

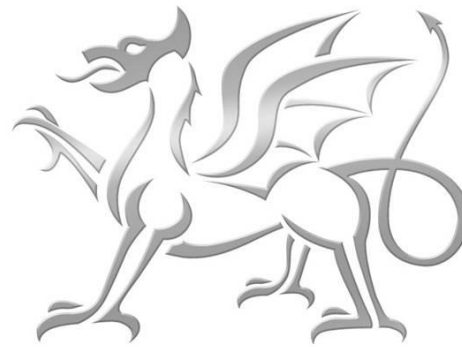
Local
People

Local
Places

Our
Futures

Bob Macey

Welsh Assembly Government
Welsh European Funding Office



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Swyddfa Cyllid Ewropeaidd Cymru
Welsh European Funding Office

Post 2006: Preparing for the next round of
European Structural Fund Programmes in Wales

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Wales European Structural Fund Programme Areas 2007-13

- Convergence
- Regional Competitiveness & Employment
- Territorial Co-operation



Structural Funds in Wales: Comparison of Funding Levels

| Programme | 2000–2006 | Programme | 2007–2013 |
|----------------------------|----------------------|---|--|
| Objective 1 | € 1,853.4m | Convergence | Approximately the same |
| Objective 2 Objective 3 | € 126.4m € 137.9m | Regional Competitiveness & Employment | Likely to be significantly lower |
| Interreg 111A | € 48.4m | Territorial Co-operation (cross-border) | Likely to be slightly lower |
| Leader + | € 15.0m | --- | Mainstreamed into RDP (Axis 4) |
| Urban 11 Equal | € 10.7m € 18.3m | --- | Mainstreamed into Convergence and RC&E |

Economic and Labour Market Indicators 2000 to 2005

| Indicator | UK | East Wales | WW&V |
|----------------------------------|-------|------------|-------|
| GDP 2000/03 (% change) | 17.3 | 19.6 | 16.1 |
| Employment (% point change) | 0.2 | 1.7 | 3.3 |
| Unemployment (% point change) | -0.5 | -1.7 | -1.8 |
| Inactivity (% point change) | +0.2 | -0.4 | -2.2 |
| Earnings (% change) | +23.5 | +22.7 | +24.1 |

Lessons Learned from 2000 – 2006 Programmes

- Need stronger strategic framework – programmes to be more closely aligned with national/regional policies and strategies;
- Programme structures and processes overly complex – too many priorities/measures; scope for simplifying funding streams/programmes;
- Too many projects (over 2,500), not always sufficiently focused on headline programme objectives;
- Need for more emphasis on regional collaboration in the development of strategies and projects;
- N+2 challenges – need to have sufficient project activity in the pipeline;
- Partnerships – positive experiences but overly elaborate structures;
- Monitoring and evaluation – build in from the start.

Post 2006: Structural Funds Policy - What will be different?

- Strong focus on Lisbon and Gothenburg strategies – “sustainable jobs and growth”;
- Strategic framework (incl. Community Strategic Guidelines and NRSF);
- Greater concentration of resources;
- Simplification and proportionality - mono-fund and priority level programming;
- More emphasis on indicators, targets and results;
- Mainstreaming of innovative actions and transitional co-operation.



Where are we now?

EU Level

- Budget
- Draft Regulations
- Community Strategic Guidelines

Wales Level

- External Stakeholders Group and 5 Workstreams
- Ex-Ante Evaluation
- Communications Strategy
- Preparation of Programme Documents

Timetable

- NSRF (incl. Wales Chapter) Consultation – Feb/May 2006
- Draft Operational Programmes – June/July 2006
- Formal submission to Commission – Sept/Oct 2006
- Negotiations – Autumn 2006
- Programmes agreed – Dec 2006
- New programmes start – Jan 2007



Post 2006: Operational Programmes

- All Wales Human Resources Programme (ESF)
- Convergence Programme for WW&V (ERDF)
- Regional Competitiveness Programme for EW (ERDF)
- Territorial Co-operation Programme (ERDF)



Priorities: All Wales Human Resources Programme (ESF)

Increasing employment and tackling economic inactivity

- helping people into sustained employment
- helping people to remain in, and progress in employment
- promoting gender equality in employment

Improving skill levels

- supporting new labour market entrants
- raising the skills base of the workforce and supporting progression
- improving systems for workforce development and addressing skills gaps and shortages

Administrative Capacity Building (West Wales & the Valleys only)

- improving the capacity of our public administrations and public services to support economic development)

Priorities: WW&V Convergence Programme (ERDF)

Knowledge and innovation for growth (incl. sectoral development)

- fostering research, technology and innovation
- entrepreneurship and support to growth businesses
- business finance and export assistance
- information society for all

Creating a favourable business environment

- sustainable transport
- ICT infrastructure
- clean and renewable energy
- environment for growth (incl. environment goods and services and promoting the potential of the environment, including maritime & inland waterways)
- environmental risk management and waste management

Priorities: Territorial Co-operation – Wales/Ireland Programme - (initial ideas)

Innovation and competitiveness

- R&D, innovation and entrepreneurship
- Skills

Climate change and environmental sustainability

- Environmental protection and growth
- Regeneration and accessibility

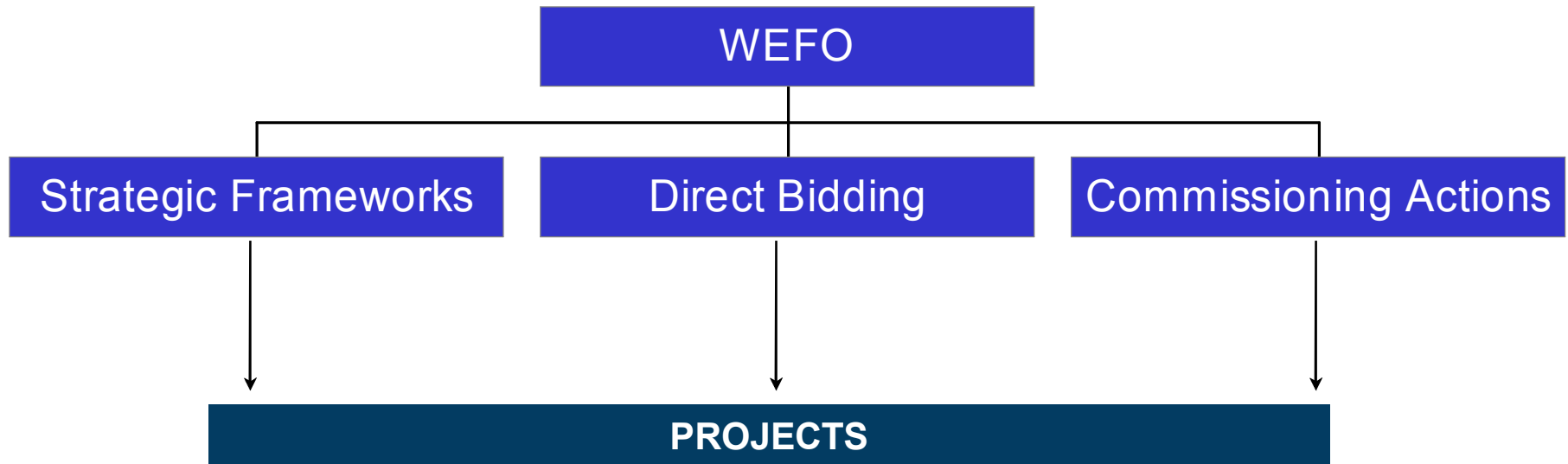


Post 2006: Horizontal or Cross-cutting themes

- Equal Opportunities for All
- Environmental Sustainability



Post 2006: Implementation Arrangements



Next Steps - Some issues to consider

- Lisbon 'earmarking' criteria and targets;
- Links with Rural Development Plan (EAFRD) and European Fisheries Fund (EFF);
- Allocation of resources across priorities and ERDF/ESF split;
- Spatial targeting of resources;
- Future cross-cutting themes;
- Future PMC and partnership arrangements;
- Framework for implementation – supporting more strategic approaches to delivery, including simplifying funding streams.



Lisbon 'earmarking' Targets

- Minimum targets - 60% Convergence and 75% Competitiveness
- Regulations will specify Lisbon 'friendly' investments
- Likely to include - R&D, innovation, entrepreneurship, information society, environmentally-products and processes, renewable energy, employment and skills and (Convergence only - some transport)
- Likely to exclude - urban & rural regeneration, community development, environmental protection/risk prevention, waste management, tourism, culture, social inclusion and social infrastructure, capacity building, technical assistance
- We will be expected to monitor and report against Lisbon 'earmarking' targets.

Post 2006: Concluding remarks

- Need to build on the success of the current programme round - not just more of the same;
- Recognise that policy context has changed – much stronger focus on ‘jobs and growth’;
- Face up to the challenge of concentrating resources on key priorities – Structural Funds can’t do everything
- Need to improve the impact of our interventions, including by being more joined up and making our systems and processes more efficient;
- Keeping in touch with developments and feeding in views.

