



Llywodraeth Cymru
Welsh Government

West Wales and the Valleys European Regional Development Fund Programme 2014-2020 2020 Annual Implementation Report Summary



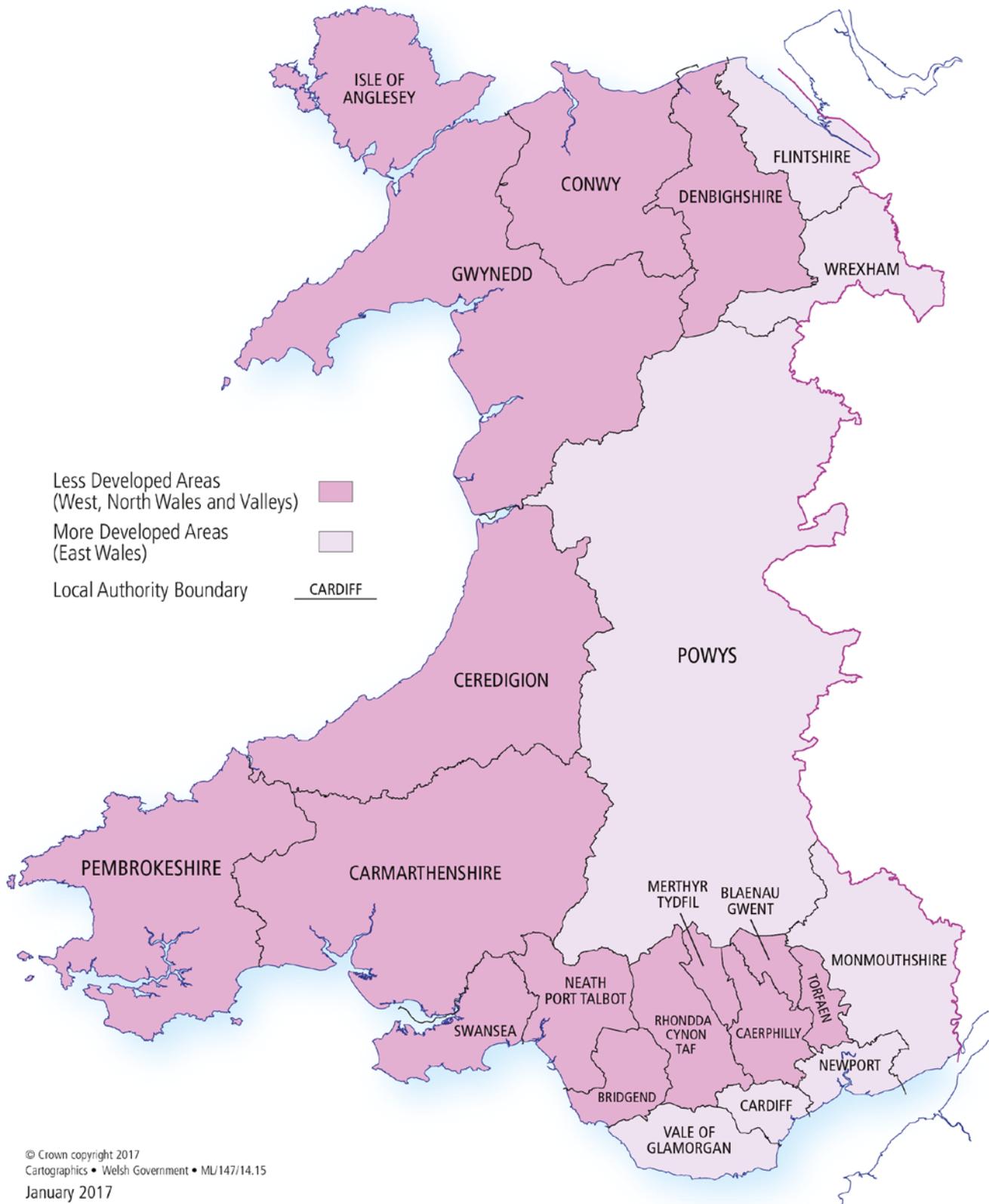
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EUROPEAN UNION



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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, over €1bn has been allocated to less developed areas through the West Wales and the Valleys European Regional Development Fund, which aims to drive economic growth by investing in the following priority areas:

| Priority | EU budget | Total Budget |
|--|----------------|----------------|
| Research and Innovation | €302m | €455m |
| SME Competitiveness | €208m | €333m |
| Renewable Energy and Energy Efficiency | €171m | €246m |
| Connectivity and Urban Development | €501m | €763m |
| Technical Assistance | €24m | €32m |
| Total | €1,206m | €1,830m |

Programme progress

The programme continued to make good progress committing nearly all available funds against a backdrop of unprecedented times not only during a transition period, ending on 31 January 2021, but also during a world-wide COVID-19 pandemic.

By the end of 2020, the Welsh Government had invested €1,212m of EU funds to 107 projects through the European Regional Development Fund driving a total investment of €2,083m in West Wales and the Valleys. Key highlights include:

- Over 12,500 jobs created.
- Over 2,300 businesses created and over 9,000 businesses assisted with funding or support.
- Over £83m 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 2020 include:

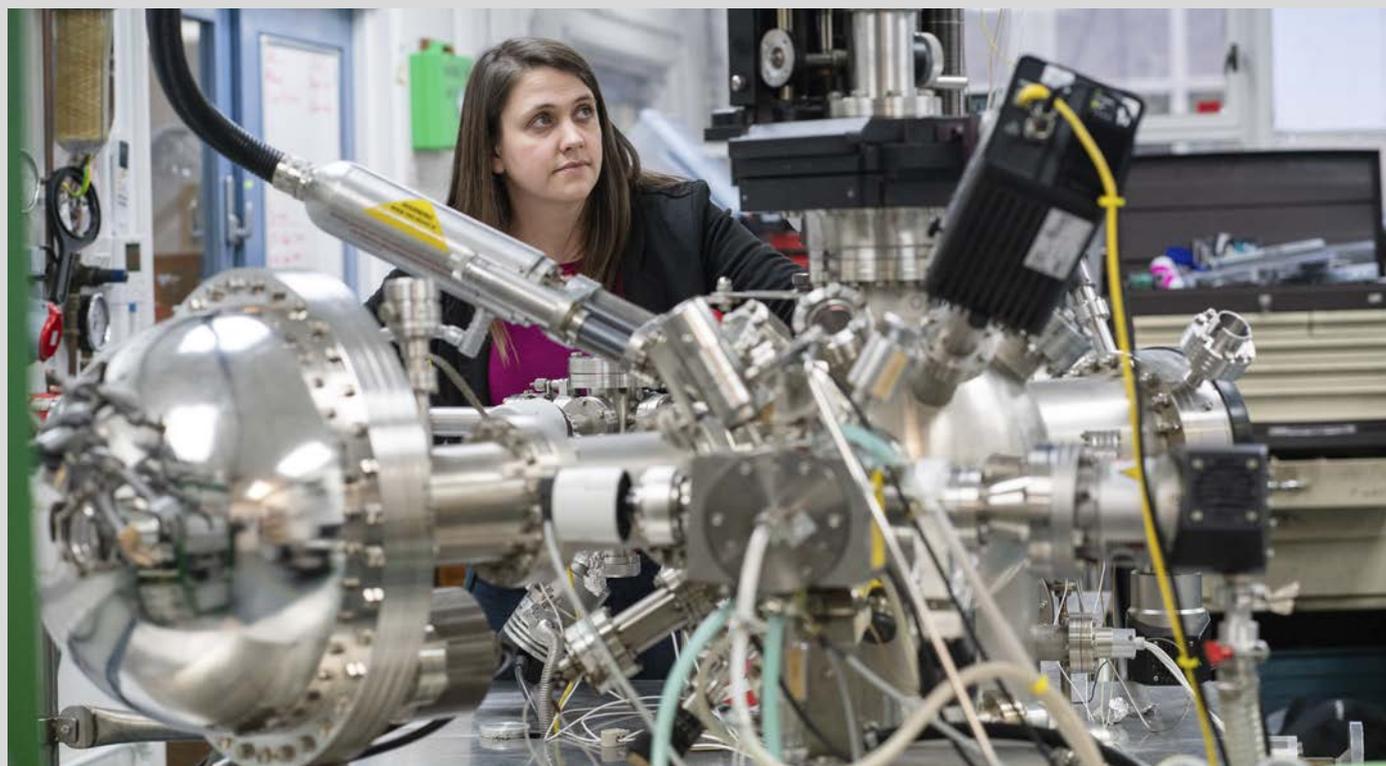
- Swansea University secured an additional £2.5m EU funds to boost the SPARC II project, extending the research and development of green solar technology to 2023.
- In October, Swansea University's IMPACT project won the Innovation in Delivering Value Award at the 2020 Education Estates Awards. The project, officially launched at the beginning of the year, has received £17.4m EU funds to focus research into next generation manufacturing processes.
- Bangor University secured a further £1.5m EU funds to support research and innovation aimed at developing Wales' marine renewable energy sector. The funding extends the University's SEACAMS2 project to 2022.



Design award win for Swansea University's Impact building



Bangor University's Seacams 2 marine research project extended with EU funds



Additional EU funds for SPARC II solar technology research

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 2020 include:

- Both the Business Wales operations, Entrepreneurship Support and SME Support were extended to December 2022 with an additional £2.84m EU Funds specifically for West Wales and the Valleys to help businesses cope with the unprecedented impact of COVID-19.
- The Wales Business Fund invested £167m in SMEs across the West Wales and Valleys region.
- EU-funded Business Wales services supported over 7,000 businesses in the West Wales and Valleys region.



Business Wales supported Multi Heat Services to reduce their carbon footprint



Ian Thomas received start up advice from Business Wales for his new business, Sparkle Pro Caravan Cleaning Ltd



Tregoes Waffles received support from the Wales Business Fund

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 2020 include:

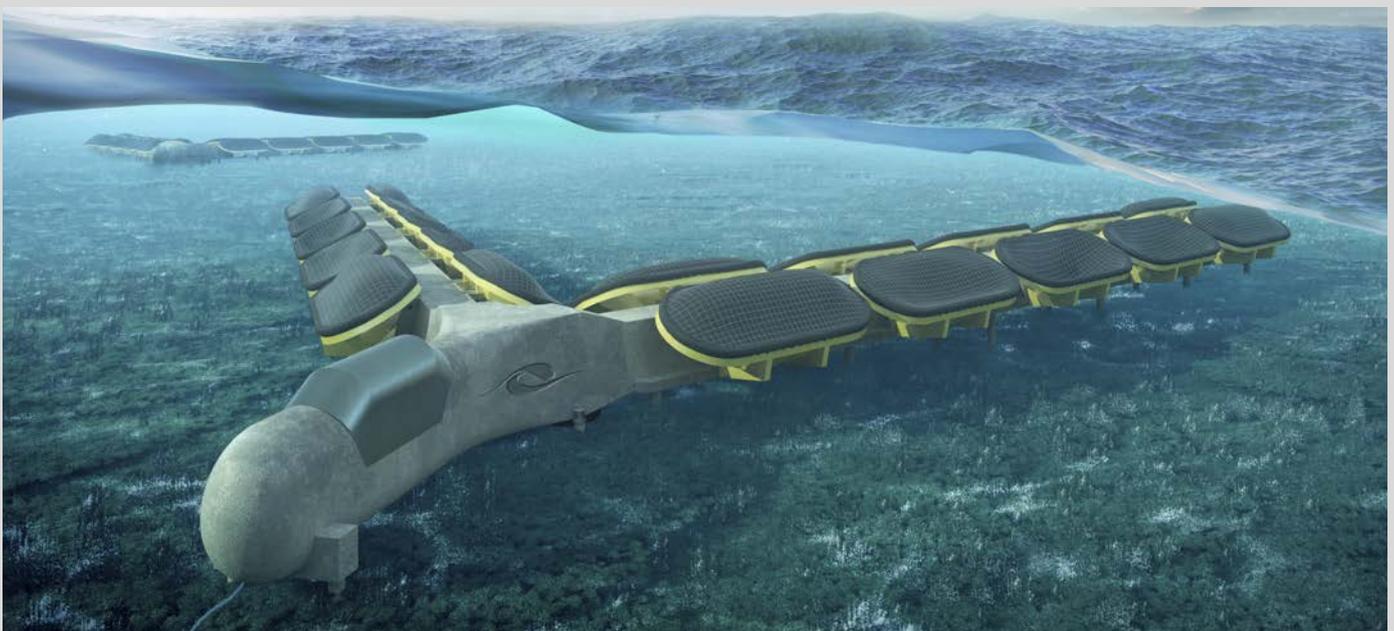
- Pobl Group, in partnership with Sero Energy, secured £3.34m EU funds to the Penderry Energy project which will contribute to the increase in community energy schemes in Wales by retrofitting 644 homes with solar PV and battery storage technology.
- NOVA Innovation was awarded £1.3m EU funds to secure consent and deliver the engineering design for the Ynys Enlli Tidal Project at Bardsey and of Nova Innovation's Ynys Enlli tidal project. This will enable 5 x 100 kW tidal turbines to be installed and unlock opportunities to install more turbines and increase their capacity at the site in the longer term.
- Bombora Wave Power Europe, who have received £10.3m EU fund investment to support the design and testing of a fully-submerged membrane-style wave energy convertor, successfully won the STEM start up of the year award at the 2020 Wales STEM Awards.



Penderry Energy community energy scheme



Nova Innovation Ynys Enlli Tidal Project



STEM award for Bombora Wave Power

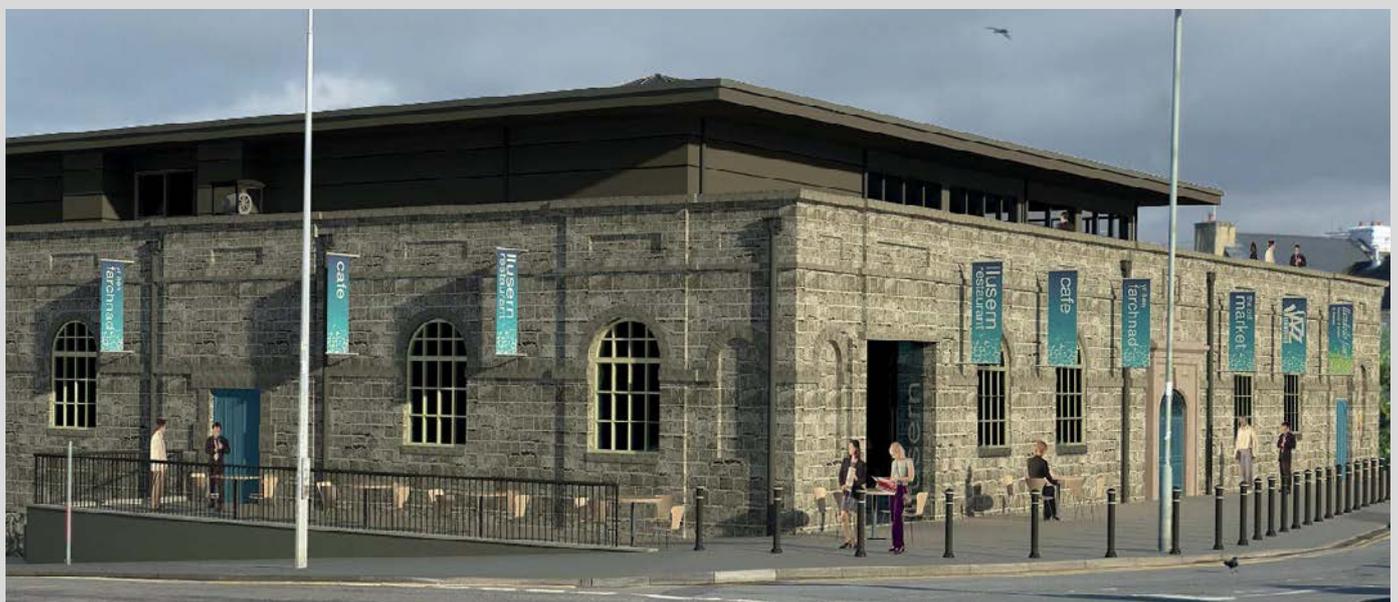
Connectivity and Urban Development

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. Despite the impact of COVID causing some delays to operations, works progressed on a number of the South Wales Metro operations and on the A55 Abergwyngegyn – Tair Maibion road improvement. Good progress was also made on regionally prioritised Tourism Attractor Destinations and Building for the Future operations with 2 of the 13 and 6 of the 22 projects approved respectively already complete. Other highlights from 2020 include:

- Neath Port Talbot County Borough Council secured £3.4m EU funds to support major project to transform Port Talbot's Plaza Cinema into community hub with café, gym, office space, conference area, digital recording studio and shops.
- Llandeilo Market Hall received a £1.4m Welsh Government and EU funded investment via the 'Transforming Towns' programme to help transform the Hall into an innovative business hub creating new job opportunities for the town centre and wider community.



Port Talbot Plaza, Artist Impression



Llandeilo Market Hall, Artists Impression

Success stories

The BEACON Project

In October, the BEACON project celebrated 10 years at an online event, it also announced an additional £306,000 EU investment to facilitate the transition from BEACON's existing facility to the Bio-Refining Centre at the EU funded AberInnovation Campus.

Led by Aberystwyth University, in collaboration with Bangor and Swansea Universities and the University of South Wales, BEACON focusses on developing new green products and services from natural sources and creating added value from waste and residues from bio industrial processes.

Since its launch in 2010, the £30+ million EU funded BEACON project has built a strong skill base in the bio business sector, providing collaborative R&D support for green Welsh businesses, working successfully with hundreds of companies, enabling them to develop and trial ideas on an industrial scale, and to get their products and services closer to market.

Professor Iain Donnison Director of BEACON said: "Global challenges such as the need to tackle climate change and to use natural resources more sustainably dictate that we need to be acting now, and over the next decade in particular, to find replacements for fossil fuels, waste less and achieve net zero carbon emissions.

"The BEACON team and collaborating businesses share a common goal of working towards these aims and to create a zero-waste economy.

"The current challenging period presents us with the opportunity to build further on this firm foundation, and to build back greener and better, to create a more sustainable economy for ourselves now and also for future generations."



Aberystwyth University's BEACON project celebrates 10 years

Gower Power Solar Storage

Gower Power Solar Storage is an innovative market leading scheme, backed by £600,000 of EU funds, supplying locally produced renewable energy to local consumers using smart meters.

The storage scheme, situated at Wales' first community owned solar farm in Swansea, is creating a local community energy model that could lead to a further roll out of larger scale schemes which could be replicated in dozens of communities across the UK.

In December, their fully operational battery, releasing green energy from locally-harvested sunshine onto the national grid, made an on-site Electric Vehicle (EV) charging facility possible. The two charging points now enable local residents to access 22kw of power (far more than a home charging station, giving a faster charge) for their EVs at just 6p per kilowatt hour.

This facility adds to a growing network of charging stations within the Swansea area which has been warmly welcomed by local residents.

Ant Flanagan, co-founder of Gower Power Solar Storage, said: "It is very exciting to be involved in such a pioneering project. The grant funds have supported us to explore a new way of ensuring that a community can benefit from a local renewable energy asset. We are keen to show how this Welsh community can lead the way for other communities to follow."



Ant Flanagan, Co-founder of Gower Power Solar Storage



Gower Power Solar Storage