



Introduction Guide:

West Wales & the Valleys

European Structural Funds

2014 - 2020

This guide presents a summary of the Structural Funds programmes applicable to West Wales and the Valleys over the 2014-2020 funding period.

This guide does not replace guidance documents published by the Welsh European Funding Office (WEFO) but is intended to add value to the project development process for organisations seeking to access European Structural Funds.

Version 2

Terminology Changes:

Old terminology	Now becomes...	Description
Project	Operation	A project or group of projects, run as one.
Sponsor	Beneficiary	The organisation that receives European funding to facilitate an operation (project).
Lead sponsor	Lead beneficiary	As beneficiary above, for a joint operation (project).
Joint sponsor	Joint beneficiary	A partner in a joint operation (project) which has been approved to incur and claim expenditure.
End or final beneficiary	Participant	An individual or organisation taking part in or directly benefiting from European funds.
Intervention rate	Co-financing rate	The percentage of funding available from European funds (in relation to the total eligible expenditure).
Match funding	National co-financing	Eligible expenditure in an operation (project) not funded by European funds.
In-kind match funding	Co-financing in-kind	A contribution in-kind from a third party.
In-kind costs/ expenditure	Contributions in-kind	Non-financial contribution to an operation (project) from a third party such as work, goods, services, land, building etc.
Grants	Co-finance/ support/ assistance from European funds	Forms of funding support including grants and financial instruments (e.g. repayable finance).
Defrayment	Paid out	Describes eligible expenditure which has been paid and the payment can be evidenced e.g. bank statement shows payment made.
N/A	Integrated operation	An operation (project) funded by more than one European programme or fund.
N/A	Public expenditure	All sources of public contribution towards an operation (project) e.g. European and National funds.

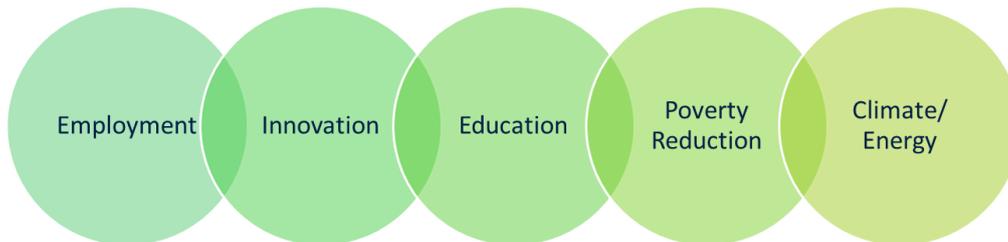
Current Strategic Thinking:

Europe Union (EU):

Launched in 2010, Europe 2020 is the EU's ten-year growth and jobs strategy. It is about more than just overcoming the crisis from which our economies are now gradually recovering. It is also about addressing the economic growth model and creating the conditions for:

'smart, sustainable and inclusive growth'

The following five headline targets have been set for the EU to focus on:



Welsh Government (WG):

The WG's 'Programme for Government' details the following outcomes for this Assembly term:



Swansea Bay City Region (SBCR):

The SBCR Economic Regeneration Strategy 2013-2020 details the region's vision:

'By 2030, South West Wales will be a confident, ambitious and connected City Region, recognised internationally for its emerging knowledge and innovation economy'

The following 5 strategic aims underpin the strategy:



European Funding Overview:



European Social Fund

The European Social Fund (ESF) provides funding to support projects aimed at raising skills and job prospects.

Further information on the ESF is provided on page 7.

www.wefo.wales.gov.uk



European Regional Development Fund

The European Regional Development Fund (ERDF) provides funding to help progress the region's transformation into a sustainable and competitive economy.

Further information on the ERDF is provided on page 7.

www.wefo.wales.gov.uk



European Maritime & Fisheries Fund

The European Maritime & Fisheries Fund, accessible through the FLAG - Fisheries Local Action Group; will support fisheries and aquaculture businesses to increase the sector's sustainability and to guarantee its financial future.

www.ec.europa.eu/fisheries



Employment and Social Innovation

The EaSI - Employment and Social Innovation programme provides funding to promote social innovation and social policy experimentation, and supports access to finance for social enterprises (no direct funding is provided to social enterprises).

www.ec.europa.eu/social



European Agricultural Fund for Rural Development

The Rural Development Programme aims to help increase productivity of Welsh farming, improve the Welsh environment and promote strong, sustainable rural economic growth.

www.npt.gov.uk/rdp



ERASMUS+

Erasmus+ provides funding for youth, training and education, focusing on international study, work, training, teaching and volunteering. Sport funding focuses on co-operation and activities in grass-roots sport.

www.erasmusplus.org.uk

European Funding Overview:



Life

Life provides funding for biodiversity, nature, conservation, environmental and climate change projects.

www.ec.europa.eu/environment/life



COSME

COSME strives to improve the competitiveness of enterprises and SMEs by working with financial institutions, funding the 'Enterprise Europe Network' and improving policy frameworks.

www.ec.europa.eu/growth/smes/cosme



Horizon 2020

Horizon 2020 promotes research and innovation by helping businesses and higher education institutions take their breakthrough discoveries from the lab to the market.

www.ec.europa.eu/horizon2020



Creative Europe

Creative Europe supports the cultural and creative sectors, enabling them to reach new audiences, develop skills for the digital age and to safeguard cultural and linguistic diversity.

www.ec.europa.eu/creative-europe



Connecting Europe

Connecting Europe supports the development of sustainable, high performing and interconnected trans-European networks in the energy, transport and telecommunications fields.

www.inea.ec.europa.eu/en/cef

Detailed Breakdown: ERDF & ESF

What are Structural Funds?

The European Regional Development Fund (ERDF) and the European Social Fund (ESF) are known as structural funds and are thereafter the focus of this guide.

European structural funds provide EU Member States and regions with assistance to overcome structural deficiencies and to enable them to strengthen competitiveness and increase sustainable employment.

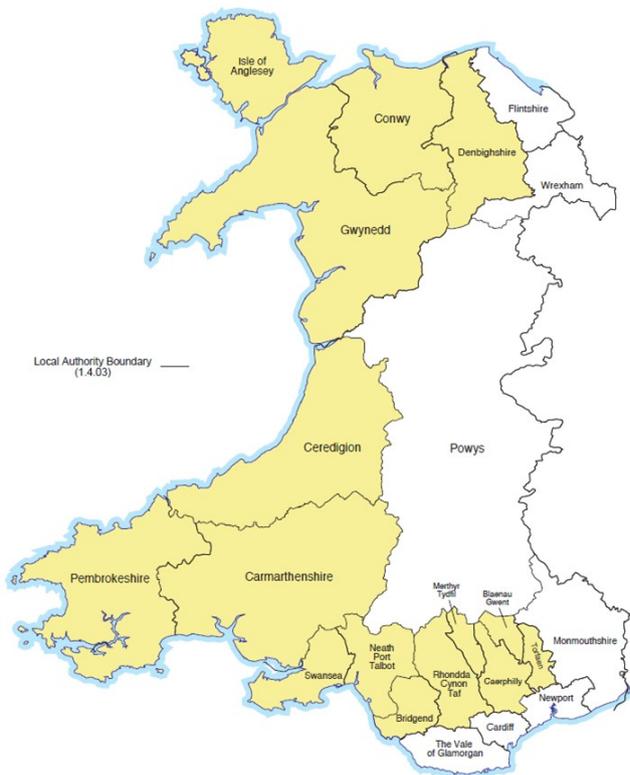
Who Manages the Funds?

Part of the Welsh Government, the Welsh European Funding Office (WEFO) manages the delivery of the European Structural Funds programmes in Wales.

How Much Funding is Available for the Welsh Regions?

While all areas in Wales are eligible for ERDF and ESF Funds, Wales is split into two funding regions which have similar but not identical funding programmes; 'West Wales and the Valleys Region' in which Neath Port Talbot sits and an 'East Wales Programme'.

The map illustrated below highlights the 'West Wales and the Valleys' region in yellow.



Total Funding for Wales
£2 Billion

83% of Total Funding for
West Wales & Valleys Region
£1.6 Billion

ESF Funding:
£641 Million

ERDF Funding
£962 Million

ERDF & ESF Funding Priorities Summary:

Separate Operational Programmes (OPs) have been developed for each of the ERDF and ESF programmes for West Wales and the Valleys.

The OPs outline how the funding will be spent in the region through priorities based on social, economic and environmental analyses of the needs and opportunities of the region.

The ERDF and ESF funding priorities are summarised below, the full text and associated funding outputs can be accessed via www.wefo.wales.gov.uk/programmes/westwalesvalleys

European Regional Development Fund (ERDF)

(1) Research and Innovation

- Increase research funding (private and competitive) attracted to Wales' research institutions.
- Increase commercialisation of RD&I by Welsh businesses within the programme area.

(2) SME Competitiveness

- Address market failures in the provision of loan and equity finance to SMEs, including risk capital.
- Increase number and survival of SMEs, particularly high growth SMEs (including Social Enterprises).
- Increase employment growth in SMEs with growth potential by addressing barriers at key growth stages.
- Increase the take-up and exploitation of Superfast and Ultrafast broadband by SMEs in Wales.

(3) Renewable Energy & Energy Efficiency

- Increasing the number of commercially viable small scale renewable energy schemes.
- Contribute to development of marine energy sector.
- Improve energy efficiency in those households facing the highest levels of fuel poverty.

(4) Connectivity & Urban Development

- Improve connectivity by addressing specific congestion bottlenecks affecting the A40 and A55.
- Improving access to key urban and employment centres by public transport.
- Completion of Superfast ICT broadband networks.
- Increases in local employment through carefully targeted urban infrastructure investments.

European Social Fund (ESF)

(1) Tackling Poverty through Sustainable Employment

- Increasing social inclusion through sustainable employment.
- Increasing the employability of
 - ⇒ those closest to the labour market who are most at risk of poverty and exclusion.
 - ⇒ economically inactive and long term unemployed with complex barriers to employment.
- Reduction in underemployment or absence rates for employed individuals with work limiting health conditions and/or other barriers to sustainable engagement with the labour market.

(2) Skills for Growth

- Increasing the skills levels of those in the employed workforce with no or low skills.
- Increasing the number of people in the workforce with technical and job specific skills at an intermediate and higher level.
- Increasing the number of people undertaking research and innovation activities with enterprise.
- Improving the position of women in the workforce.

(3) Youth Employment and Attainment

- Increase in youth employment and employability of young people.
- Reduction of young people who are not in education, employment or training (NEET) or who are at risk of becoming NEET.
- Increase in the take up of and attainment levels in STEM subjects amongst 11-19 year olds.
- Increase in the skills of the Early Years and Childcare workforce.

What Won't be Funded:

- ✗ Core funding**
- ✗ Operations which do not meet the ERDF/ESF funding priorities and objectives**
As detailed within the ERDF and ESF Operational Programmes, summarised on page 7.
- ✗ Operations which do not add value to the Economic Prioritisation Framework (EPF)**
Please refer to the information box below for a detailed summary of the EPF.
- ✗ Operations which do not fit with the region's investment priorities**
As identified within the SBCR Economic Regeneration Strategy, discussed on page 3.
- ✗ Operations which are duplicated**

Economic Prioritisation Framework

The Economic Prioritisation Framework (EPF) will help guide the use of EU funds over the 2014 - 2020 programming period by providing a broader investment context. The aim of which is to achieve a greater alignment between EU and Welsh Government investments and strategies for economic growth and jobs.

The EPF identifies thematic or geographical investments; these might be projects that are underway or being planned by the Welsh Government, the private sector and or others. They are projects that can then be built upon by and better integrated with EU funded projects. In this way, the EPF will help target EU funds on key areas of economic opportunity as part of a wider portfolio of investments to help deliver transformational change.

By using the EPF, project developers will better understand the existing investment portfolio and to consider how their projects might work as an integral part of that portfolio. The EPF is therefore a live document and will be subject to on-going review and amendment to ensure it reflects an up-to-date picture of the broader investment climate across Wales.

The full EPF text can be accessed via
www.wefo.wales.gov.uk/applyingforfunding/funding2014-2020/epf

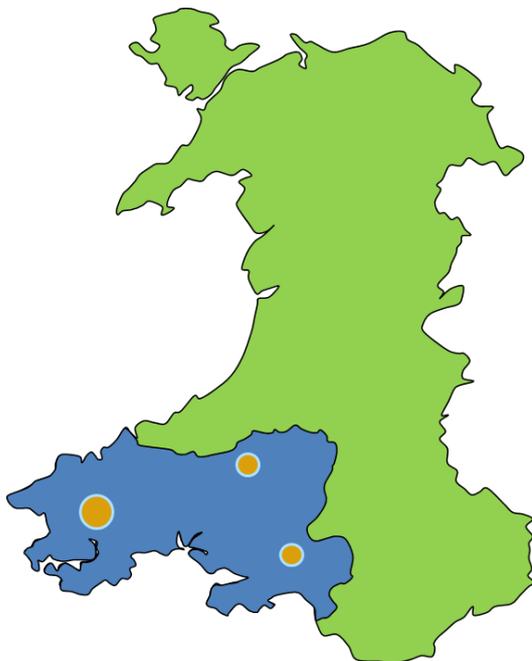
Allocation of Funding:

Operations funded by ERDF and ESF are anticipated to cover various geographical coverage, using the following formats:

Backbone operations (highlighted in green) can be Wales wide operations and lead by Welsh Government and other large organisations, delivering a significant number of funding outputs. These backbone operations can provide tendering opportunities to help deliver services.

Regional operations (highlighted in blue) can be regional operations, for example covering the Swansea Bay City Region area or West Wales and the Valleys area. These regional operations can fill any possible gaps of service provision that the backbone operations don't cover. These operations can provide tendering opportunities or for smaller organisations to become delivery partners.

Local/ niche operations (highlighted in yellow) can target specific areas or specific target groups where again there are possible gaps of provision that the backbone or regional operations don't cover, also specific funding priorities call for local operations such as the ERDF community energy projects. These operations can provide opportunities for smaller organisations to lead on operations or become delivery partners.



Backbone Operations =
Wales Wide

Regional Operations =
e.g. Swansea Bay City Region

Local (niche) Operations =
e.g. Geographical Niche/
Target Group Niche

Operations in the Pipeline:

The following two documents detail operations which are currently at business planning stage of their funding application.

Please note - the operations detailed in these documents are subject to change and they may not be approved for funding.

'Footprint for ESF Delivery' Document



The Welsh Government's Department for Education and Skills (DfES) publish regular updates of their 'Footprint for ESF Delivery' document.

This footprint document provides a map of activities in relation to youth and adult employment and skills across Wales. A guide for stakeholders on DfES supported interventions, the document can be used to identify gaps in provision across Wales.

You can access this document via www.wales.gov.uk/topics/educationandskills/allsectorpolicies/europeansocialfund/footprint-for-esf-delivery

'Ideas Under Development' Document



WEFO's 'Ideas Under Development' document is updated on a quarterly basis.

A guide for stakeholders, this document can be used to identify gaps in operation provision and avoid duplication across all of the ERDF and ESF funding priorities, therefore it is a useful 'mapping' tool.

You can access this document via www.wefo.wales.gov.uk/applyingforfunding/funding2014-2020/ideas-under-development

Benefiting from European Funding:

'WEFO is committed to ensuring that European funds go to those projects that will provide the greatest benefit to Wales, creating jobs and sustainable growth'.

There are many ways in which you, as an organisation or individual, can benefit from EU funding:

- by **leading on the delivery** of an operation which is aligned with the OPs investment priorities for helping people, businesses, communities and supporting the green or low-carbon economy;
- **tendering** or bidding to deliver the activities of operations, which is an easy way for organisations to benefit - especially businesses and the third sector;
- By **directly benefiting** from many European funded schemes which may provide advice, financial support and services in your area or sector e.g. potential operations provide support for SMEs and third sector organisations.

Application Process Overview

The following steps summarise the application process for organisations to apply to lead on the delivery of an operation:



Sources of Support:

Welsh European Funding Office Europe and Wales: Investing in your future

- Online guidance documents
- Advice and support
- Conferences/ information events

www.wefo.wales.gov.uk



- Advice and information
- EU funding training courses

www.wcva.org.uk



- Advice and information
- EU funding training courses

www.npt.gov.uk



- Free registration
- Advice sheets/ videos
- Procurement news updates

www.sell2wales.gov.uk



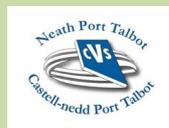
- E:Portal (free registration)
- Networking
- Share resources
- Access tender opportunities

www.rlp.org.uk



- SME support and advice
- 'How to tender' workshops
- 'Meet the buyer' events
- Networking

www.business.wales.gov.uk



- Advice and information
- Online tendering factsheets

www.nptcvs.com



Business Team:

- 'Meet the buyer' events
- Networking

www.npt.gov.uk



Business Support on Your Doorstep

Referred to as the 'biggest support network for enterprises in the world', the Enterprise Europe Network Wales provides free professional advice and immediate access to live business and technology partnering opportunities in new markets for SMEs, business sectors, universities and other organisations in Wales. This is achieved by leveraging the links within the powerful and growing network of 600 partners across 54 countries.

www.enterpriseeuropewales.org.uk

European & External Funding Team



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