



Llywodraeth Cymru  
Welsh Government

## East Wales

# European Regional Development Fund Programme 2014-2020

## 2020 Annual Implementation Report Summary



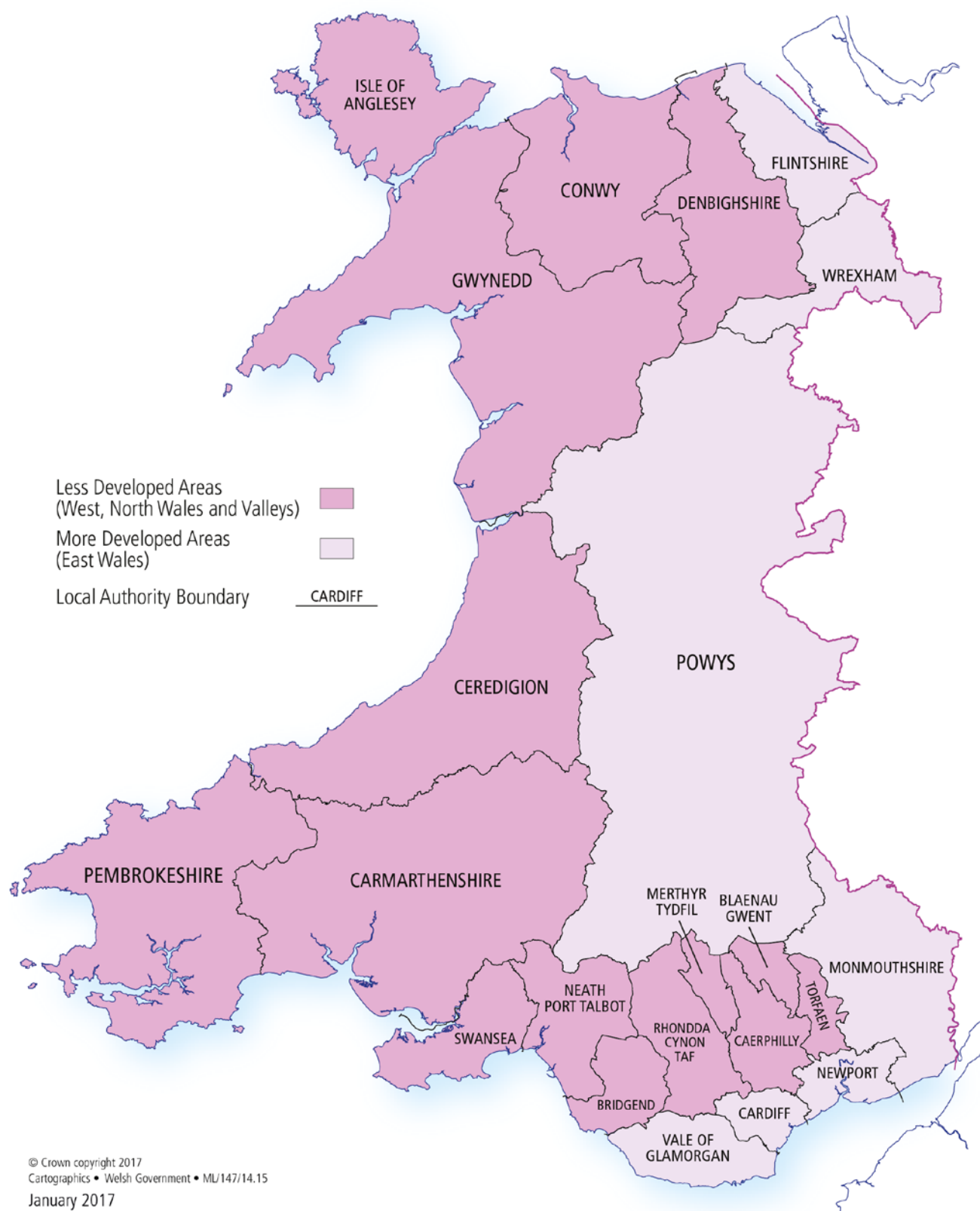
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**Cronfa Datblygu  
Rhanbarthol Ewrop  
European Regional  
Development Fund**

# European Structural Fund Programme Regions in Wales for 2014-2020



**OGL**

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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, 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
<b>Total</b>	<b>€203m</b>	<b>€407m</b>

## 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 €199m of EU funds to 40 projects through the European Regional Development Fund driving a total investment of €428m in East Wales. Key highlights include:

- Over 7,200 jobs created.
- Just over 1,200 businesses created and over 4,600 businesses assisted with funding or support.
- Over £46m of research income generated by EU-funded project.

# 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. The Smart Specialisation agenda, bringing together collaborative working within and across the sectors, has been successfully embraced across all projects and remains on track to be delivered. Other highlights from 2020 include:

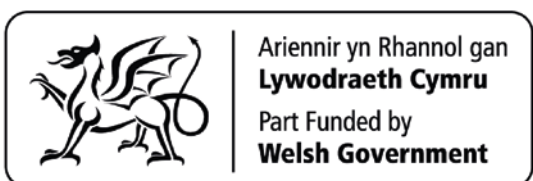
- Swansea University secured £2.5m of EU funds to expand the Agor IP project across East Wales. Agor IP brings together academics, clinicians and businesses to help organisations and individuals realise the potential of their ideas, products or research – helping take intellectual property ideas to the market place for commercial success.




**Swansea University**  
Prifysgol Abertawe

**AgorIP**


**Bringing Innovation to Life**  
**Dod ag Arloesedd yn Fyw**



Ariennir yn Rhannol gan  
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AGOR IP

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# 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 £8.1m EU Funds specifically for East Wales to help businesses cope with the unprecedented impact of COVID-19.
- £0.7m EU funds awarded to Wales Co-operative Centre for Social Business Wales New Start East Wales to support the creation of new social businesses in East Wales.
- The Wales Business Fund invested £215m in SMEs across the East Wales region.
- EU-funded Business Wales services supported over 3,600 businesses in the East Wales region.



Business Wales – Sero Waste



Business Wales – Cleany Queeny

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# 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 2020, the operation was met with two events beyond its control: flooding which affected many of its target areas and the COVID-19 pandemic, which caused delays and reduced access to properties.

Work has been taken to revise the targets and delivery schedule of Arbed to reflect the delays, plus the ongoing challenges of operating within COVID-19 restrictions. Arbed are now resuming work, carrying out energy efficiency improvements to households with the aim to complete over 760 households by the end of March 2022.



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.

Despite the potential impact of the pandemic on the overall development of the Metro, design works are progressing well on the three operations in East Wales which involve a number of station improvements including capacity enhancements at Cardiff Queen Street and improvements to services into Cardiff Bay.



South Wales Metro (artist impression)

# Success stories

## Social Business Wales New Start – East Wales

The Social Business Wales New Start project has been supporting the creation of new social businesses in the West Wales and Valleys region since June 2019. In March, further EU funding was awarded to expand the operation to East Wales providing the tools to help set up another 50 social businesses, owned and controlled by the communities they serve, and earning profits that can be reinvested in those communities and create much needed jobs.

Despite the impact of the pandemic, they have successfully advised and supported 95 groups and incorporated 38 social businesses across a range of sectors including health and social care, creative industries, education and training sectors. Also supporting 130 directors to register their business and 16 organisations to develop equal opportunities and sustainable development policies.

Carly McCreesh, Project Manager, said 'Social businesses have played a critical role in supporting communities during the pandemic to untap their hidden assets for positive change. As we emerge, social businesses will have a more important role than ever in supporting the economic recovery of local communities and their economies.'

'Social business Wales provides bespoke local business support that is aligned to local need and people, and we look forward to continuing to create resilient businesses which are anchored and run by their communities for future generations to come.'

'Without ERDF support some of these communities would get left behind and therefore we are delighted to continue to empower communities to compete on a level playing field and take their own destiny and success into their own hands.'



Social Business Wales – Arfon Timber



## Business Wales – Your Day Your Way

Faced with a lack of income and no events being able to take place, Carolyn Oliver's Barry-based event business, Your Day Your Way, faced a difficult time during the COVID-19 pandemic.

Contacting Business Wales, they were able to help Carolyn apply for and secure a £6,000 EU-backed loan from the Development Bank of Wales and help to facilitate a move to new, bigger premises to help future growth of the business.

Carolyn said, "For us, 2019 was an amazing year and 2020 was looking to being even better. We had planned to move to a better shop and employ a team of staff to GO BIGGER. And then COVID-19 hit us..."

"The wedding and event industry has been impacted so badly that I was about to give up. Pack up six years of hard work and find a new job... when Business Wales started to pop up in my news feed. I had a look and dropped them an email, although I thought this was for new start-ups, not established businesses.

"I have had so much support from Business Wales over the last 2 months, and all for free I must add. I have relocated my business, have a projection forecast for the next two years, I have gained so much knowledge and I'm confident that my business will survive this crisis. All of this is thanks to the help and support of Business Wales."



Business Wales – Your Day Your Way