

CSF Funds 2014-2020
South East Councils Meeting
8 November 2012

Sandra Turner
BIS partnership team

Background to proposals

- ↪ Economic landscape
- ↪ Concentration of EU investment on top drivers of EU growth & delivering UK National Reform Programme
- ↪ Focus on results
- ↪ More flexibility to align EU funds to increase impact (regional, social, rural and fisheries)
- ↪ Place-based and localised interventions
- ↪ Simplification
- ↪ Reinforced partnership arrangements

Progress so far on planning...

- Policy decisions being made as we speak...
- Key messages from stakeholders:
 - Flexible programme boundaries
 - Placed-based and thematic programmes
 - Strong local engagement
 - Greater alignment or integration of the funds
 - Better use of local and national match funding
 - Address issue of administrative burden

EUROPEAN COMMISSION'S UK PRIORITIES - STRUCTURAL FUNDS -

- ❖ Increasing R&D spend & 'localising' impact of national investment
- ❖ Improving access to finance for SMEs
- ❖ More renewable energy
- ❖ NEETS / youth unemployment; marginalised groups into employment
- ❖ Higher/intermediate level skills

Official launch by the Commission in December

MORE DEVELOPED' REGIONS 2014-2020

- GDP/head more than 90% EU27 average
- 50% EU co-financing
- Minimum spend for ESF of 45- 50%
- At least 20% ESF to focus on social exclusion at national level
- 80% ERDF to focus on only 3 (possibly 4) thematic objectives:
 - ❖ Innovation
 - ❖ SME competitiveness
 - ❖ Low carbon and energy efficiency (at least 20%)
 - ❖ *ICT ??*

Some unresolved issues

- Timing_ when will the programme start?
- Transitional arrangements
- Programme boundaries_ most appropriate geographies
- Integration & Alignment of funding _ at Programme or project level?
- Allocations_ based on formula and objective assessment of need
- Targets per area to be developed
- Financial Instruments vs contracts/grants_ what should be the balance?
- Territorial Development tools_ ITI, CLLD, JAPs
- Match Funding or/and co-financing?

South East Councils _ specific issues

- Assume reduced allocations (if overall Cohesion budget reduced)
- Consider now the 'WHAT'? How would you spend the funds and on what type of projects
- Increased focus on performance could result in funds being withdrawn or increased if over performing
- Consider most appropriate geographies depending on the most pressing priorities for the SE
- Dialogue with LEPs important

Key questions for you

- What balance of CSF funds should we spend on each of the 4 main ERDF thematic priorities (R&D, SMEs, Low Carbon, ICT)
- How can we best use CSF funds to support SMEs?
- How can we best use CSF funds to facilitate moves towards a 'Low Carbon Economy'?
- Which of the thematic priorities are suitable for loans and equity rather than grants?
- What % of the funds should be invested via loans and equity?

How can you engage/influence?

- Road shows_ government still on consultative mode
- Views will inform the partnership agreement
- Engage with BIS through Partnership team

sandra.turner@bis.gsi.gov.uk