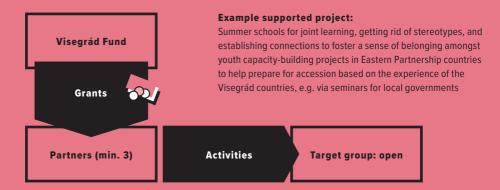
ERSTE Foundation Europe aims at having an open and individual approach regarding project applicants. Therefore, no project calls are held but applications can be submitted without time restrictions. This approach makes it possible for the funder to react individually to the needs of each applicant. At the same time, management workload is harder to predict since it is not possible influence the applications numbers.



Visegrád grants

Full name	Grant programmes of the Int	ernational Visegrád Fund
Duration	Per round: 17 months	Projects: max. 12 months
Budget for project support	Total: 8 million € (per year)	Per project: 20,000 € (average in 2016)
Funding source	shares of the budget; addition	vakia, Hungary (founding members) provide equal onal contributions are provided by Canada, Germa- forea, Sweden, Switzerland, the United States
Support mechanism	delivery and validation of fin	es, also pre-financing — last tranche paid after al report — funding rate up to 100%. Yet the Fund nts to find additional support (funding or in-kind)
Application mechanism	Capacity building, exchange	, not investment-oriented project financing
Needs addressed		n on non-governmental level in the region, address al challenges, advance innovativeness, and
Objective(s)	Visegrád countries (Poland, Czech Republic, Slovakia and Hungary), Western Balkans countries (Serbia, Bosnia and Herzegovina, Croatia, Montenegro, Kosovo, Macedonia and Albania) and the countries of Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine)	
Geographic coverage	Applicants indicate the target groups; the relevance of target groups addressed is part of the project assessment	
Target group(s)	Target groups of START are those defined in the Action Plan of the EU Strategy for the Danube Region, covering all thematic priorities of the Strategy.	
Recipients of funds	Any type of organisations and individuals from at least three of the four Visegrád countries (exceptions possible for bilateral cross-border projects, where activities take place in an area within 40km of the border); fully funded state organisations e.g. ministries, cultural institutes are excluded. Focus on NGOs, civil sector, schools, regional governments.	
Projects supported	Project activities	e.g. film and theatre festivals, exhibitions, publications, education seminars and workshops, academic workshops and conferences, youth summer camps and school exchanges, tourist portals and brochures, as well as other locally or regionally-relevant project activities
Projects supported	Thematic focus	 Thematically very broad orientation,e.g. culture (30% of projects), capacity building (20%), youth exchanges (10%), environment, democratic values and the media, science and research, regional development, entrepreneurship and tourism In Eastern Partnership countries, the focus is also on healthcare, justice and minority rights. Priorities with additional funding are defined on an annual basis.

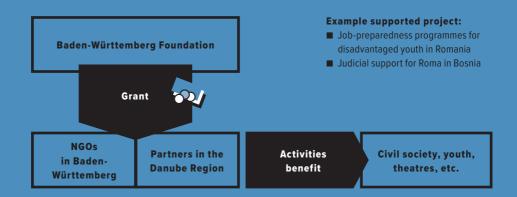
Management body	International Visegrád Fund	
Management structure	☑ Direct management	□ Outsourced management (tender of services)
Management tasks (amongst others)	 Application (call), assessment, contracting, monitoring of projects' progress Consultancy of selected project lead partners during the implementation Verification of project expenses, payments to beneficiaries and recovery 	
Outputs & indicators	Per round: ■ 400 applications received ■ On average, 18% of the applications selected	
Management specificities	 Management is integrated into the fund. After project proposal assessment, the final decision is made by the Council of Ambassadors of the Visegrád countries, led by the country that has the annual presidency of the Fund. The entire selection procedure is 50 working days – thus project implementation can start within three months after the application. 	
General information on the instrument	The Visegrad Fund was established as an international organisation by Poland, Czech Republic, Slovakia and Hungary in 2000. The fund operates several grant programmes, and also awards individual scholarships, fellowships and artist residencies. Calls are held four times a year. In 2017, the different mechanisms have been merged for a more beneficiary-oriented approach, and a more impact-oriented assessment is being pursued.	



Perspektive Donau

Full name	Perspektive Donau: Bildung, Kultur und Zivilgesellschaft (Perspective Danube: Education, Culture and Civil Society)	
Duration	1–4 years	Projects: 1–3 years
Budget for project support	annually 400,000 €	Per project: max. 50,000 €
Funding source	Baden-Württemberg Stiftung	
Support mechanism	Grants covering max. 75% of the overall project costs, min. 15% of total project costs have to be provided as own contribution, max. 10% contribution from third parties	
Application mechanism	Open calls for project proposals are hel	d twice a year
Needs addressed	Missing financing for projects in fields o	f education, culture and civil society
Objective(s)	Support the implementation of the EUSDR via financing of projects: Fostering cross-border exchange in the fields of education and culture Enhancing awareness for cultural ties and diversity within the Danube region Strengthening civil society throughout the Danube Region	
Geographic coverage	Countries within the Danube Region and adjacent countries (such as Kosovo)	
Target group(s)	 Education: Children and youth as well as multipliers (such as educators and social workers) Culture: Theatres, dance groups, orchestras, youth groups, etc. Civil society: All members of civil society 	
Recipients of funds	NGOs located in Baden-Württemberg in partnerships with one or more organisations from the Danube Region	
Projects supported	Project activities	 Dissemination of innovative concepts and models in the field of education Support for civil society organisations in the Danube Region Enhancing capacity development of professionals and leading personnel
	Thematic focus	Education, Culture and Civil Society
Management body	Baden-Württemberg Foundation	
Management structure	☑ Direct management	□ Outsourced management (tender of services)
Management tasks (amongst others)	 Setting up the initiative (management structure, implementation processes, technical and legal requirements, etc.) Implementation of calls and evaluation of proposals Support for project holders (e.g. in the area of public relations) 	

Outputs & indicators The output of the instrument is measured by an external partner on the basis of the project reports of the beneficiaries. On average, nine projects per round have been selected for financing. **Management specificities** ■ It is important to support grassroots organizations with setting up effective monitoring systems for their projects. These organisations possess a huge potential to make a meaningful difference in the lives of the people they serve, yet they sometimes lack the organisational capacities to design effective monitoring systems. Clear-cut forms for project proposals prove to be an effective tool to support grassroots organisations in this process. ■ A contract between the applicant and the partner(s) is compulsory. **General information** The funding programme was established in 2013, since then, 54 projects have on the instrument been financed with a total of 1.3 million €. Annually, two calls for project proposals are organised.



BACID

Full name	BACID Fund – Building Administrative Capacity in the Danube Region and Western Balkans	
Duration	Per round: 1 year	Projects: 6 months
Budget for project support	Total: 30,000 € (per call)	Per project: Max. 6,000 €
Funding source	Austrian Development Agency 100%	
Support mechanism	Very small grants for project partnerships consisting of one Austrian partner and one partner organisation from a pre-accession country in the Western Balkans and Moldova, additional own contribution from partners is required to ensure commitment. Expert fees, per diems, and travel costs are reimbursed (costs of the organisation of workshops were added in the last two calls based on the feedback from beneficiaries); other costs have to be covered by own contribution.	
Application mechanism	Roughly two open calls for project prop	osals are launched every year
Needs addressed	Lacking capacities in implementation of European Union policies and standards that would allow better provision of public services in the eligible countries in the Western Balkans and Moldova, especially at local and regional levels	
Objective(s)	Support the transfer of know-how between Austrian entities and partners from non-EU countries of the Western Balkans and Moldova in order to strengthen public administration capacities to introduce and implement EU acquis at local and regional levels and thus promote democratisation and regional development	
Geographic coverage	Austria and pre-accession countries in the Western Balkans (Albania, Macedonia, Montenegro, Serbia, Bosnia & Herzegovina, Kosovo) and Moldova	
Target group(s)	Individuals who are active in the life of local community, including employees of local or regional governments, ministries, public utility companies and other public bodies, as well as SMEs, civil society organisations etc.	
Recipients of funds	Austrian organisations holding the workshops and giving expertise, organisations from the target countries hosting the workshops and participants of public, civil or business sectors who have a role in local and regional development	
Projects supported	Project activities	 Expert support Workshops, seminars and training Elaboration of reports, studies, surveys and other documents (initial meetings)
	Thematic focus	Various topics relevant to public administration defined within three thematic priorities (based on the EU Strategy for the Danube Region and Europe 2020 strategy): 1. Smart City, 2. Sustainable City, 3. Inclusive City

Management body	Austrian Association of Cities and Towns (AACT), Centre for Public Administration Research (KDZ)	
Management structure	☑ Direct management	☐ Outsourced management (tender of services)
Management tasks (amongst others)	 Setting up the initiative (management structure, implementation processes, technical and legal requirements, etc.) Implementation of calls for proposals and promotion, evaluation of applications, selection of projects for funding, contracting, monitoring, reporting and financial control 	
Outputs & indicators	 ca. five projects per call ca. one to three workshops per project ca. 20-40 direct beneficiaries (participants) per project 	
Management specificities	 Simplified forms and application procedure crucial due to small grant amounts No pre-funding High degree of flexibility (as procedures were updated on an ongoing basis based on the experiences had) Own contribution: in-kind contribution is accepted and the only reporting request is proof of successful implementation of the foreseen activities 	
General information on the instrument	The grant scheme BACID Fund is part of the programme capacity building in the countries of the Western Balkans and the Republic of Moldova. Five calls were launched between 2015 and 2017. While the first calls were restricted to one thematic priority only, later calls were open to projects targeting all priority topics of the Fund. At first, organisations from the target countries could participate only as project partners. In later calls, they could also assume the role of the lead partner. Topics and geographic regions that were poorly represented in the first calls were communicated as such to potential beneficiaries to get a more balanced distribution of proposals. However, no thematic or geographic restrictions were implemented to avoid exclusion of proposals. A follow-up of the instrument is currently under development.	

Grant Austrian organisations

Example supported project:

Local partner in

Western Balkan and

Moldova

Know-how

The establishment of voluntary fire fighter services in Moldova was supported by the know-how of the voluntary fire fighters of Vorarlberg via two workshops and a survey of needs.

Know-how

Public service officials etc.

ESF Roma

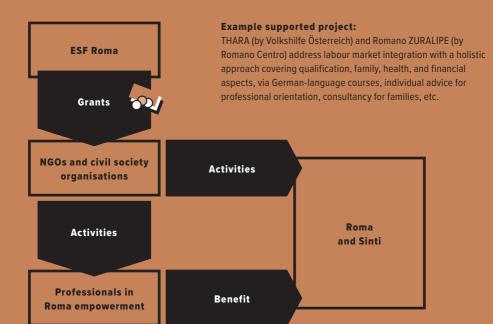
Full name	Roma empowerment for the labour market - development and pilot implementation of consultancy and training measures	
Duration	Per round: 4 years	Projects: max. 3.5 years
Budget for project support	4 million €	Per project: max. 432,250 €, 400,000 € on average
Funding source	European Union (ESF) 50%, national cofinancing	
Support mechanism	National pre-financing of yearly rates, 10% after finishing	
Application mechanism	Open call for project proposals	
Needs addressed	Discrimination experiences of the Roma and Sinti populations and lack of labour market integration	
Objective(s)	Fight against poverty (one of the 3 aims of the ESF Programme) through: Support integration of marginalised groups on the labour market Support the working poor Prevention of working poor through improvement of employability of the target groups	
Geographic coverage	Austria (except Burgenland)	
Target group(s)	Roma and Sinti, as well as professionals in the field of Roma empowerment	
Recipients of funds	NGOs and NPOs that have specific links and knowledge of the needs of the target groups, e.g. Roma and Sinti organisations themselves or e.g. NGOs/NPOs employing Roma/Sinti personnel, with knowledge of Romany languages, etc.	
Projects supported	Project activities	 Consulting Qualification Training courses Antidiscrimination measures & dissemination activities
	Thematic focus	Labour marketEducationSocial mattersEtc.
Management body	Federal Ministry of Labour, Social Affairs and Consumer Protection of Austria as Managing Authority, the department in charge of bilateral labour market cooperation of the Ministry as intermediate body	
Management structure	☑ Direct management	□ Outsourced management (tender of services)
Management tasks (amongst others)	 Setting up the initiative Implementation of evaluation of proposals, support to project holders and on-site inspection 	
Outputs & indicators	12 projects supported	

Management specificities

- In the run-up, focus was put on ensuring compliance of the scheme with applicable rules (e.g. on eligibility), which are numerous and complex.
- Much support needed by organisations that are new in implementing such projects.
- This scheme addresses Austrian organisations as recipients of funds but transnational cooperation is possible.
- Cooperation with EFSI is at this stage not known.

General information on the instrument

The Roma Empowerment for Labour Market scheme was established by the Federal Ministry of Labour, Social Affairs and Consumer Protection. The 1st call was published in 2015 for projects lasting until 2019. For 2019, a second call is planned.



DPS Toolkit

The present Toolkit provides guidance if you wish to establish a project-support instrument.

The Toolkit shares lessons learned by selected examples of instruments that have been or are currently being implemented in the Danube Region.

The Toolkit contains

- an outline of questions to ask yourself when setting up a project-support instrument
- tips based on lessons learned by other instruments
- factsheets of nine selected instruments as examples and for inspiration

Potential providers of financing and implementing bodies to be are invited to consult the Toolkit to make informed decisions on their own (future) project-suppor