

THE DANUBE CASTLES' CLUSTER

„DEVELOPMENT, KNOWLEDGE, PROMOTION”

Deed of foundation

&

LETTER OF INTENT FOR ESTABLISHER

1. The undersigned organizations, as cooperating organizations, declare that, based on their experience and competence, they will establish their network, as the DANUBE CASTLES' CLUSTER FOR MEDIEVAL, MODERN AGE CASTLES, FORTS, PALACES, ARISTOCRATE CASTLE/CHATEAU/MANSION, RELIGIOUS BUILDINGS, SIMILAR CULTURAL HERITAGE AND THEIR DEVELOPMENT IN LOCAL REGIONAL, MULTI-REGIONAL RELATION ALONG THE DANUBE RIVER.
Abbreviated the DANUBE CASTLES' CLUSTER (DCC), in the following only 'Cluster'.
2. Geographical scope: The founders define an area about 0-50 km wide on both sides of the Danube River as the primary geographical area of the operation of the Cluster.
3. A vision, mission and strategy adopted and periodically renewed by the founding and joining members. and to work together to achieve common goals following from the Cluster's services receive and provide ongoing maintenance of the results achieved during its operation.
4. The activities of the Cluster, through the cooperation of its members, cover in particular:
 - (a) the transfer of knowledge relating to cultural heritage management, museology, the integration of education and the provision of experiences, and the promotion of tourism and regional products,
 - b) to strengthen the identities connected to the common history, the Danube river and the region,
 - c) to coordinate events and exhibitions organized by members, to create and develop joint events and services;
 - (d) joint international, European and global action in the markets for tourism, cultural and geographical products;
 - (e) to contribute to the creation and development of the *local/regional historic urban landscape (HUL)*, as recommended by the UNESCO in 2011, belonging to the castle and / or the cultural heritage listed in point 1;
 - (f) the establishment and operation of a European Cultural Route;
- 5) The Deed of Foundation does not create a legal entity separate from the parties.

6) The organization of the Cluster:

a) Its members are member organizations.

i) The member organization is a legal entity and declares that it accepts the contents of the founding document of the Cluster. A member can be a founding and joining member.

(ii) The founding member shall operate a castle in the geographical area referred to in point 2 and a cultural heritage facility listed in point 1 and, with its participation, develop a local and regional “*historic urban landscape*” (HUL) for further social and economic use. establish a consortium with the relevant stakeholders.

It undertakes to make a declaration of membership and to accept the founding document of the Cluster within one year and at the inaugural meeting of the Cluster through its representative.

(iii) A joining member is an existing consortium that fulfills the consortium conditions set out in point 6) a) ii). The establishment of the membership relationship is regulated by the Organizational and Operational Regulations.

b) The highest decision-making and decision-making body is the General Assembly.

(c) The coordination of joint activities shall be carried out by the Governing Board (IT), which shall be established when the number of members reaches fifty. The members of the IT are a maximum of twenty people, one representative of each of the twenty sections of the Danube, delegated by the founding members of the respective consortium, for a maximum of three years.

d) IT meetings shall be chaired and announced by the President elected from among the members. The Organizational and Operational Regulations provide for the provision of the background of the Cluster and the professional and financial operational management organization performing its activities.

7) In order to achieve the common goals, the members undertake to carry out the tasks set out in the program and project contracts and are independently responsible for them. The members concerned shall agree on the use and ownership of the intellectual property and assets and assets resulting from the joint activities in a separate agreement.

8) Under this agreement, the leader of each member of the Cluster is responsible for complying with the rules adopted in the Code of Ethics.

9) Cluster Governing Board - to the General Assembly by maintaining the possibility of appeal - is entitled or obliged to exclude from the Cluster the member organization whose activities and operation endanger the realization of the goals, services and programs and projects of the Cluster from an ethical, professional or financial point of view, or impair its credibility.

10) This Deed of Foundation is valid for an indefinite period of time, subject to the possibility of revocation in accordance with the rules set out in the Organizational and Operational Regulations.

11) Amendments to the Articles of Association are the competence of the General Meeting.

12) Responsible representative of the signed organization

- I declare that I agree with the provisions of the Articles of Association and
- I announce that we want to participate in the cluster as a founding member,
- accept the rights and obligations of membership, which are defined by the general meeting of the founders in the organizational rules of the cluster,
- we undertake to pay our share of the costs determined by the general meeting for the establishment and operation of the Cluster,
- we ask that the gestor for the formation of the Cluster be the Association of Hungarian Settlement and Regional Developers.

This Deed of Foundation is 1 (one) numbered page in English, 1 (one) original signed copies.

Dated:

Name of Organization:	Address:
Responsible representative:	
Name and gender:	Position:
E-mail:	Telephone (Viber, Skype):

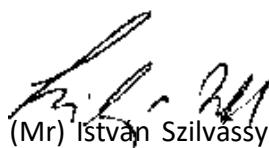
Represented castle/fort/palace/residence/religious building: (name, city, web):

Signature

Acceptance

As the undersigned responsible representative on behalf of the Association of Hungarian Settlements and Regional Developers, as gestor, I declare that we undertake to organize the establishment of the Cluster of Danube Castles, the costs of which will be borne by the founding members according to the letter of intent (point 12).

30th April, 2022


(Mr) István Szilvássy
president



THE NETWORK CLUSTER OF CASTLES, FORTS, etc.

(GENERAL PRINCIPLE)¹

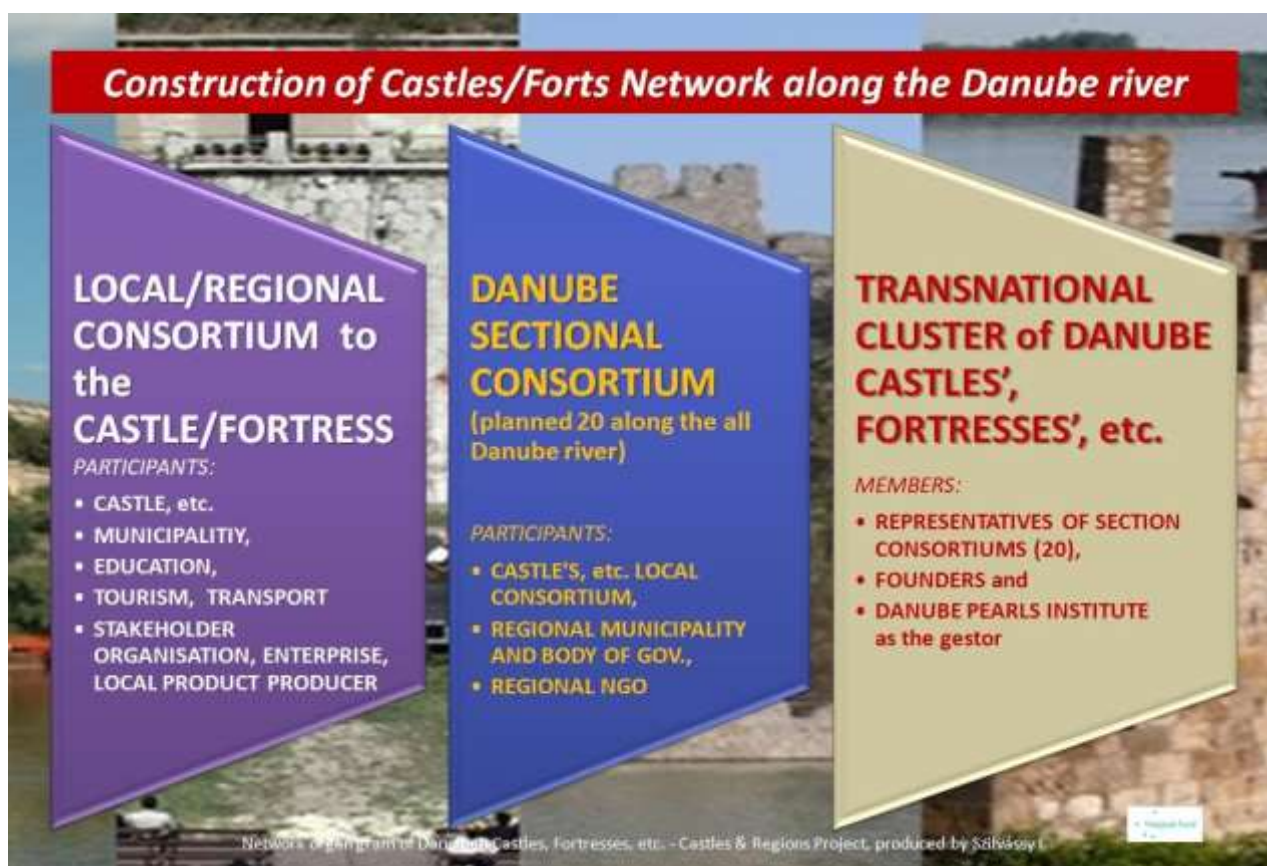
In the following, the aspects of the creation and operation of the network cluster in the framework of the Castles & Regions Project are summarized, which is related to the establishment of the network cluster of castles, forts, etc. along the Danube.

The river Danube flows through ten countries and is on its banks, in the riparian zone of approx. 100 castles and fortresses, 150 palaces, baronial castles more than 200 cathedrals, abbeys, churches, monasteries built in the Medieval or the New Age, some of which are based on a building on the 'limes' of the Roman Empire.

There are some world heritages among them, but all of them represent the history of Central European people and most of them are defenders and successors of Christian-Jewish culture.

These cultural heritage buildings are all like Pearls of the Danube. The creation of a network cluster of these is motivated by common interests, and it will be responsible for the operation of the cluster by the Danube Pearls Institute Foundation, which is under registration.

The members will be Danubian castle, etc., which creates the local/ regional CONSORTIUM around the castle and which participate municipalities, for- and non-profit players (education, tourism, cultural and sport attractions, farms, wineries, factories, media, etc.), further state-bodies.²



¹ Version 1.0

² In Poland, as one of the V4 countries, along the river Vistula there are also in the riparian zone 22 of castles and fortresses were built or in Middle Age or New Age. The consortium and cluster option can adopt for them, as well.

Proposal for issues to be regulated during the establishment of a cluster

The international experience shows that the successful formation of clusters at best, **the initiated by the undertakings involved in the cooperation**. During the formation of the cluster, following the principle of trust, it is advisable to start from the clustering of organizations already experienced in cooperation who know each other's work into a cluster as a base. This exists among the organizations that operate the castles. The framework of the cluster is determined by the complexity of the collaboration.

The founding members of the cluster determine the goals to be achieved together, the achievement of the goals, tools, framework, etc. for cooperation. The organization of the cluster is difficult and perhaps it is also not appropriate to specify mandatory elements (best practices) to determine. A cluster is an organically evolving network that is continuous and flexible, however is able to consciously adapt to the challenges of the 'environment'. This adaptability is a closer and looser cooperation between members in several areas at the same time (interactions).

However, there are issues that are worthwhile for members of any emerging cluster to think it through. Based on the logical system of cluster-specific responses to these questions, it is advisable to organize the operation of the cluster taking into account the interests of the members.

The cluster is suitable for increasing capacities, resources, sustainability, modernity and, indirectly, competitiveness. Furthermore it is a suitable tool for increasing the self-organization of castle-managements and their consortia partners given, and **clusters can be organized in any structure**.

Only existing law or contracts do not make a cooperation cluster. However, it is important to be aware of the actors involved identify common directions for cooperation.

In a cluster-like manner actors (clusters) can cooperate as a cluster on the basis of oral or written agreements.

The law does not define the concept of cluster, the form and content of cooperation either designates. Accordingly, formalized collaboration can be a defining framework for collaboration based on an agreement. Cooperation in the case of a contract, the parties have greater freedom. Especially in transnational relation it is typically cooperative **agreements** and syndicate agreements are concluded, the content of which is **all need to be adapted to the specific cooperation in each case**. Consequently a generally accepted pattern does not exist / cannot exist, however, some content elements a in most cases it is recorded.

These:

- What is the purpose of the cooperation?
- What is the scope of the cooperation (what are the areas of cooperation)?
- The way and means by which the parties want to achieve the set goals?
- How each party contributes to achieving common goals?
- The rights and obligations of the parties to the cooperation?

In addition to the above, the long-term nature of these collaborations is a common feature.

The unique cooperation agreements and contracts typically use terms that which are not laid down in the relevant legislation (Civil Code) and are therefore particularly important, that the terms used are jointly defined and explained by the parties.

Suggested way to form a cluster

The cluster can choose from several forms of operation, the easiest method is to cluster within the framework of a **cooperation agreement or contract** between the merging organizations regulate issues important for the operation of the cluster:

We recommend to regulate in particular:

CONTACT to the Association of Hungarian Settlements' and Regions' Developers (President: István Szilvássy) on Email: info@mttsz.hu, mttsz@gmail.com

- What are the common goals of the cluster;
- Who is entitled to make decisions about the cluster and how:
 - What are the decision-making levels?
 - Can the composition of the decision-making body change and, if so, how?
 - How to change the founding document?
 - How is membership accepted?
 - How are common resources used?
 - Rules for participation in tenders;
 - Identification of joint projects;
 - Making decisions on joint events;
 - Settlement of any disputes between members;
 - Management of trade secrets;
 - Adherence ethical standards;
 - Exclusion of members;
 - Cluster termination;
- Who performs cluster management tasks and how:
 - It is related the ownership of the cluster manager organization rules;
 - What are the responsibilities of the cluster manager?
 - Who monitors their implementation and how?
 - What is the remuneration of the cluster manager?
 - How are disputes settled?
- Incurring common costs:
 - To whom, in what amount and with what regularity should the joint to pay costs?
 - Who controls the payment of common costs and how?
 - What are the penalties for non-payment?
- Entry and exit rules, exclusion issues:
 - What are the conditions for entry?
 - What are the exclusion criteria?
- Responsibility Rules for participation in common issues and joint projects:
 - Liability issues within joint projects,
 - The right benefit,
 - Rules related to the utilization of acquired common property,
 - Protecting the reputation of the cluster;
 - Others.

The way to achieve the common goals should be set out in a separate strategy document.

Proposed cluster management solution

Members of the cluster are independent, typically cooperating with each other at the same time, but at the same time they may be competing organizations. For this reason, it is advisable to work with the cluster operational management is performed by a separate, neutral organization.

The relationship between the cluster and the cluster manager within a contractual framework some recommendations to regulate, it is advisable to specify in the contract:

- the issue of service or consideration
- protection of business secrets (including for the cluster as a whole and for individual members),
- to keep in touch,
- right to instruct,
- and to regulate of the cluster representation.

With regard to the form of operation of the cluster manager, there are several solutions for difference countries practise. We consider it appropriate for **the cluster manager** to be a cluster member operates in a well-known, easily accountable and transparent form.

The cluster will be successful if the members of the cluster make the most of the collaboration potential.

Cooperation is based on reciprocity, so members in addition to they take advantage of the conditions that benefit them, they offer and create it themselves opportunities for cooperation.

Part of the cooperation within the cluster is the whole cluster, but at least the benefits a large proportion of members, such **as a common image, a common appearance, a professional conferences, trainings on sourcing or sales platforms**. Otherwise only a few members work together to achieve a goal for a project. (!)

The cluster it is characteristic that the circle of cooperating members is not permanent, but the purpose of the cooperation according to variable, that is, in order to achieve its objectives, a cluster member is different cooperates with members to varying degrees. This diverse interactive collaboration cluster specificity. Organize cooperation - if the members are significant requires the involvement of the cluster manager - typically done by the cluster manager, but this work its costs shall be borne by the members of the cluster in accordance with the relevant agreements.

The benefits of cluster membership do not usually materialize during the initial period of cooperation, but only in a 3-5 year perspective. For this reason, it is a common experience for some of the cluster members to be expecting short-term benefits, losing his initial patience and confidence, reluctant to take part in cluster management organization's activities for the benefit of cluster members financing. This behaviour can cause vegetation and cessation of many clusters.(!)

In the case of cooperation between narrower groups of members in a cluster, the interests of the participants are more clearly articulated. The role of the cluster manager in these is in some cases to establish a link between the partners wishing to cooperate (if necessary) to optimize the conditions for the implementation of the project (Eg. tender resources and determining the conditions for cooperation between members, and assistance in recording, the fee for these services is the cluster or will be paid depending on the agreement reached by the cluster members. A practical solution if these costs are paid by the project stakeholders (beneficiaries) to the cluster manager for.

The river Danube flows through ten countries and is on its banks, in the riparian zone of approx. 100 castles and fortresses, 150 castles and palaces, more than 200 cathedrals, abbeys, churches built in the Middle Ages or the New Age. These cultural heritage facilities are all like the Pearls of the Danube.

The development of a local, regional consortium and the transnational cluster organisation appropriate to the tasks and opportunities of the future will take a year or two to develop. First, a cluster is created as the organisational framework and to inspirit local, regional self-organization.

PLANNED REGIONAL CONSORTIA AS

BASIC MEMBERS THE DANUBE RIVERSIDE CASTLES' CLUSTER

Variant “A”



Variant “B”

