

Newsletter 24: 3rd August 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.

Please note that the next newsletter will be circulated on Friday 7 September 2007.

Dear Colleague

PREPARING FOR THE START OF CONVERGENCE

Partnership
Delivery Board
meeting

At the meeting of the European Regional Development Fund (ERDF) Convergence Programme shadow Partnership Delivery Board on 1 August 2007 the Programme's core partners (Cornwall County Council, Government Office for the South West and South West Regional Development Agency) set out the path for the start of the Convergence Programme. (It is envisaged that the Convergence Programme will be formally approved by the European Commission in the late autumn.)

Strategic
leadership

In the ERDF Convergence Programme the role of the Partnership Delivery Board – on behalf of the Programme Monitoring Committee - is to provide cross-partner strategic leadership for the Programme, to ensure the economic impact of the implementation of the Lisbon focussed Operational Programme is maximised.

Areas for early
investment

The shadow Partnership Delivery Board agreed the following opportunities as important areas for early investment by the Programme:

- Business incubators at Tremough and Pool, giving opportunities for new businesses and linkages with Higher Education;
- Further development of the airport and feasibility work on boosting broadband, to develop the connectivity of Cornwall and the Isles of Scilly with the rest of the world;
- Development of the wavehub, as an international research platform and the Peninsula Research Institute for Marine Renewable Energy that will stimulate both research and development and new business opportunities over decades, making an important contribution to the technological advances to a lower carbon economy;
- Master-planning for the potential expansion of the Tremough



campus as a hub for Higher Education opportunities for Cornwall and the Isles of Scilly;

- Development of the plans for the enhancement of the Truro-Falmouth rail link to both ease congestion between Falmouth and Truro and boost economic linkages between the complementary towns;
- Take forward the delivery of integrated provision of business support for social enterprises, as an important part of the economic mix of Cornwall and the Isles of Scilly;
- Developing a business resource efficiency programme to boost business productivity through smarter management of both natural resources and the more sustainable management of waste and prepare the ground for the adoption of new environmentally smart and low carbon technologies;
- Further development work on the transport link between west Cornwall and the Isles of Scilly that underpins much of the economy of both;
- Enhancing the capacity of the Camborne, Pool, Redruth Urban Regeneration Company to pursue the economic revitalisation of their area, including the development of investments for Convergence.

Potential initial investment package

The Partnership Delivery Board see this potential initial investment package for the Programme as an exciting start for the strategic implementation of the Convergence Programme. This includes providing support for the development of an enhancement of business productivity, new business opportunities and start ups, and boosting the connectivity of Cornwall and the Isles of Scilly.

Further information

Further information on these areas of work is available from Diana Mompoloki at the South West Regional Development Agency, Diana.Mompoloki@southwestrda.org.uk.

Phil McVey
Head of European Programmes
South West Regional Development Agency

WHAT WE KNOW ABOUT CONVERGENCE

National Strategic Reference Framework approved

The UK's National Strategic Reference Framework (NSRF), detailing priorities and plans for Cohesion Policy 2007-13, has been approved by the European Commission. The NSRF describes how UK authorities plan to invest €9.9bn over seven years in line with the Lisbon Strategy for growth and jobs. The NSRF proposes 22 programmes, including Cornwall and the Isles of Scilly's Convergence Programmes which are expected to be agreed by the Commission in the autumn. More information is available at www.europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1195&format=HTML&aged=0&language=EN&guiLanguage=en

Report on ERDF Convergence consultation

A report collating responses to last year's consultation on the ERDF (European Regional Development Fund) Convergence Operational Programme has now been published. The responses informed the final draft of the Operational

Programme which was submitted to the European Commission in May for negotiation. The consultation report can be found at www.objectiveone.com under 'Towards Convergence'.

Convergence ERDF Operational Programme submitted	Negotiations to finalise the Convergence European Regional Development Fund (ERDF) Operational Programme, which outlines future ERDF investment in Cornwall and the Isles of Scilly, are expected to end in the autumn, allowing the Programme to 'go live'. The draft Operational Programme can be found at www.objectiveone.com under 'Towards Convergence'.												
Management arrangements for Convergence ERDF	The South West Regional Development Agency will carry out Managing Authority tasks for the ERDF Convergence Programme. A 'shadow' Programme Monitoring Committee (PMC) and 'shadow' Partnership Delivery Board (PDB) have been established.												
Commissioning	To achieve a smaller number of more strategic investments, some will be commissioned. The commissioning process is being developed by the Partnership Delivery Board and the Programme Monitoring Committee.												
Match Funding	Public sector match funding for the ERDF Convergence Programme is expected to come from a combination of local, regional and national sources.												
ESF Operational Programme negotiations	The European Social Fund (ESF) Operational Programme for England 2007-2013 was submitted to the European Commission in May and is expected to be agreed by the autumn. It includes a ring-fenced allocation of ESF investment and specific priorities for Cornwall and the Isles of Scilly. It can be downloaded from www.esf.gov.uk .												
ESF consultation & Government response	The Government's response to the consultation on the England ESF Programme (held 30/10/06 – 22/1/07) summarises stakeholders' responses, the Government's position and modifications made to the draft Operational Programme in light of stakeholders' views. It can be found at www.esf.gov.uk .												
Management arrangements for Convergence ESF	The Managing Authority for the ESF Programme in England will be the European Social Fund Division (ESFD) of the Department for Work and Pensions. Most of the delivery of the national Programme will take place at regional level though regional ESF Frameworks and committees. Cornwall and the Isles of Scilly will have its own Framework and committee.												
Convergence ESF Framework	The final European Social Fund (ESF) Framework for Cornwall and the Isles of Scilly, outlining more detailed plans for ESF investment in the region, can be found at www.swrsp.org.uk .												
Co-financing for ESF	Co-Financing Organisations' Plans will need to be submitted to Government Office for the South West by the end of September for approval by October.												
European investment in the Convergence Programmes	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">£</th> <th style="text-align: center;">€</th> </tr> </thead> <tbody> <tr> <td>ERDF</td> <td style="text-align: center;">c. £311.4 m</td> <td style="text-align: center;">c. €458 m</td> </tr> <tr> <td>ESF</td> <td style="text-align: center;">c. £133.3 m</td> <td style="text-align: center;">c. €196 m</td> </tr> <tr> <td>Total investment</td> <td style="text-align: center;">c. £444.7 m</td> <td style="text-align: center;">c. €654 m</td> </tr> </tbody> </table>		£	€	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
	£	€											
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											
	There is a 70:30 split between ERDF and ESF funding. In Objective One 75% was allocated to ERDF and 25% to ESF.												
The Objective One Programme	The Objective One Programme ran until 31 December 2006 and will be followed by Convergence Programmes for the period 2007-2013. Their purpose will be 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.
- The rural and fisheries funds will become part of mainstream UK programmes with ring-fenced allocations for Cornwall and the Isles of Scilly.

NSRF published

The Convergence Programmes are underpinned by the National Strategic Reference Framework (NSRF) which outlines broad priorities, management arrangements and funding allocations for ERDF and ESF Programmes 2007-2013. It can be found at: www.dti.gov.uk/consultations/page28796.html and has now been approved by the European Commission.

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, which will not be able to do everything in Strategy and Action, but will be able to invest in some of it.

Rural Programme

The draft Rural Development Programme for England (RDPE), outlining European Agricultural Fund for Rural Development (EAFRD) investment 2007 to 2013, has been submitted to the European Commission for negotiation. It can be found at www.defra.gov.uk/erdp/rdp07_13/index.htm.

Fisheries Programme

Work is underway in the Marine Fisheries Agency (MFA) to develop a European Fisheries Fund (EFF) Operational Programme which will be subject to consultation before approval by the EU. A 'Convergence' allocation will guarantee a level of funding for Cornwall and the Isles of Scilly.

Further information

The European Cohesion Policy Update covers all Programmes: www.southwestrda.org.uk/what-we-do/policy/european-funding-pos.shtm.

Rural Programme:

www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm and www.defra.gov.uk under Rural Affairs.

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.

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 Operational Programme submitted to the European Commission suggests a target of c. 80% of the Convergence Programmes to meet the objectives of the Lisbon Agenda.

WHAT WE DON'T KNOW ABOUT CONVERGENCE

What activities will be eligible for funding?

Detailed priorities for Cornwall and the Isles of Scilly are contained in the ERDF and ESF Operational Programmes, which are in the final stages of development and negotiation with the European Commission.

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