Executive Summary

The South-East Regional Programme 2021-2027 is a key instrument for regional development, aiming to improve quality of life and increase economic competitiveness through sustainable investments. Managed by the South-East Regional Development Agency as Managing Authority, the programme has a total financial allocation of EUR 1.47 billion, of which 85% is the EU contribution and 15% the national contribution, for the implementation of the seven priorities covering the South-East region and the Danube Delta area.

Priority 1 ‘A competitive region through innovation, digitalisation and dynamic enterprises’ aims to improve the business environment by investing in sustainable industries optimised for resource efficiency and the deployment of advanced technologies in the South East region, thus contributing to the innovative economic transformation of the region. It targets investments to support research and innovation activities and support technology transfer, increase digitalisation in SMEs and public services, support companies by developing business support infrastructure, and develop skills for smart specialisation and entrepreneurship.

The total funding earmarked for this priority is EUR 363.2 million and represents approx. 26% of the total value of the program. Of the total amount of funding allocated to the priority, approx. 4% is allocated to the Danube Delta ITI.

The main areas of intervention include: Funding research and innovation activities through proof of concept projects, research projects, in particular those carried out in cooperation between SMEs and RDI entities in regional smart specialisation areas, financing technology transfer to increase business innovation, harnessing the benefits of digitalisation for the benefit of citizens, companies, research organisations and public authorities, supporting companies through business support infrastructures, developing key competences for smart specialisation.

An early interim evaluation of the South East Regional Programme was carried out between December 2024 and March 2025. The coherence, relevance, efficiency, effectiveness and delivery mechanisms of the priority were analysed in relation to the strategic objectives of the Eropene Union and the South East Regional Programme. The evaluation used a combination of qualitative and quantitative methods, including documentary analysis, interviews, surveys, workshops and focus groups, expert panel.

The early interim evaluation of Priority 1 of the South East Regional Programme 2021-2027 shows a clear alignment of interventions with European (including European Commission Country Specific Recommendations), national and regional strategic objectives, with a particular focus on innovation, digitalisation and support to SMEs. Priority 1 contributes directly to the key objectives of European strategies such as the Digital Agenda for Europe, the European Green Deal and the European Strategy for Research and Innovation, ensuring the transition to a more competitive, innovative and sustainable economy. At national level, Priority 1 supports the implementation of the National Strategy for Competitiveness 2021-2027, the National Strategy for Digitalisation and the National Strategy for SMEs 2021-2027, through measures to stimulate the entrepreneurial ecosystem, the development of innovation infrastructures and the acceleration of the digital transformation of the economic environment. In the regional context, the South-East Regional Development Plan 2021-2027 and the Smart Specialization Strategy of the South-East Region (RIS3) are supported by Priority 1 interventions that facilitate the development of innovation, innovation clusters, the modernisation of SMEs and the increase of the region's capacities in strategic areas such as IT&C, engineering, bioeconomy and green energy.

The interventions planned under Priority 1 are well correlated with the economic and social needs of the South East Region, addressing the main challenges identified, such as the innovation and research gap, the low level of digitalisation, the low competitiveness of SMEs and the lack of business support infrastructures. The analysis shows that these interventions are in line with European and national objectives and support sectors with growth potential.

At the end of 2024, progress in the implementation of Priority 1 was very limited. The implementation of the programme encountered significant delays in the launch of calls for projects, which affected contracting and progress in achieving the established indicators. By the end of 2024, only three phased projects were contracted to build business incubators and the first call for SMEs had a high degree of interest, but no concrete contractual results by 31.12.2024. With one exception, the relevant output and result indicators have not been achieved and the degree of contracting is still insufficient to mark a significant impact on the region. However, the launch of 18 calls for projects in 2025, with an allocation of more than EUR 327 million, provides the premises for an acceleration of implementation. However, the estimation of the achievement of the targets set at Priority 1 level remains uncertain and their realism can only be assessed as implementation progresses and the first measurable results emerge. This situation underlines the importance of a continuous monitoring process able to provide adjustments based on the reality of implementation and lessons learned from the early stages of the programme.

The main challenges identified include delays caused by administrative, financial and operational barriers, which slowed down the progress of the programme. Major issues included the delayed launch of calls for projects, the complexity of administrative procedures, the lack of predictability in the call schedule and difficulties in applying DNSH requirements. The low administrative capacity of both the beneficiaries and, to a certain extent, the Managing Authority, made it difficult to evaluate and select projects.

As regards the contribution of Priority 1 to the objectives of the Integrated National Energy and Climate Change Plan (NECP), the programme indirectly supports the green transition through digitalisation, energy efficiency and skills development. Priority 1 also supports vulnerable groups by facilitating access to resources for entrepreneurial development and job creation. Thus, this priority supports the implementation of the European Pillar of Social Rights (EPSR) and contributes to the balanced economic and social development of the South-East Region.

The Danube Delta ITI area faces specific challenges in accessing funding. Although there are dedicated funds for this area, no calls for projects have been launched and no projects contracted by the time of the evaluation, and the low capacity of beneficiaries to develop and submit competitive projects may lead to a sub-optimal use of resources. In these circumstances, a broader and personalized approach is needed in supporting beneficiaries and creating specific support mechanisms for ATUs in the Danube Delta, so that they can access and manage the available funding more efficiently.

In order to ensure the successful implementation of Priority 1, it is essential to adopt measures that accelerate implementation and improve the absorption of funds. Among the solutions proposed are the establishment and observance of a predictable schedule of calls, the acceleration of the selection and contracting process, the increase of the beneficiaries' capacity to submit and implement relevant projects, through training sessions and technical support, as well as the development of flexible mechanisms to reallocate funds according to the interest and capacity to access funding. The implementation of these measures will contribute to making the contracting and execution of projects more efficient, facilitating the achievement of the objectives set and maximising the impact of investments in innovation, digitalisation and the competitiveness of SMEs.