

LOWLANDS AND UPLANDS SCOTLAND
PROGRAMMES 2007-2013



EUROPEAN REGIONAL DEVELOPMENT FUND

Priority One – Research and Innovation

Aim: to improve the competitiveness of the Lowlands and Uplands Scotland enterprise base through increased innovation and a fuller use of its RTD base

Eligible Activities

Support for individual enterprises and research centres

- Support for small-scale research infrastructure in research centres of expertise
- Technology transfer programmes for individual enterprises and research centres
- Support to enterprises and individuals for converting research ideas into potential products, services and process improvements
- Scoping studies and prototype development for individual enterprises
- Projects aiming to increase demand in individual enterprises for research and innovation and adapt business processes that encourage more internal innovation practices
- Investments in individual enterprise capacity to develop full product development and market research

Support for research collaboration

- Creation of collaborative research projects that address RTD bottleneck gaps, in the potential growth sectors
- Pilot projects that test out new approaches to encouraging innovation with mainstreaming activity
- Projects that encourage enterprises with limited experience in working with research partners to develop collaboration
- Promotion of new sustainable RTD and supply networks, particularly for local SMEs, that transfer key research and innovation knowledge

Some of the activity under this Priority will be delivered by Scottish Enterprise as a Strategic Delivery Body.

Priority Two – Enterprise Growth

Aim: to improve enterprise formation and growth rates by enhancing the enterprise support environment, particularly with regards to access to finance, entrepreneurship, e-commerce and resource efficiency

Eligible Activities

Access to finance

- Investor readiness programmes

- Support for risk capital funding for the region as a whole, where such schemes can demonstrate market gaps and build on the experience of past schemes
- Investment funding for early stage and start-up of new enterprises
- Targeted services for sign-posting enterprises to potential funding sources
- Initiatives that raise the capacity, skills and readiness of enterprises to assess their funding needs, manage new funding and general investor readiness

Entrepreneurship support

- Addressing gaps in pre- and post-start up provision of advice
- Promotional events for would-be entrepreneurs, particularly in more remote or deprived parts of the region
- Projects that promote start-ups from groups with relatively low rates of entrepreneurship, such as ethnic minorities and women
- Projects that encourage the greater conversion of would-be entrepreneurs to start-ups

Business processes

- Projects that encourage the take-up of e-business among enterprises
- Support for the development of e-commerce strategies by enterprises
- Development and implementation of environmental and carbon use/foot-printing audits by enterprises
- Introduction of more environmentally-sustainable production systems and business processes, including more efficient use of resources and energy
- Small-scale adaptation of businesses to renewable energy technologies

Priority Three – Urban Regeneration

Aim: to increase the contributions of the most disadvantaged urban communities to Lisbon goals by supporting their regeneration

Geographical Targeting: support will be limited to those local authority areas that are:

- the 10 local authority areas accounting for the highest shares of population in the 15% most deprived data-zones, as measured by the Scottish Index of Multiple Deprivation; and
- in addition, the seven local authority areas showing the highest concentration of NEET individuals (not in education, employment and training)

Eligible Areas (First Round)

**Clackmannanshire
East Ayrshire
Fife
Inverclyde
North Lanarkshire
South Lanarkshire
West Lothian**

**Dundee City
Edinburgh City
Glasgow City
North Ayrshire
Renfrewshire
West Dunbartonshire**

Eligible Activities

The Priority will be delivered through two inter-linked sets of activities:

- ***to link urban areas of need with areas of opportunity*** by ensuring that people living in these communities can take advantage of employment and

training opportunities offered, complementing the social inclusion activity under the ESF Programme; and

- **to improve the potential of urban areas to develop** particularly by encouraging enterprise start-ups and sustaining SME activity

Linking urban areas of need with areas of opportunity

- Support for locally-based job brokerage schemes that aim to match disadvantaged individuals with employment opportunities
- Support for refurbishment and enhancement of locally-based training/learning and e-skills centres
- Supporting safe transport hubs to link areas of need with those of opportunity
- Support for investment in increased local access to ICT facilities within communities with the intention of improving skills of local people seeking to re-enter the labour market and increasing access to web-based public services

Improving the potential capacity of urban areas to develop

- Support for refurbishment of existing business support and incubator facilities and workspace to make them suitable for new or established SMEs (especially those that employ 'green design' principles, including use of renewable energy, resource/energy efficiency and low/zero carbon use)
- Support for improvements to incubator and business support facilities for social enterprises
- Support for initiatives to encourage low carbon employment sites and premises, including conversion of existing incubator and other workspace facilities
- Support for small-scale conversion and adaptation to industrial sites and business centres/facilities that offer employment or training opportunities to people living in targeted areas (especially those that employ 'green design' principles)
- Support for small-scale energy production from renewable energy technologies in response to local energy needs, such as co-generation and distribution energy systems

Delivery

Individual projects will be eligible, though the emphasis will be on projects that integrate several of the eligible activities. For the first two years of the Programmes, a share of funding for this Priority will be set aside to support projects that are part of integrated packages of support put forward by Community Planning Partnerships.

Joint awards of funding under Priority 1 (Progressing through Employment) of the ESF Programme and Priority 3 (Urban Regeneration) of the ERDF programme will be made to successful CPP bids. Projects will be encouraged to put forward action plans that will show how ERDF and ESF funding can be used in tandem within the same project to support urban regeneration.

Priority Four – Rural Development

Aim: to maximise the contribution of rural areas to achieving Lisbon goals with a view to developing sustainable economic growth

Targeting: eligibility is determined on the basis of 'remote rural' and 'accessible rural' areas, defined in the Scottish Executive's six-fold urban-rural classification. Eligible areas for this Priority will be those local authorities with more than 25% of their population in 'remote' or 'accessible' rural areas.

Eligible Areas (First Round)

**Aberdeenshire
Argyll & Bute (in LUPS area)
East Ayrshire
Moray (in LUPS area)
Scottish Borders**

**Angus
Dumfries & Galloway
East Lothian
Perth & Kinross
Stirling**

Eligible Activities: the Priority will contribute to two broad sets of activity, complementing national and major local strategies. Key themes supported are:

- to assist the strengthening and renewal of rural industries; and
- to support the development of key shared services in the region to underpin economic and community sustainability

Rural diversification

- Support for sector-wide marketing initiatives to promote diversification in traditional industries in the region, particularly through identification of new market opportunities including niche and exporting strategies (but not e-commerce activities supported under Priority 2)
- Support for Small and Medium-sized enterprises and for groups of micro, small and medium-sized enterprises in developing new sources of supply and production processes, but not the activities listed under Priorities 1 and 2 (such as development of new products and services, access to finance, resource efficiency and general advice/support for entrepreneurs), individual micro and farm-based enterprises and the development of new agricultural and forestry projects, which will be supported under the Scottish Rural Development Programme (SRDP)

Key shared services

- Support for refurbishment and enhancement of business centre and childcare facilities and training/learning centres
- Small-scale support for ICT investments enabling distance learning and higher and further education outreach in remote communities
- Small-scale business site development (especially those that employ 'green design' principles such as use of renewable energy, resource/energy efficiency and the encouragement of low/zero carbon use)
- Development of educational access strategies for rural areas including scoping studies (but not support for infrastructure development)
- Support for initiatives that link enterprises with the training and educational services of higher/further education bodies
- Start-up support for the development and initial implementation of community transport and 'green' transport initiatives (but not the purchase and running of the vehicles)
- Piloting of emission-reducing and clean-energy vehicles and transport systems (although again, mobile assets themselves would not be eligible)

Delivery

The Managing Authority will commission Dumfries & Galloway Council to operate a global grant for the South of Scotland under Priority 4 of the ERDF Programme (Rural Development) for three years initially. Only projects in the South of Scotland meeting the criteria for Priority 4 will be able to bid into this global grant pot. South of Scotland projects will not have access to the competitive funding available under the rest of Priority 4.