



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

PROPOSED CHANGES TO LUPS ERDF PRIORITY 4 – RURAL DEVELOPMENT

1. Purpose

- 1.1** To seek the Committee's approval for the proposed changes to ERDF Priority 4, Rural Development specifically with regard to the scope for eligible activity.

2. Background

- 2.1** The Programme Monitoring Committee has previously agreed that the criteria for Priority 4 applications should be widened in light of the low level of projects coming forward, and the difficulties faced by project sponsors in developing projects within what are seen as unduly restrictive criteria. The Committee agreed in principle to include projects in eligible areas proposing quality investment centred on natural and cultural assets.
- 2.2** These proposals have now been discussed with the rural members of the East of Scotland European Consortium, and with representatives of project sponsors in the South of Scotland. Both were pleased with the proposals approved by the Committee. Both also made the point that it would encourage project applications if we removed the words "small-scale" from the definition of eligible activities under the "key shared services" section, on the grounds that this phrase was not defined, and therefore added nothing useful while having a potentially discouraging effect.
- 2.3** The proposals have also been discussed informally with Commission officials. As a result of these discussions, we have asked the Commission to approve two amendments to the LUPS ERDF Operational Programme, subject to approval by the PMC. It is anticipated that Commission approval, if granted, will be received in time for implementation in Round 3 of the Programme.

3. Recommendations

- 3.1** The Committee is invited to:

- 3.1.1** To add a new category to the eligible activities for Priority 4, as follows;

- ◆ Increasing the sustainable use of natural, historical and cultural assets
 - Projects to develop new products, services and processes of benefit to groups of enterprises and sectors based on the region's natural resources
 - Projects that enable the region's cultural and historical heritage to be developed and marketed in support of the region's cultural industries and tourism

- Activities that seek to bring together individual tourism attractions/sites into more integrated products/services

3.1.2 To remove the words “small-scale” from the descriptions of support available for ICT investments and business site development under the existing “Key Shared Services” category of eligible activity.

These changes will apply to the whole of Priority 4, whether delivered within the South of Scotland Global Grants Body area, or in other eligible areas. They are consistent with eligible activities offered in the other rural areas of Scotland by the Highlands and Islands ERDF programme.

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