

## Newsletter 32: 21<sup>st</sup> December 2007

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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.**

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Dear Colleague

### UPDATE FROM THE MANAGING AUTHORITY

**ERDF Convergence Operational Programme approved** The Operational Programme which will guide European Regional Development Fund (ERDF) Convergence Programme investment has now been formally adopted by the European Commission when it was signed last week by Danuta Hübner, European Commissioner for Regional Policy. The Operational Programme will be available online shortly.

**Next Steps** Once the Programme Monitoring Committee meets in January to formally agree investment processes and procedures we will begin turning the Operational Programme plans into reality. That will build on all the preliminary work that has been undertaken with partners since the summer when the Partnership Delivery Board set out potential early investment opportunities for the Programme (Newsletter 24: 3<sup>rd</sup> August 2007.)

**Convergence Team** The South West Regional Development Agency (SWRDA) is establishing a team in Cornwall that will work on behalf of partners in Cornwall and Scilly to bring forward investments that meet the aspirations of the Programme. The team will be led by Diana Mompoloki, Head of Convergence in the South West RDA.

**Thank you** May I take this opportunity to thank you all for your support and challenge throughout 2007.

Warmest seasons greetings.

Phil McVey  
Director of European Programmes  
South West Regional Development Agency



## WHAT WE KNOW ABOUT CONVERGENCE

<b>ERDF Programme approved</b>	<b>The European Regional Development Fund (ERDF) Operational Programme for Cornwall and the Isles of Scilly has been approved by the European Commission and is expected to begin in January 2008. The approved Operational Programme will be made available at <a href="http://www.objectiveone.com">www.objectiveone.com</a> under 'Towards Convergence'.</b>
<b>Management arrangements for Convergence ERDF</b>	<b>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.</b>
<b>Commissioning</b>	<b>An important part of the Partnership Delivery Board's role is to develop the commissioning process. 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. This means there will be very limited opportunities for projects to bid into the Programme.</b>  <b>There will be fewer, but bigger investments in the ERDF Convergence Programme than in Objective One and the Programme will focus on those activities which will make the most difference to Cornwall and the Isles of Scilly's economy.</b>
<b>What activities will be eligible for ERDF investment?</b>	<b>Details of the activities which will be supported by the ERDF Convergence Programme can be found in Section 6 of the ERDF Convergence Operational Programme which can be found at <a href="http://www.objectiveone.com/O1htm/01-convergence/recentnews.htm">www.objectiveone.com/O1htm/01-convergence/recentnews.htm</a>.</b>
<b>How can I apply for funding?</b>	<b>The ERDF Convergence Programme will commission the majority of activity it undertakes, so there will be very limited opportunities for people to bid into the Programme. If opportunities arise they will be publicised through <a href="http://www.objectiveone.com">www.objectiveone.com</a> under 'Towards Convergence'.</b>
<b>Match Funding</b>	<b>Public sector match funding for the ERDF Convergence Programme is expected to come from a combination of local, regional and national sources.</b>
<b>ESF Operational Programme approved</b>	<b>The national ESF (European Social Fund) Operational Programme has now been agreed. It includes a ring-fenced allocation and specific priorities for Cornwall and the Isles of Scilly. It can be found at <a href="http://www.esf.gov.uk">www.esf.gov.uk</a>.</b>
<b>Management and delivery arrangements for ESF Convergence</b>	<b>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 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.</b>
<b>Convergence ESF Framework</b>	<b>Cornwall and the Isles of Scilly's ESF Convergence Framework, which outlines plans for local ESF investment can be found at <a href="http://www.swrsp.org.uk">www.swrsp.org.uk</a>.</b>

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. Details can be found at [www.lsc.gov.uk/providers/esf-procurement/](http://www.lsc.gov.uk/providers/esf-procurement/) and [www.dwp.gov.uk/supplyingdwp/what\\_we\\_buy/european\\_social\\_fund.asp](http://www.dwp.gov.uk/supplyingdwp/what_we_buy/european_social_fund.asp).

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](http://www.esf.gov.uk) and [www.swrsp.org.uk](http://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](http://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](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 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.

Rural Programme agreed	The Rural Development Programme for England (RDPE) 2007-13 has been agreed by the EU Rural Development Committee and formal approval is expected in January 2008, allowing full implementation to begin. The RDPE Programme Document, as submitted to the European Commission, can be found at <a href="http://www.defra.gov.uk/erdp/rdp07_13/progdoc.htm">www.defra.gov.uk/erdp/rdp07_13/progdoc.htm</a> .
	The Rural Programme has a total budget of approximately £3.9bn, with £600m allocated to improving competitiveness and sustainability, while Cornwall and the Isles of Scilly has an allocation of c. £55m (EU investment plus UK match-funding) for these socio-economic parts of the Programme.
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 <a href="http://www.southwestrda.org.uk">www.southwestrda.org.uk</a> .
Pre-commissioning and Local Action	Pre-commissioning work has started to identify potential RDPE projects and 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.
Further information	More information about the Rural Programme can be found at: <a href="http://www.objectiveone.com">www.objectiveone.com</a> under 'Towards Convergence', <a href="http://www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm">www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm</a> and <a href="http://www.defra.gov.uk/erdp/rdp07_13/index.htm">www.defra.gov.uk/erdp/rdp07_13/index.htm</a> .
Budget for Fisheries Programme agreed	The budget for the European Fisheries Fund 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. A press release about the budget can be found at <a href="http://www.defra.gov.uk/news/2007/071127a.htm">www.defra.gov.uk/news/2007/071127a.htm</a> .

#### WHAT WE DON'T KNOW

The detail of the Fisheries Programme	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. This will be subject to a consultation before approval by the EU.  For further information please see <a href="http://www.southwestrda.org.uk/what-we-do/policy/european-prog/european-programmes.shtm">www.southwestrda.org.uk/what-we-do/policy/european-prog/european-programmes.shtm</a> and <a href="http://www.mfa.gov.uk/">www.mfa.gov.uk/</a> .
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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](http://www.objectiveone.com).