



Lowlands and Uplands Scotland ERDF and ESF Programmes 2007 – 2013 Programme Monitoring Committee

ERDF PRIORITY 4 – STUDY ON ABSORPTION CAPACITY

1. Introduction

1.1 The Lowlands and Uplands Scotland (LUPS) European Regional Development Fund (ERDF) Programme for 2007-2013 has four Priority areas for funding:

- Priority 1 (Research and Innovation);
- Priority 2 (Enterprise Growth);
- Priority 3 (Urban Regeneration); and
- Priority 4 (Rural Development)

1.2 A review of implementation to date shows that, while good progress is being made overall, with forecast grant totalling nearly 81% of the available Programme allocation having been committed to projects, relatively low commitment levels remain in Priority 4, with only 53% of the available budget allocated to 36 projects.

1.3 This study was undertaken by the Managing Authority, in conjunction with key stakeholders, to determine the reasons for the comparatively low uptake of funding in Priority 4. It incorporates a desk based review of papers and reports from the various workshops and focus groups convened over the past 2 years; and analysis of all applications to date, in order to determine the reasons for low uptake and rejection.

1.4 The study also considers the extent to which funding provision for rural areas is duplicated across European and domestic programmes; and whether there is a perceived lack of clarity amongst project sponsors regarding the most appropriate funding option.

1.5 The study was overseen by a Steering Group, consisting of Scottish Government policy and analytical officials from European Structural Funds, Business, Rural and Fisheries Divisions; as well as representatives from ESEP and the South of Scotland Global Grants Body.

2. Background

2.1 The total funding allocated for the 2007-2013 ERDF Priority 4 in the Lowlands and Uplands region is £46.017m,¹ of which £19m had been allocated to the South of Scotland Global Grants Body.

2.2 The aim of ERDF Priority 4 is to maximise the contribution of rural areas to achieving Lisbon goals with a view to developing sustainable economic growth.

¹ The exact amount is dependent on the Sterling-Euro exchange rate.

- 2.3 There are 12 eligible areas: Aberdeenshire; Angus; Argyll & Bute (in LUPS area); Dumfries & Galloway; East Ayrshire; East Lothian; Fife; Moray (in LUPS area); Perth & Kinross; Scottish Borders; South Lanarkshire; and Stirling.
- 2.4 The Managing Authority commissioned Dumfries and Galloway Council to operate a global grant body for the South of Scotland under Priority 4. 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.
- 2.5 The Priority contributes to two broad sets of activity, complementing national and major local strategies. These 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 market development initiatives to promote diversification in traditional industries in the region, particularly through identification of new market opportunities, including niche and exporting strategies, but not the e-commerce activities supported under ERDF 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 ERDF Priorities 1 and 2 (such as development of new products and services, access to finance, resource efficiency and general advice/support for entrepreneurs) and 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).
- Support for projects (excluding those eligible for support under the SRDP) aimed at increasing the sustainable use of natural, historical and cultural assets in support of business and commercial development, or in support of socio-economic development, within the framework of agreed local development strategies.

Key shared services

- Support for refurbishment and enhancement of business centre and childcare facilities and training/learning centres
- Support for ICT investments enabling distance learning and higher and further education outreach in remote communities
- 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 technologies for vehicles and transport systems (although again, mobile assets themselves would not be eligible)
- Projects (other than those eligible for support under SRDP) to develop new products, services and processes of benefit to groups of enterprises and sectors based on the region's natural resources.

3. ERDF Priority 4 – Spend to Date and Project Examples

Figure 1: Remaining ERDF Grant

Priority	Approved Grant Allocation (£)	Approved Commitments (£)	Grant Remaining (£)
Priority 1	82,898,704	75,025,988	7,872,716
Priority 2	109,967,669	105,133,088	4,834,581
Priority 3	91,357,756	62,711,119	18,646,637*
Priority 4	46,017,241	24,221,790	21,795,451
Total	330,241,370	267,091,985	53,149,385

*A figure of £10m has also been ring-fenced (although not formally approved) for JESSICA projects

- 3.1 A number of projects funded under Priority 4 in both the LUPS and GGB areas have been for the provision of site servicing for business parks/industrial sites and for the provision of business space for SMEs, with the targets set for total m2 far exceeding the total envisaged in the Operational Programme for Priority 4.
- 3.2 Tourism marketing projects have also received a significant share of the allocated funding under Priority 4, for both national and more localised campaigns. VisitScotland received a total ERDF grant of £1.4m (£1.2m in mainstream Priority 4 areas; £0.2m in the Global Grants region) towards their Homecoming 2009 project. For both the LUPS and GGB projects, the targets and results reported either met or exceeded those set at the start of the project with spending on target.
- 3.3 A number of different types of project also received funding, including projects by SEStran which will provide Real Time Passenger Information systems to the public transport network in the rural areas in the LUPS and GGB areas. Moray Council received a grant award of £785,399 towards a project aimed at diversifying the regional economy. This incorporated site servicing on an Elgin industrial estate, the creation of a sustainable transport scheme in Elgin and the refurbishment of a number of premises throughout Moray to create learning centres, providing opportunities for learning and training.
- 3.4 In the South, Dumfries and Galloway College and Barony College have received ERDF grants towards establishing Knowledge Transfer projects which include a number of FE and HE establishments across Scotland, providing vital links between academics and SMEs, providing enterprises in the South with access to expert advice to help them to diversify and strengthen their businesses. All of these projects

report steady progress towards their targets and are engaging with a variety of SMEs in the region.

4. Analysis of ERDF Priority 4 Applications

- 4.1 As of 1 August 2011, a total of 117 applications had been submitted to the 2007-2013 European Regional Development Fund Programme, Priority 4 in Scotland. Of these, 44 applications were made to the Global Grants Body (GGB), which allocates funds for the South of Scotland, and 73 applications were made for projects in the rest of the Lowlands and Uplands of Scotland (LUPS).
- 4.2 As illustrated in Table 1, of the 117 applications, 31 have been successful (26 per cent of the total). Of these, 27 have had an offer letter issued and are drawing down grant, with 4 approved but awaiting confirmation of match funding.
- 4.3 The 117 applications requested a total of £94.63 million in ERDF grants (Table 2). As of 1 August 2011, successful projects had been allocated £22.04 million in grants (£14.90 million for “grant accepted/issued” projects, and £7.14 million for “stage 2 approved” projects).² Of this allocation, £4.78 million had been paid as of 3 August 2011.

Table 1: Number of applications, by status

	South of Scotland (GGB) region				LUPS excluding South of Scotland					Both regions	
	Round 1	Round 2	Round 3	Total	Round 1	Round 2	Round 3	Round 4	Total	Total	
Grant											
Accepted/Issued	9	3		12	4	4	3	4	15	27	
Stage 2 Approved		1		1			1	2	3	4	
Stage 2 Rejected	1	1	3	5	1		5		6	11	
Stage 2 Returned		1	2	3						3	
Deferred			5	5				6	6	11	
Stage 1 Rejected or Not Progressed		9	7	16	6	4	15	10	35	51	
Withdrawn		1	1	2		3	2	3	8	10	
Total	10	16	18	44	11	11	26	25	73	117	

Empty cells represent zero.

Table 2: Grant requested (£m) by application status

	South of Scotland (GGB) region				LUPS excluding South of Scotland					Both regions	
	Round 1	Round 2	Round 3	Total	Round 1	Round 2	Round 3	Round 4	Total	Total	
Grant											
Accepted/Issued	4.08	2.39		6.47	2.93	4.03	0.70	0.76	8.43	14.90	
Stage 2 Approved		2.08		2.08			1.24	3.82	5.06	7.14	
Stage 2 Rejected	0.09	0.26	6.62	6.97	0.13		6.01		6.14	13.11	
Stage 2 Returned		0.17	1.24	1.41						1.41	
Deferred			2.61	2.61				1.92	1.92	4.53	
Stage 1 Rejected or Not Progressed		17.36	6.26	23.62	1.19	0.70	10.53	11.19	23.61	47.23	
Withdrawn		0.57	0.27	0.84		1.81	2.66	1.00	5.46	6.30	
Total	4.18	22.83	17.00	44.00	4.25	6.55	21.13	18.69	50.62	94.63	

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² In addition, two round 3 GGB applications listed here as Stage 2 Returned were accepted between 1 August and 23 August 2011, with combined grants of £1.24 million.

Applications that did not reach stage 2

- 4.4 Thirty-nine per cent of GGB applications (17 of 44) and 48 per cent of applications in other areas of LUPS (35 of 73) did not reach stage 2. The reasons for rejection are set out in the tables below.

South of Scotland (GGB) region

- Seven GGB applications were considered to be weak or lacking in evidence. These applicants were unable to resolve outstanding eligibility issues within the timescale set by Scottish Government, and therefore did not proceed with a Stage 2 application.
- Further information was required on the level of commercialisation of R&D for a pair of related applications among these. Evidence of demand was required for two business space projects. Evidence was required on how a proposed green transport project would benefit enterprises in the area.
- Four GGB applications did not meet the criteria for Priority 4: two tourism and recreation projects, a broadband infrastructure project, and a low-carbon advice centre for businesses.
- Four applications were in areas ineligible for Priority 4 support (three in Glasgow and one in East Renfrewshire). One application was withdrawn.

Rest of LUPS (non-GGB)

- The most common reason for rejection was that projects did not meet the criteria for Priority 4 support. 15 applications were rejected for this reason.
- Several were considered to be more suitable for other types of funding, including ESF (3 applications), and ERDF Priorities 1 and 2. Three projects were ineligible due to a tourism focus. A number of education infrastructure projects also had eligibility issues.
- Examples of projects which fall within these categories include Oatridge College in Round 1 which involved activity which fell within ERDF Priority 2. Stirling Council submitted a Stage 1 application in Round 1 for a project entitled Rural Connections (Employability) but for activity more suited to ESF than ERDF. In Round 2, Aberdeenshire Council's application for the Deeside Way involved activity which was not eligible as the focus was provision of tourism infrastructure.
- 7 non-GGB applications fell below the minimum threshold of £200k total eligible costs per year.
- Six applications were not accepted at Stage 1 because the application was considered weak or lacking in evidence; lack of evidence of demand was among the most common weaknesses. Two applications were made too far ahead of the proposed start date. One proposed project was located in an ineligible area.

Stage 2 Applications Rejected

- 4.5 Five GGB applications were rejected at Stage 2, with a total of £6.97m in requested grants. All were given low scores as they were considered to have multiple weaknesses. In all five cases, the Advisory Group commented that insufficient evidence of demand was provided.

- 4.6 Six non-GGB applications were rejected at Stage 2, with a total of £6.14m in requested grants. Four of these did not meet the criteria for Priority 4 support – three were education infrastructure projects and one was a business development grant scheme. One application fell below the minimum threshold of £200k; and one was below the scoring threshold and therefore not discussed at the Advisory Group meeting.

Grant rate requested

- 4.7 All but three of the 117 applications had a requested grant rate between 30% and 40%. More than three quarters of these requested the maximum 40% grant intervention rate.

5. ERDF Priority 4 – Issues Affecting Uptake

- 5.1 A series of rural focus groups and workshops, involving local authorities and other key partners, was held during 2009 and 2010 to establish the reasons for the low level of demand for Priority 4 investment; and to encourage new project ideas.
- 5.2 In parallel, agreement was reached with the European Commission to introduce a number of additional eligible activities, including ‘support for increasing the sustainable use of natural, historical and cultural assets in support of business and commercial development, or in support of socio-economic development, within the framework of agreed local development strategies’. Eligibility for Priority 4 was also extended to Fife and South Lanarkshire local authority areas.
- 5.3 Workshops were held from December 2009 to May 2010, to examine the reasons for the poor performance of the Priority and to explore ideas that would improve low absorption rates. These brought together delegates from the 10 original target local authorities and the 2 new authorities of Fife and South Lanarkshire, as well as representatives from Further Education Colleges and national agencies, such as Scottish Enterprise and Visit Scotland.
- 5.4 Participants were asked to consider how rural development and diversification programmes could be refocused to target rural businesses (SMEs) more effectively; and how projects could be developed involving consortium and/or partnership arrangements between local authorities and other key stakeholders such as colleges.
- 5.5 The sessions were useful in highlighting some of the practical issues affecting project development; and scoping out new and innovative ideas that meet the revised eligibility criteria and Lisbon priorities. However, the need to ensure no duplication with other EU funding streams, notably the SRDP and LEADER or with other Priority axes of the LUPS Operational Programme, limits the scope for adding new activity.
- 5.6 The main issues identified in these workshops and focus groups were:
- the narrow scope of ERDF Priority 4
 - limits placed on Priority 1 and Priority 2 activity under Priority 4
 - ineligibility of tourism-related infrastructure projects
 - the threshold of £200,000 minimum eligible costs per annum – rural organisations found it difficult to fund projects of this size
 - match funding issues

- difficulties encountered in infrastructure projects which were a mix of business and community use – finding the balance between the two functions and ensuring eligibility; and
- in the South, issues surrounding innovation and the focus on research by universities in and around the Central Belt meant that rural organisations are often unable to compete.

5.7 The workshops, and subsequent focus groups, were helpful in identifying some of the issues but had limited impact in terms of stimulating project development and applications by project sponsors.

6. Other EU Funding Streams – SRDP and LEADER

6.1 The Scotland Rural Development Programme 2007-2013 is a £1.5 billion programme of economic, environmental and social measures designed to develop rural Scotland. It brings together a wide range of support schemes including those covering the farming, forestry and primary processing sectors, rural enterprise and business development, diversification and rural tourism. It also delivers the LEADER initiative for local innovation in rural areas.

6.2 The aim of LEADER is to increase the capacity of local rural community and business networks to build knowledge and skills, and encourage innovation and co-operation in order to tackle local development objectives. It is a bottom-up method of delivering support for rural development through implementing a local rural development strategy. Support is aimed primarily at small-scale, community driven projects that are innovative in nature. Funding is awarded by Local Action Groups who take decisions on projects which are community driven and have a wide community benefit.

6.3 There are 4 rural development axes of the SRDP:

- Axis 1 - improving the competitiveness of agriculture and forestry by supporting restructuring, development and innovation.
- Axis 2 - improving the environment and the countryside by supporting land management.
- Axis 3 - improving the quality of life in rural areas and encouraging diversification of economic activity.
- Axis 4 – LEADER

The European (EAFRD) budget is allocated to the axes as follows: 14.2% to Axis 1, 68.5% to Axis 2, 11.3% to Axis 3 and 5.9% to Axis 4. To date, £83.2m has been approved for cases within the SRDP schemes which deliver rural community funding.

Within SRDP, Rural Community measures are contained in Axes 3 and 4. The relevant Axis 3 measures are:

311 - Diversification into non agricultural activities
312 - Support for the development and creation of MicroEnterprises
313 - Encouragement of tourism activities
321 - Basic services to the economy and the rural population
323 - Conservation and upgrading of the rural heritage

Annex B provides a breakdown of the applications and approvals under the Rural Priorities scheme, which includes measures 311, 312, 313, 323 and 331. A total

£56.2m has been approved to date for 719 cases. It should be noted that cases can contain more than one measure and so the analysis is not based on unique beneficiaries. 44% of the allocated funding has gone to cases under measure 311 (diversification into non-agricultural activities), which is by far the highest share of funding.

Other SRDP delivery schemes such as the Land Managers' Options (LMO) and Forestry Challenge Funds (FCF) account for £11.0m and £248,225 respectively.

LEADER, for the period 1 April 2010 to 31 March 2011, has seen £14.7m approved for 748 projects. In total, 1000 projects have been approved under LEADER since 2007.

- 6.4 It has been suggested that there may be overlap between ERDF Priority 4 and the SRDP in some areas, resulting in the perception of a crowded funding environment and a lack of clarity around the most appropriate funding option available to sponsors. This does not seem to be wholly accurate. Spend issues are less apparent for the SRDP, where full spend is anticipated. Indeed, there may even be an overspend, especially within the business development axis i.e. Axis 1.
- 6.5 The potential for overlap between ERDF Priority 4 and the SRDP and LEADER programme also seems limited. SRDP support for projects in Axis 1 is subject to a maximum grant of £250,000; while ERDF has a minimum eligible costs threshold of £200,000. There is, therefore, minimal overlap in spend thresholds, with SRDP generally supporting smaller scale activity. Also, ERDF provides support to enterprises through financial intermediaries such as the local authorities and Scottish Enterprise, while SRDP provides grant direct to primary producers such as farmers and forestry operators. The ERDF Operational Programme identifies the common areas of scope between ERDF Priority 4 and Axis 3 of SRDP and LEADER, particularly in terms of supporting business viability, more sustainable economic use of natural assets and addressing the community dimension to economic development.³ The demarcation of activity is identified at Annex C. To ensure there is no overlap in eligibility, the demarcation falls into three categories: stage of development of the project; the type of activity involved and the size of activity.

7. Analysis and Conclusions

- 7.1 The main contributory factor to the lower than anticipated uptake of Priority 4 appears to be the relatively narrow scope of the Priority. The Priority seeks to address the distinct economic issues facing rural areas but is unable to support primary production, SRDP and tourism infrastructure projects. The roll out of digital infrastructure in rural areas has also not featured in the Programme until now.
- 7.2 In other cases, activity that could have been funded by ERDF has instead been funded through SRDP, perhaps reflecting that project sponsors are more comfortable dealing with a funding stream, and associated process, that they are familiar with. In this way, it could be argued that the boundaries of Priority 4 eligibility have not been pushed.
- 7.3 This all points to the need to introduce additional activity that will help address market failure and support the rural economy, while ensuring that all relevant funding streams (ERDF, ESF, SRDP, LEADER) are more effectively aligned. Connection to

³ Lowlands and Uplands Scotland European Regional Development Fund 2007-13, pp95-96:

high-speed broadband has been identified as the key intervention required to enable rural businesses to function viably and remain competitive. As a result, the Managing Authority has requested a change to the Operational Programme which would extend the scope of existing eligibility criteria, to include support for rural broadband connectivity for rural SMEs.

- 7.4 This proposal has been approved by the Programme Monitoring Committee and is currently being considered by the European Commission. If accepted, it would allow the Scottish Government to formulate a funding package aimed at leveraging private investment and extending next generation broadband access network coverage to areas where market operators are unlikely to invest on commercial terms in the near future.
- 7.5 The importance of digital connectivity for SMEs in rural Scotland cannot be overstated. There are approximately 65,640 SMEs in the LUPS area, that contribute approximately £32 billion (c.€40.35 billion) to the economy. Investment to facilitate and improve next generation broadband connectivity for SMEs in these areas will address market failure and provide a significant uplift to both the rural and national economy.
- 7.6 The UK Government has identified that there is a “final third”, which is the areas within the UK where it has been calculated that a purely market-led approach is unlikely to deliver the next generation broadband services. Such areas are significantly more widespread in Scotland due to its demography and topography. Both government and industry have acknowledged that many areas of Scotland will suffer if left to market alone, simply because the commercial case does not stack up. The up-front costs for rolling-out next generation broadband connectivity to rural and remote areas are higher than urban population centres, and offer little or no commercial return on that investment. The low populations in these areas typically mean that demand may never be sufficient for it to be economic for the market alone to deliver broadband. These areas are also often those parts of the country where physical roll-out is most geographically challenging.

**Robert McGhee
Scottish Government
September 2011**

**Tel: 0300 244 1100
Email: robert.mcghee@scotland.gsi.gov.uk**

Annex A – ERDF Priority 4 analysis of applications

Table 3: Reasons for not reaching stage 2—number of applications

	South of Scotland (GGB) region				LUPS excluding South of Scotland					Both regions
	Round 1	Round 2	Round 3	Total	Round 1	Round 2	Round 3	Round 4	Total	Total
Does not match definition of Priority 4		2	2	4	4	3	7	1	15	19
Application is weak or lacks evidence		2	5	7			1	5	6	13
£200k rule						1	4	2	7	7
Located in an area ineligible for Priority 4		4		4			1		1	5
Application has been submitted to South of Scotland Global Grants Scheme					1				1	1
Wrong start date for this round							1	1	2	2
Application withdrawn			1	1						1
Not Progressed		1		1	1		1	1	3	4
Total		9	8	17	6	4	15	10	35	52

Empty cells represent zero.

Table 4: Reasons for not reaching stage 2—grant requested (£m)

	South of Scotland (GGB) region				LUPS excluding South of Scotland					Both regions
	Round 1	Round 2	Round 3	Total	Round 1	Round 2	Round 3	Round 4	Total	Total
Does not match definition of Priority 4		3.57	4.00	7.58	0.99	0.61	6.61	0.17	8.38	15.96
Application is weak or lacks evidence		2.48	2.26	4.74			0.30	3.06	3.36	8.10
£200k rule						0.09	0.74	0.16	1.00	1.00
Located in an area ineligible for Priority 4		10.11		10.11			1.39		1.39	11.49
Application has been submitted to South of Scotland Global Grants Scheme					0.12				0.12	0.12
Wrong start date for this round							1.27	7.55	8.82	8.82
Application withdrawn			0.27	0.27						0.27
Not Progressed		1.20		1.20	0.08		0.22	0.25	0.54	1.74
Total		17.36	6.53	23.89	1.19	0.70	10.53	11.19	23.61	47.50

Empty cells represent zero.

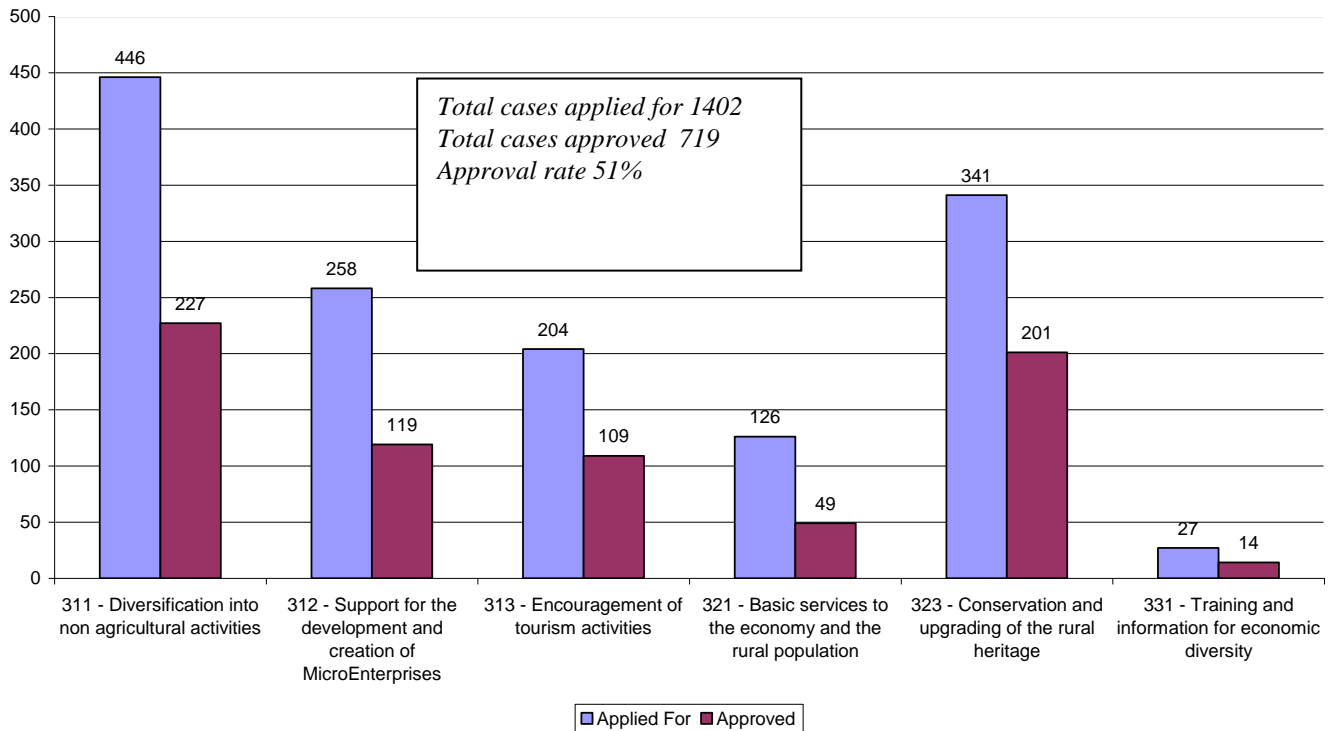
Table 5: Reasons for stage 2 rejection—number of applications

	South of Scotland (GGB) region				LUPS excluding South of Scotland					Both regions
	Round 1	Round 2	Round 3	Total	Round 1	Round 2	Round 3	Round 4	Total	Total
Weak or poorly researched application	1	1	3	5						5
Does not match definition of Priority 4							4		4	4
Scored below threshold, so not discussed at AG meeting							1		1	1
£200k rule					1				1	1
Total	1	1	3	5	1		5		6	11

Empty cells represent zero.

ANNEX B – SRDP – Rural Community Measures by Delivery Mechanism 3.1 Rural Priorities (RP)

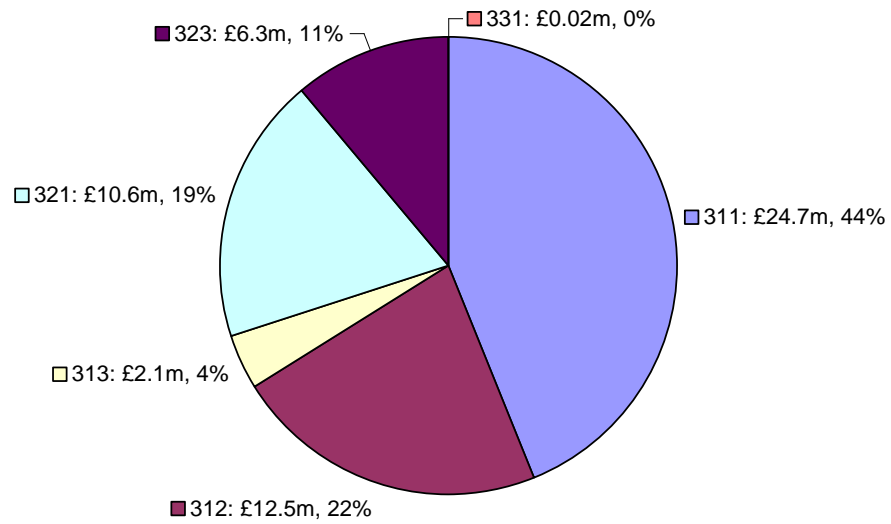
Chart 1: RP Cases Applied for and Approved by Axis 3 Measure (up to October 2011)



Notes

- Applied For means any committed (complete) proposal onwards - including rejected and withdrawn, and proposals which are still in the system (i.e. still at 'committed' stage).

Chart 2: Value of Total RP Cases Approved (£m) by Axis 3 Measure (up to October 2011)



■ 311 - Diversification into non agricultural activities	■ 312 - Support for the development and creation of MicroEnterprises
■ 313 - Encouragement of tourism activities	■ 321 - Basic services to the economy and the rural population
■ 323 - Conservation and upgrading of the rural heritage	■ 331 - Training and information for economic diversity

ANNEX C

Table 14: Demarcation of EAFRD and ERDF Activity⁴

Type of Activity	EAFRD eligible activities	ERDF eligible activities
Transport Infrastructure	<ul style="list-style-type: none"> • Not directly supported 	<ul style="list-style-type: none"> • No transport infrastructure
Tourism	<ul style="list-style-type: none"> • New or upgraded tourist accommodation • Small-scale tourist visitor infrastructure • Improvements to historical sites • Support as an additional benefit of other investment eg agri-environment or adding value to agriculture and forestry products 	<ul style="list-style-type: none"> • No support for infrastructure development (eg. sites and attractions) • Improving tourism business practices in targeted rural areas (eg. marketing) and products
Support for diversification of agriculture and forestry	<ul style="list-style-type: none"> • Support for the development of new agricultural and forestry products, particularly agri-food products • Development and restructuring of agricultural and forestry businesses • Support for individual microenterprises in farm-based activity 	<ul style="list-style-type: none"> • Support for the innovation capacity of enterprises developing new products based on primary sectors (such as food/drink sector), rather than the development of the products themselves • Support for businesses based on non-agricultural/forestry sectors • Support for firms larger than micro scale and groups of micro enterprises • No direct support for agricultural, forestry, fishing and aquaculture enterprises
Renewable energy	<ul style="list-style-type: none"> • Small-scale renewable energy facilities for enterprises and communities • Developing raw materials for renewable energy (eg. biomass) 	<ul style="list-style-type: none"> • Support for medium-sized renewable energy facilities in urban and rural areas (to be defined in guidance to be published in advance of each programming round) • Support for developing renewable energy research and commercialisation opportunities • Support for high-growth enterprises developing renewable energy
Support for biodiversity	<ul style="list-style-type: none"> • Actions attributable to support and enhance biodiversity 	<ul style="list-style-type: none"> • Support for enterprises commercially exploiting the new products from biodiversity • No direct support for biodiversity, but commitment to ensuring supported projects are 'biodiversity-proofed'

⁴ Lowlands and Uplands European Regional Development Fund Programme 2007-13, page 97

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Provision of local services	Direct support to rural community services	Development of facilities for common economic development use by rural enterprises and communities Support for plans to improve community services with an economic development dimension, but not direct support to the services themselves Support for enterprises to access higher/further education services (not infrastructure development) Support for rural and green transport initiatives (not purchase of vehicles)
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