

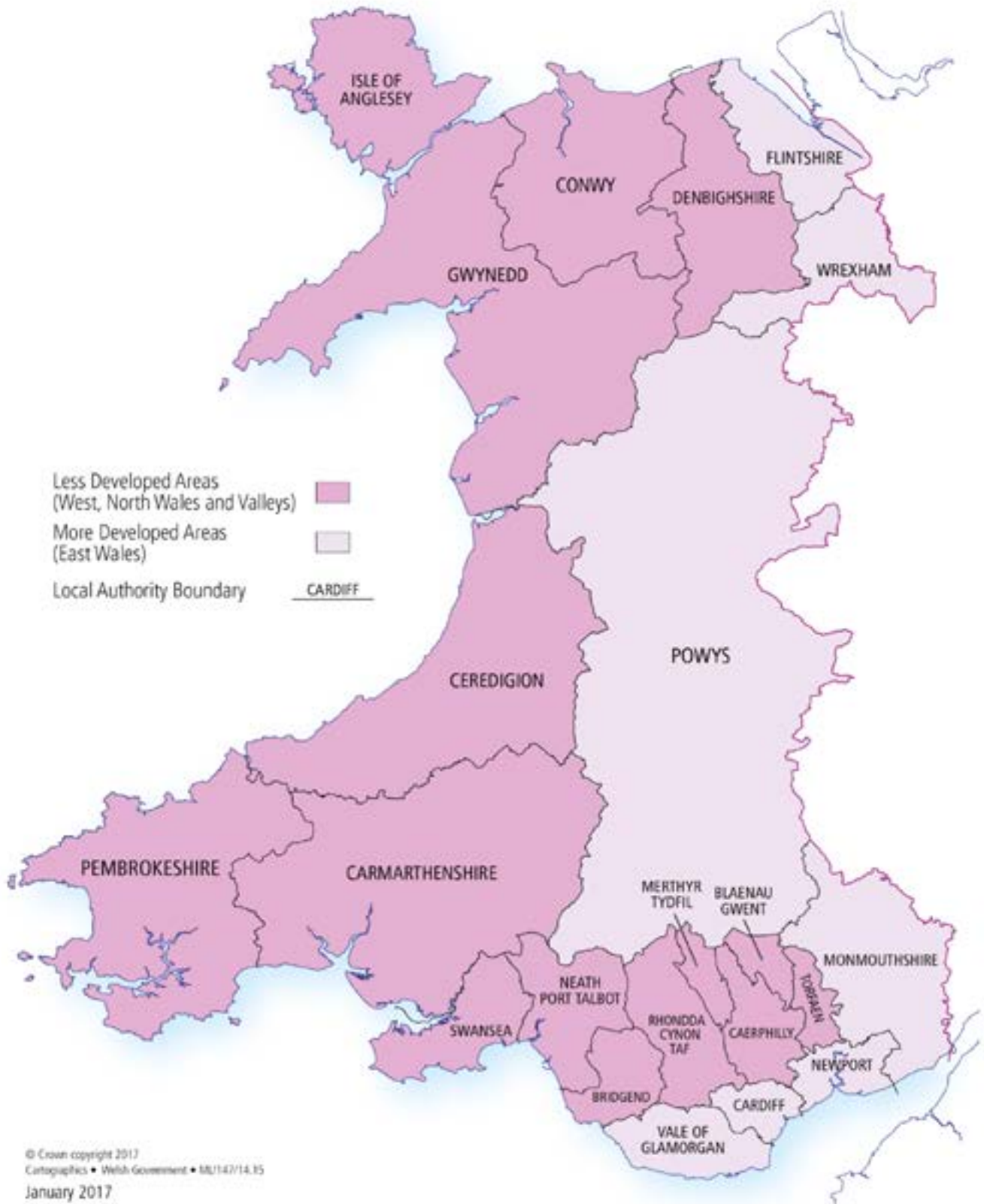


Llywodraeth Cymru
Welsh Government

East Wales European Regional Development Fund Programme 2014-2020 2019 Annual Implementation Report Summary



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, €203m has been allocated to more developed areas through the East Wales European Regional Development Fund programme, which aims to drive economic growth by investing in the following priority areas:

Priority	EU budget	Total Budget
Research and Innovation	€101m	€202m
SME Competitiveness	€46m	€91m
Renewable Energy and Energy Efficiency	€5m	€9m
Connectivity and Urban Development	€48m	€96m
Technical Assistance	€4m	€8m
Total	€203m	€407m

Programme progress

By the end of 2019, the Welsh Government had invested €203m of EU funds to 40 projects through the European Regional Development Fund driving a total investment of €433m in East Wales. Key highlights include:

- Over 5,600 jobs created.
- Almost 900 businesses created and over 3,400 businesses assisted with funding or support.
- Over £36m of 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 2019 include:

- Cardiff University secured £3.6 million to create a new Electron Microscope Facility at the university's Innovation Campus, which will support cutting-edge research in catalysis – the process of speeding up chemical reactions to develop cheaper, cleaner and safer ways to manufacture products.
- Cardiff University also secured £1.8m for its brand-new centre for Artificial Intelligence, Robotics and Human-Machine Systems which will focus research on areas including high-value digital manufacturing, wireless factory machinery, aerospace, autonomous vehicles, and societal challenges facing healthcare and assisted living.



Artificial Intelligence, Robotics and Human-Machine Systems



Cardiff Catalysis Institute – Electron Microscopy Facility

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 2019 include:

- The Wales Business Fund invested £149.8m in SMEs across the East Wales region.
- EU-funded Business Wales services supported over 2,700 businesses in the East Wales region.



Rescape Innovation were able to access funding and protect their intellectual property with support through Business Wales



John Ewens purchased and refurbished the Costcutters store in Knighton, Powys, with a Development Bank of Wales loan funded through the Wales Business Fund

Renewable Energy and Energy Efficiency

In East Wales, EU funds are supporting the Welsh Government's Arbed project to create energy efficiency improvements within households in fuel poverty. As part of the project, homes will be improved through a range of energy efficiency measures.

In 2019, Arbed delivered five schemes across Flintshire, Cardiff and Abergavenny with a total of 215 properties receiving energy efficiency measures such as gas boilers, central heating system, Solar PV and insulation measures. By 2021, more than 700 homes in the East Wales region will have benefited from the project.



Solar panels installed through the Welsh Government's Arbed scheme

Connectivity and Urban Development

In East Wales, EU funds are supporting the development of the South Wales Metro – a new transport system that will provide faster, more frequent and joined-up services using trains, buses and light rail.

During 2019, further investments were made to the Cardiff Bay line, while three previously approved Metro schemes in East Wales have largely completed design work and will be ready to start construction in 2020.



Connectivity and Urban Development – South Wales Metro

Success stories

Accelerated Growth Programme – Tiago Szabo

An EU-funded project supporting entrepreneurs and SMEs in Wales created its 5,000th job during 2019. The Welsh Government's Accelerated Growth Programme provides a range of services to support and develop start-up businesses and SMEs that have high growth aspirations and potential.

The programme reached the 5,000 job milestone as Tiago Szabo, a factory operator at Wrexham-based automotive company Hi-Mark began work in February.

Jack Yates, Managing Director of Hi-Mark, said: "The support we have received through the Business Wales Accelerated Growth Programme has been invaluable to us. It helped us

through a tricky negotiation phase with a major customer, resulting in us securing a significant order which we may not otherwise have been in a position to win.

"Having access to a highly-respected sales specialist meant we were able to set up a new framework for the way we approach sales and networking. Even though it's early days of adopting these new ways of working, the results speak for themselves.

"I'm delighted that we are the company responsible for creating the 5000th job, which is a great honour for our team. Tiago is settling into the team really well so far and we are confident that our team will continue to grow over coming months."



Accelerated Growth Programme – Tiago Szabo



Accelerated Growth Programme – Tiago Szabo

Development Bank – Open Genius

With the backing of a £500,000 EU-backed equity investment from the Development Bank of Wales and a further £600,000 from private investors, Cardiff-based software firm OpenGenius has its sights on global expansion and stock market flotation.

The company's task management app, DropTask, has already attracted a worldwide customer base, with teams and individuals at Harvard University, Nike, Ralph Lauren, Coca-Cola and McDonald's, among others, all joining its client list.

OpenGenius was previously the first Welsh business to be selected for the international 'accelerator' training and networking programme (ELITE) at the London Stock Exchange. A scheme which has helped them develop their scalable business model as well as building new strategic partnerships, increasing sales and raising awareness of their brand and pioneering products.

Owner and founder Chris Griffiths said: "OpenGenius is excited to gain this investment; it will play a big part in the company's development over the next year as we continue to expand our international customer base.

"We're proud to be based in Wales, and firmly believe that DropTask can help people improve their productivity all around the globe. With this investment, we can accelerate the development of DropTask, and be more aggressive in our marketing. We have our sights set on flotation in the very near future, and this investment takes us one step closer."



Development Bank – Open Genius