

Newsletter 31: 7th December 2007

This is part of a fortnightly series of newsletters that will help explain the process and progression towards the Convergence Programmes for Cornwall and the Isles of Scilly. The newsletters will contain the most up to date information about Convergence as it evolves over the coming months. **Updated information will appear in bold blue type.**

Dear Colleague

UPDATE FROM THE MANAGING AUTHORITY

**Progress on Rural
Development
Programme**

There has been progress made this week on the Rural Development Programme for England (RDPE) with the announcement yesterday that the European Commission has agreed the Programme. Work is well underway with partners to agree delivery arrangements for the new Programme for Cornwall and the Isles of Scilly and these will be announced when the Programme is launched next month. Expressions of interest for the Local Action element of RDPE are invited up to the 31 December with full details available at www.southwestrda.org.uk/what-we-do/regeneration/eafrd/community-led-develo.shtm.

**Progress on
Fisheries
Programme**

There has also been progress made on the European Fisheries Fund (EFF) with the announcement last week by Defra that UK Fisheries Ministers have now agreed budget allocations for the new Programme, including £7.3 million for Cornwall and the Isles of Scilly over the 2007-13 period. The draft Operational Programme that will identify EFF investment priorities will be subject to public consultation early in 2008.

**ERDF Convergence
Programme
on track**

Meanwhile, we remain on track with preparations for the Convergence European Regional Development Fund Programme and expect the Operational Programme to be approved by the European Commission by the end of the year.

**Phil McVey
Director of European Programmes
South West Regional Development Agency**

WHAT WE KNOW ABOUT CONVERGENCE

Budget for Fisheries Programme agreed

The budget for the Fisheries Programme 2007-13 has been agreed. England has been allocated £26.42 million and Cornwall and the Isles of Scilly has an allocation of £7.3 million.

Work is underway in the Marine Fisheries Agency (MFA) to develop a European Fisheries Fund (EFF) Operational Programme which will aim to improve sustainability and competitiveness in the fisheries industry. It will be subject to a consultation before approval by the EU.

The latest press release about the budget for the Fisheries Programme can be found at www.defra.gov.uk/news/2007/071127a.htm.

Rural Programme agreed

The Rural Development Programme for England (RDPE) 2007-13 has been agreed by the EU Rural Development Committee. Formal approval is expected in January 2008, allowing full implementation to begin. At time of going to press, the *draft* RDPE documents were available at www.defra.gov.uk/erdp/rdp07_13/progdocs.htm. The latest press release about the agreement of the RDPE can be found at www.defra.gov.uk/news/2007/071206f.htm.

The Rural Programme has a total budget of approximately £3.9bn, with £600m allocated to improving competitiveness and sustainability. Cornwall and the Isles of Scilly has an allocation of c. £55m (EU investment plus match-funding from the Department for the Environment, Food and Rural Affairs) for these socio-economic parts of the Programme. More information about the Rural Programme is available from www.defra.gov.uk/erdp/rdp07_13/index.htm.

South West Regional Implementation Plan

The revised Regional Implementation Plan, detailing investment plans for the Rural Programme in the South West and Cornwall and the Isles of Scilly, will soon be available from the South West Regional Development Agency's website www.southwestrda.org.uk.

Local Action

Pre-commissioning work has started to identify potential projects. Local Action (Axis 4 of the Rural Programme, focusing on community action to improve quality of life and economic prosperity) was launched in November 2007. Interested communities now have a target date of 31 December 2007 to submit an expression of interest to the South West RDA.

Further information

For further information about Local Action, please refer to: www.southwestrda.org.uk/what-we-do/regeneration/eafrd/community-led-develo.shtm. More information about the Rural Programme can be found at: www.objectiveone.com under 'Towards Convergence', www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm and www.defra.gov.uk under 'Rural Affairs'.

ERDF Operational Programme formally re-submitted

The revised draft of the Convergence ERDF Operational Programme for Cornwall and the Isles of Scilly has been formally re-submitted to the European Commission for approval, which is expected in December 2007. It is available at www.objectiveone.com under 'Towards Convergence'.

Management arrangements for Convergence ERDF	Managing Authority tasks for the ERDF Convergence Programme will be undertaken by the South West Regional Development Agency and a 'shadow' Programme Monitoring Committee (PMC) and 'shadow' Partnership Delivery Board (PDB) have been established to guide the development of the Programme. These structures will be formalised once the Programme goes live.
Commissioning	An important part of the Partnership Delivery Board's role is to develop the commissioning process which will enable the ERDF Convergence Programme to focus investment strategically. Commissioning teams have begun to identify and develop investments which partners believe have the potential to transform the economy of Cornwall and the Isles of Scilly. Once they have been tested and agreed the Programme will commission activity to implement the investments. The Convergence Programme will have fewer, but bigger investments than Objective One to focus on those activities which will make the most difference to Cornwall and the Isles of Scilly's economy.
Match Funding	Public sector match funding is expected to come from a combination of local, regional and national sources.
ESF Operational Programme approved	The national ESF (European Social Fund) Operational Programme has now been agreed. It includes a ring-fenced allocation of ESF investment and specific priorities for Cornwall and the Isles of Scilly. It can be found at www.esf.gov.uk .
Management and delivery arrangements for ESF Convergence	The Managing Authority for the ESF Programme in England will be the European Social Fund Division (ESFD) of the Department for Work and Pensions, supported in this region by Government Office for the South West. A joint ESF / ERDF Programme Monitoring Committee will oversee strategy and delivery in Cornwall and the Isles of Scilly. Local Programme delivery will take place through the ESF Frameworks and co-financing plans, overseen by the Regional Skills Partnership.
Convergence ESF Framework	Cornwall and the Isles of Scilly's ESF Convergence Framework, which outlines plans for local ESF investment, reflects the needs of Cornwall and the Isles of Scilly. It can be found at www.swrsp.org.uk .
ESF co-financing, tendering and procurement	ESF Co-Financing Organisations - the Learning and Skills Council (LSC) and the Department for Work and Pensions (Jobcentre Plus) - are undertaking a tendering process to identify organisations to deliver elements of the Programme. The process has two stages, the Pre-Qualification Questionnaire (PQQ) and the Invitation to Tender (ITT). Both Co-Financing Organisations are now awaiting the return of ITTs. The Learning and Skills Council expects contracts to begin in the spring of 2008, while Jobcentre Plus expects them to start in the summer. Details of the tendering and procurement processes can be found at: www.dwp.gov.uk/supplyingdwp/what_we_buy/european_social_fund.asp www.lsc.gov.uk/providers/esf-procurement/
What activities will be eligible for ESF investment?	ESF investment will focus on tackling barriers to work, improving the workforce's skills and - in Cornwall and the Isles of Scilly - research and graduate activity. Details of the type of activities ESF will support can be found in the national ESF Operational Programme and the ESF Convergence Framework which are available from www.esf.gov.uk and www.swrsp.org.uk respectively.

European investment in the Convergence Programmes

The table below summarises European investment in the Convergence Programmes. There is a 70:30 split between ERDF and ESF funding, compared to 75:25 in Objective One.

	£	€
ERDF	c. £311.4 m	c. €458 m
ESF	c. £133.3 m	c. €196 m
Total investment	c. £444.7 m	c. €654 m

The Objective One Programme

The Objective One Programme ran until 31 December 2006 and is followed by ERDF and ESF Convergence Programmes, 2007-2013. Their purpose is to speed up the economic development of Cornwall and the Isles of Scilly.

Differences between Convergence and Objective One

- Convergence will consist only of ERDF and the ESF investment.
- The rural and fisheries funds will become part of mainstream UK programmes with ring-fenced allocations for Cornwall and the Isles of Scilly.
- Investments will be commissioned by the ERDF Convergence Programme rather than projects bidding into it.

National Strategic Reference Framework

The ERDF and ESF Convergence Programmes are underpinned by the National Strategic Reference Framework (NSRF) which outlines broad priorities, management arrangements and funding allocations. It can be found at www.dti.gov.uk/consultations/page28796.html.

The role of Strategy and Action

Strategy and Action – the overarching economic regeneration strategy for Cornwall and the Isles of Scilly - informs the ERDF and ESF Convergence Programmes. They will not be able to do everything in Strategy and Action, but will be able to invest in some of it.

The Lisbon Agenda

European and UK economic regeneration policy is increasingly being driven by the Lisbon Agenda where the EU set itself the goal of becoming the most competitive and dynamic knowledge based economy in the world, in response to intensified competition. For more information, see http://ec.europa.eu/growthandjobs/key/index_en.htm.

Lisbon targets

The Convergence Programmes will need to clearly show how they are contributing to the Lisbon Agenda – this will mean a significant increase in emphasis on business competitiveness and productivity, innovation and a more knowledge based economy. The draft ERDF Convergence Operational Programme submitted to the European Commission suggests a target of c. 80% of the Programme to meet the objectives of the Lisbon Agenda.

WHAT WE DON'T KNOW ABOUT CONVERGENCE

What activities will be eligible for ERDF investment?

Details of the activities which will be supported by the ERDF Convergence Programme can be found in the ERDF Convergence Operational Programme. It may still be revised a little as it has not been approved yet, but its Priority Axes outline areas for investment. Please see Section 6 of the Operational Programme for further details. It can be found at www.objectiveone.com/O1htm/01-convergence/recentnews.htm.

More detailed information about Convergence, links to key organisations and websites can be found in the 'Towards Convergence' section of the Objective One website www.objectiveone.com.