











Priority Area 2 2024 NEWSLETTER

Dear Readers

We are happy to introduce you to the newsletter of Priority Area 2: Sustainable Energy of the EU Strategy for the Danube Region, presenting the activities of PA2 during the year 2024. The priority area is coordinated by Czechia and Hungary.

EUSDR Priority Area 2 aims to foster the Green Energy transition in the Danube Region and coordinate regional energy policies with the focus of several key areas, such as energy efficiency, the use of renewable energy, new and innovative clean energy technologies, etc. It has continued several flagship initiatives to achieve its goals which are: Enhancing hydrogen economy in the EUSDR, Promote local low-carbon energy actions in the EUSDR and Diversification of gas supply in the EUSDR. These initiatives are helping the Danube Region to improve its energy security, reduce its environmental impact, and create new economic opportunities

DRP Seed Money Facility 2nd call

The Danube Region Programme's Seed Money Facility has funded five innovative projects focused on heat storage, energy efficiency, green hydrogen, district heating optimization, and energy communities, driving sustainable energy transformation through crossborder collaboration and innovation. More on page 2.



Energy Efficiency in Industry Study

The Czech coordination has prepared a study on industrial energy efficiency. It highlights regional disparities showcases best practices from Austria, Baden-Württemberg, Moldova. Study identifies and describe best practices for both business and state. Find out more on page 4.

Other activities

Find out more about the activities of the Priority Area 2

28th SG Meeting - page 2

13th Annual Forum and PA₂ contribution - page 3

Events attended by PAC team 29th Annual Forum - both page 5

DRP Seed Money Facility 2nd call Continuous Project Support

The Danube Region Programme's Seed Money Facility (SMF) Call provided funding for projects applying from November 27, 2023, to March 29, 2024, to help small-scale projects develop into full-scale initiatives. Proposals had to align with at least one EUSDR Priority Area and contribute to the EUSDR Action Plan.

A total of seven proposals with relevance to PA2 – Sustainable Energy were submitted, covering key topics such as green financing, energy storage, hydrogen, energy efficiency, and energy communities. Following an evaluation process involving Priority Area Coordinators, five projects were awarded funding:

- <u>StoreMoreWarm</u> Focuses on innovative heat storage solutions to balance energy supply for municipal buildings.
- **<u>EE-Heritage</u>** Uses artificial intelligence to enhance energy efficiency in historic buildings.
- **H2SCALE** Investigates the integration of green hydrogen into regional energy systems.
- <u>DanubeEnergy</u> Optimizes district heating systems for better renewable energy integration.
- **energy.eu** Promotes energy communities to support the green transition.

These projects, led by organizations from Romania, Hungary, and Slovakia, contribute to the sustainable energy transformation of the Danube Region by fostering innovation, efficiency, and collaboration. Both PAC Teams are actively supporting the projects.

28th SG Meeting in Vienna



On 19th of June the PA2 has organized the 28th SG meeting connected with the EUSDR Annual Forum held in Vienna on 20th and 21st of June. The meeting thus took place at the Embassy of the Czech Republic.

The meeting focused on strengthening the Danube Strategy Flagships, with a decision to update the "Local Low-Carbon Energy Actions" flagship to incorporate energy storage, infrastructure, and grid developments. This move aligns with regional priorities on renewable energy expansion and system resilience.

Another highlight was the presentation of a process of work on the energy efficiency in industry study. The already finished study provides insights into industrial energy consumption trends across the Danube region, pinpointing best practices and legislative developments. It has collected and shared best-practice examples to foster efficiency and sustainability.

2.

Annual Forum in Vienna

The 13th EUSDR Annual Forum (20th and 21st of June, Vienna) brought together key stakeholders to strengthen regional cooperation, energy security, and climate resilience. Discussions focused on economic transformation, infrastructure, and sustainability, with highlights including a Meeting of Danube Region Foreign Ministers and an Ecological Connectivity Exhibition. Under the motto "Cooperation in the Danube Region: now more than ever!", the forum reaffirmed a shared commitment to a stronger, more sustainable Danube region.

Annual Forum Workshop



At the 13th EUSDR Annual Forum, PA2 hosted a dedicated session on local, citizen-driven energy initiatives, a key flagship topic for the Danube Region's clean energy transition. Experts and stakeholders discussed how to create favorable conditions for renewable energy communities, addressing challenges like unclear legislation, funding gaps, and market uncertainties.

Two inspiring projects were presented: the European Energy Award along the Danube and Just Energy Transition for Central Europe, showcasing best practices for community-led energy solutions. The discussion, moderated by Irina Apostol (Danube Youth Council) and Zoltán Haász (NRGCom), emphasized the need for stronger policies and financial support to accelerate the region's green transformation.

Annual Forum World Café Discussion

At the 13th EUSDR Annual Forum, PA2 and PA5 hosted a World Café discussion on strengthening climate resilience in the Danube Region. Stakeholders emphasized the need for joint political commitment, clear guidelines for non-EU countries, and diverse funding sources, including market-based and crowdfunding solutions.

Key takeaways included the importance of citizen engagement, education, and accessible research, along with nature-based solutions as effective climate strategies. The discussion reinforced that legislation must support regional efforts, ensuring a coordinated response to climate challenges.

Study on Energy Efficiency in Industry

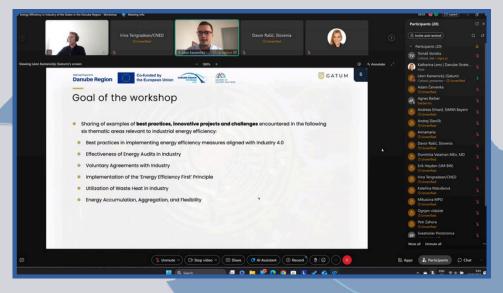
Through the year 2024, the Czech coordination has been prepearing a study on the topic of energy efficiency in industry. The study has been sent out in its finalized version on 31st of December 2024 and is available <u>here</u>.

The study highlights significant regional diversity in industrial structure and energy use. Notable examples of good practices include Austria's enforcement of energy plans derived from audits, Bavaria's adoption of energy-saving technologies in metal and food industries, Baden-Württemberg's integration of smart grid technologies, and Moldova's electrification of production processes, such as in Axis Bentonit Ltd. These practices demonstrate how tailored solutions can address energy efficiency gaps effectively.

A key graph from the study illustrates the disparities in industrial energy intensity across the region, highlighting countries with higher energy consumption per industrial output, such as Ukraine and Bulgaria, and contrasting them with more efficient nations like Austria and Germany. This visual underscores the need for targeted interventions and cross-border cooperation.

Barriers to progress include regulatory inconsistencies, limited financial resources, and slow adoption of advanced technologies. To overcome these, the study recommends scaling successful initiatives, fostering cross-border collaboration, improving access to funding, and focusing on energy-intensive sectors like chemicals, petrochemicals, and food production. This study emphasizes the importance of industrial energy efficiency in achieving EU climate goals, driving regional sustainability, and enhancing the competitiveness of industries across the Danube Region.

Energy Efficiency in Industry Online Workshop



Together with a study preparations, Czech coordination held online workshop on 27th of September. Together with the goal of gathering knowledge for the study, national experts were connected the across Danube Region.

The workshop highlighted significant disparities in energy use, with some countries leading in innovation while others face challenges in integrating smart technologies. Energy audits and financial incentives have proven effective, but engagement from small and medium-sized enterprises remains low. Successful initiatives, such as Baden-Württemberg's waste heat recovery program, demonstrate the potential for major energy savings. However, high costs and infrastructure gaps continue to hinder the progress.

Other activities attedned by the PACs

Economic Cooperation and Hydrogen Supply Chains along the Danube: Hungarian coordination was invited to the International Danube Festival in Baden-Württemberg. A study trip for Hungarian experts promoted collaboration between Germany and Hungary.

The event featured talks from Dr. Jan Stefan Roell and Johannes Jung on the importance of hydrogen in Baden-Württemberg, and Prof. Dr. Markus Hölzle from ZSW discussed hydrogen production and electrolysis technology. He highlighted the "Green Hydrogen Blue Danube" project, aimed at transporting green hydrogen along the Danube.

A panel discussion addressed hydrogen with Annamária technologies, emphasizing macro-regional cooperation. The Hungarian delegation also visited key sites, including ZSW's fuel development hall, the "H2-Wandel project" at Ulm University, and RAG Austria's underground hydrogen storage in Gampern.



The Danube Region Business Summit, held on 6th of November in Vienna at the Austrian Chamber of Commerce (WKO), gathered over 500 experts and representatives from more than 20 countries to explore business opportunities and regional cooperation. The event featured discussions on economic development, sustainable technologies, and labor market challenges. A key panel focused on climate-neutral energy systems in the Danube Region, highlighting the impact of the Russian-Ukrainian war on energy distribution networks. The session, opened by Artur Lorkowski, Director of the Energy Community, underscored the region's vulnerability to the ongoing energy crisis.

29th SG Meeting in Budapest

The 29th PA2 Steering Group Meeting, held on November 20, 2024, in Budapest, presented updated flagships and advancing energy studies to drive the Danube Region's clean energy transition. It also introduced SG members to different fields of actions:

Hydrogen Economy Study – A comprehensive assessment of the hydrogen market, infrastructure, and regulations in the Danube Region, identifying synergies and investment opportunities to develop a regional hydrogen value chain.

Bavarian Renewable Energy Strategy – A model for sustainable energy transition, with ambitious plans for wind, solar, and hydrogen expansion by 2040.

DYC members and activities - Irina Apostol (Moldova) will continue her work with PA2, alongside PA5 and PA9, bringing her expertise in sustainable energy. She confirmed that Pejo Bosnić and Jana Burzyková plan to join PA2, strengthening youth involvement. The Danube Youth Council (DYC) recently launched its European Vision Paper 2040, outlining youth contributions to sustainable development.

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