



Llywodraeth Cymru
Welsh Government

East Wales

European Regional Development Fund Programme 2014-2020

2022 Annual Implementation Report Summary



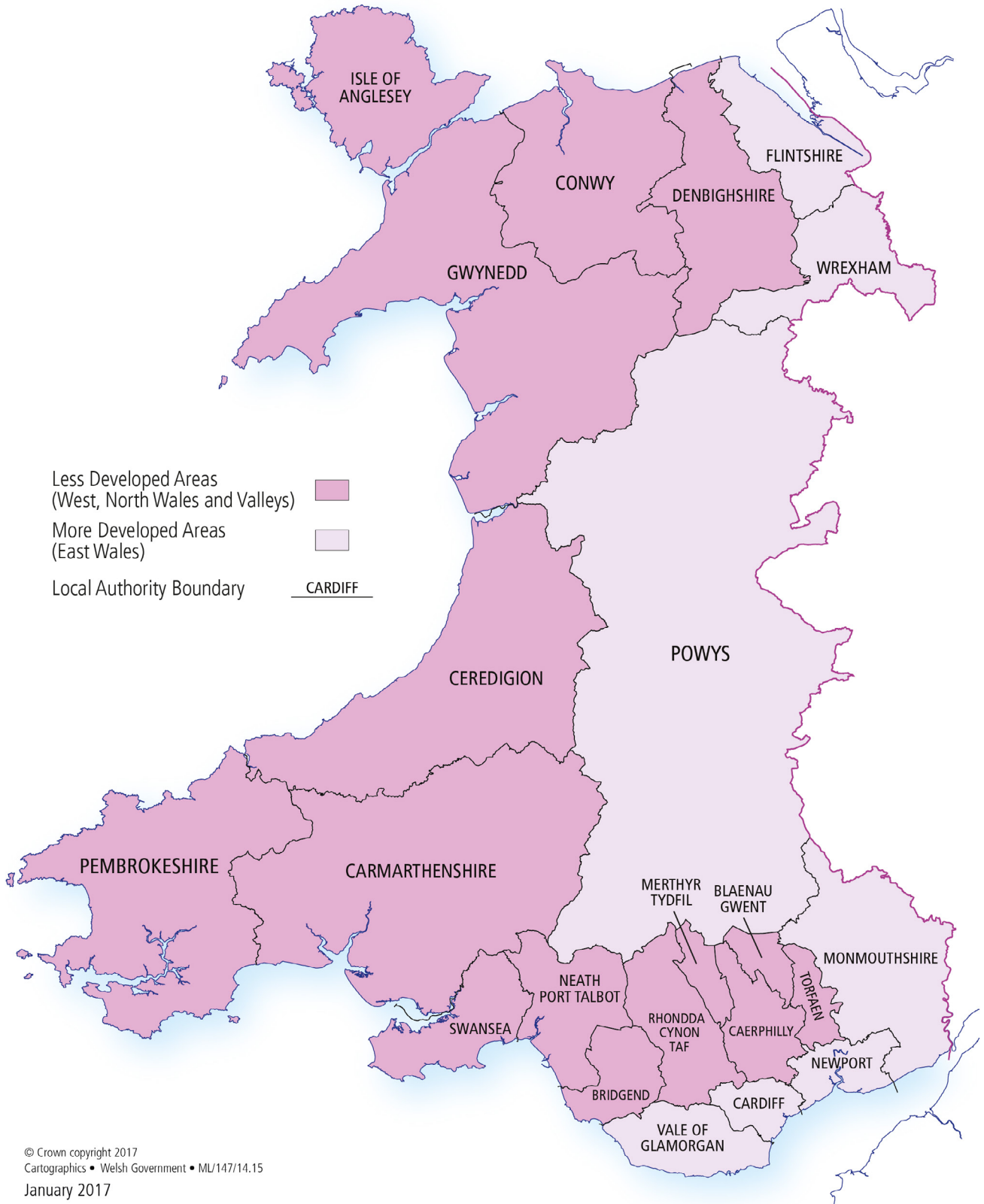
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Llywodraeth Cymru
Welsh Government

**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, driving a total investment of over **€3.7bn**.

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	€103m	€207m
SME Competitiveness	€46m	€91m
Renewable Energy and Energy Efficiency	€5m	€9m
Connectivity and Urban Development	€46m	€91m
Technical Assistance	€4m	€8m
Total	€203m	€407m

Programme progress

The programme has continued to progress in 2022 committing all available funds despite the continued impact of a world-wide COVID-19 pandemic, the war in Ukraine and cost of living crisis which has affected supply chains.

By the end of 2022, the Welsh Government had fully committed the EU funds allocation to 40 projects through the European Regional Development Fund in East Wales.

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. As we are reaching the final stages of the programmes, there have been no new approvals and only a few extensions, by exception, have been given to existing projects to ensure all operations are completed in 2023.

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. During 2022, financial support for businesses in East Wales has been predominantly equity investments, supporting Welsh SMEs whilst the economy recovers.

Renewable Energy and Energy Efficiency

In East Wales, EU funds supported the Welsh Government's Arbed project to create energy efficiency improvements within households in fuel poverty. As part of the project, homes were improved through a range of energy efficiency measures. The operation closed in November 2021 and in total, the project spent £3.5 million ERDF on improving the energy consumption classification of 765 houses, especially in areas of severe fuel poverty.

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 continued impact of the pandemic, the Ukraine war and cost of living on the supply chain, works are progressing well on the three operations in East Wales developing the Metro, which involve a number of station improvements including capacity enhancements at Cardiff Queen Street and improvements to services into Cardiff Bay.

Highlights

Key Stats:

- Over 10,900 jobs created.
- Over 1,980 businesses created and over 6,400 businesses assisted with funding or support.
- The Wales Business Fund invested almost £234m in SMEs across the East Wales region.
- EU-funded Business Wales services supported over 5,500 businesses in the East Wales region.
- Over £90m of research income generated by EU-funded projects.

Other Highlights include:

- The Minister for Economy attending a Supercomputing Wales Symposium in July on the theme of 'Supercomputing Wales versus the grand challenges' to deliver the opening address and announce additional £2m EU funds to extend the project until December.
- The Minister for Health & Social Services officially opening the Tredegar Medical Heritage Centre (part funded through the Building for the Future programme) as part of the Aneurin Bevan Festival in July.
- The Low Carbon Built Environment Team from Cardiff University, part of the SPECIFIC project, received the 'Environment Champion' St David Award for helping significantly reduce carbon emissions in housing, improving conditions and reducing energy bills.
- Cardiff University's Translational Research Hub (TRH) opening in July. The new home for two leading EU funded research projects, the Institute for Compound Semiconductors (ICS) and Cardiff Catalysis Institute (CCI) and backed by £13.1m EU funds, the hub is designed to foster collaboration to develop and test new cleaner, greener products and processes.



Opening of Cardiff University's Translational Research Hub



Minister for Economy attending Supercomputing Wales Symposium



The Low Carbon Built Environment Team from Cardiff University receiving the St David Award

Success stories

Centre of Excellence in Mobile and Emerging Technologies (CEMET)

The Centre of Excellence in Mobile and Emerging Technologies (CEMET) has been working with Medical training business Goggleminds, to develop their virtual reality medical training technology system specifically for treating children.

Backed by £4.26m EU funds and led by University of South Wales, CEMET enables SMEs to collaborate and access funded research & development to turn their ideas into a high-quality products.

Goggleminds has been working with medical professionals and the NHS to create a library of training simulations known as the 'mediverse'. Mirroring actual situations that medics are likely to face, the virtual reality technology replicates real-life clinical scenarios, allowing medical practitioners to test their skills without having to put themselves or patients in danger.

Azize Naji, owner of Goggleminds said:

"When specialists are learning about treating children there are more challenges than when dealing with adults, such as consent, the ethics, do we want to put children through any possible trauma?"

Through the CEMET project we really wanted to focus on and hone in on paediatrics. The experience is great. From when we engaged with CEMET specialists we were able to talk about ideas, what we wanted to develop, and what it could look like.

"We really wanted to utilise their skills and experience to develop something. It was seamless. They made what was maybe a little bit complex, which we needed support with, very easy for us to understand."



EcoMove Group

A £250,000 investment from the Wales Business Fund has enabled EcoMove Group, specialising in providing e-bikes, e-scooters and e-mopeds, to set up a new lithium-ion storage facility in Wales.

Supported by £192m EU funds, the Wales Business Fund, managed by Development Bank of Wales offers a range of finance and investment for small and medium-sized businesses based in Wales, or willing to relocate to Wales.

As dangerous goods, lithium-ion batteries are no longer allowed to be disposed of in landfills so are often shipped to the EU for recycling. The loan will fund the launch of Recover which will recycle consumers' batteries from a wide range of electronics including plug-in electric vehicles (PEVs), laptops and mobiles phones.

Co-founder and director Teddy Thompson said:

“Wales is an obvious move for us as we expand from Bristol to scale-up and take advantage of the growing demand for affordable PEVs and subsequent need for convenient and safe battery recycling. By opening up our Newport facility and carrying out ADR approved collections, we meet this demand and can ensure that the batteries are stored and recycled correctly.

“The help from the Development Bank has made all the difference; their positive, helpful and can-do attitude is much appreciated and their investment now enables us to scale-up and deliver on our expansion plans.”



Ecomove Group