Llywodraeth Cymru
Welsh Government

West Wales and the Valleys
European Regional Development Fund Programme 2014-2020

2018 Annual Implementation Report - Summary

UNDEB EWROPEAIDD
EUROPEAN UNION

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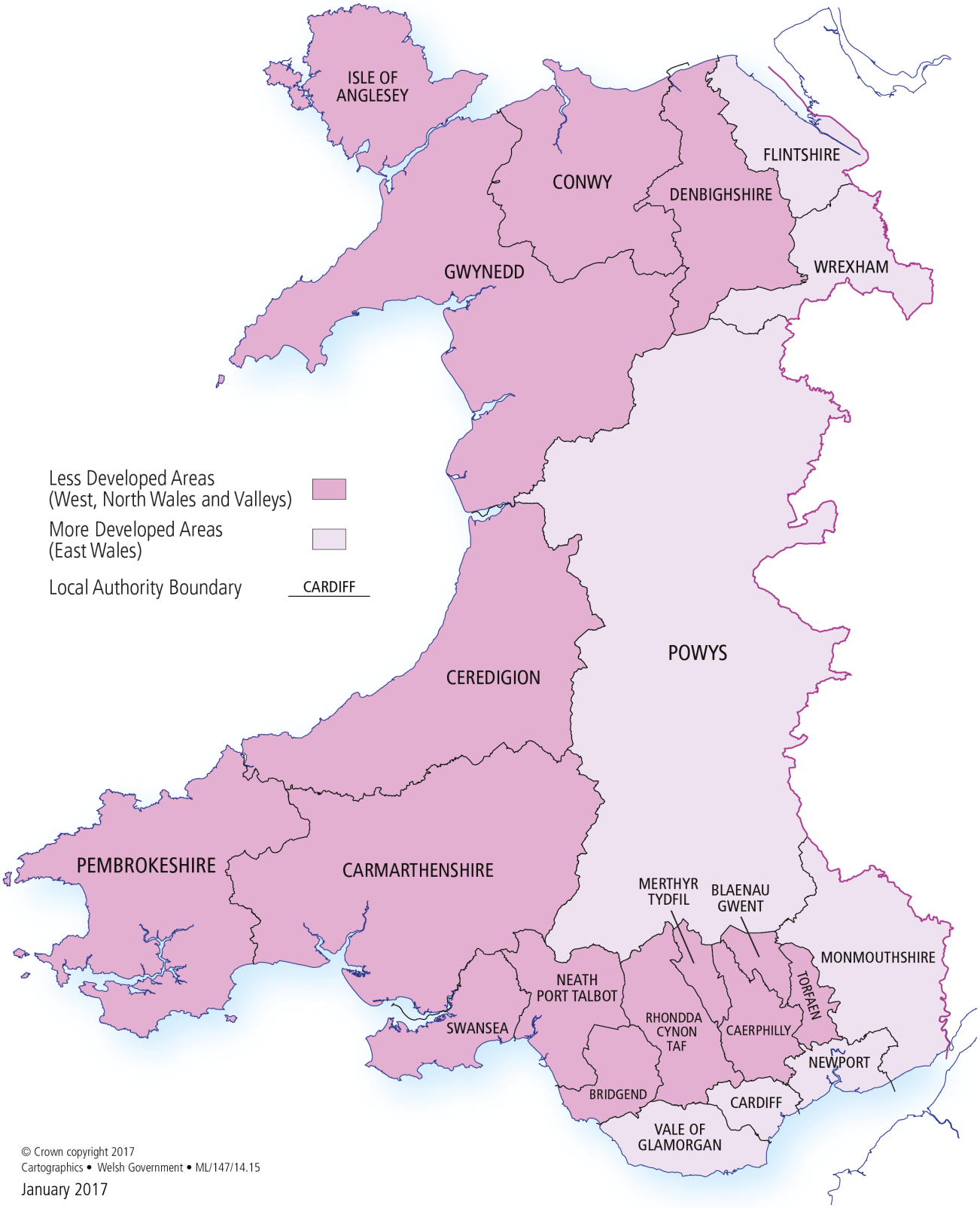
Welsh Government

Cronfa Datblygu Rhanbarthol Ewrop
European Regional Development Fund

European Structural Fund Programme Regions in Wales for 2014-2020



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Introduction

Wales is benefiting from over €2bn of EU funds through four Structural Funds programmes covering the 2014-2020 period.

As part of this, just over €1bn has been allocated to the West Wales and Valleys region through the European Regional Development Fund, which aims to drive economic growth by investing in the following priority areas:

Priority	EU Budget	Total Budget[1]
Priority 1: Research and Innovation	€302m	€455m
Priority 2: SME Competitiveness	€208m	€333m
Priority 3: Renewable Energy and Energy Efficiency	€171m	€246m
Priority 4: Connectivity and Urban Development	€501m	€763m
Priority 5: Technical Assistance	€24m	€32m
Total available under the Programme	**€1,206m**	**€1,830m**

[1] The amount from the EU Budget combined with match funding

Programme Progress

Overview

By the end of 2018, the Welsh Government had invested €1,093m of EU funds to 93 projects through the European Regional Development Fund driving a total investment of €1,901m in West Wales and the Valleys. Key highlights include:

7,670 Jobs created

1,000 Businesses created

5,100 Businesses supported

£21.5m research income generated by EU-funded projects

Research and Innovation

EU funds are supporting world-class research programmes at Welsh universities, major R&D collaborations between academia and industry, and helping Welsh businesses develop new products and services across a range of sectors.

Highlights from 2018 include:

- Bangor University secured £5m to help create a world-leading scientific facility – the Centre for Environmental Biotechnology.
- Swansea University secured £5.9m for its Reduced Industrial Carbon Emissions (RICE) initiative to test and drive forward next generation technologies to help reduce carbon emissions from Welsh industry.
- The Life Sciences Hub Wales secured £7m for the ACCELERATE scheme to translate innovative ideas into new technology, products, and services for the health & care sector.

ACCELERATE

Reduced Industrial Carbon Emissions (RICE)

SME Competitiveness

Small and medium sized businesses, including start-ups and social enterprises, are benefiting from a range of funding and business support through a suite of EU-funded Business Wales initiatives and the Wales Business Fund.

Highlights from 2018 include:

- Wales Council for Voluntary Action (WCVA) secured £2m to extend its Social Business Growth Fund to 2020 and create a new Community Asset Development Fund to enable social businesses to take on or expand community assets.
- The Wales Business Fund invested £81.1m in SMEs across the West Wales and Valleys region.
- EU-funded Business Wales services supported over 5,000 businesses in the West Wales and Valleys region.

Renewable Energy and Energy Efficiency

EU funds are supporting projects to improve energy efficiency in low-income homes, small-scale renewable energy initiatives, and supporting the development of a leading marine energy industry in Wales.

Highlights from 2018 include:

- Pembrokeshire-based Bombora Wave Power Europe secured £10.3m to design and test a fully-submerged membrane-style wave energy convertor capable of generating large amounts of electricity.
- The Infinite Renewables Group secured £9m for a project that will use battery technology to generate electricity from renewable and low carbon sources, which will be distributed to local businesses across West Wales and the Valleys at a discounted rate.
- Bridgend Council secured £6.5m for an innovative project to use underground mine-water to warm homes. The project is the first of its scale to take place in the UK.

South Wales Metro

Bombora Wave Power

Connectivity and Urban Development

EU funds are supporting investment in major transport projects, including the upgrading of roads and railway stations, the development of new employment sites across Wales and investing in key visitor attractions to drive growth in the tourism industry.

Highlights from 2018 include:

- £134m approved to support the development of a number of discrete rail improvements to the South Wales Metro – a new transport system that provide faster, more frequent and joined up travel across South East Wales .
- £38m announced for the Welsh Government's Building for the Future programme to regenerate town centres by redeveloping under-used land and buildings and bringing them back to life – the first site being Taff Vale in Pontypridd.
- Significant further investment in local authority regionally prioritised sites and premises operations taking total investment across the programme to some £50m. This included £2.3m to Anglesey Council to support the construction of new business units in Penrhos to support the island's growing low carbon energy sector.

Case Study

Rock UK Summit Centre

The Rock UK Summit Centre – a new adventure hub for the South Wales valleys – was the first project to be completed under the Welsh Government's Tourism Attractor Destinations programme. The programme, which includes 11 destinations, will realise £62 million investment in the tourism sector and includes £27.7 million from the European Regional Development Fund.

Opening its doors in June 2018, the former coalmine has been turned into a unique destination which offers fully catered, en-suite accommodation with 100 beds, meeting rooms, an indoor climbing centre, café and fun outdoor children's play area, fitness suite and gym.

The Summit Centre, which was supported with £2.3m of EU funds, now offers over 20 instructed activities while its rural location benefits from numerous off-site activities including; climbing on local crags, gorge walking through natural waterfalls, caving, canoeing, kayaking and eco warrior activities.

Speaking in June 2018 following the Centre welcoming its first residential group, Director Rachel Allen said: "We are so happy to welcome our first residential guests after many years of planning and hard work. The new centre will help us in our vision to transform young lives. It's an exciting time for the region and also for groups from all over the UK who will benefit from having this stunning facility available to them."

Case Study

Computational Foundry

Swansea University's new Computational Foundry was opened in September 2018 following a £17.1m investment from the European Regional Development Fund. The Foundry is a state-of-the-art computer science facility at the heart of Swansea University's new Science and Technology Bay Campus. Its aim is to make Wales a global destination for computational scientists and industrial partners.

Professor Alan Dix, Director of the Computational Foundry, said: "The world is at a tipping point in many ways, not least in the potential of digital technology to make lives better or worse. In the news we see the potential of social media to undermine democracy, but also the way big data can transform healthcare.

"The team in the Computational Foundry brings together deep theoretical fundamentals with cutting edge current technology. The Foundry will act as a nexus drawing together threads of digital understanding to inspire and nurture new world-changing research."

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