

# EU FUNDING PROGRAMMES 2007-2013

## PORTFOLIO RESPONSIBILITY: ECONOMIC DEVELOPMENT AND RURAL REGENERATION AND STRATEGY

CABINET

16TH MARCH, 2006

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### Wards Affected

County-wide

### Purpose

To receive a report on the European Commission's key proposals on the EU Structural Funds, particularly the Competitiveness and Employment Fund and England Rural Development Programme.

### Key Decision

This is not a Key Decision.

### Recommendation

THAT:

- (a) **officers be authorised to continue engagement in shaping the programme and lobbying for support.**
- (b) **the contents of the report be noted.**

### Reasons

To note the different European funding opportunities which will be made available to Herefordshire for the period 2007-2013.

### Considerations

#### Background

1. Herefordshire has a long and successful track record of using the EU Structural Funds to support the regeneration of our rural areas.
2. The current EU Structural Funds Programme ends in 2006 (although projects can still spend until 2008). Funding for these Programmes is now fully committed and we are entering into a transition period where the future of EU funding is being decided.
3. Herefordshire has successfully used EU funding to address the economic and regeneration priority aims of Herefordshire Council. It is therefore important that Herefordshire continues to influence the work that is being undertaken on the future of EU funding.

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Further information on the subject of this report is available from  
Jennifer Watkins, Team Manager, Herefordshire Partnership on (01432) 260610

## Current Position

4. Alun Michael, Minister of State for Industry and the Regions, who has responsibility for European funding provided a written statement to parliament in December 2005 on the future of EU Structural Funds in the UK from 2007 – 2013 which included:-
  - Total Structural and Cohesion funds for the period 2007 for the whole of Europe will be Euro 308 bn.
  - Overall the UK will receive an estimated Euro 9.4 bn, over the period 2007-13.
  - Euro 6.2 bn will go to the poorest regions e.g. Cornwall, West Wales and the Valleys.<sup>1</sup>
  - Euro 6.2 bn will go to the rest of the UK, including the West Midlands.
  - Euro 0.6 bn will be allocated for cross border and transnational projects (successor to the Interreg funding stream).
5. The UK Government is currently considering how it proposes to run and manage these programmes and who shall have the responsibility to do it.

## Future EU Funding Programmes (2007-13)

6. New Objective 2 and 3 Programmes which will be called the Competitive and Employment Programme

Euro 6.2 bn will be available for the new Competitive and Employment Programme and a further 0.6 bn will be available for the new Interreg Programme across the country. Regional allocations have still to be determined by Central Government, but current thinking suggests it is like to be in the region of £350 million for the West Midlands. The new Competitive and Employment Programme is likely to be strongly influenced by the Region's priorities within the Region's Economic Strategy and the Regional Spatial Strategy. The Regional Economic Strategy provides the main planks upon which the new Competitive and Employment Programme will be prioritised, i.e. the focus on Regeneration Zones, High Technology Corridors and clusters e.g. Food and Drink, Environmental Technology, Tourism and Leisure, etc.

7. England Rural Development Programme 2 (ERDP2)

Funding levels will be about the same as the current levels which is £3.5 million per year for the West Midlands.

ERDP will fund actions to improve agriculture, forestry, the environment and rural diversification, the LEADER approach, rural transport, tourism and leisure, access to services and local capacity.

8. Framework Programme 3 (Research and Development)

The Framework Programme 7 is the European Union's main instrument for funding research and development. The nine high level themes are the following:

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<sup>1</sup> The Highlands and Islands will receive transition funding.

- health
- food, agriculture, and biotechnology
- information and communication technologies
- nanosciences, nanotechnologies, materials and new production technologies
- energy
- environment and climate change
- transport and aeronautics
- socio-economic sciences and the humanities
- space and security research.

#### 9. Integrated Lifelong Learning Programme

The Integrated Lifelong Learning Programme will fund activities which will contribute to the development of the European Community in knowledge society, sustainable economic development, more and better jobs and greater social cohesion. The programme aims to foster interaction, cooperation and mobility between education and training systems with the European Community.

#### **How do we influence the shape of future European funding programmes?**

10. On 28th February the Government launched its consultation on the new Regional Competitiveness and Employment Programme, based on a National Strategic Reference Framework (NSRF). This will set out the broad objectives for the future programme.
11. The Region has drawn up an initial response to which Local Authority officers have contributed. This will be available for wider consultation in the region, together with a statement of principles confirming the role of the Region and its Sub Regional partners in the design and management of the new programme.
12. On 27th February, 2006 the Department for Food, Drink and Rural Affairs launched a consultation on the priorities for the next Rural Development Programme for England, which will run from 2007-2013. The consultation provides an opportunity to comment on how the next Programme could be used to make a real difference in the rural areas, by safeguarding and enhancing our rural environment and fostering thriving rural communities.
13. Regional officer groups are already examining the opportunities for the Region under the programmes listed above. Local authorities will also need to examine carefully the opportunities arising under these new Programmes.

#### **Risk Management**

There is a risk that we will miss out on some European funding opportunities for 2007-2013 if we do not actively engage in European policy and lobby work at the European, national and regional levels.

#### **Alternative Options**

There are no Alternative Options.

#### **Background Papers**

None identified.