

# **CITIZENS' SUMMARY 2017:**

## **The European Regional Development Fund in Scotland**

### **What is ERDF?**

European Structural and Investment Funds are the European Union's funds to promote strong local economies across Europe's regions and represent one-third of the Union's total budget, a total €325 billion across Europe. The ERDF supports investments in areas including infrastructure, innovation, support for businesses and research and development.

### **What does ERDF fund in Scotland?**

The current 2014-2020 Programmes will be operational until 2023 and the programme is expected to be worth more than £400 million which will be provided to a number of strategic interventions which are led by Scottish Government, local authorities and agencies including Scottish Enterprise and Highlands and Islands Enterprise.

These strategic interventions support activity across six investment priorities agreed with the European Commission – innovation, broadband in remote communities, business competitiveness, low carbon transport, low carbon innovation, resource efficiency and green infrastructure.

The ERDF programme is a combination of national and local projects, with a specific allocation of around £100 million ring fenced to target support in the Highlands and Islands, recognising the unique challenges facing these areas.

So far, over £200 million of grant has been awarded to the approved strategic interventions across the programme. In 2017, a review was carried out by Scottish Government with lead partners and other stakeholders on the delivery of the programme to date. The review identified changes to maximise the impact of the programme in Scotland, including a new Natural and Cultural Heritage investment priority and new scope for activity in the innovation priority, plus a change to the funding package to increase the rate of funding provided in the Highlands and Islands.

During 2018, the programme is working with lead partners on new activity and extensions to existing, successful projects.

### **Further information:**

Website: <https://beta.gov.scot/policies/european-structural-funds/>

Blog: <https://blogs.gov.scot/european-structural-and-investment-funds/>

Funded activity: <https://beta.gov.scot/publications/esif-operations-funding/>

Twitter: @ScotgovESIF, #ESIF #structuralfundsscotland #EUinmyregion

## What has happened so far?

Innovation funding promotes business investment in research and innovation, working to increase commercialisation and investment in research and development, with over £34 million of grant awarded to date aiming to support over 800 firms to introduce new, innovative products.

ERDF supports Scotland's seven cities to create a 'smart city' using data to improve services and delivery. These projects aim to open hundreds of data sets and introduce more than 50 innovative services.

Business Competitiveness assists SMEs to develop from one-to-one support, to developing capacity through Business Gateway, to providing debt and equity financing through the SME Holding Fund, allowing businesses to grow and develop.

Over £65 million has been awarded to local authorities, enterprise agencies and the SME Holding Fund so far. Across the projects approved to date, lead partners are aiming to support more than 14,000 enterprises, including providing financial support to more than 2,000. These firms are looking to expand, with many aiming to internationalise and more than 10,000 new jobs anticipated.

### Case Study – Loch Katrine

ERDF has supported Steamship Sir Walter Scott at Loch Katrine is an iconic visitor attraction, situated in the centre of Loch Lomond and The Trossachs National Park through **Business Gateway Stirling**. An advisor has worked with the team at Loch Katrine for almost two years, assisting with the development of an action-plan for growth, and a number of areas of specialist support. The business has received support for business strategy, customer service training, digital marketing, HR support, as well as help to explore new international markets.

For more about business gateway: <https://www.bgateway.com/local-offices/stirling>

### Case Study – Fair Isle Unified Low Carbon Electricity Storage and Generation Project

Fair Isle is not connected to the national grid network and development of the islands local energy system supply is one of the highest priorities identified in the recently community development plan. The **Low Carbon Infrastructure Transition Programme** has supported this project to develop an innovative and collaborative local energy model replicable across other island communities, based on an innovative combination of technologies including: a Class 1 turbine (required for the wind speeds on Fair Isle), storage system, fly wheel and solar.

Sustainable strategic interventions, including the Low Carbon Travel and Transport Programme, Low Carbon Infrastructure Transition Programme and Green Infrastructure have been awarded over £55 million of grant to support projects delivered by a mix of public and private groups across Scotland. This includes support to deliver 6 transport hubs and 8 green infrastructure projects and support more than 250 low carbon projects.

Zero Waste Scotland's Resource Efficient Circular Economy strategic intervention has been awarded £30 million to deliver the circular economy and resource efficiency programmes and the climate challenge fund, to support over 2,000 projects and help them introduce more efficient processes and reduce carbon emissions.