

Programme Complement

Programme for Cornwall and the Isles of Scilly 2000 – 2006

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**The Objective One Partnership
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PRIORITY 1: SME AND MICRO BUSINESS SUPPORT

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. The Programme Complement is therefore not a substitute for the SPD, and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

The Priority will consist of seven Measures. These are:

- Measure 1.1: Creating the economic conditions for competitive SMEs – ERDF;
- Measure 1.2: Financial engineering for SMEs – ERDF;
- Measure 1.3: Developing competitive business – ERDF;
- Measure 1.4: Processing and marketing of quality agricultural products – EAGGF;
- Measure 1.5: Supporting the entrepreneur – ERDF;
- Measure 1.6: Developing sectors with growth potential – ERDF;
- Measure 1.7: New employment opportunities – ESF.

KEY BASELINE DATA

The Table below identifies the key baseline data for this Priority. In the case of sectorally focussed work, the baseline will be determined when a sector is prioritised for intervention. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 1: SMES AND MICRO-BUSINESSES – KEY BASELINE DATA			
	Value	Year	Source
Number of SMEs ¹	16,067	1997	IDBR
Number of people employed in SMEs ²	124,925	1997	IDBR (derived)
Number of VAT Businesses	16,450	1998	VAT Register
Number of VAT Businesses amended ³	8,185	1998	VAT Register
Number of manufacturing businesses	1,235	1996	VAT Register
Number of people employed in manufacturing	21,816	1997	AES
Number of SMEs in key sectors	tbc	1997	IDBR
Number of people employed in key sectors	tbc	1997	AES
Number of Agricultural SMEs	3,830	1997	IDBR
Number employed in agriculture ⁴	15,251	1998	Agricultural and horticultural sector
Number employed in agriculture (excl casual labour)	12,965	1998	Agricultural and horticultural sector
Number of new starts per annum	1,390	1997	VAT Register
Notes:			
¹ This is the total number of businesses, less 3% considered to be large businesses			
² This has been calculated on the basis of the number of employees in the mid range of businesses in employee sizebands 1-9, 10-19, 20-99, 100-499			
³ VAT numbers minus agriculture and wholesale/retail			
⁴ Total is principal farmers, spouses, other farmers, partners, directors, salaried managers, male and female FT and PT employees and casual labour			

The VAT business base, minus agriculture and wholesale/retail, has been estimated at 8,185 businesses using the VAT register. This is in fact still likely to overestimate the eligible base as a considerable number of businesses are likely to be in sectors such as real estate or local professional services, which would not normally be targeted for business support. The eligible business base is estimated to be in the order of 5,000 businesses, although this will include a significant number of businesses with no employees.

Support will be made available to small and medium sized enterprises. Support will also be available for large companies, where there will be secondary benefits to locally based SMEs. All support will fully comply with EU State Aid and competition policies. The Secretariat will produce a list of sectors and types of business not eligible for particular types of support.

FINANCIAL ALLOCATIONS

Priority Financial Allocations

The Table below gives the financial allocation to this Priority.

PRIORITY 1: SMES AND MICRO-BUSINESSES – SUMMARY FINANCIAL TABLE (MEUROS)				
	Total Costs	EU	UK Public	Private
		ERDF 78.975	49.000	54.000
		ESF 12.996	16.000	5.000
		EAGGF 37.988	38.000	25.000
Total	316.959	129.959	103.000	84.000

This Priority has been allocated 317 meuros total project costs out of a Programme total of 1,117 meuro, some 28% of the Programme total. It has been allocated 130 meuro of EU support, 26% of the total EU support for the Programme.

Indicative Measure Financial Allocations

PRIORITY 1: SMES AND MICRO-BUSINESSES – INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 1	41.135	20.533	20.533	-	-	-	9.484	11.118
Measure 2	34.816	15.795	15.795	-	-	-	7.903	11.118
Measure 3	31.642	12.636	12.636	-	-	-	11.065	7.941
Measure 4	100.988	37.988		-	37.988	-	38.000	25.000
Measure 5	39.557	15.795	15.795	-	-	-	12.645	11.117
Measure 6	34.825	14.216	14.216	-	-	-	7.903	12.706
Measure 7	33.996	12.996	-	12.996	-	-	16.000	5.000
Total	316.959	129.959	78.975	12.996	37.988	-	103.000	84.000

Indicative Annual Spend (EU resources)

PRIORITY 1: SMES AND MICRO-BUSINESSES – INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
		2000	2001	2002	2003	2004	2005	2006	Total
Measure 1	ERDF	3.901	3.696	3.080	2.669	2.669	2.259	2.259	20.533
Measure 2	ERDF	3.001	2.843	2.369	2.054	2.054	1.737	1.737	15.795
Measure 3	ERDF	2.401	2.274	1.895	1.643	1.643	1.390	1.390	12.636
Measure 4	EAGGF	7.218	6.838	5.698	4.938	4.938	4.179	4.179	37.988
Measure 5	ERDF	3.001	2.844	2.370	2.053	2.053	1.737	1.737	15.795
Measure 6	ERDF	2.701	2.559	2.132	1.848	1.848	1.564	1.564	14.216
Measure 7	ESF	1.993	1.959	1.921	1.884	1.667	1.798	1.774	12.996
Total		24.216	23.013	19.465	17.089	16.872	14.664	14.640	129.959

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, the Small Business Service and Learning and Skills Council, and local agencies including the local authorities, local business and economic development agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 1.1 is supported by ERDF. Significant co-financing will be made available through the South West of England RDA, the local authorities, business and economic development agencies and the private sector.

Measure 1.2 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Trade and Industry and the Department of Transport, Environment and the Regions, the Small Business Service (from April 2001) and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

Measure 1.3 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Trade and Industry and the Department of Transport, Environment and the Regions, the Small Business Service (from April 2001) and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

Measure 1.4 is supported by EAGGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the private sector and business and economic development agencies.

Measure 1.5 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Trade and Industry and the Department of Transport, Environment and the Regions, the Small Business Service (from April 2001) and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

Measure 1.6 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Trade and Industry and the Department of Transport, Environment and the Regions, the Small Business Service (from April 2001) and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

Measure 1.7 is supported by ESF and addresses the adaptability and entrepreneurship elements of the policy frame of reference. Significant co-financing will be made available through finance provided by the Department for Education and Employment, channelled through the Training and Enterprise Councils and from April 2001, the Learning and Skills Council. Other co-financing will be made available by the South West of England RDA, the local authorities, business and economic development agencies and the private sector.

INDICATORS AND TARGETS

Indicators and Targets

The Programme targets have been set using indicators to count accurately the numbers of businesses and people given assistance. In the case of SMEs assisted, the support is substantive support, where average assistance costs range from £2,000 upwards, depending on the measure; and for training, the average costs are £1,000 and upwards. At the Measure level, the indicator "SMEs provided with guidance/ information" denotes assistance with a value of less than £2,000 per SME and "people provided with guidance" denotes assistance of less than £1,000 per beneficiary. It is envisaged that such activities will form only a small part of overall expenditure.

Within the targets, allowance has been made for double counting. This applies where companies or individuals receive more than one tranche of support, or an SME receives support under more than one measure.

PRIORITY 1: SMES AND MICRO-BUSINESSES – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of SMEs assisted (ERDF)	1,955
Number of new starts assisted	1,600
Number of Agricultural SMEs assisted	1,033
Number of SMEs assisted with training	1,000
Number of ESF beneficiaries	15,500
Results	
Gross Direct FTE Jobs Safeguarded ¹	7,567
Gross Direct FTE Jobs Created ¹	10,099
Gross Sales Safeguarded	£540m
Gross Additional Sales	£809m
Number of ESF beneficiaries gaining a qualification	6,750
Impact	
Net Additional Jobs Safeguarded ¹	3,905
Net Additional Jobs Created ¹	5,043
Net Additional GDP Safeguarded	£71.1m
Net additional GDP created	£108.7m
SMEs assisted total takes account of double counting	
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

Project Baseline Data

Project sponsors will be required to report on progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported - ie, other indicators will be additional and cannot be used to substitute for core indicators.

Project sponsors will be required to provide profile/baseline information on the beneficiaries including:

1. Location of company;
2. Size in terms of employment numbers (FTE) and turnover;
3. Gender breakdown of the workforce; and
4. Sectoral activity (using SIC codes).

MEASURE 1.1 CREATING THE ECONOMIC CONDITIONS FOR COMPETITIVE SMES AND BUSINESSES

Objective

The objective of this Measure is:

‘To support the growth and expansion of companies through the provision of appropriate development, and technology transfer facilities/centres, sites and accommodation, and through the provision of ICT infrastructure in industrial and commercial property’.

Indicative Financial Allocations

MEASURE 1.1 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	41.135	20.533	9.484	11.118

Eligible activities

This is a capital Measure, with the exception of support made available for market demand, financial and technical feasibility studies. Support will be available for:

1. The development of technology support centres and applied research centres, based around key sectors and or clusters identified under Measure 1.6;
2. Development, improvement and expansion of facilities to support SMEs to take up technology and innovation opportunities, including the costs associated with the equipping of specialist centres - including IT hardware and software;
3. The upgrading of existing employment space, to accommodate electronic technology applications;
4. The provision and upgrading of industrial and commercial accommodation, including advance factory units, managed workspace, business centres and facilities, including facilities to support start-up businesses and the encouragement of inward investment;
5. Site serving for commercial and industrial use, for sites of less than 10 hectares; and
6. Market demand, financial and technical feasibility studies

Note: Revenue support for the running costs of facilities will be eligible for support under other Measures, notably 1.3 and 1.6.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Target Beneficiaries

Activities supported under this measure must provide benefits to SMEs in Cornwall and Scilly. Eligible businesses are SMEs and in some circumstances, large companies, subject to any restrictions identified by the Secretariat to take account of State Aid, competition and any other relevant factors.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The extent to which new centres provide facilities not available elsewhere in the Programme Area;
2. The degree of private sector involvement;
3. The extent to which new facilities and premises specifically target sectors identified as a priority in Measure 1.6;
4. The use of brownfield land or existing premises.

Measure Targets

MEASURE 1.1: CREATING THE CONDITIONS FOR COMPETITIVE SMES – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Specialist support centres	8
Premises up-graded for ICT infrastructure	20,000m ²
New premises	10,000m ²
Refurbished premises	7,500m ²
Results	
Gross Direct FTE Jobs Safeguarded ¹	Results will be picked up by other Measures as it is assumed that the majority of business users will be beneficiaries of other measures. Project sponsors will be required to provide monitoring data on the number of SMEs using centres, and the types and size of companies occupying premises.
Gross Direct FTE Jobs Created ¹	
Gross Sales Safeguarded	
Gross Additional Sales	
Impact	
Net Additional Jobs Safeguarded ¹	See above
Net Additional Jobs Created ¹	
Net Additional GDP Safeguarded	
Net additional GDP created	
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.2 FINANCIAL ENGINEERING FOR SMES**Objective**

The Objective of the measure is:

'To facilitate company growth and expansion through the provision of appropriate financial support'

Indicative Financial Allocations

MEASURE 1.2: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	34.816	15.795	7.903	11.118

Eligible Activities

This Measure will provide revenue support. Support will be available for:

1. The development or enhancement of venture capital funds and other financial instruments including:
 - a. interest rate subsidies
 - b. repayable aid
 - c. loans
 - d. repayment holidays
 - e. loan guarantees
 - f. advance payment funds; and
 - g. grant schemes for productive investment.
2. Appropriate mentoring/management support, where directly linked to the provision of financial support.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, Small Business Service (from April 2001), the South West of England Regional Development Agency, and the private sector.

Target Groups

Activities supported under this measure must provide benefits to SMEs in Cornwall and Scilly. Eligible businesses are SMEs and in some circumstances, large companies, subject to any restrictions identified by the Secretariat to take account of State Aid, competition and any other relevant factors.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The extent to which support is targeted on sectors identified for support under measure 1.6;
2. The contribution from the private sector;
3. The inclusion of on-going management support to the recipient of aid; and
4. Projects which feature repayable aid, and where finance can be recycled to other SMEs in later years.

Measure Targets

MEASURE 1.2 : FINANCIAL ENGINEERING FOR SMES : OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of SMEs provided with financial support	255
Number of new starts with financial support guidance	100
Results	
Gross Direct FTE Jobs Safeguarded ¹	1,042
Gross Direct FTE Jobs Created ¹	2,082
Gross Sales Safeguarded	£73m
Gross Additional Sales	£146m
Impact	
Net Additional Jobs Safeguarded ¹	525
Net Additional Jobs Created ¹	1,049
Net Additional GDP Safeguarded	£12.1m
Net additional GDP created	£24.1m
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.3: DEVELOPING COMPETITIVE SMES

Objective

The Objective of this Measure is:

'To increase the turnover of SMEs through the provision of high quality and comprehensive business support services'.

Indicative Financial Allocations

MEASURE 1.3: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	31.642	12.636	11.065	7.941

Eligible activities

Revenue support will be available for:

1. Business support services for SMEs including support to:
 - a. develop new markets
 - b. take advantage of ICT and new technologies
 - c. develop new products
 - d. improve internal company systems, including financial management systems
 - e. develop business plans to improve current competitiveness and prepare for new investment and/or company expansion/development
 - f. exploit renewable energy, energy efficient processes, water and waste management measures for SMEs and to produce environmentally friendly products
2. The development of joint activities which improve the competitiveness of businesses in Cornwall and Scilly, including joint marketing, supply linkages networks and business to business networking.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, Small Business Service (from April 2001), the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Target beneficiaries

Activities supported under this measure must provide benefits to SMEs in Cornwall and Scilly. Eligible businesses are SMEs and in some circumstances, large companies, subject to any restrictions identified by the Secretariat to take account of State Aid, competition and any other relevant factors.

Companies covered by sectors identified in Measure 1.6 will not be eligible for support under this measure.

Measure selection criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The provision of substantive support, clearly able to generate significant benefits for the SME;
2. The extent to which support is directly channelled to the SME;
3. The contribution from the private sector; and
4. The inclusion of on-going client management support.

Measure Targets

MEASURE 1.3 : DEVELOPING COMPETITIVE SMES – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of SMEs provided with guidance/ information support	500
Number of SMEs assisted (with substantive support)	500
Number of joint initiatives/networks established	20
Results	
Gross Direct FTE Jobs Safeguarded ¹	1,142
Gross Direct FTE Jobs Created ¹	1,142
Gross Sales Safeguarded	£80m
Gross Additional Sales	£80m
Impact	
Net Additional Jobs Safeguarded ¹	575
Net Additional Jobs Created ¹	575
Net Additional GDP Safeguarded	£11.8m
Net additional GDP created	£11.8m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.4: PROCESSING AND MARKETING OF AGRICULTURAL PRODUCTS**Objective**

The objective of this Measure is:

'To increase the number of businesses enhancing their competitive position by participating in the continuing development of processing and marketing and raising the volume and diversity of local agricultural and horticultural products marketed under regional branding'.

Indicative Financial Allocations

MEASURE 1.4: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	EAGGF	UK Public	Private
2000 – 2006	100.988	37.988	38.000	25.000

Eligible Activities

1. Capital investment to improve and rationalise the processing of agricultural products (including novel and industrial crops, and ornamental foliage, in so far as they are 'agricultural products' within the definitions in Annex I of the Treaty) to achieve added value, including investment in processing plant/equipment large and small scale, on and off farms.
2. Capital investment to enable producer-processors and processors (on and off farm) to meet market demands, such as set out in quality assurance standards (including, inter alia, agreed health, hygiene, animal welfare and environmental criteria).
3. Capital investment to improve preparation and presentation of products, and to apply new technology and innovative methods.
4. Capital investment to improve the use or elimination of by-products (including, inter alia, the manufacture of 'secondary' products; anaerobic digestion and composting).
5. The development of local collection and distribution networks.
6. Associated professional fees and consultancy costs (eg architects fees) up to a maximum of 11% of total costs

Note: In implementing Measure 1.4, specific support will continue to be given to speciality food producers, and processors operating in and sourcing from the region. Aid will also be targeted at organic produce including livestock, animal feed, fruit and vegetables (to complement, not duplicate, the scope of the Organic Farming Scheme, which is MAFF's national scheme to assist producers converting to organic production and which draws on the EAGGF Guarantee Section).

The Measure, as a whole, will include the provision of professional facilitation for project application preparation.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include business development organisations, economic development agencies, the private sector (for example, co-operatives, limited companies, sector groups managing 'umbrella' projects).

Target beneficiaries

Support will be available to assist agricultural and agricultural related enterprises on and off the farm; including processors and marketing companies and organisations, and producer groups with the exception of those covered by EC Aided programmes developed by recognised producer organisations under Council Regulation 2200/96.

Measure selection criteria

The measure selection criteria have been designed to be integrated with the project assessment system developed for the England Rural Development Plan. This system will be used in the Objective 1 Programme, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

The Measure criteria ('regional fit') are:

1. To what extent will the producers of basic products share in the resulting economic benefits
2. Does the project benefit the dairy, beef, sheep and horticulture sectors (including organic production)
3. In other sectors, how strong is the identified market for products
4. How many businesses will enhance their competitive position as a result of this project
5. To what extent will the project improve the use or elimination of by-products

Further information and guidance are given in Annexes EAGGF1 and EAGGF2

Measure Targets

MEASURE 1.4: PROCESSING AND OF QUALITY AGRICULTURAL PRODUCTS – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of Agricultural SMEs assisted	1,033
Number of additional agricultural businesses supplying produce for new processing activities in the Objective 1 area	1,000
Number of additional agricultural businesses supplying produce to regionally branded products	900
Number of new products marketed	10
Results	
Gross Direct FTE Jobs Safeguarded	4,650
Gross Direct FTE Jobs Created	1,550
Gross Sales Safeguarded	£279m
Gross Additional Sales	£93m
Impact	

Net Additional Jobs Safeguarded	2,343
Net Additional Jobs Created	781
Net Additional GDP Safeguarded	£36.6m
Net additional GDP created	£12.2m
¹ All jobs are Full Time Equivalents (FTEs) Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.5 SUPPORTING THE NEW ENTREPRENEUR

Objective

The Objective for this measure is:

‘To increase the number and survival rates of new business starts through the provision of comprehensive business support services’.

Indicative Financial Allocations

MEASURE 1.5: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	39.557	15.795	12.645	11.117

Eligible activities

This Measure will provide revenue support. Capital support is available, where appropriate, under Measure 1.1. Support will be available for:

1. Revenue support associated with specialist start-up accommodation;
2. Business support services dedicated to supporting new starts, particularly where they are targeted on activities not highly represented in the business community;
3. Support for the identification of opportunities, either individually or collectively, in terms of research and market assessment of new areas of activity or opportunity, and including support for the dissemination of results;
4. Support to promote new business networks particularly those using ICT and those seeking new investors.

Particular efforts will be made to increase the number of women setting up in business. This will include identifying and addressing constraints that act as barriers for women. This will include providing support to offset childcare responsibilities and the organisation of events and support at times and places which recognise the need for family friendly actions.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, Small Business Service (from April 2001), the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Target beneficiaries

Support will be available to assist individuals seeking to establish a businesses and new businesses that have been trading for less than 18 months. New businesses in sectors identified in Measure 1.6 will be eligible for support under this measure.

Measure selection criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The provision of substantive support, clearly able to generate significant benefits for the new start;

2. The extent to which support is directly channelled to the individual or enterprise;
3. The extent to which support targets high quality new starts, particularly in knowledge based industries; and
4. The inclusion of on-going client management support.

Measure Targets

MEASURE 1.5: SUPPORTING THE NEW ENTREPRENEUR – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of new starts assisted	1,500
Results	
Gross Direct FTE Jobs Safeguarded ¹	-
Gross Direct FTE Jobs Created ¹	3,125
Gross Sales Safeguarded	-
Gross Additional Sales	£250m
Impact	
Net Additional Jobs Safeguarded ¹	-
Net Additional Jobs Created ¹	1,312
Net Additional GDP Safeguarded	-
Net additional GDP created	£30.1m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.6: DEVELOPING SECTORS WITH GROWTH POTENTIAL

Objective

The Objective of this measure is:

'To increase the number of businesses and employment in new and high growth sectors through the provision of targeted business support'.

Indicative Financial Allocations

MEASURE 1.6 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 - 2006	34.825	14.216	7.903	12.706

Eligible activities

Support will be available for:

1. Feasibility and risk assessment studies for SMEs to explore new business opportunities, either in terms of innovative products or markets; the identification of opportunities, either individually or sectorally, in terms of research and market assessment of new areas of activity or opportunity and trends or practices in the same or other sectors, especially in relation to the use of new and emerging technologies and ICT;
2. Business support services aimed specifically at SMEs and individuals in new/growth sectors;
3. The provision of advice and information on design, innovation, licensing, marketing and product development, including technology transfer between academic/research institutions and business;
4. Support for business networks, industrial co-operation and inward investment; and support for the adoption of environmentally friendly products and processes, in particular the encouragement of environmental sciences, applied technology, energy efficiency and alternatives.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, Small Business Service (from April 2001), the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Target beneficiaries

Support will be available for new and existing SMEs, and in some circumstances large companies, in target sectors agreed by the PMC. The initial target sectors are:

- Life sciences;
- Marine engineering;
- Environmental and earth technologies, including renewable energy;
- Food (where distinct from, and additional to, EAGGF support); and
- Multi-media.

Priority will be given to activities which act in support of agreed sectoral strategies, although the development of such strategies are not a mandatory requirement.

Measure selection criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The provision of substantive support, clearly able to generate significant benefits for the individual SME;
2. The extent to which activities contribute to an agreed sectoral strategy;
3. The extent to which support is directly channelled to the individual or enterprise; and
4. The inclusion of on-going client management support.

Measure Targets

MEASURE 1.6: DEVELOPING SECTORS WITH GROWTH POTENTIAL – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of studies supported	30
Number of SMEs assisted (with substantive support)	700
Results	
Gross Direct FTE Jobs Safeguarded ¹	733
Gross Direct FTE Jobs Created ¹	2,200
Gross Sales Safeguarded	£66m
Gross Additional Sales	£198m
Impact	
Net Additional Jobs Safeguarded ¹	462
Net Additional Jobs Created ¹	1,326
Net Additional GDP Safeguarded	£10.6m
Net additional GDP created	£30.5m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 1.7 NEW EMPLOYMENT OPPORTUNITIES

Objective

The objective of this measure is:

'To facilitate the growth and development of SMEs in new and emerging sectors through appropriate training and HRD-related support'.

Indicative Financial Allocations

MEASURE 1.7: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	33.996	12.996	16.000	5.000

Eligible Activities

Support will be available for:

1. Feasibility studies and research projects relating to skill needs and demand and supply of labour in new and emerging sectors and technology identified in Measure 1.6;
2. Company-based anticipation activities for new and existing companies in sectors targeted for support under Measure 1.6;
3. Provision of skills training and development, particularly but not exclusively aimed at higher level skills; support for management and business training for supervisors, professionals and managers, for new and existing companies in sectors targeted for support under Measure 1.6;
4. The provision of tailored recruitment and training packages which complement activity under Measure 1.1 and 1.6, for new and existing companies in sectors targeted for support under Measure 1.6.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, Small Business Service (from April 2001), Learning and Skills Council, the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 1.7: NEW EMPLOYMENT OPPORTUNITIES - KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of companies helped	1,000
Number of employees trained	10,000
Number of employees helped	2,000
Number of beneficiaries getting self employment help	300
Number of (non-employed) beneficiaries trained	3,200
Number of young people unemployed for less than 6 months assisted	200
Number of adults unemployed for less than 12 months assisted	1,400
% of women beneficiaries	45%

Number of beneficiaries working towards a qualification	8,100 (60%)
Results	
Gross Sales Safeguarded	£42m
Gross Additional Sales	£42m
Number of ESF beneficiaries gaining a qualification	6,750 (50%)
Number of new businesses operating after 18 months	150
Impact	
Net Additional Jobs Safeguarded ¹	Tba
Net Additional GDP Safeguarded ¹	Tba
Net additional GDP created	Tba
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

PRIORITY 2: STRATEGIC INVESTMENTS

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

SUB PRIORITY: STRATEGIC SPATIAL DEVELOPMENT

The measures which will help meet the strategic objective are:

Measure 2.1: Strategic investments (ERDF capital and revenue) (large site-based);

Measure 2.2: Employment growth centres (ERDF capital and revenue) (town-based); and

Measure 2.3: Embedding the benefits of new investment (ERDF).

KEY BASELINE DATA

The Table below identifies the key baseline data for this sub-priority. In the case of sectorally focussed work, the baseline will be determined when a sector is prioritised for intervention. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 2: STRATEGIC SPATIAL DEVELOPMENT – KEY BASELINE DATA			
	Value	Year	Source
Hectares of Derelict Land	3,871	1993	DoE Survey
Number of SMEs	16,115	1997	IDBR
Number of VAT Businesses	16,450	1998	VAT Register
Number of SMEs in investment areas	Tbc		IDBR
Number of people employed in investment areas ¹	Tbc		AES

FINANCIAL ALLOCATIONS

Priority Financial Allocations

The following Table indicates the financial allocation at the Priority level.

PRIORITY 2: STRATEGIC SPATIAL DEVELOPMENT – SUMMARY FINANCIAL TABLE (MEUROS)					
	Total Costs	EU		UK Public	Private
		ERDF	73.977		
		ESF	-		
		EAGGF	-		
		FIFG	-		
Total	221.977		73.977	89.000	59.000

This Sub Priority has been allocated 222 meuros total project costs out of a Programme total of 1,117 meuro, some 20% of the Programme total. It has been allocated 74 meuro of EU support, 15% of the total EU support for the Programme and 25% of ERDF support.

Indicative Measure Financial Allocations

PRIORITY 2: INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 2.1	41.137	18.887	18.887	-	-	-	22.250	0
Measure 2.2	68.033	31.480	31.480	-	-	-	36.553	0

Measure 2.3	12.659	6.296	6.296	-	-	-	4.768	1.595
Total	121.829	56.663	56.663	-	-	-	63.571	1.595

Indicative Annual Spend (EU resources)

PRIORITY 2: INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
	2000	2001	2002	2003	2004	2005	2006	total	
Measure 2.1 ERDF	2.645	2.645	2.645	2.452	2.596	2.834	3.070	18.887	
Measure 2.2 ERDF	4.407	4.407	4.407	4.094	4.328	4.722	5.115	31.480	
Measure 2.3 ERDF	0.881	0.881	0.881	0.820	0.866	0.944	1.023	6.296	
Total	7.933	7.933	7.933	7.366	7.790	8.500	9.208	56.663	

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, and the Small Business Service, and local agencies including the local authorities and local business and economic development agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 2.1 is supported by ERDF. Significant co-financing will be made available through the South West of England RDA, the local authorities, business and economic development agencies and the private sector.

Measure 2.2 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Transport, Environment and the Regions, the South West of England RDA, the local authorities, business and economic development agencies and the private sector.

Measure 2.3 is supported by ERDF. Significant co-financing will be made available through finance provided by the Small Business Service (from April 2001) and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

INDICATORS AND TARGETS

Quantified targets for outputs, results and impacts are presented below. The output of 10,000m² of premises relates the accommodation directly provided with Objective 1 monies, all other premises on land developed is assumed to be provided without further Objective 1 assistance.

PRIORITY 2: STRATEGIC SPATIAL DEVELOPMENT – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of Area Development Plans supported	11
Hectares of Land	52
Area of Premises (square metres)	10,000
SMEs assisted	500
Results	
Gross Direct Jobs Safeguarded ¹	4,176
Gross Direct Jobs Created ¹	5,537
Gross Sales Safeguarded	£323m
Gross Additional Sales	£464m
Impact	
Net Additional jobs Safeguarded ¹	1,807
Net Additional Jobs Created ¹	2,408
Net Additional GDP Safeguarded	£41.5m
Net Additional GDP Created	£55.3m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

Project Baseline Data

Project sponsors will be required to report of progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported - ie, other indicators will be additional, and cannot be used to substitute for core indicators.

Project sponsors will be required in the Priority to provide the following base information:

1. Location of company;
2. Size in terms of employment numbers and turnover;
3. Gender breakdown of the workforce;
4. Sectoral activity (using SIC codes).

MEASURE 2.1: STRATEGIC INVESTMENTS

Objective

The objective of this Measure is:

'To increase employment and investment through the development of a limited number of strategic sites to provide suitable locations for major new investment'

Indicative Financial Allocations

MEASURE 2.1: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	41.137	18.887	22.250	-

Eligible activities

This is a capital and revenue Measure. Support will be available for:

1. Market demand, financial and technical feasibility studies;
2. Development of identified strategic sites;
3. The provision of appropriate site infrastructure and high quality business, industrial and commercial premises on designated strategic sites;
4. Environmental improvements to improve the quality of strategic sites.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West of England Regional Development Agency and the private sector.

Target Beneficiaries

This measure will provide sites and premises which will help to secure investment in Cornwall and Scilly. These may be provided by private or public sector organisations. Companies ultimately occupying sites and premises may be either SMEs or large companies.

Strategic sites will be defined, using criteria agreed by the Priority Management Group, and project approval will be dependent upon submission of an appropriate masterplan. The criteria for selection will include, inter alia, the size and location of site, the extent of market failure, and employment potential.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. Alignment with the Regional Planning Guidance, County Structure Plan and a satisfactory sustainability appraisal;
2. The degree of private sector involvement;
3. The extent to which new facilities and premises specifically target sectors identified as a priority in Measure 1.6;
4. The re-use of brownfield land and/or existing premises.

Measure Targets

Quantified targets for outputs, results and impacts from Measure 2.1 are outlined in the table below. It is anticipated that the bulk of expenditure will be directed towards the preparation and servicing of land with an assumption that premises will be provided without Structural Fund support.

MEASURE 2.1: STRATEGIC INVESTMENTS – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Hectares of serviced land taken up for development	52
High quality premises	10,000m ²
Results	
Gross Direct FTE Jobs Safeguarded ¹	1,548
Gross Direct FTE Jobs Created ¹	2,322
Gross Sales Safeguarded	£139m
Gross Additional Sales	£208m
Impact	
Net Additional Jobs Safeguarded ¹	780
Net Additional Jobs Created ¹	1,170
Net Additional GDP Safeguarded	£17.9m
Net additional GDP created	£26.9m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 2.2: EMPLOYMENT GROWTH CENTRES

Objective

The objective of this Measure is:

‘To maximise economic development by concentrating major development on towns, where integrated investment can lead to the maintenance and growth of employment in a sustainable manner based on economic growth centres’.

Indicative Financial Allocations

MEASURE 2.2 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	68.033	31.480	36.553	-

Eligible activities

This Measure will provide both capital and revenue support. Support will be available for:

1. Market demand, financial and technical feasibility studies;
2. Development/re-development of identified locations and facilities;
3. The provision of key infrastructure and other services to the location; and

4. The provision of sites and premises, workspace leading to increased economic use within towns, particularly space above retail premises.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West of England Regional Development Agency, the private sector.

Target Groups

Support will be made available to local partnerships, after appraisal and approval of an Integrated Area Development Plan. The ultimate beneficiaries will be the companies within designated centres, but benefits are expected to reach people and businesses located outside of the designated area.

The eligible centres for support under this Measure are:

- St Austell
- Truro
- Bodmin
- Falmouth
- Newquay
- Camborne/Pool
- Redruth
- Hayle/St.Ives
- Penzance
- The Isles of Scilly
- Saltash

Support will normally be made available through an approved Integrated Area Development Plan, each of which will cover a minimum of three years and a maximum of five years. Plans will only be finally approved when financial contributions are in place, and activity is ready to proceed. However, projects may be submitted outside of the Integrated Area Development Plan, but such projects must have the support of the Plan and should demonstrate the appropriate linkages with the Plan.

Guidance on the content and structure of Integrated Area Development Plans will be developed by the Secretariat. Only monies from Measure 2.2 will be awarded to Plans, although greater weighting will be given to Plans which demonstrate linkages and complementarity with projects in other measures.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The quality of the integrated area development plan;
2. The likely scale of benefits, including the quality of jobs;
3. The contribution from the private sector, both in the development of the plan and in terms of financial contribution;
4. The links to people and SME development, to ensure that benefits are spread throughout the Programme Area.

Measure Targets

Quantified targets for outputs, results and impacts for Measure 2.2 are contained in the table below.

MEASURE 2.2 : ECONOMIC GROWTH CENTRES: OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of growth locations	11
Results	
Gross Direct FTE Jobs Safeguarded ¹	2,057
Gross Direct FTE Jobs Created ¹	2,644
Gross Sales Safeguarded	£144m
Gross Additional Sales	£216m
Impact	
Net Additional Jobs Safeguarded ¹	740
Net Additional Jobs Created ¹	951

Net Additional GDP Safeguarded	£17.0m
Net additional GDP created	£21.8m
† All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 2.3 : EMBEDDING THE BENEFITS OF NEW INVESTMENT

Objective

The objective of this Measure is:

'To increase the benefits of major investments accruing to local people and companies through the provision of packaged actions in support of major capital work'

Indicative Financial Allocations

MEASURE 2.3 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	12.659	6.296	4.768	1.595

Eligible activities

This is a revenue measure. Support will be available for:

1. Marketing, business development and aftercare initiatives linked to advising and supporting local SMEs to take advantage of new opportunities generated by Measure 2.1 and 2.2 activity;
2. Technical and feasibility studies linked to SME and people development opportunities, based around activities supported under measures 2.1 and 2.2;
3. The costs associated with developing and maintaining links between new, local and inward investment and employment pacts;
4. Supply chain initiatives linked to Measure 2.1. and 2.2 funded activity;
5. Promotional campaigns to secure new investment linked to Measure 2.1. and 2.2 funded activity.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the Small Business Service, the South West of England Regional Development Agency, further and higher education institutions and the private sector.

Target beneficiaries

Support will be available to all SMEs based in Cornwall and Scilly, and in some circumstances, large companies.

Measure selection criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. Links to investments funded under Measures 2.1. and 2.2;
2. The extent to which aid is channelled directly to SMEs;
3. The quality of the jobs likely to be generated in SMEs supported;
4. Activities aimed at strengthening sectors identified for support under Measure 1.6.

Measure Targets

Quantified targets for outputs, results and impacts are outlined in the table below.

MEASURE 2.3: EMBEDDING THE BENEFITS OF NEW INVESTMENT– KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of SMEs assisted (£2,000 minimum)	500
Results	
Gross Direct FTE Jobs Safeguarded ¹	571
Gross Direct FTE Jobs Created ¹	571
Gross Sales Safeguarded	£40m
Gross Additional Sales	£40m
Impact	
Net Additional Jobs Safeguarded ¹	287
Net Additional Jobs Created ¹	287
Net Additional GDP Safeguarded	£6.6m
Net additional GDP created	£6.6m
¹ All jobs are Full Time Equivalents (FTEs) Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

SUB PRIORITY: STRATEGIC INFRASTRUCTURE

The measures which will help meet the strategic objective are:

Measure 2.4: Strategic Regional Infrastructure – ERDF.

KEY BASELINE DATA

The Table below identifies the key baseline data for this sub-priority. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 2: STRATEGIC REGIONAL INFRASTRUCTURE – KEY BASELINE DATA			
	Value	Year	Source
Primary Route Network	202km	1999	CCC
Other A Roads	273km	1999	CCC
Rail passenger numbers	2.56m	1999	CCC
Newquay air passengers	57,700	1999	CCC
Freight through Cornish ports	2,855 tonnes	1999	CCC

FINANCIAL ALLOCATIONS

Priority Financial Allocations

The following Table indicates the financial allocation at the Sub- Priority level.

PRIORITY 2: SUB PRIORITY: STRATEGIC REGIONAL INFRASTRUCTURE – SUMMARY FINANCIAL TABLE (MEUROS)					
	Total Costs	EU		UK Public	Private
		ERDF	17.314		
		ESF	-		
		EAGGF	-		
Total	100.148		17.314	25.429	57.405

This sub-Priority has been allocated 100 meuros total project costs out of a Programme total of 1,117 meuro, some 8% of the Programme total. It has been allocated 17 meuro of EU support, 4% of the total EU support for the Programme, and 7% of ERDF funds.

Indicative Measure Financial Allocations

PRIORITY 2: STRATEGIC REGIONAL INFRASTRUCTURE – INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 2.4	100.148	17.314	17.314	-	-	-	25.429	57.405
Total	100.148	17.314	17.314	-	-	-	25.429	57.405

Indicative Annual Spend (EU resources)

PRIORITY 2: STRATEGIC REGIONAL INFRASTRUCTURE – INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
	2000	2001	2002	2003	2004	2005	2006	total	
Measure 4 ERDF	2.424	2.424	2.424	2.251	2.381	2.597	2.813	17.314	
Total	2.424	2.424	2.424	2.251	2.381	2.597	2.813	17.314	

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, and local agencies including the local authorities and local business and economic development agencies. As the measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for the measure the principle sources of co-financing.

Measure 2.4 is supported by ERDF. Significant co-financing will be made available through the Department for the Environment, Transport and the Regions, the South West of England Regional Development Agencies, the local authorities, business and economic development agencies and the private sector.

MEASURE 2.4: STRATEGIC REGIONAL INFRASTRUCTURE

Objective

The objective of this Measure is:

'To remove infrastructure barriers that act as a constraint to the realisation of the full beneficial impact of projects and plans'.

Indicative Financial Allocations

MEASURE 2.4 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 - 2006	100.148	17.314	25.429	57.405

Eligible Activities

1. Market demand, financial, and technical feasibility studies into transport constraints and solutions;
2. Improvements to the road network required to access new development opportunities;
3. Improvements to the rail network required to secure access for development opportunities or where the improvements in journey times will lead to demonstrable economic benefits to Cornwall and Scilly;
4. Inter modal freight facilities required to allow Cornish businesses to grow;

5. Improvements to air transport facilities necessary to access additional economic opportunities;
6. Improvements to harbour and port facilities related to the needs of Cornish businesses;
7. Investment to improve integration of transport systems;
8. ICT provision where there is clear evidence of market potential and market failure;
9. Innovative schemes to provide renewable energy infrastructure and waste management;
10. Support for transport and communication links between the Islands of Scilly and between Scilly and the mainland of Cornwall.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West Regional Development Agency and the private sector.

Target Beneficiaries

Support will be available to public and private sector organisations, for projects which provide demonstrable economic benefits for the people and business in Cornwall and Scilly.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. Consistency with Regional Planning Guidance, the Regional Transport Strategy and the County Structure Plan;
2. The importance of the "bottleneck" or constraint being addressed;
3. The scale of economic opportunities likely to be opened up as a result of the investment.

Measure Targets

Quantified targets for outputs, results and impacts for Measure 2.4 are presented below.

MEASURE 2.4: STRATEGIC REGIONAL INFRASTRUCTURE – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of inter-modal freight terminals established	1
Number of ports improved	5
Kilometres of railway track improved	13
Kilometres of road improved	10
Number of airports up-graded	3
Number of public transport services improved	Tba
Results	
Reduction in ESS	Tba
Reduction in rail journey time to London	14 minutes
Passenger Business NPV	£28m
Freight business NPV	£29m
Impact	
Net Additional jobs Safeguarded ¹	The final impact will be dependent upon the nature of the projects selected and forecast impacts based on benchmarks are unsuitable given the nature of the investments. The economic benefits will be reviewed as part of the appraisal process, and the forecast results and impacts will be presented in the Annual report.
Net Additional Jobs Created ¹	
Net Additional GDP Safeguarded	
Net Additional GDP Created	
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

PRIORITY 3: DEVELOPING PEOPLE

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

Six measures have been agreed as follows:

- Measure 3.1: Active Labour Market Policies – ESF;
- Measure 3.2: Learning for Competitive Business and Enterprise – ESF;
- Measure 3.3: Lifelong Learning – ESF;
- Measure 3.4: Promoting Social Inclusion – ESF;
- Measure 3.5: Increasing The Participation Of Women – ESF;
- Measure 3.6: Infrastructure for Learning – ERDF.

KEY BASELINE DATA

The Tables below identifies the key baseline data for this Priority. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 3: DEVELOPING PEOPLE – KEY UNEMPLOYMENT BASELINE DATA¹			
	Value	Year	Source
Number of men/ women registered as unemployed for more than 6 months	2,705/ 836	January 2000	ES
Number of men/ women registered as unemployed for more than 12 months	1,509/ 420	January 2000	ES
Number of men/ women registered as unemployed for more than 1 year aged over 25	1,478/ 408	January 2000	ES
Number of men/ women registered as unemployed for more than 2 years aged over 25	669/ 158	January 2000	ES
Number of men/ women registered as unemployed aged 19 and under	754/ 507	January 2000	ES
Number of men/ women registered as unemployed aged 24 and under	2,138/ 1,178	January 2000	ES
Number of men/ women registered as unemployed aged 24 and under, unemployed for more than 6 months	311/ 122	January 2000	ES
Number of men/ women registered as unemployed aged 24 and under, unemployed for more than 12 months	31/ 12	January 2000	ES
Number of men/ women registered as unemployed aged 45 and over		January 2000	ES
Number of men/ women registered as unemployed for more than 1 year aged 45 and over		January 2000	ES
Total number of men/ women unemployed claimants	8,610/ 3,798	January 2000	ES
Unemployment rates for men/ women (claimant)	7.1%/ 3.8%	January 2000	ES
ES = Employment Service			

PRIORITY 3: DEVELOPING PEOPLE – KEY BUSINESS AND EMPLOYMENT BASELINE DATA¹			
	Value	Year	Source
Number of men in full time employment	61,947	1997	AES
Number of women in full time employment	39,198	1997	AES
Number of men in part time employment	11,990	1997	AES
Number of women in part time employment	40,428	1997	AES
Number qualified to NVQ III	102,000	End Feb 2000	LFS
Number of men qualified to NVQ III	Tbc	End Feb 2000	LFS
Number of women qualified to NVQ III	Tbc	End Feb 2000	LFS
Number of SMEs ²	16,115	1997	IDBR
Number of VAT Businesses	16,450	1998	DTI
Number of companies with IIP status	86	1999	PROSPER
Number of new starts per annum	1,390	1997	DTI
Notes			
¹ An evaluation steering group for all ESF in the UK will be established for the 2000-2006 programming period. This group will agree a common framework for the evaluation of ESF, which will seek to ensure that comparable information is gathered to assess the impact of ESF with reference to the NAP; the group will also commission research so that lessons can be learnt and good practice identified, with a particular focus on the horizontal issues. The evaluation of ESF activity in Cornwall and Scilly will be carried out in line with the common framework			
² This is the total number of businesses, less 3% considered to be large businesses			

FINANCIAL ALLOCATIONS

The following table indicates the financial allocation at the Priority level, including the allocation to EU Fund, the Priority level UK Public and the private sector contributions. The allocations presented are for the lifetime of the Programme.

PRIORITY 3: DEVELOPING PEOPLE – SUMMARY FINANCIAL TABLE (MEUROS)					
	Total Costs	EU		UK Public	Private
	15.997	ERDF	7.997	8.000	-
	174.978	ESF	67.978	94.000	13.000
		EAGGF	-		
		FIFG	-		
Total	190.975		75.975	102.000	13.000

Indicative Measure Financial Allocations

PRIORITY 3: DEVELOPING PEOPLE – INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 3.1	41.300	15.808	-	15.808	-	-	25.492	-
Measure 3.2	50.994	18.971	-	18.971	-	-	23.898	8.125
Measure 3.3	28.687	11.066	-	11.066	-	-	12.746	4.875
Measure 3.4	39.707	15.809	-	15.809	-	-	23.898	-
Measure 3.5	14.290	6.324	-	6.324	-	-	7.966	-
Measure 3.6	15.997	7.997	7.997	-	-	-	8.000	-
Total	190.975	75.975	7.997	67.978	-	-	102.000	13.000

Indicative Annual Spend (EU resources)

PRIORITY 3: DEVELOPING PEOPLE – INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
		2000	2001	2002	2003	2004	2005	2006	total
Measure 3.1	ESF	2.425	2.382	2.337	2.291	2.028	2.187	2.158	15.808
Measure 3.2	ESF	2.910	2.859	2.804	2.750	2.434	2.625	2.589	18.971
Measure 3.3	ESF	1.697	1.668	1.636	1.604	1.419	1.531	1.511	11.066
Measure 3.4	ESF	2.425	2.383	2.337	2.291	2.028	2.187	2.158	15.809
Measure 3.5	ESF	0.970	0.953	0.935	0.917	0.811	0.875	0.863	6.324
Measure 3.6	ERDF	2.000	1.999	1.999	1.999	0.000	0.000	0.000	7.997
Total		12.427	12.244	12.048	11.852	8.720	9.405	9.279	75.975

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, notably the Department for Education and Employment and the Employment Service, regional agencies such as the Learning and Skills Council, the South West of England Regional Development Agency, and the Small Business Service; local agencies including the local authorities, further and higher education institutions, the voluntary and community sector and local business and economic development agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 3.1 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment and the Employment Service and the Learning and Skills Council. Other co-financing will be made available by the South West of England Regional Development Agency and the local authorities.

Measure 3.2 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment, the Small Business Service, the Learning and Skills Council and the South West of England Regional Development Agency. Other co-financing will be made available by the local authorities, further and higher education institutions, business and economic development agencies and the private sector.

Measure 3.3 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment, the Learning and Skills Council, the South West of England Regional Development Agency and the Small Business Service. Other co-financing will be made available by the local authorities, further and higher education institutions, business and economic development agencies and the private sector.

Measure 3.4 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment and the Employment Service, the Learning and Skills Council, and the South West of England Regional Development Agency. Other co-financing will be made available by the local authorities, further and higher education institutions, and community and voluntary organisations.

Measure 3.5 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment, the Learning and Skills Council, the Small Business Service and the South West of England Regional Development Agency. Other co-financing will be made available by the local authorities, further and higher education institutions, and community and voluntary organisations. .

Measure 3.6 is supported by ERDF. Significant co-financing will be made available through the Department for Education and Employment. Other co-financing will be made available by the local authorities, further and higher education institutions, and community and voluntary organisations. .

INDICATORS AND TARGETS

The key outputs, results and impacts for the Priority are detailed below. The targets will be capable of disaggregation and aggregation to co-incide with the Objective 3 CSF targets.

PRIORITY 3: DEVELOPING PEOPLE – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of active labour market beneficiaries	26,000
Number of young people unemployed for less than 6 months assisted	7,250
Number of adults unemployed for less than 12 months assisted	21,000
Number of employees trained as part of adaptability	19,000
Number given enterprise training	2,000
Number of lifelong learning beneficiaries	11,000
Number of people trained from excluded groups	12,000
Number of women trained to increase participation	4,000
Results	
Active labour market beneficiaries securing a qualification	30%
Active labour market beneficiaries securing employment	40%
Active labour market beneficiaries securing a positive outcome	70%
Employees trained securing a qualification	40%
Lifelong learning beneficiaries securing a qualification	60%
People trained from excluded groups securing a qualification	30%
People trained from excluded groups securing employment	30%
People trained from excluded groups securing a positive outcome	40%
Impact	
Net additional jobs	4,607
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

Project Baseline Data

Project sponsors will be required to report on progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported – ie, other indicators will be additional, and cannot be used to substitute for core indicators.

Project sponsors will be required in the Priority to provide the following base information in relation to SMEs:

1. Location of company;
2. Size in terms of employment numbers and turnover;
3. Gender breakdown of the workforce;
4. Sectoral activity (using SIC codes).

Project sponsors will be required in the Priority to provide the following base information in relation to individuals:

1. Age and gender;
2. Status of beneficiary prior to support (unemployed, employed);
3. Postcode residential address.

MEASURE 3.1: ACTIVE LABOUR MARKET POLICIES

Objective

The objective of the measure is:

‘To improve the employment prospects of unemployed or other economically inactive people, returners to the labour market and young people through the provision of appropriate actions including guidance and support to improve their employability and vocational skills’.

Indicative Financial Allocations

MEASURE 3.1: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	41.300	15.808	25.492	-

Eligible Activities

Activities under this measure will support national active labour market policies. They will enhance and expand national programmes and provide support for additional activities which address the special needs of Cornwall and Scilly. Relevant national policies include Job Seekers Allowance National Traineeships, New Deals, Work Based Training for Adults, Modern Apprenticeships, the National Childcare Strategy.

Support will be available for:

1. The provision of careers information, advice, guidance and support for job-seeking skills;
2. The development of basic and intermediate skills and improving attainment levels among young people and adults;
3. Activities aimed at individuals, to support them in making informed choices and taking up training and employment opportunities.

Additional support will be available to address specific barriers to participation in activities supported under this measure; for example, dependent and childcare costs.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Employment Service, Learning and Skills Council, South West of England Regional Development Agency, local authorities, further and higher education institutions, and voluntary and community organisations.

Target Beneficiaries

This measure will provide support to young people aged 16-24 unemployed for less than 6 months and those over 25 who have been unemployed for less than 12 months. These groups are a priority, although jobless people and those unemployed for more than 6 months and more than 12 months in the relevant age bands will be eligible for support.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

Quantified targets for outputs, results and impacts for Measure 3.1 are presented below.

MEASURE 3.1: ACTIVE LABOUR MARKETS – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of active labour market beneficiaries	26,000
Number of young people unemployed for less than 6 months assisted	6,000
Number of adults unemployed for less than 12 months assisted	16,500
Percentage of beneficiaries completing their courses	60%
Percentage working towards a qualification	40%
Results	
Active labour market beneficiaries securing a qualification	30%
Active labour market beneficiaries securing employment (on leaving and after 6 months)	40%
Percentage positive outcomes on leaving (and at 6 months)	70%
Percentage moving into self-employment	5%
Impact	
Number of unemployed in work after ESF support net of deadweight	3,120
All beneficiary details will be disaggregated by gender	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 3.2: LEARNING FOR COMPETITIVE BUSINESS AND FOR ENTERPRISE – ADAPTABILITY AND ENTREPRENEURSHIP

Objectives

The objectives of this measure are:

- To improve the competitiveness of SMEs through development and upskilling of the workforce in established SMEs and the availability of appropriately trained and qualified labour through the provision of skills training linked to known or anticipated labour market needs**
- To increase the number and quality and improve the durability of new start businesses**

Indicative Financial Allocations

MEASURE 3.2: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	50.994	18.971	23.898	8.125

Eligible Activities

Support will be available for:

- Promotion, advocacy and awareness-raising actions to increase SMEs and individuals' commitment to training, professional development and lifelong learning;
- Feasibility studies and research projects and labour market assessments; sectorally based anticipation activities, including training needs analyses, benchmarking, company-based skills reviews and HRD planning;
- Development of new training packages and guidance material, including new methods of delivery;
- Career advice, information, guidance and counselling to those in employment;
- Support for the improvement of basic skills and vocational training;

6. Development and enhancement of education/business links, partnerships and other activities aimed specifically at young people;
7. Development of appropriate promotional and entrepreneurship learning materials, including material for use in schools and with young people; provision of grants, allowances and training to support individuals becoming self-employed or starting up in business, including on-going mentoring support;
8. Support for capacity building of social partners;
9. Support for the recruitment and training of new employees.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Small Business Service, South West of England Regional Development Agency, Learning and Skills Council, local authorities, further and higher education institutions, business and economic development organisations and the private sector.

Target Beneficiaries

This measure will provide support to those in employment, those recently or about to be recruited by employers, and those seeking to start up in business.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 3.2: ADAPTABILITY AND ENTREPRENEURSHIP – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Numbers of people trained as part of adaptability	19,000
Numbers given enterprise training	2,000
Numbers of beneficiaries getting self-employment help	1,600
Number of school students provided with enterprise guidance/support	1,000
Number of companies helped	1,500
Number of employees helped (given ESF training)	15,000
Number of trainers trained	100
Percentage working towards a qualification	50%
Number of new learning/promotional materials produced	10
Number of research/labour market analysis projects	20
Results	
Numbers securing a qualification	40%
Survival rate of self-employment at 18 months	70%
Impact	
Net additional jobs	Tba
Net number of new businesses running after 18 months	Tba
Net number of jobs safeguarded by ESF support	Tba
Net number of jobs created through support for self-employment	Tba
All beneficiary details will be disaggregated by gender	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 3.3: LIFELONG LEARNING

Objective

The objective of this measure is:

‘To enable young people and adults to continue to develop their knowledge and skills throughout their lives’

Indicative Financial Allocations

MEASURE 3.3: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	28.687	11.066	12.746	4.875

Eligible Activities

Activities under this measure will support the national policy of Lifelong Learning and will contribute towards the achievement of the National Learning Targets, providing additional support, where necessary, to address the specific needs of Cornwall and Scilly. Relevant national initiatives include Business Education Links, Employee Development Schemes, Individual Learning Accounts, Investors in People, Community Access To Lifelong Learning, and the University for Industry.

Support will be available, inter alia, for:

1. Activities to promote the concepts of lifelong learning to individuals, employers and communities at large, and measures to implement them;
2. Support for research, identification and dissemination of good practice with regard to lifelong learning;
3. Activities to increase the flexibility of learning provision;
4. Support for strengthening the links between educational establishments and employers;
5. Measures to upgrade the skills and educational attainment levels of individuals, in accordance with the changing demands of a knowledge-based economy; and
6. Support for special measures to improve access to and widen the range of higher level learning opportunities.

Additional support will be available to address specific barriers to participation in activities supported under this measure; for example, dependant and childcare costs.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Employment Service, Learning and Skills Council, South West of England Regional Development Agency, local authorities, further and higher education institutions, business and economic development agencies, and voluntary and community organisations.

Target Beneficiaries

This measure will provide support to residents of Cornwall and Scilly, with an emphasis on the recently unemployed, disabled people, those in and out of employment who lack basic skills, those in and out of employment who have low level skills, those less likely to think about or undertake further learning, those with low incomes - especially unskilled workers, employers involved in improving skills, and small firms who are at greater risk from change.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly

Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 3.3: LIFELONG LEARNING – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of companies assisted	500
Numbers participating	11,000
Number of young people unemployed for less than 6 months assisted	500
Number of adults unemployed for less than 12 months assisted	2,000
% of women receiving support	50%
Percentage working towards a qualification	60%
Number of research/labour market analysis projects	20
Number of trainers trained	100
Number of capacity building projects	20
Results	
Percentage completing their courses	70%
Percentage of leavers gaining a qualification	40%
Percentage in work or further study on leaving (and at 6 months)	60%
Impact	
Net additional jobs	Tba
Net increase in participation in lifelong learning from ESF support	Tba
Contribution of ESF to NTET	Tba
All beneficiary details will be disaggregated by gender	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 3.4: PROMOTING SOCIAL INCLUSION

Objective

The objective of this measure is:

‘To identify and overcome barriers that exclude individuals from learning and employment opportunities’.

Indicative Financial Allocations

MEASURE 3.4: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	39.707	15.809 ¹	23.898	-
¹ A sum of 1 meuro, equivalent to 1% of the ESF Programme allocation will be made available for a local social capital sub-measure implemented via a global grant system as per the Regulations				

Eligible Activities

This measure will provide resources to national schemes relevant to the situation in Cornwall and Scilly as well as to locally designed and managed initiatives. This will include Employment Zones, New Deal For 50 Plus; New Deal for 25+, New Deal for Communities; New Deal For Lone Parents; New Deal For The Disabled; Youth Support Service and specialist support provided by the Employment Service.

Activities eligible for support in this measure will include, inter alia:

1. Feasibility studies and research projects and labour market assessments aimed at identifying constraints and barriers to employment for target groups, and identifying solutions/new actions which could increase employment and participation rates;
2. Intensive support to enable target groups to reach basic skill and employability levels, pre-entry training;
3. Integrated packages to meet the needs of particular groups;
4. Customised training, tailored to the needs and circumstances of the individual, including mentoring, and
5. Capacity building.

Support will also be provided for related activities which remove barriers to excluded groups from taking up opportunities provided by this measure, including support for childcare.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Employment Service, Learning and Skills Council, South West of England Regional Development Agency, local authorities, further and higher education institutions, and voluntary and community organisations.

Target Beneficiaries

This measure will provide support to disadvantaged groups in the labour market, including the long-term unemployed; older people who have difficulty securing employment; people with disabilities; young people who have difficulty securing employment; people with learning, numeracy and literacy problems; lone parents; carers; returners to the labour market who have difficulty securing employment; homeless; refugees. Support will also be made available to target young people in danger of exclusion, or who have already become disengaged, including those aged 14 plus who are still in the formal education system i.e. still at school.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 3.4: PROMOTING SOCIAL INCLUSION – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of beneficiaries	12,000
Number participating in vocational training	6,000
Number of young people unemployed for less than 6 months assisted	500
Number of adults unemployed for less than 12 months assisted	1,500
% of women receiving support	50%
Number of trainers trained	200
Percentage working towards a qualification	40%
Number of capacity building projects	50
Number of research projects	20
Results	
People trained from excluded groups securing a qualification	30%
Percentage of positive outcomes on leaving (and at 6 months)	40%
Percentage in work on leaving (and at 6 months)	35%/30%
Percentage moving into self-employment	2%
Impact	
Net additional jobs	Tba
Number in work 6 months after ESF support (net of deadweight)	Tba
All beneficiary details will be disaggregated by gender	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

LOCAL SOCIAL CAPITAL

In line with Article 4.2 of the ESF Regulation (EC) No 1262/99, small grants will be made available to groups with little or no experience of ESF funding. Global grants will be made available to intermediary bodies to fund small organisations or individuals, in order to achieve one or more objectives of the programme. Small organisations funded will be given 100% support, with the necessary co-financing provided by the intermediary body.

The operational arrangements for the global grant and selection of intermediary bodies will follow the procedures developed for the English Objective 3 Operational Programme. The aim of the local Social Capital Fund will be to develop the competence of organisations and individuals to access ESF support from the mainstream measures. Targets will be set by the Programme secretariat for each global grant awarded.

The Cornwall and Scilly Objective 1 Programme will, in the first instance, make 1.0 meuro of ESF available for the Local Social Capital fund, but this may be increased by the PMC pending early progress and/or the results of the Interim Evaluation.

MEASURE 3.5: INCREASING THE PARTICIPATION OF WOMEN

Objectives

The objectives of this measure are:

1. **To improve the participation of women in the labour market by providing specialist support to overcome specific gender-related barriers to entry to employment/self-employment and learning opportunities.**
2. **To reduce vertical and horizontal gender segregation in the labour market through increasing the number of employers adopting active equal opportunities strategies and family-friendly policies.**

This measure provides specific monies to projects which contribute to the aim of increasing the participation of women in Cornwall and Scilly. The promotion of equal opportunities is also one of three cross cutting priorities, although no monies have been allocated. The detailed implementation of the equal opportunities cross-cutting priority is outlined in the following section.

Indicative Financial Allocations

MEASURE 3.5 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	14.290	6.324	7.966	-

Eligible Activities

Activities under this measure will complement the National Childcare Strategy, providing additional support, where necessary, to address the specific needs of Cornwall and Scilly.

Support will be available, inter alia, for:

1. Research projects related to barriers to equal opportunities;
2. Provision of career information, advice and guidance aimed at increasing women's participation;
3. Vocational training in sectors and occupations where women are under-represented;
4. Special measures to address specific gender-related barriers to access to learning and employment opportunities;
5. Specialist support to employers to develop equal opportunity and family-friendly strategies, policies and practices;
6. Financial incentives to employers to train women in sectors/occupations where they are under-represented, including where appropriate special arrangements for child and dependent care.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Learning and Skills Council, South West of England Regional Development Agency, Small Business Service, local authorities, further and higher education institutions, voluntary and community organisations and the private sector..

Target Beneficiaries

This measure will provide support to women.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

Quantified targets for outputs, results and impacts are presented below.

MEASURE 3.5: INCREASING THE PARTICIPATION OF WOMEN – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of beneficiaries	4,000
% of women beneficiaries	100%
Number of young people unemployed for less than 6 months assisted	250
Number of adults unemployed for less than 12 months assisted	1,000
Number of SMEs assisted	300
Percentage of projects offering childcare support	100%
Number of research projects	10
Results	
Number of women securing employment/higher level employment	3,000
Percentage of positive outcomes for women	80%
Percentage of parents with children under 5 in work 6 months after ESF	50%
Percentage of women setting up in business	10%
Percentage of women trained in non-traditional occupation	30%
Impact	
Net additional jobs	Tba
Net percentage increase in female labour market participation of beneficiaries after ESF support	Tba
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 3.6: INFRASTRUCTURE FOR LEARNING

Objective

The objective of this measure is:

‘To provide appropriate facilities, infrastructure and support which complements the training and HRD activity in the remainder of Priority 3 ‘.

Indicative Financial Allocations

MEASURE 3.6 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	15.997	7.997	8.000	-

Eligible Activities

Support will be available, inter alia, for:

1. The provision of new and enhanced vocational training facilities, aimed particularly at the needs of the labour market;
2. Enhancement and development of ICT facilities, including associated equipment and materials, for the delivery of IT, multimedia and related training and support;
3. Provision of a managed network and common learning platform and protocol to support training and skills development;
4. Conversion and enhancement of existing buildings and facilities to enable community access to training and guidance, careers advice and employment information;

5. Development of facilities and equipment, including ICT local access infrastructure, which enable the delivery of training and related HR support at locations and times to suit the needs of individuals and SMEs;
6. Provision of facilities for childcare, and care of other dependants, where this facilitates access to training, education or learning opportunities;
7. Provision of infrastructure and facilities, with associated revenue support, to encourage the participation of disadvantaged groups in the labour market.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, further and higher education institutions, voluntary and community organisations and the private sector.

Target Beneficiaries

This measure will provide support to public and private sector organisations to provide new facilities that will benefit the residents and businesses of Cornwall and Scilly.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The extent to which new centres provide facilities not available elsewhere in the Programme area;
2. The extent to which new facilities and premises specifically target sectors identified as a priority in Measure 1.6;
3. The extent to which new facilities are required to contribute to the objectives of the Developing People Priorities and measures.

Measure Targets

Quantified targets for outputs, results and impacts for Measure 3.6 are presented below.

MEASURE 3.6: INFRASTRUCTURE FOR LEARNING – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
New/up-graded facilities provided	10
Results	
Increase training capacity	Tba
Impact	
Net additional jobs	Tba
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

PRIORITY 4: COMMUNITY ECONOMIC DEVELOPMENT AND RURAL SECTORAL ADJUSTMENT

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

SUB - PRIORITY: COMMUNITY ECONOMIC DEVELOPMENT

The measures which will help meet the strategic objective are:

Measure 4.1: Community Economic Development (ERDF capital and revenue);

Measure 4.2: Area Based Pathways To Employment (ESF).

KEY BASELINE DATA

The Table below identifies the key baseline data for this Priority. In the case of sectorally focussed work, the baseline will be determined when a sector is prioritised for intervention. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 4: COMMUNITY ECONOMIC DEVELOPMENT – KEY BASELINE DATA			
	Value	Year	Source
Number of residents in targeted areas ¹	Tba		Cornwall County Council
Number of people employed in targeted areas ¹	Tba		AES
Number of people unemployed in target areas ¹	Tba		Claimant Count
¹ Dependent on PMC confirmation of targeted areas			

FINANCIAL ALLOCATIONS

Priority Financial Allocations

The following Table indicates the financial allocation at the Priority level.

PRIORITY 4: COMMUNITY ECONOMIC DEVELOPMENT – SUMMARY FINANCIAL TABLE (MEUROS)					
	Total Costs	EU		UK Public	Private
		ERDF	11.145	11.148	-
		ESF	7.997	8.000	-
		EAGGF	-	-	-
		FIFG	-	-	-
Total	38.290		19.142	19.148	-

Indicative Measure Financial Allocations

PRIORITY 4: INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 4.1	22.293	11.145	11.145	-	-	-	11.148	-
Measure 4.2	15.997	7.997	-	7.997	-	-	8.000	-
Total	38.290	19.142	11.145	7.997	-	-	19.148	-

Indicative Annual Spend (EU resources)

PRIORITY 4: INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
	2000	2001	2002	2003	2004	2005	2006	total	
Measure 4.1 ERDF	2.061	1.672	1.783	1.672	1.226	1.417	1.314	11.145	
Measure 4.2 ESF	1.227	1.205	1.182	1.159	1.026	1.106	1.092	7.997	
Total	3.288	2.877	2.965	2.831	2.252	2.523	2.406	19.142	

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, the Small Business Service and Learning and Skills Council, and local agencies including the local authorities, voluntary and community groups and local business and economic development agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 4.1 is supported by ERDF. Significant co-financing will be made available through the South West of England RDA, the local authorities, voluntary and community groups and business and economic development agencies.

Measure 4.2 is supported by ESF. Significant co-financing will be made available through finance provided by the Department for Education and Employment, the Learning and Skills Council, the South West of England Regional Development Agency, the local authorities, community and voluntary groups, further education institutions and business and economic development agencies.

INDICATORS AND TARGETS

PRIORITY 4: COMMUNITY ECONOMIC DEVELOPMENT – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of people trained	2,000
Number of people provided with guidance	2,000
Number of micro-businesses supported	500
Number of community enterprises established	30
Area of workspace provided	7,000m ²
Learning centres improved/established	5
Environmental improvements undertaken	20
Number of transport initiatives supported	6
Results	
Gross Direct Jobs Safeguarded ¹	330
Gross Direct Jobs Created ¹	300
Gross Sales Safeguarded	£16.6m
Gross Additional Sales	£15.0m
Beneficiaries securing a VQ (or module towards a VQ)	1,200
Beneficiaries securing employment	600
Beneficiaries securing a positive outcome	1,200
Impact	
Net Additional Jobs Safeguarded ¹	127
Net Additional Jobs Created ¹	115
Net Additional GDP Safeguarded	£1.9m
Net Additional GDP Created	£1.7m
Residents securing employment	900

[†] All jobs are Full Time Equivalents (FTEs)
 Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement

Project Baseline Data

Project sponsors will be required to report on progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported – ie, other indicators will be additional, and cannot be used to substitute for core indicators.

Project sponsors will be required in the Priority to provide the following base information:

1. Number of residents in designated areas;
2. Numbers unemployed in designated area;
3. Employment profile in designated areas;
4. Brief profile information e.g. number of schools, community centres.

MEASURE 4.1: COMMUNITY ECONOMIC DEVELOPMENT (ERDF)

Objective

The Objective of this Measure is:

‘To provide employment and income-generating opportunities for those communities where deprivation is geographically concentrated’.

Indicative Financial Allocations

MEASURE 4.1: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	22.293	11.145	11.148	-

Eligible activities

This is a capital and revenue Measure.

Revenue support will be available for:

1. Feasibility and research studies into the problems and solutions for designated areas and the development of implementation/action plans;
2. Support for animateurs and other support staff necessary to help undertake community regeneration activities, based on the LEADER and (where relevant) URBAN models;
3. Support for childcare and transport services where the lack of these act as a barrier to people accessing training and employment opportunities;
4. Support for increased access to ICT and the development of related skills;
5. Operating costs associated with the provision of services provided through and from ERDF supported facilities;
6. Specialist support for community enterprises and social economy enterprises, including animateurs and mentors, grants and loans, and relevant business advice and guidance.
7. Revenue costs associated with the management and provision of services providing an integrated approach to health, education, social services, crime prevention and community development.

Capital support will be available for:

1. Support for the development of the public transport system to link residents of target areas to centres of employment and learning where the market will not provide appropriate services, or where pump-priming is required to develop new services;

2. The provision of community facilities for the delivery of advisory, guidance, training, employment and enterprise services;
3. Small scale workshops and business space, the improvement of key sites/centres within targeted settlements, where environmental and other improvements are clearly linked to a regeneration plan; and
4. Support for facilities providing an integrated approach to health, education, social services, crime prevention and community development.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, the Small Business Service, community and voluntary groups and the private sector.

Target Beneficiaries

This measure, and Measure 4.2, will provide support to the residents of the most disadvantaged areas in Cornwall, covering up to a maximum of 12% of the population. The initial wards designated are those indicated in the Single Programming Document – Penwerris, Penzance West, Penzance East, Camborne North, St Ives North, Camborne West, Illogan South, Redruth North, Penzance Central, Bude and Ploughill, Camborne South. The PMC will review the designated wards at the interim stage using information from the 2001 Census of Population.

Support will be primarily made available to local partnerships after appraisal and approval of a CED Implementation Plan. The ultimate beneficiaries will be the residents of the target areas.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The quality of the CED Implementation Plan;
2. The extent to which resources are concentrated on the most disadvantaged sections of eligible areas;
3. The inclusiveness of the partnership, and the active involvement of the community in the implementation of the Plan;
4. The likelihood of support securing employment for residents of the target area, or moving individuals closer to a return to the labour market.

Measure Targets

MEASURE 4.1: COMMUNITY ECONOMIC DEVELOPMENT (ERDF) – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of micro-businesses supported	500
Number of community groups supported	50
Number of community enterprises established	30
Area of workspace provided	7,000m ²
Learning centres improved/established	5
Number of community facilities provided/improved (non learning)	5
Environmental improvements undertaken	20
Number of transport initiatives supported	6
Results	
Number of residents benefitting from support	3,000
Gross Direct Jobs Safeguarded ¹	330
Gross Direct Jobs Created ¹	300
Gross Sales Safeguarded	£16.6m

Gross Additional Sales	£15.0m
Impact	
Net Additional Jobs Safeguarded ¹	127
Net Additional Jobs Created ¹	115
Net Additional GDP Safeguarded	£1.9m
Net Additional GDP Created	£1.7m
Number of residents securing employment	500
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 4.2: AREA BASED PATHWAYS TO EMPLOYMENT (ESF)

Objective

The objective of this measure is:

'To facilitate the re-entry to the labour market of those out of work in targeted areas through integrated and locally based regeneration plans'.

Indicative Financial Allocations

MEASURE 4.2: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 - 2006	15.997	7.997	8.000	-

Eligible Activities

This Measure will provide revenue support. Support will be available for:

1. Capacity building for social partners, community and voluntary organisations, and those involved in the social economy;
2. Feasibility studies and research projects;
3. Provision of careers information, advice, guidance for residents;
4. Development of training materials and new methods of delivery, for example, on-line, for the benefit of local residents;
5. Development of key transferable skills, for example, literacy, numeracy, ICT; vocational training/reskilling including work-related experience and mentoring; particularly, but not exclusively for social enterprise/co-operative development for disadvantaged groups;
6. Work with young people, including school students in order to secure a good start to working life for all.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Learning and Skills Council, the South West of England Regional Development Agency, local authorities, community and voluntary organisations, further education institutions, business development organisations and economic development agencies.

Target Beneficiaries

This measure will provide support to residents of the target areas.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 4.2: AREA BASED PATHWAYS TO EMPLOYMENT – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of beneficiaries	4,000
Number of young people unemployed for less than 6 months assisted	200
Number of adults unemployed for less than 12 months assisted	1,000
% of women receiving support	50%
Number of people trained	2,000
Number of people provided with guidance	2,000
Number of trainers trained	80
Number of capacity building projects	56
Results	
% working towards a qualification ¹	1,200 (30%)
% moving into self employment ¹	120 (3%)
% in work on leaving ¹	600 (15%)
% securing a positive outcome ¹²	1,400 (35%)
Impact	
Residents securing employment, still in employment 2 years after support has ended	400
Number of unemployed in work after ESF support (net of deadweight)	300
¹ Includes those trained and those provided with guidance i.e. 4,000 beneficiaries in total ² Includes those given support taking up other training or employment opportunities Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

SUB PRIORITY: RURAL STRUCTURAL ADJUSTMENT

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand both why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

The Measures are:

- Measure 4.3: Investment in Agricultural Holdings – Energy Crops (EAGGF)
- Measure 4.4: Training (EAGGF)
- Measure 4.5: Forestry (EAGGF)
- Measure 4.6: Promoting the Adaptation and Development of Rural Areas (EAGGF)
- Measure 4.7: Structural Adjustment in Fisheries (FIFG)
- Measure 4.8: Community Regeneration (ERDF capital and revenue)

KEY BASELINE DATA

The Table overleaf identifies the key baseline data for this Priority. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 4: SUB-PRIORITY: RURAL SECTORAL ADJUSTMENT			
	Value	Year	Source
Number of Agricultural Businesses – VAT based	3,830	1997	IDBR
Number of people employed in agriculture	15,251	1998	Agricultural and Horticulture Census
Number employed in agriculture (excluding casual labour)	12,965	1998	Agricultural and Horticulture Census
Number of people employed in fishing	5,650	1996	Cornwall Sea Fisheries Office
Number of fishing businesses	388	1998	IDBR
Number of people employed in IAP ¹	tba		AES
Number of people unemployed in IAP ¹	tba		Claimant Count
¹ Dependent on PMC confirmation of Integrated Area Plan areas			
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement			

FINANCIAL ALLOCATIONS

The following Table indicates the financial allocation at the Priority level.

PRIORITY 4: RURAL STRUCTURAL ADJUSTMENT– SUMMARY FINANCIAL TABLE (MEUROS)					
	Total Costs	EU		UK Public	Private
		ERDF	31.842	31.842	-
		ESF	-	-	-
		EAGGF	40.987		
		FIFG	16.995		
Total					

Indicative Measure Financial Allocations

PRIORITY 4 : INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 4.3-6		40.987	-	-	40.987	-		
Measure 4.7		16.995				16.995		
Measure 4.8		31.842	31.842	-	-	-	31.842	
Total		89.824	31.842	-	40.987	16.995		

Indicative Annual Spend (EU resources)

PRIORITY 4: INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)								
	2000	2001	2002	2003	2004	2005	2006	total
Measure 4.3-6 EAGGF	7.583	6.148	6.558	6.148	4.509	5.209	4.832	40.987
Measure 4.7 FIFG	3.145	2.549	2.719	2.549	1.869	2.160	2.004	16.995
Measure 4.8 ERDF	5.891	4.776	5.095	4.776	3.503	4.047	3.754	31.842
Total	16.619	13.473	14.372	13.473	9.881	11.416	10.590	89.824

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, the Small Business Service and Learning and Skills Council, and local agencies including the local authorities and local business and economic development agencies. Co-financing will also be made available by environmental agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 4.3 is supported by EAGGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the Countryside Agency, English Nature, the private sector and business and economic development agencies.

Measure 4.4 is supported by EAGGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the Learning and Skills Council, the private sector and business and economic development agencies.

Measure 4.5 is supported by EAGGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the Forestry Commission, Countryside Agency, private sector and business and economic development agencies.

Measure 4.6 is supported by EAGGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the South West of England Regional Development Agency, the Countryside Commission, English Nature, the local authorities, voluntary and community groups, the private sector and business and economic development agencies.

Measure 4.7 is supported by FIGF. Significant co-finance will be made available by the Ministry of Agriculture Fisheries and Food. Other co-financing will be made available by the private sector and business and economic development agencies.

Measure 4.8 is supported by ERDF Significant co-financing will be made available by the South West of England RDA, the local authorities, business and economic development agencies, community and voluntary groups and the private sector.

INDICATORS AND TARGETS

The key outputs, results and impacts for the Rural Structural Adjustment element of the Priority are detailed below. The results of Priority Level actions are presented against gross sales and gross additional jobs indicators.

PRIORITY 4: RURAL STRUCTURAL ADJUSTMENT – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of agricultural, forestry and other rural enterprises assisted	3,870
Area of workspace provided	20,000m ²
Learning centres improved/established	8
Business facilities improved/ created	10
Key centres/ locations improved	20
Environmental improvements undertaken	20
Results	
Gross Direct Jobs Safeguarded ¹	3,530
Gross Direct Jobs Created ¹	2,260
Gross Sales Safeguarded	£94m
Gross Additional Sales	£43.315m
Impact	
Net Additional Jobs Safeguarded ¹	1,620
Net Additional Jobs Created ¹	866
Net Additional GDP Safeguarded	£7.2m
Net Additional GDP Created	£3.2m
Note: For FIGF indicators and targets see following pages	
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

Project Baseline Data

Project sponsors will be required to report on progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported – ie, other indicators will be additional, and cannot be used to substitute for core indicators.

Project sponsors will be required in the Priority to provide the following base information:

1. Number of residents in designated areas;
2. Numbers unemployed in designated areas;
3. Employment profile in designated areas;
4. Brief profile information e.g. number of schools, community centres.

MEASURE 4.3 INVESTMENT IN AGRICULTURAL HOLDINGS - ENERGY CROPS (MISCANTHUS)

Objective

The objective of this measure is:

'To encourage the growing, and use, of energy crops on a sustainable basis'

Indicative Financial Allocations

MEASURE 4.3-6 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	EAGGF	UK Public	Private
2000 – 2006	4.12	1.58	1.58	0.96

Eligible activities

Aid will be provided for:

1. On-farm investment to continue the development of Miscanthus as an energy crop and for other uses. This will include feasibility studies, commercial establishment, harvesting and on-farm processing.

Growers must demonstrate that an appropriate and viable end use exists. Farm businesses will have to demonstrate economic viability to be eligible for support. (Planting of short rotation coppice (eg willow) on non-agricultural land will be supported by Measure 4.5. Planting of SRC on agricultural land will be supported by the nationally implemented Energy Crops Scheme).

Note: In implementing Measure 4.3, support will be given for the provision of professional facilitation for project application preparation.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include business development organisations, economic development agencies, and the private sector (for example, co-operatives, limited companies, sector groups managing 'umbrella' projects).

Target Beneficiaries

Support will be available to agricultural holdings which can demonstrate economic viability; which comply with minimum standards regarding the environment, hygiene and animal welfare; and where the farmer possesses adequate occupational skill and competence; and to those providing facilitation, technology transfer and management of delegated grant schemes.

Measure Selection Criteria

The measure selection criteria have been designed to be integrated with the project assessment system developed for the England Rural Development Plan. This system will be used in the Objective 1 Programme, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

The Measure criteria ('regional fit') are:

1. To what extent will the project improve the net income of the farmers growing the Miscanthus
2. To what extent will the project provide other benefits (eg environmental) or spin-offs for other enterprises
3. Will the project encourage the growing and use of the energy crops on a sustainable basis

Further information and guidance are given in accompanying Annexes EAGGF1 and EAGGF2

Measure Targets

MEASURE 4.3: ENERGY CROPS – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of agricultural enterprises assisted	120
Additional area of Miscanthus established (hectares)	700
Additional tonnage (odt) of Miscanthus produced per annum	8,400
Results	
Gross Direct Jobs Safeguarded	80
Gross Direct Jobs Created	10
Gross Additional Sales	£315,000
Impact	
Net Additional Jobs Safeguarded	40
Net Additional Jobs Created	5
Net Additional GDP Created	£35,000

MEASURE 4.4 TRAINING

Objective

The objective of this measure is:

'To facilitate re-structuring and sustainable, competitive development in agriculture and forestry by developing vocational and management skills including those concerning ICT'.

Indicative Financial Allocations

MEASURE 4.4 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	EAGGF	UK Public	Private
2000 – 2006	16.470	6.310	6.310	3.850

Eligible Activities

Vocational training for farmers and others involved in agricultural and forestry activities to improve their capacity and competence in:

-
1. The restructuring and diversification of businesses;
 2. Conservation, maintenance and enhancement of the environment, animal welfare and hygiene standards;
 3. Farm business management and planning marketing and customer care;
 4. ICT skills;
 5. The application of forest management practices to improve the economic, ecological or social functions of forests;
 6. Traditional crafts;
 7. Innovation; Initiative, leadership and facilitation skills;
 8. Skills related to the food chain and related processing activities

Targeted assistance for women in agriculture, to further enhance their role in the industry and rural communities (eg, developing entrepreneurial and ICT skills).

Examples of eligible actions include:-

- vocational training delivered in the workplace
- short training courses delivered away from the workplace
- provision of practical experience (where not otherwise provided) for people undertaking or completing formal education to enhance employability
- workshops or other briefing fora
- demonstration farm activities
- farm business risk analysis
- training needs assessment
- development and maintenance of training materials
- development and maintenance of local / community based training facilities
- trainee assessment and testing processes
- provision of instructors
- management and quality control of delivery mechanisms
- provision of farm relief to facilitate training

Note: In implementing Measure 4.4, support will be given for the provision of professional facilitation for project application preparation.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include further education establishments, local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, and the private sector.

Target Beneficiaries

Support will be available to farmers and others involved in agricultural, forestry, environmental, and related activities, and in diversification into new enterprises; instructors, training providers and assessors; organisations and individuals involved with the preparation, organisation and delivery of

training; including targeted assistance for women, to further enhance their role in the industry and rural communities (eg, developing entrepreneurial and ICT skills).

Measure Selection Criteria

The measure selection criteria have been designed to be integrated with the project assessment system developed for the England Rural Development Plan. This system will be used in the Objective 1 Programme, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

The Measure criteria ('regional fit') are:

To what extent will the project contribute towards the broadening and improvement of skills in the agriculture and forestry industries

What contribution does the project make to the delivery of the cross cutting themes ie equal opportunities, ICT, environment

Will the project facilitate sustainable re-structuring and competitive development in agriculture and forestry

Further information and guidance are given in accompanying Annexes EAGGF1 and EAGGF2

Measure Targets

MEASURE 4.4: TRAINING – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of agricultural and other rural enterprises assisted	2,000
Number of people trained	5,000
Results	
Number of beneficiaries gaining a qualification	1,800
Number of women enhancing their role in the industry through training	1,600
Gross Direct Jobs Safeguarded	tba
Gross Sales Safeguarded	£9m
Gross Additional Sales	£9m
Impact	
Net Additional Jobs Safeguarded	Tba
Net Additional GDP Safeguarded	Tba
Net Additional GDP Created	Tba

MEASURE 4.5 FORESTRY

Objective

The objective of this measure is:

'To bring more existing woodland into sustainable management with environmental gains by improving economic returns from timber, recreation and other opportunities; and to facilitate new woodland in appropriate areas.'

Indicative Financial Allocations

MEASURE 4.5 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)

	Total Costs	EAGGF	UK Public	Private
2000 – 2006	12.34	4.73	4.73	2.88

Eligible Activities

Support will be available for:

1. Projects to improve sustainable economic returns from estate and farm woodland of all kinds, excluding state owned forests, (eg, by investment to improve and rationalise the harvesting, processing, and marketing of forestry products and promotion of new outlets; certification of woodland linked with marketing initiatives);
2. Investment in tourism and recreation to encourage 'multi-use woodland';
3. Establishment of networks and groups (ie. 'associations of forest holders') to achieve strategic aims;
4. Investment in woodland management to improve economic, ecological and/or social value;
5. Strategic projects to co-ordinate afforestation within defined areas, with clear economic and environmental objectives. Examples of activities funded by this Measure include advice, demonstration, technical transfer and facilitation.;
6. Grants for establishment of woodland and energy crops (short rotation coppice) on **non-agricultural land** (eg. derelict land such as china clay sites) Funding for woodland establishment on agricultural land will come from the Woodland Grant Scheme and Farm Woodland Premium Scheme.

Note: In implementing Measure 4.5, support will be given for the provision of professional facilitation for project application preparation.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Forestry Commission, local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, the private sector (including sector groups managing 'umbrella' projects).

Target Beneficiaries

Support will be available to farmers and others involved in agricultural and forestry activities, including enterprises and individuals involved with harvesting, processing and marketing of forestry products and adding value in other ways (eg. through alternative uses for woodland).

Measure Selection Criteria

The measure selection criteria have been designed to be integrated with the project assessment system developed for the England Rural Development Plan. This system will be used in the Objective 1 Programme, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

The Measure criteria ('regional fit') are:

1. To what extent will the project improve economic returns from Cornish woodland together with environmental gains through improved efficiency in the harvesting, processing and/or marketing of forestry products?
2. To what extent does the project achieve economic and environmental benefits by encouraging the development of multi-use woodland?
3. To what extent will the project bring more existing woodland back into sustainable management?
4. Will the project facilitate new woodland in appropriate areas?

Further information and guidance are given in accompanying Annexes EAGGF1 and EAGGF2

Measure Targets

MEASURE 4.5: FORESTRY – KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of agricultural, forestry and other rural enterprises assisted	250
Number of additional woodland owners supplying produce for new adding value initiatives in the Objective 1 area	100
Results	
Area of new woodland planted on non-agricultural land	300ha
Area of woodland brought under sustainable management	500ha
Gross Direct Jobs Safeguarded	1,000
Gross Direct Jobs Created	500
Gross Sales Safeguarded	Tba
Gross Additional Sales	£5m
Impact	
Net Additional Jobs Safeguarded	500
Net Additional Jobs Created	250
Net Additional GDP Safeguarded	Tba
Net Additional GDP Created	tba

MEASURE 4.6 PROMOTING THE ADAPTATION AND DEVELOPMENT OF RURAL AREAS**Objective**

The objective of this measure is:

To assist farms and related businesses improve viability, with quality business and diversification support, including help for those suffering from stress-related illnesses and assistance to derive economic benefit from the region's environment.'

Indicative Financial Allocations

MEASURE 4.6 : INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	EAGGF	UK Public	Private
2000 – 2006	74.057	28.367	28.380	17.310

Note: All the Article 33 measures will be adopted except:-

- ◆ 1st indent - Land improvement;
- ◆ 2nd indent – Reparcelling;
- ◆ 6th indent - Renovation of villages etc. (to be financed by ERDF measures);
- ◆ 8th indent - Agricultural water resource management;
- ◆ 12th indent - Restoring agricultural production potential damaged by natural disasters
- ◆ 13th indent - Financial engineering (to be financed by ERDF).

Activities described below falling within the scope of the 7th, 9th and 10th indents of Article 33 (diversification, infrastructure directly connected with the development of agriculture, rural tourism and crafts) will not be eligible for financing under ERDF in rural areas. (NB: Sub-titles refer to the RD Reg Article 33 measure indents)

Eligible Activities

Farm relief and farm management services - support for the means to reduce business costs (eg. by establishing machinery, transport and skills sharing, farm relief and management services). Technology transfer and business support to improve viability; including technical and business consultancy, option analysis, feasibility studies and local voucher schemes to forge links with local professionals.

Marketing of quality agricultural products - the exposure of both primary and value added agricultural products to high profile marketing events and strategies; establishing collaborative marketing groups; developing and marketing speciality foods; the development and implementation of market intelligence networks and IT support systems for farmers, growers and processors, including market and consumer research into products and innovative market opportunities, and Technology Transfer applications; the implementation of quality assurance schemes, including traceability systems (eg. electronic identification (EID) of cattle) and improved hygiene controls - eg. HACCP systems; the expertise and technology required to raise product quality; further development of a regional brand(s) (eg. Cornish King) and its wider use across agricultural and horticultural products; establishing or expanding farmers' markets or other outlets for local produce.

Basic services for the rural economy and population - support to combat rural stress such as Rural Stress Information Networks, counselling services, and rural helplines; 'out of school' childcare schemes; car sharing schemes; and ICT links. Projects to co-ordinate assistance targeted at the rural needs of specific areas (eg. as part of Community Regeneration Frameworks, or Integrated Area Plans). This measure is intended to contribute to the facilitation and management structure for such projects, whereas assistance to meet the identified needs of the areas will be mainly drawn from other measures, as appropriate.

Support will be available to diversify the services provided by auction marts.

Diversification of agricultural activities and activities close to agriculture to provide multiple activities or alternative incomes - activities will support diversification, with funding principally distributed to individual holdings through umbrella projects to support activities such as conversion of farmland, woodland, water and buildings to new purposes; sport, recreation, novel livestock and crops, and farm shops. Support for novel livestock and crops will include activities across the supply chain from feasibility studies, to processing and marketing - with clearly identified benefits to producers. Support for equestrian establishments. Proposals directly related to agricultural activities (as a guideline: related to products covered by Annex 1 of the Treaty of Rome) will not be eligible under this Measure.

Development and improvement of infrastructure - assistance will be provided towards the development and improvement of infrastructure directly connected with the development of agriculture, e.g. farm roads, electricity (including renewable energy), mains gas and water supplies aimed at securing the continued viability, and diversification of farms.

Encouragement for tourist and craft activities - activities to further develop, improve and promote rural tourism; upgrading and provision of new accommodation and attractions; group marketing and promotion; activity holidays; and similar measures for rural crafts. Visitor management, including the provision of new or improved permissive access for walkers, cyclists and horse riders; improvements to existing access provision over and above the statutory responsibility of the relevant authority; the promotion of strategic long distance or special interest routes, and links with public transport. Visitor interpretation and information facilities, with particular emphasis on the region's heritage and environment.

Protection of the environment - activities will complement, rather than duplicate, the support available from Agri-environment schemes (e.g. Countryside Stewardship) and may include, inter alia: farm and woodland environmental surveys coupled with business appraisals; environmental work which contributes to the distinctiveness of the Region's natural and historic environment; river, estuary and coastal projects to improve the environment and water quality; projects to address the problem of soil erosion from agricultural land, flooding, pollution and similar adverse effects arising from current farming practice (i.e. not including measures to combat erosion by the sea); capital measures providing added value or addressing locally important aspects; measures to enhance country leisure pursuits.

Note: In implementing Measure 4.6, support will be given for the provision of professional facilitation for project application preparation.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, and the private sector (eg. sector groups managing 'umbrella' projects).

Target Beneficiaries

Support will be available to farmers and others involved in agricultural and forestry activities, and in other eligible activities in the rural economy (eg. environmental work, tourism and diversification).

Measure Selection Criteria

The measure selection criteria have been designed to be integrated with the project assessment system developed for the England Rural Development Plan. This system will be used in the Objective 1 Programme, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision. The Measure criteria are:

1. To what extent does the project encourage the improvement of net income to agricultural businesses through the reduction of overheads and direct costs, and/or through technology transfer and business support
2. To what extent will the project benefit the rural community and its economy by providing or improving services and by facilitating locally developed projects which address community and economic needs
3. To what extent will the project assist farms and related businesses improve viability through diversification, tourist and craft activities, and improved infrastructure
4. To what extent will the project derive economic benefits from sustainable environmental enhancement or protection

Further information and guidance are given in accompanying Annexes EAGGF1 and EAGGF2

Measure Targets

MEASURE 4.6: PROMOTING THE ADAPTATION AND DEVELOPMENT OF RURAL AREAS– KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of agricultural and other rural enterprises assisted	1,500
Results	
Number of businesses establishing or improving alternative enterprises	400
Number of businesses improving net income through cost saving, technology transfer, or business support	1,000
Number of businesses securing viability and/or diversification through improved infrastructure	200
Number of environmental visits or surveys achieving environmental and economic gains	2,200
Area of land subject to measures to reduce soil erosion, flooding or other adverse effects from current agricultural practice	3,000Ha
Gross Direct Jobs Safeguarded	1,200
Gross Direct Jobs Created	800
Gross Sales Safeguarded	£10m
Gross Additional Sales	£4m
Impact	
Net Additional Jobs Safeguarded	600
Net Additional Jobs Created	400
Net Additional GDP Safeguarded	Tba
Net Additional GDP Created	tba

MEASURE 4.8: COMMUNITY REGENERATION

Objective

The objective of this Measure is:

'To regenerate rural, coastal and island communities affected by the long-term decline of primary key sectors through increased local services and community facilities.'

Indicative Financial Allocations

MEASURE 4.8: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	63.684	31.842	31.842	-

Eligible Activities

Support will be available, inter alia, for:

Revenue

1. Feasibility and research studies and the development of Integrated Area Plans;
2. Support for local community staff helping undertake regeneration activities, in towns, rural areas and islands, based on the LEADER model;
3. Specialist support for community enterprises and social economy enterprises, including amateurs and mentors, grants and loans, and relevant business advice and guidance.

Capital

1. Facilities for the delivery of training and enterprise services with pump-priming and revenue support (with associated childcare facilities where required);
2. Development of facilities and equipment, including ICT local access infrastructure, which enables increased access to and the delivery of training; small scale workshops and business space;
3. The improvement of key sites/centres where environmental and other improvements are clearly linked to a regeneration plan; and
4. Support for enhanced communal facilities and infrastructure on the Isles of Scilly, including sewerage, waste management, electricity and telecommunications.

Note: Pump-priming revenue support for the operating costs of new facilities may be available. The costs of services provided by and through new facilities will normally be provided by support under Priority 1 (for SME support) and Priority 3 (for guidance, training and HRD).

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, voluntary and community organisations and the private sector.

Target Beneficiaries

This measure will provide support to those communities not covered by Measures 2.2 (key towns) and will complement measures 4.1 and 4.2 (Community Economic Development Areas).

Support will primarily be made available through an approved Integrated Area Plan, each of which will cover a minimum of three years and a maximum of five years. However, projects may be submitted outside of the Integrated Area Plan, but such projects must have the support of the Plan and should demonstrate the appropriate linkages with the Plan.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The quality of the Intergated Area Plan;
2. The inclusiveness of the partnership, and the active involvement of the community in the implementation of the Plan;
3. The likelihood of support securing employment for residents and businesses of the target area.

Measure Targets

MEASURE 4.8: COMMUNITY REGENERATION- KEY OUTPUTS, RESULTS AND IMPACTS	
Indicator	Target
Outputs	
Number of IAPs supported	8
Area of workspace provided	20,000 sq. m
Learning centres improved/established	8
Business facilities improved/created	10
Key centres/locations improved	20
Environmental improvements undertaken	20
Results	
Gross Direct Jobs Safeguarded ¹	1,250
Gross Direct Jobs Created ¹	950
Gross Sales Safeguarded	£75m
Gross Additional Sales	£25m
Impact	
Net Additional Jobs Safeguarded ¹	480
Net Additional Jobs Created ¹	211
Net Additional GDP Safeguarded	£7.2m
Net Additional GDP Created	£3.2m
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

PRIORITY 5: REGIONAL DISTINCTIVENESS

The rationale and background for the development of Priorities and measures have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD and the information presented in the SPD and Programme Complement both need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

The measures developed to realise the strategic aim and objective are:

Measure 5.1: Securing economic benefits from the arts, cultural and heritage industries (ERDF);

Measure 5.2: Enhancing and developing the public product (ERDF);

Measure 5.3: The knowledge driven region (ERDF);

Measure 5.4: Research and knowledge (ESF).

KEY BASELINE DATA

The Table below identifies the key baseline data for this Priority. In the case of sectorally focussed work, the baseline will be determined when a sector is prioritised for intervention. The baseline data, wherever possible, will be up-dated each year in the Programme Annual Report.

PRIORITY 5: REGIONAL DISTINCTIVENESS – KEY BASELINE DATA			
	Value	Year	Source
Hectares of derelict Land	3,871	1993	D of E
Numbers employed in cultural industries ¹	2,698	1997	AES
Numbers employed in tourism ²	18,359	1997	AES
Numbers employed in environmental industries ³	2,952	1999	South West RDA
Number of buildings with heritage status ⁴	1,267	1998	English Heritage
Number of sites designated by environmental agencies ⁵	297	2000	Cornwall County Council

¹ defined as SIC codes 7440 Advertising, 9231 Artistic and literary creation etc, 9233 Fair and amusement park activities, 9251 Library and archives activities, 9211 Motion picture and video production, 9212, Motion picture and video distribution 9213, Motion picture projection 9232 Operation of arts facilities, 2214, Publishing of sound recordings, 9252 Museum activities etc, 9261 Other sporting activities, 9220 Radio and television activities

² defined as SIC code 55 hotels and restaurants

³ calculated as the estimated number of SW environmental jobs (38,000) apportioned on the basis of Cornwall's total employment share

⁴ these are equivalent to scheduled monuments

⁵ these are SSSIs and Conservation Areas

FINANCIAL ALLOCATIONS

Priority Financial Allocations

The Table below gives the financial allocation to this Priority.

PRIORITY 5: REGIONAL DISTINCTIVENESS– SUMMARY FINANCIAL TABLE (MEUROS)				
	Total Costs	EU	UK Public	Private
		ERDF 91.970	76.000	3.000
		ESF 9.997	11.000	3.000
		EAGGF -	-	-
Total	194.967	101.967	87.000	6.000

Indicative Measure Financial Allocations

PRIORITY 5: REGIONAL DISTINCTIVENESS – INDICATIVE MEASURE FINANCIAL ALLOCATIONS (MEUROS)								
	Total Costs	Total EU	ERDF	ESF	EAGGF	FIFG	UK Public	Private
Measure 1	28.521	14.271	14.271	-	-	-	14.250	-
Measure 2	34.860	17.443	17.443	-	-	-	17.417	-
Measure 3	107.589	60.256	60.256	-	-	-	44.333	3.000
Measure 4	23.997	9.997	-	9.997	-	-	11.000	3.000
Total	194.967	101.967	91.970	9.997	-	-	87.000	6.000

Indicative Annual Spend (EU resources)

PRIORITY 5: REGIONAL DISTINCTIVENESS – INDICATIVE MEASURE FINANCIAL COMMITMENTS (MEUROS)									
		2000	2001	2002	2003	2004	2005	2006	total
Measure 1	ERDF	2.854	1.997	1.998	2.141	1.713	1.855	1.713	14.271
Measure 2	ERDF	3.49	2.442	2.442	2.617	2.092	2.268	2.092	17.443
Measure 3	ERDF	0.507	6.065	7.435	10.076	9.977	13.3	12.896	60.256
Measure 4	ESF	1.533	1.507	1.478	1.449	1.282	1.383	1.365	9.997
Total		8.384	12.011	13.353	16.283	15.064	18.806	18.066	101.967

The Provision of Co-financing

Co-financing for this Priority will be provided by national Government departments, regional agencies such as the South West of England Regional Development Agency, the Small Business Service and Learning and Skills Council, and local agencies including the local authorities and local business and economic development agencies. As each measure contains a mixture of activities, it is not possible to determine the precise amount of co-financing from individual of types of agencies. It is possible to identify for each measure the principle sources of co-financing.

Measure 5.1 is supported by ERDF. Significant co-financing will be made available through the Department of Culture, Media and Sport, the Small Business Service, South West of England RDA, the local authorities, business and economic development agencies, community and voluntary organisations and the private sector.

Measure 5.2 is supported by ERDF. Significant co-financing will be made available through finance provided by the Department of Culture Media and Sports, Lottery Funds, English Nature and English Heritage, and the South West of England RDA. Other co-financing will be made available by the local authorities, business and economic development agencies, community and voluntary organisations, and the private sector.

Measure 5.3 is supported by ERDF. Significant co-financing will be made available through the Department for Education and Employment and the South West of England Regional Development Agency. Other co-financing will be made available by the local authorities, business and economic development agencies and the private sector.

Measure 5.4 is supported by ESF. Significant co-financing will be made available through the Department for Education and Employment, the Small Business Service, the Learning and Skills Council and the South West of England Regional Development Agency. Other co-financing will be made available by the local authorities, further and higher education institutions, business and economic development agencies and the private sector.

INDICATORS AND TARGETS

The key outputs, results and impacts for the Priority are detailed below.

PRIORITY 5: REGIONAL DISTINCTIVENESS – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of centres established	4
Number of ports improved	6
Number of buildings enhanced/improved	10
Number of SMEs assisted (ERDF)	200
Number of people trained	1,500
Results	
Gross Direct FTE Jobs Safeguarded ¹	4,780
Gross Direct FTE Jobs Created ¹	4,515
Gross Sales Safeguarded	£271m
Gross Additional Sales	£290m
Number of ESF beneficiaries gaining a qualification	1,000
Impact	
Net Additional Jobs Safeguarded ¹	1,872
Net Additional Jobs Created ¹	1,802
Net Additional GDP Safeguarded	£43.1m
Net additional GDP created	£41.4m
SMEs assisted total takes account of double counting	
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

Project Baseline Data

Project sponsors will be required to report on progress with regard to output and result targets. While project sponsors may wish to monitor other indicators voluntarily, the indicators presented for each Measure must be reported i.e. other indicators will be additional, and cannot be used to substitute for core indicators.

Project sponsors will be required in the Priority to provide the following base information:

1. Location of company;
2. Size in terms of employment numbers and turnover;
3. Gender breakdown of the workforce;
4. Sectoral activity (using SIC codes).

MEASURE 5.1: SECURING THE BENEFITS FROM THE ARTS, CULTURAL AND HERITAGE INDUSTRIES

Objective

The objective of this Measure is:

'To develop and promote Cornwall and Scilly based on its distinctiveness and encourage the growth of arts, culture and heritage activity thus securing economic advantage for the region'.

MEASURE 5.1: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	28.521	14.271	14.250	-

Eligible activities

This is a capital and revenue measure. Support will be available for:

1. The development of appropriate strategies, business plans including a branding strategy based on regional distinctiveness;
2. Adding value to, and providing an umbrella for, the individual product brands i.e. linking the generic to sector specific promotion, including market research, intelligence and analysis using new technologies, feasibility and technical studies (including design);
3. Promotion and marketing campaigns;
4. The development of supporting information/knowledge systems through the use of ICT;
5. The development of Scillies' distinctiveness with activities as listed above;
6. Services and facilities needed to further develop the sectors, including the provision of specialist research/development facilities and support;
7. Support for the development of sector groups and business development plans, support opportunities for innovation and new thinking and the feasibility of sector specific visions.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Small Business Service, local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, community and voluntary organisations, the private sector, including area and regional Tourist Boards and Bodies.

Target Beneficiaries

Activities supported under this measure must provide benefits to organisations and SMEs in Cornwall and Scilly from the arts, cultural and heritage industries (including tourism).

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The provision of substantive support, clearly able to generate significant benefits for the SME;
2. The extent to which support is directly channelled to the SME;
3. The contribution from the private sector;
4. The inclusion of on-going client management support.

Measure Targets

Quantified targets for outputs, results and impacts of Measure 5.1 are presented below.

MEASURE 5.1: SECURING THE BENEFITS FROM THE ARTS, CULTURE AND HERITAGE – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Centres of excellence established	4
Marketing branding campaigns supported	10
Number of SMEs assisted (ERDF)	200
Results	
Gross Direct FTE Jobs Safeguarded ¹	2,660
Gross Direct FTE Jobs Created ¹	1,330
Gross Sales Safeguarded	£133m
Gross Additional Sales	£67m
Impact	

Net Additional Jobs Safeguarded ¹	1,020
Net Additional Jobs Created ¹	510
Net Additional GDP Safeguarded	£23.4m
Net additional GDP created	£11.7m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 5.2: ENHANCING AND DEVELOPING THE PUBLIC PRODUCT

Objective

The objective of this Measure is:

‘To maintain and increase the economic benefits derived from the coastal and inland heritage, the buildings and structures of historic value and the natural environment with emphasis on access for visitor and resident alike.’

MEASURE 5.2: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	34.860	17.443	17.417	-

Eligible Activities

This is a capital measure. Activities may include, inter alia:

1. Land reclamation and restoration and the consolidation of historic buildings, structures and sites, with particular emphasis on the economic benefits to be developed from their conservation;
2. Feasibility and technical studies to develop a strategic approach to public product investment;
3. Enhancement of the facilities for interpretation and access associated with the historic environment, including enhancement of the natural and built environment surrounding key heritage buildings/sites;
4. Refurbishment of vernacular buildings;
5. Restoration of existing slips/access points/quays/piers/ harbour walls of the smaller harbours and coves;
6. Development of waste management facilities in the smaller harbours and coves (to enable tourist and recreation uses);
7. Enhancement, refurbishment and appropriate re-use of redundant vernacular buildings, including port, mine and historic industrial buildings for business use including tourism.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include English Nature, English Heritage, local authorities, business development organisations, economic development agencies, the South West Regional Development Agency, community and voluntary organisations, the private sector.

Target Beneficiaries

Public and private sectors bodies will be supported with activities providing benefits to SMEs in Cornwall and Scilly in all sectors.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), are:

1. The extent to which the project involves infrastructure/facilities closely linked to the distinctiveness assets of Cornwall and Scilly;
2. The degree of market failure;
3. The potential number of visitors;
4. Linkages to revenue support activities.

Measure Targets

MEASURE 5.2: ENHANCEMENT AND DEVELOPMENT OF THE TOURISM PRODUCT – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of ports improved	6
Number of buildings enhanced/improved	10
Results	
Gross Direct FTE Jobs Safeguarded ¹	1,320
Gross Direct FTE Jobs Created ¹	1,320
Gross Sales Safeguarded	£66m
Gross Additional Sales	£66m
Impact	
Net Additional Jobs Safeguarded ¹	507
Net Additional Jobs Created ¹	507
Net Additional GDP Safeguarded	£11.7m
Net additional GDP created	£11.7m
¹ All jobs are Full Time Equivalents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 5.3: THE KNOWLEDGE DRIVEN REGION

Objective

The objective of this Measure is:

‘To support the development of a higher quality knowledge driven economy through the provision of facilities which allow the region to further develop and capitalise on intellectual assets, increase the provision of higher level employment opportunities and intellectual capital, building on the strengths of the region.’

MEASURE 5.3: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ERDF	UK Public	Private
2000 – 2006	107.589	60.256	44.333	3.000

Eligible activities

The Measure supports Capital and Revenue activity. Support is available for:

1. Technical and feasibility studies to assess demand and need for new facilities;
2. Centres of excellence, research and development facilities;
3. Facilities which allow for the commercial development of activities where the region has an acknowledged strength;
4. Higher level learning and training facilities;
5. Enhancement and development of ICT facilities including associated equipment and materials.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include further and higher education institutions, local authorities, business development organisations, economic development agencies, and the private sector.

Target Beneficiaries

Public and private sectors bodies will be supported with activities providing benefits to SMEs in Cornwall and Scilly in all sectors.

Measure Selection Criteria

The measure selection criteria (which will be in addition to Programme and Priority level criteria), include:

1. The extent to which investment will improve the research and development capacity within Cornwall and Scilly;
2. The extent to which investment builds upon and develops key sectors identified in Measure 1.6;
3. The extent to which investments building upon previous Structural Fund and European investment in Cornwall and Scilly.

Measure Targets

MEASURE 5.3: KNOWLEDGE-DRIVEN REGION – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of centres established	4
Results	
Gross Direct FTE Jobs Safeguarded ¹	800
Gross Direct FTE Jobs Created ¹	1,865
Gross Sales Safeguarded	£72m
Gross Additional Sales	£157m
Impact	
Net Additional Jobs Safeguarded ¹	345
Net Additional Jobs Created ¹	785
Net Additional GDP Safeguarded	£8.0m
Net additional GDP created	£18.0m
¹ All jobs are Full Time Equivalent (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

MEASURE 5.4: RESEARCH AND KNOWLEDGE - ESF**Objective**

The objective of this Measure is:

'To assist individuals and organisations in the development of intellectual capital'

MEASURE 5.3: INDICATIVE FINANCIAL ALLOCATIONS (MEUROS)				
	Total Costs	ESF	UK Public	Private
2000 – 2006	23.997	9.997	11.000	3.000

Eligible activities

This measure will provide resources to support activities funded under Measure 5.3, although other initiatives which clearly capitalise and further develop the intellectual capital of Cornwall and Scilly will be eligible for support.

1. Research and development grants;
2. Support for training in research linked to the development of intellectual capital;
3. Support for post-graduate and post-doctoral research linked to areas of acknowledged expertise;
4. Support for higher level training linked to commercial research in areas of acknowledged expertise;
5. Support for exchange visits and trans-national co-operation linked to appropriate post-graduate, post-doctoral and commercial research and development;
6. Support for visiting experts (on short and medium term basis) to help develop intellectual capital in the region.

Final Beneficiaries (those who will receive and disburse monies)

Final beneficiaries will include the Learning and Skills Council, further and higher education institutions, local authorities, business development organisations, economic development agencies, and the private sector.

Target Beneficiaries

Activities supported under this measure must provide benefits to SMEs in Cornwall and Scilly, although this may be indirect in some cases.

Measure Selection Criteria

The measure selection criteria has been developed to take account of the system developed for the English Objective 3 Operational Programme. This system will be used in the Cornwall and Scilly Objective 1 SPD, with suitable amendments to take account of the situation within Cornwall and Scilly. The system will be the subject of a separate PMC decision.

Measure Targets

MEASURE 5.4: KNOWLEDGE-DRIVEN REGION – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of companies helped	300
Number of beneficiaries trained	1,500
Number of employees trained	300
% of women receiving support	750 (50%)
% working towards a qualification	1,200 (80%)
Results	
% of beneficiaries gaining a qualification	1,000 (66%)
Impact	
Net Additional Jobs Safeguarded ¹	Tba
Net Additional Jobs Created ¹	Tba
Net Additional GDP Safeguarded	Tba
Net additional GDP created	Tba
¹ All jobs are Full Time Equivalentents (FTEs)	
Targets relating to the cross cutting themes are detailed in the following section of the Programme Complement	

CROSS-CUTTING THEMES – ENVIRONMENT

ENVIRONMENT PRIORITY

The rationale and background for the development of cross cutting priorities have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in both the SPD and Programme Complement need to be reviewed to fully understand why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

PRIORITY OBJECTIVE

The **Programme objective** for the environment is:

To ensure that the environment makes a positive contribution to the objectives of the Programme through the promotion and provision of support and the prioritisation of activities that explicitly address environmental issues and opportunities.

OPERATIONAL STRATEGY

Although there is no direct financial allocation to this environmental Priority, the strategy will be implemented through a series of operational objectives, which are clearly linked to the vertical priorities and measures and to the Programme management and implementation arrangements. This approach presents clear linkages between the environmental strategy and the actual deployment of Structural Fund resources.

The operational objectives are:

1. To enable the protection and improvement of the environment.
2. To promote the prudent use of natural resources.
3. To take advantage of the business opportunities afforded by growing demands for environmental goods, processes and services.
4. To increase the awareness of residents, businesses and visitors of the value and importance of the environment.
5. To actively promote environmental policies in all aspects of Programme management and implementation.

MECHANISMS

The key mechanisms for securing the operational objectives will be:

1. The provision of guidance and support to project applicants;
2. The awarding of up to 10% of the total project appraisal score for projects contributing to the operational objectives; and
3. Modulated grant rates for particular types of activity that contribute towards the operational objectives.

KEY BASELINE DATA

The Table below identifies the key baseline data for this Priority.

PRIORITY : ENVIRONMENT – KEY BASELINE DATA			
	Value	Year	Source
No of SMEs in environmental industries	Tbc	1998	Annual Employment Survey
No employed in environmental industries	2,063	1998	Annual Employment Survey
No of scheduled monuments	1,200	1998	DETR
No of Listed Buildings	12,000	1998	DETR
No of Conservation Areas	137	1998	Environment Agency
No of national nature reserves	3	1998	Environment Agency
No of SSSIs	160	1998	Environment Agency
No of AONB	13	1998	Environment Agency

INDICATORS AND TARGETS

The Table below identifies the indicators and targets, which will be used to monitor progress. Quantified results and impacts correspond to the proportion of the relevant measure activity which is captured by the horizontal theme.

PRIORITY : ENVIRONMENT – KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
No of companies assisted specialising in environmental related activities	300
No of companies assisted to undertake environmental reviews	500
No of people provided with environmental related training	3,200
No of companies assisted with environment related training	200
Redundant buildings refurbished	30
Hectares of brownfield land serviced	20
No of advisory workshops organised	14
Results	
Gross Direct FTE Jobs Safeguarded ¹	1,390
Gross Direct FTE Jobs Created ¹	1,772
Gross Sales Safeguarded (£m)	99.7
Gross Additional Sales (£m)	138.1
Reduction in energy/waste costs	Tbc
No of ESF beneficiaries gaining an environmental qualification (or module)	1,000
No of companies gaining IS9000	100
Impact	
Net Additional Jobs Safeguarded ¹	655
Net Additional Jobs Created ¹	915
Net Additional GDP Safeguarded	12.8
Net additional GDP created	19.8
¹ All jobs are Full Time Equivalent (FTEs)	

OPERATIONAL OBJECTIVE 1

The first Operational Objective is to enable the protection and improvement of the environment.

The activities that will be prioritised within the scoring system are detailed below, along with indicative output targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the environmental guidance.

OPERATIONAL OBJECTIVE 1 : TO ENABLE THE PROTECTION AND IMPROVEMENT OF THE ENVIRONMENT		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Brownfield land (hectares)	2.1	10
	4.1	2
	4.5	8
Redundant buildings (m ²)	1.1	7,500m ²
	4.1	3,000m ²
	4.5	6,000m ²
Sustainable management of the natural and historic environment (projects)	4.1	7
	5.2	21

In addition, modulated grant rates may be applied to projects which incorporate the redevelopment of brownfield land and/or redundant buildings. Details on how the factors will be assessed will be provided in the environmental guidance.

OPERATIONAL OBJECTIVE 2

The second Operational Objective is to promote the prudent use of natural resources.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified. Details of definitions and how the outputs will be assessed will be made available in the environmental guidance.

OPERATIONAL OBJECTIVE 2 : TO PROMOTE THE PRUDENT USE OF NATURAL RESOURCES		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Support for SMEs specialising in renewable services and technology	1.2	20
	1.3	40
	1.5	50
	1.6	50
	1.7	40
Environmentally sustainable buildings (number)	1.1	2
	2.1	5
	2.2	5
	3.6	3
	5.3	2
Support for companies undertaking energy, waste and resource audits	1.3	200
	1.6.	150
Training in sustainable resource management (beneficiaries)	1.7	70
	3.2	200

OPERATIONAL OBJECTIVE 3

The third Operational Objective is to take advantage of the business opportunities afforded by growing demands for environmental goods, processes and services.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score are available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the environmental guidance.

OPERATIONAL OBJECTIVE 3 : TO TAKE ADVANTAGE OF THE BUSINESS OPPORTUNITIES AFFORDED BY GROWING DEMANDS FOR ENVIRONMENTAL GOODS, PROCESSES AND SERVICES.		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Support for SMEs specialising in environment related products and processes	1.2	20
	1.3	40
	1.5	50
	1.6	50
	1.7	40
Research facilities geared toward assisting companies in environment related products and processes	1.1	2
	5.3	2
Training linked to environment related processes and products	1.7	150
	3.3	250
	5.4	200

OPERATIONAL OBJECTIVE 4

The fourth Operational Objective is to increase the awareness of residents, businesses and visitors of the value and importance of the environment, where this also contributes to the realisation of the Measure objective.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified, and details of definitions, and how the outputs will be assessed will be made available on the environmental guidance.

OPERATIONAL OBJECTIVE 4 : TO INCREASE THE AWARENESS OF RESIDENTS, BUSINESSES AND VISITORS		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Green tourism initiatives (number of projects)	5.1	14
Environmental training (beneficiaries)	1.7	600
	3.1	400
	3.2	400
	3.3	600
	3.4	400
	3.5	100
	4.2	300
	5.4	200
Environmental awareness training activity (projects)	1.7	10
	3.1	20
	3.2	15
	3.3	30
	3.4	20
	3.5	10
	4.2	10
	4.3	15
5.4	5	

OPERATIONAL OBJECTIVE 5

The fifth Operational Objective is to actively promote environmental policies in all aspects of Programme management and implementation.

OPERATIONAL OBJECTIVE 5 : TO ACTIVELY PROMOTE ENVIRONMENTAL POLICIES IN ALL ASPECTS OF PROGRAMME MANAGEMENT AND IMPLEMENTATION	
Task/activity	Responsibility/target
Production and up-dating of environmental guidance for project sponsors	Secretariat on behalf of the PMC. Guidance up-dated at least annually
Organisation on a regular basis of workshops for project sponsors	Secretariat on behalf of the PMC. A minimum of two workshops per annum.
Inclusion of environmental representatives on the PMC	Managing authority. At least one environmental representative on the PMC.
Nominated lead officer within the Programme Secretariat for environmental matters	Secretariat
Prioritization of environmental activities within the appraisal system	Secretariat
Development and implementation of an environmental appraisal which identifies projects which would be harmful to the environment	All projects with a value of over £4m have to complete an environmental impact assessment. Gateway criteria applied to all projects.
Detailed reporting on the Environmental priority in the Annual Report	Secretariat

CROSS-CUTTING THEME – EQUAL OPPORTUNITIES

EQUAL OPPORTUNITIES PRIORITY

The rationale and background for the development of the cross cutting priorities has been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in both the SPD and Programme Complement both need to be reviewed to fully understand both why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

PRIORITY OBJECTIVE

The Equal Opportunities Priority objective is:

“To increase the take up of opportunities by women through the promotion and provision of support, and prioritisation of activities, that explicitly address barriers to participation in opportunities provided by Structural Fund support”

OPERATIONAL STRATEGY

Four operational objectives have been agreed:

1. To increase access to, and the securing of, training, employment opportunities and sustainable benefits amongst women who suffer from exclusion.
2. To increase the number of women accessing training and employment in higher paid and higher skilled occupations and sectors where they are under-represented.
3. To increase the number of employers adopting equal opportunity strategies and family-friendly policies.
4. To increase the number of women participating in the management and implementation structures of the Programme.

Mechanisms

The key mechanisms for securing the operational objectives will be:

1. The provision of guidance and support to project applicants;
2. The awarding of up to 10% of the total project appraisal score for projects contributing to the operational objectives; and
3. Modulated grant rates for particular types of activity that contribute towards the operational objectives.

Key Baseline Data

Progress towards the Programme targets for the Equal Opportunities priority will be measured against the following baseline data. Additional baseline data against which the achievement of the four operational objectives can be assessed will be presented in the Programme Complement.

EQUAL OPPORTUNITIES BASELINES			
	Value	Year	Source
% gap in average weekly earnings between males and females	27.3	1998	New Earnings Survey
Number of women in full time employment	39,198	1997	Annual Employment Survey
Number of women in part time employment	40,428	1997	Annual Employment Survey
No. of females qualified to NVQ3	Tbc	1999	Labour Force Survey
% of higher level training places taken by women	Tbc	1999	Objective 3/5b ESF final claims
% of training places taken up by women	Tbc	1999	Objective 3/5b ESF final claims
Economic activity rate for women of working age (%)	71.4	1998	Labour Force Survey
Claimant unemployment rate for women (%)	3.8	1999	Employment Service

Indicators and Targets

The Table below identified the indicators and targets which will be used to monitor progress:

EQUAL OPPORTUNITIES PRIORITY- KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
No. of women receiving training	55,000
No. of women receiving higher level training	8,000
No. of women helped to start-up in business	1,200
No. of companies adopting new flexible work practices	500
No. of companies adopting new equal opportunities action plans	500
No. of beneficiaries supported with childcare costs	30,000
Results	
No. of Gross Direct FTE Jobs Safeguarded held by women	12,213
No. of Gross Direct FTE Jobs Created taken by women	13,051
No. of businesses controlled/run by women	1,200
No. of women occupying higher order occupations	Tbc
No. of women securing qualifications as a result of training support	32,000
No. of women securing employment as a result of training support	28,000
Impact	
Net Additional Jobs Safeguarded	5,503
Net Additional Jobs Created	5,706

Operational Objective 1

The first Operational Objective is to increase access to, and the securing of, training and employment opportunities by economically and socially excluded women.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified. Details of definitions and how the outputs will be assessed will be made available in the equal opportunities guidance. The justification for higher grant rates will be examined on a case by case basis.

OPERATIONAL OBJECTIVE 1 : TO INCREASE ACCESS TO, AND THE SECURING OF, TRAINING AND EMPLOYMENT OPPORTUNITIES BY ECONOMICALLY AND SOCIALLY EXCLUDED WOMEN		
SCORING AND APPRAISAL SYSTEM¹		
Criteria	Measure	Target
Projects targeting <u>exclusively</u> economically and socially excluded women	Any measure	35
Training, guidance and training subsidy support to economically and socially excluded women	1.7	200
	3.1	2,000
	3.2	300
	3.3	5,500
	4.2	500
Assistance to enable economically and socially excluded women to access jobs	1.1	2
	1.3	50
	1.6	50
	2.2	50
	2.3	40
	5.1	60
	5.2	50

Operational Objective 2

The second Operational Objective is to increase the number of women accessing training and employment in higher paid and higher skilled occupations and sectors where they are under-represented.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the equal opportunities guidance. The justification for higher grant rates will be examined on a case by case basis.

OPERATIONAL OBJECTIVE 2 : TO INCREASE THE NUMBER OF WOMEN ACCESSING TRAINING AND EMPLOYMENT IN HIGHER PAID AND HIGHER SKILLED OCCUPATIONS AND SECTORS WHERE THEY ARE UNDER-REPRESENTED.		
SCORING AND APPRAISAL SYSTEM¹		
Criteria	Measure	Target
Support to women to set up in business	1.2	30
	1.5	450
	1.7	7,750
Higher level training and related support for women	1.7	2,550
	3.2	750
	5.4	750
Support to businesses whose workforce is drawn from women	1.3	350
	1.6	250

Operational Objective 3

The third Operational Objective is to increase the number of employers adopting equal opportunity strategies and family-friendly policies.

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 10% of the project score is available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the equal opportunities guidance. The justification for higher grant rates will be examined on a case by case basis.

OPERATIONAL OBJECTIVE 3 : TO INCREASE THE NUMBER OF EMPLOYERS ADOPTING EQUAL OPPORTUNITY STRATEGIES AND FAMILY-FRIENDLY POLICIES.		
SCORING AND APPRAISAL SYSTEM		
Criteria	Measure	Target
support to businesses to develop systems for adopting family friendly policies	1.3	100
	1.6	100
	1.7	100
	3.2	200
support to businesses which enable them to increase their employment of women	1.3	200
	1.6	200
	1.7	tbc
	3.2	tbc

Operational Objective 4

The fourth Operational Objective is to increase the number of women participating in the management and implementation structures of the Programme.

This Objective will be implemented through a set of actions undertaken jointly by the PMC, the Managing Authority and the Secretariat.

OPERATIONAL OBJECTIVE 4 : TO INCREASE THE NUMBER OF WOMEN PARTICIPATING IN THE MANAGEMENT AND IMPLEMENTATION STRUCTURES OF THE PROGRAMME.	
Task/activity	Responsibility/target
Production and up-dating of equal opportunity guidance for project sponsors	Secretariat on behalf of the PMC. Guidance up-dated at least annually
Organisation on a regular basis of workshops for project sponsors	Secretariat on behalf of the PMC. A minimum of two workshops per annum.
Inclusion of equal opportunity representative on the PMC	Managing authority. At least one equal opportunity representative on the PMC
Nominated lead officer within the Programme Secretariat for equal opportunity matters	Secretariat
Prioritisation of equal opportunity activities within the appraisal system	Secretariat
Development and implementation of equal opportunity appraisal	Gateway criteria applied to all projects.
Detailed reporting on the equal opportunity priority in the Annual Report	Secretariat
Ensuring gender balance on the PMC	Managing authority
Ensuring gender balance on sub-committees of the Programme	Secretariat
The arrangement of meetings at family friendly times, locations and venues	Secretariat

CROSS-CUTTING THEMES – INFORMATION SOCIETY

INFORMATION SOCIETY CROSS CUTTING PRIORITY

The rationale and background for the development of cross cutting priorities have been presented in the Single Programming Document. For the sake of brevity, the rationale has not been repeated in this document. It is therefore not a substitute for the SPD, and the information presented in both the SPD and Programme Complement need to be reviewed to fully understand both why activities have been prioritised, what is eligible for support, and what indicators and targets have been developed.

PRIORITY OBJECTIVE

The **Priority objective** is:

“To increase the use of electronic information and telematics by all groups in society”

IMPLEMENTING THE STRATEGY

Although there is no direct financial allocation to the Information Society Priority, the strategy will be implemented through a series of operational objectives which are closely linked to the five vertical priorities, their constituent measures and Programme management and implementation arrangements.

The operational objectives are:

1. To support the provision of public and other information services using ICT, as a means of increasing public awareness and familiarity with its potential.
2. To increase the number of people receiving ICT related skills training, and information, guidance and training delivered through ICT applications.
3. To increase business application of ICT as a means to increase competitiveness.
4. To increase the use of electronic and telematic services for the delivery and management of Programme activities.

MECHANISMS

The key mechanisms for securing the operational objectives will be:

1. The provision of guidance and support to project applicants;
2. The awarding of up to 5% of the total project appraisal score for projects contributing to the operational objectives; and
3. Modulated grant rates for particular types of activity that contribute towards the operational objectives.

KEY BASELINE DATA

Progress towards the Programme targets for the Information Society priority will be measured against the following baseline data.

INFORMATION SOCIETY BASELINES			
	Value	Year	Source
Employment in the Information Society	1,438	1998	Annual Employment Survey
% of total employment accounted for by the Information Society	1.2	1998	Annual Employment Survey
No. of businesses using e-commerce for trading	Tbc	1999	Prosper Business Survey
% of businesses using e-commerce for trading	Tbc	1999	Prosper Business Survey
% of individuals who use the Internet at home	8	1998	Prosper Employment/Skills
% of individuals who use the Internet at work	11	1998	Prosper Employment/Skills

INDICATORS AND TARGETS

The Table below identifies the indicators and targets which will be used to monitor progress.

INFORMATION SOCIETY PRIORITY– KEY OUTPUTS, RESULTS AND IMPACTS BY 2010	
Indicator	Target
Outputs	
Number of new Information Society businesses started up	200
Number of companies assisted to develop new ICT systems	300
Number of companies assisted to undertake ICT reviews	600
Number of people provided with ICT-related training	18,500
Number of companies assisted with ICT-related training	1,000
Number of advisory workshops held	14
Results	
Gross direct FTE Jobs safeguarded	398
Gross direct FTE Jobs created	1,285
Gross sales safeguarded (£m)	30.1
Gross additional sales (£m)	102
Number of ESF beneficiaries gaining an ICT qualification (or module)	13,000
% of companies trading on-line	Tbc
Impact	
Net additional jobs safeguarded	214
Net additional jobs created	645
Net additional GDP safeguarded (£m)	4.8
Net additional GDP created (£m)	14.7

OPERATIONAL OBJECTIVE 1

The first Operational Objective is to support the provision of public and other information services using ICT, where such provision clearly contributes to the Measure level objective, as a means of increasing public awareness and familiarity with its potential

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 5% of the project score is available for projects contributing to the outputs identified. Details of definitions and how the outputs will be assessed will be made available in the ICT guidance.

OPERATIONAL OBJECTIVE 1 : TO SUPPORT THE PROVISION OF PUBLIC AND OTHER INFORMATION SERVICES USING ICT, WHERE SUCH PROVISION CLEARLY CONTRIBUTES TO THE MEASURE LEVEL OBJECTIVE, AS A MEANS OF INCREASING PUBLIC AWARENESS AND FAMILIARITY WITH ITS POTENTIAL		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Information Society awareness raising initiatives amongst disadvantaged groups	3.2	5
	3.3	7
	3.5	2
Support for new methods of disseminating information in disadvantaged communities	4.1	5
	4.2	5

OPERATIONAL OBJECTIVE 2

The second Operational Objective is to increase the number of people receiving ICT related skills training, and information, guidance and training delivered through ICT applications

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 5% of the project score is available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the ICT guidance.

OPERATIONAL OBJECTIVE 2 : TO INCREASE THE NUMBER OF PEOPLE RECEIVING ICT RELATED SKILLS TRAINING, AND INFORMATION, GUIDANCE AND TRAINING DELIVERED THROUGH ICT APPLICATIONS		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Training in ICT-related topics (beneficiaries)	1.7	1,500
	3.1	4,000
	3.2	2,500
	3.3	2,500
	3.5	500
Assistance to beneficiaries from disadvantaged groups	3.4	1,000
	4.2	500
Projects which utilise ICT applications rather than traditional delivery methods (projects)	1.7	30
	3.2	20
	3.3	20
	5.4	10

OPERATIONAL OBJECTIVE 3

The third Operational Objective is to increase business application of ICT as a means to increase competitiveness

The activities that will be prioritised within the scoring system are detailed below, along with indicative targets at the measure level. Up to 5% of the project scores are available for projects contributing to the outputs identified. Details of definitions, and how the outputs will be assessed will be made available in the ICT guidance.

OPERATIONAL OBJECTIVE 3 : TO INCREASE BUSINESS APPLICATION OF ICT AS A MEANS TO INCREASE COMPETITIVENESS		
SCORING AND APPRAISAL SYSTEM ¹		
Output	Measure	Target
Support for new and existing SMEs specialising in ICT	1.2	70
	1.3	70
	1.5	200
	1.6	100
Training and HRD in ICT and related skills	1.7	3,000
	3.2	3,000
Provision of new and upgraded research, demonstration and ICT training facilities	1.1	1
	3.6	2
	5.3	2

OPERATIONAL OBJECTIVE 4

The fourth Operational Objective is to increase the use of electronic and telematic services for the delivery and management of Programme activities.

OPERATIONAL OBJECTIVE 4 : TO INCREASE THE USE OF ELECTRONIC AND TELEMATIC SERVICES FOR THE DELIVERY AND MANAGEMENT OF PROGRAMME ACTIVITIES.	
Task/activity	Responsibility/target
Production and up-dating of ICT guidance for project sponsors	Secretariat on behalf of the PMC. Guidance up-dated at least annually
organisation on a regular basis of workshops for project sponsors	Secretariat on behalf of the PMC. A minimum of two workshops per annum.
nominated lead officer within the Programme Secretariat for ICT matters	Secretariat
prioritization of ICT activities within the appraisal system	Secretariat
utilisation of the world-wide web to publicise the progress and achievements of the Programme	Secretariat
detailed reporting on the ICT priority in the Annual Report	Secretariat
the establishment of an Information Society working group	Secretariat

COMMUNICATIONS ACTION PLAN

1.1 INTRODUCTION

Article 46 of the General Regulation governing the operation of the Structural Funds (1260/1999) requires that sufficient attention is given to the provision of information and publicity on the activities of the Funds. In order that this requirement is met, a dedicated communications plan should be prepared containing a rationale, aims and objectives, responsibilities and proposed actions.

This section of the Programme Complement provides an outline of communications actions proposed as part of the programme. It complements the Communications Strategy prepared on behalf of the Objective 1 Executive, and previously discussed by the Programme Monitoring Committee.

It should be noted that although the European Secretariat is identified below as having responsibility for various aspects of communications in its role as Agent for the Managing Authority for the programme overall, virtually all aspects of communications involve the wider partnership in some form. Moreover, under arrangements approved by the Programme Monitoring Committee, responsibility for communications strategy lies primarily with the Strategic Development Group, chaired by the South West Regional Development Agency, with day-to-day action delegated to the Objective 1 Executive Office, who liaise closely with a wide range of partners, including the European Secretariat.

1.2 BACKGROUND AND RATIONALE

Information and publicity activity for the Objective 1 Programmes is designed to meet three broad objectives

- ensure transparency for potential and final beneficiaries;
- increase awareness amongst the population of the contribution of the European Union, via the Structural Funds, to improving the economic and social well-being of the region concerned;
- and, through the above, and by adopting a more strategic approach, generate involvement in the development of projects from a wider range of partners, particularly the private sector

1.3 AIMS AND TARGET GROUPS

The aim of the information and publicity activities within the Communications Action Plan is to inform the target groups identified below of the opportunities afforded by joint assistance from the European and Member States. These target groups are:

- Partner and potential partner organisations and their staff, including public authorities and organisations, trade organisations and the private sector, social partners, non-governmental organisations including the voluntary sector and community groups, as well as those promoting equal opportunities and the environment, and project sponsors; together with
- Potential and actual end beneficiaries including SMEs.

In addition, the Plan is to inform:

- The general public, in particular about the role played by the European Union, in conjunction with the Member States, in activities supported and the results achieved.
-

1.4 STRATEGY AND ACTIONS

The Communications Action Plan is the framework within which information and publicity actions are carried out. In summary, these actions are:

- User- friendly summary of the SPD and Programme Complement;
- Guidance material;
- Workshops and briefing events;
- Newsletter; and
- Website and Helpline.

User- friendly Summary of the SPD and Programme Complement

The Objective 1 Single Programming Document is extremely detailed and not all of the information is relevant to the majority of those interested in the Programme. To assist individuals and organisations to develop an initial understanding of the Programme, its aims and objectives, and the types of activities it will support, there is a need to produce a user-friendly summary which can be circulated widely.

The European Secretariat will assume responsibility for the textual content. Key features of the summary will be a precise map of the Objective 1 area (including the Integrated Action Plan areas) and examples of typical projects under each of the Programme measures. Contact details will also be provided for further information and guidance.

The user-friendly summary will, in particular, adopt the standard Commission explanation of the objective of each of the 4 Funds (ERDF, ESF, EAGGF and FIFG) in common with other information and publicity actions. A first version of a summary of the SPD is currently on the Objective 1 web-site.

Target Audience: project sponsors and potential project sponsors, including the public authorities, community and voluntary groups, the private sector and organisations involved in equal opportunities and the environment.

Responsibility: European Secretariat

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Applicant Guidance

The complexity of the rules relating to Structural Funds can act as a barrier to new organisations and a disincentive for existing partners to participate in the Programme. In recognition of the need to assist project sponsors in the application process, a series of Information Notes were produced by GOSW during the 1994-1999 Devon and Cornwall Objective 5b Programme covering a number of topics. These Information Notes were circulated widely amongst existing and potential project sponsors, and contributed to greater appreciation of the application process.

Although many of the principles contained in the 1994-1999 Information Notes are unchanged, there is a need to produce a new set of applicant guidance for the new Cornwall and Scilly Objective 1 Programme. The new guidance requires to take account of, inter alia, new Structural Fund Regulations, Commission Working Papers and recent policy developments, such as the SWRDA Regional Strategy.

The new guidance will deal with all four funds - ERDF, ESF, EAGGF and FIFG - making use of guidance and advice produced by the various European directorates as well as national Government Department material.

The guidance will cover eligibility of applicants, eligibility of activities, application procedures and processes, the scoring and appraisal system, the management and decision making structures, monitoring requirements and responsibilities, publicity requirements, definitions of indicators, guidance on setting targets and assessing the economic benefits of projects, and claims procedures. A comprehensive contact list will also be produced featuring organisations both in and outside of the region. Final draft guidance is already available to applicants. The guidance will shortly be sent to the Plain English Campaign before formal publication.

Target audience: potential and existing project applicants

Responsibility: European Secretariat working with the Objective 1 Executive Office

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Events and Seminars

In the previous Programme a number of successful events and seminars were held covering areas such as applications (ERDF) and project appraisal and scoring. These were aimed at individuals and organisations, in particular those with little experience of Structural Funds. Given the breadth of the Objective One Programme, and the need to both involve a wider partnership, and up-date existing partnership a series of events are required in the early years of the programme.

It is envisaged that seminars and workshops in the first two years will be organised by Priority, Fund, and sector, as appropriate. The precise number will be determined by demand. The most urgent need currently is for seminars for the business community, particularly, SMEs to explain how the private sector can engage with the programme, how the private sector can benefit and how they can get involved in projects and the establishment of funds. A seminar programme is currently in preparation.

Target audience: the general public, project sponsors and potential project sponsors

Responsibility: European Secretariat working with the Objective 1 Executive Office

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Newsletter

A feature of the 1994-1999 programmes in the South West was the production of a newsletter, South West European News, containing a range of information, features and articles on the use of Structural Funds in the region. It is proposed to build upon the success of South West European news with the production of a quarterly newsletter specifically dedicated to the Cornwall Objective 1 Programme.

The newsletter will seek to publicise the activities of the Programme to the widest possible audience, whilst remaining informative and helpful to applicants and potential applicants. Identifying good practice examples will again remain a theme, including lessons learnt from successful projects in other European regions.

The newsletter will be distributed via partner organisations, and also made available through public libraries, Citizens and Community Advice Centres, and distributed directly to all Parish and community councils.

Target audience: the general public, project sponsors and potential project sponsors

Responsibility: European Secretariat

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Web-Site and Telephone Helpline

The Information Society has been identified as a cross-cutting priority in the Cornwall Objective 1 Programme. The Partnership are committed, amongst a number of activities, to usage of the internet to publicise the activities and achievements of the Programme. Given the significant growth in the number of people utilising the internet, this medium represents a key opportunity to raise awareness of the Objective 1 programme amongst a significant proportion of the population for a relatively modest cost.

To date, the utilisation of the internet and email has facilitated the participation of a large number of individuals and organisations in the development of the SPD. The Programme seeks to continue and further encourage participation through this medium with web-site specifically dedicated to the Cornwall Objective 1 Programme including pages carrying the SPD, the newsletter, press releases, the Objective 1 Map (with Integrated Action Plan areas), the Information Notes, details of events and seminars, contact details and links to other relevant organisations and bodies.

The Executive Office has established an Objective 1 Helpline, ensuring that enquirers get speedy and accurate advice on the programme and feed-back on project ideas, working with the European Secretariat, and, where appropriate, referring potential project applicants to Task Forces.

Target audience: the general public, project sponsors and potential project sponsors

Responsibility: European Secretariat

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Enhanced Annual Report

The new Regulations require a more detailed Annual report. This will be distributed widely within the Partnership and made available on request to individuals. There is a need therefore to produce many more copies than in the previous Programme period. The Annual report will however be a technical document, and as with the SPD there is a need for a user friendly summary for wide distribution.

Target audience: the general public, project sponsors and potential project sponsors

Responsibility: European Secretariat

Relevant Funds: ERDF, ESF, EAGGF, FIFG

Nominated Publicity Officer

There is a requirement for the European Secretariat to inform the media in the most appropriate way about the structural assistance part-financed by the EU which is balanced and reflects programme priorities. The nominated publicity officer will therefore be responsible for alerting the regional (and national) press, radio and television at the time of the Programme approval and at the main phases of implementation. Given the objective is to keep informed the general public, other means may also be used, such as placing newspaper articles and posting information on the web-site.

The publicity officer will also be responsible for overseeing the other activities contained in the Communication Action Plan. The Director of the Executive Office, which has day-to-day responsibility for communications, working closely with the European Secretariat, is Mr Bill Bawden. His deputy is Ms Carleen Kellermen

Target audience: the general public, project sponsors and potential project sponsors,

Responsibility: European Secretariat, but delegating responsibility to the Objective 1 Executive, reporting to the Strategic Development Group, in relation to communications strategy development and implementation and media handling.

Relevant Funds: ERDF, ESF, EAGGF, FIG

1.5 Communications For Each Fund

Each of the Funds have different objectives, and are targeted at different groups. It is important that each of these groups are specifically targeted by the Communications Plan. Within these funds there will also be specific needs relating to individual sectors or themes (for example the three cross-cutting themes of sustainable development, equal opportunities and ICT). Action under this plan will be tailored to these specific audiences.

ERDF: provision will be made within the Guidance for ERDF and in particular advice for SMEs, where appropriate bespoke SME guidance will be made available. Within the events and seminar programme, events staged specifically at the business community will be organised. The newsletter and Annual Report will be distributed to private sector representative organisations and a wide range of business advisors, and each newsletter will include material directly relevant to SMEs. The web site and telephone help line will be marketed to SMEs, and those dealing with the help line will be given training on how to deal with SME requests. Following the visit to Cornwall by the Secretary of State for Trade and Industry a series of seminars specifically aimed at the business community, and SMEs in particular, is being planned.

ESF: provision will be made within the Guidance for ESF and in particular advice for SMEs and individuals, particularly those from disadvantaged groups. Where appropriate bespoke guidance will be made available. Within the events and seminar programme events aimed specifically at encouraging the development of projects aimed at all groups in the labour market will be organised. The newsletter and Annual Report will be distributed to training providers and those involved in guidance and counselling and each newsletter will include material directly relevant to a wide variety of groups. The web site and telephone help line will be organised to ensure that individuals can be sign posted on to appropriate advisory and support agencies.

EAGGF: provision will be made within the Guidance for EAGGF and in particular advice for farmers, the farming community, land-based industries and the food-processing industry. Where appropriate bespoke guidance will be made available. Within the events and seminar programme events aimed specifically at informing the groups above of the opportunities offered by the Programme. The newsletter and Annual Report will be distributed to farming organisations, producer groups and co-operatives and agricultural and business advisors. Each newsletter will include material directly relevant to agriculture. The web site and telephone help line will be organised to ensure that agricultural enquiries can be sign posted on to appropriate advisory and support agencies.

FIG: provision will be made within the Guidance for ESF and in particular advice for the fishing industry and fishing communities. Where appropriate bespoke guidance will be made available. Within the events and seminar programme events aimed specifically at informing the fishing industry of the opportunities offered by the Programme. The newsletter and Annual Report will be distributed to producer groups and co-operatives and industry and business advisors. Each newsletter will include material directly relevant to fishing. The web site and telephone help line will be organised to ensure that fishing related enquiries can be sign posted on to appropriate advisory and support agencies.

1.6 Evaluation

The European Secretariat will be responsible, working with the Executive Office, for collating statistics with regard to the various elements of the Communications action Plan. This will include number of publications produced and distributed, number and types of organisations attending events, number of enquiries dealt with by the help line. This information will be used as the baseline for the interim evaluation to assess fully the effectiveness of the Communication Action Plan.

1.7 Implementation

The European Secretariat is ultimately responsible for ensuring that the implementation of the communications action plan is carried out. However, under the management arrangements agreed by the PMC for handling communications strategy, the Strategic Development Group take primary responsibility for communications strategy and implementation, with day-to-day co-ordination devolved to the Objective 1 Executive Office. As agreed by the Strategic Development Group the programme is currently using Deborah Clark & Associates to provide strategic advice and media handling expertise.

Responsibilities of Project Sponsors

The new Commission Guidance outlines in detail the arrangements for publicity and promotion required of project sponsors. The Government Office for the South West will provide a user friendly guide to assist project sponsors meet these requirements. The Government Office will also take responsibility for ensuring that projects sponsors adhere to the guidelines. Projects sponsors will have to agree to meet the publicity requirements as a condition of grant, and suitable text will be inserted in each grant offer letter. The Executive Office and European Secretariat are also working together to ensure that there is effective co-ordination of publicity associated with individual projects. This is to encourage a consistent message about the Objective 1 programme and better co-ordination between programme management and project sponsors. A protocol for sponsors is currently in preparation.

RESPONSE TO THE EX-ANTE

INTRODUCTION

Arup Economics and Planning were appointed to undertake the Ex Ante Evaluation of the Cornwall and Scilly Objective 1 SPD. To ensure consistency, they were then appointed to complete the Ex Ante Evaluation of the Programme Complement. The Ex-Ante Evaluator addressed the Programme Complement by looking at two issues: the broad consistency of the Complement with the main SPD in terms of content and coherence; and the overall validity of programme quantification, including measure-level baselines, outputs and targets.

This section details the comments made by the Ex-Ante evaluators, and the action taken in response to each of the points raised.

CONSISTENCY WITH THE SPD AND CLARITY OF DEFINITION

In general the Ex-Ante evaluators accepted that the detailed elements specified in the Complement are consistent with the SPD, although some observations and recommendations were made.

Priority 1: SME and Micro-Business Support

Measure 1.1: Creating the economic conditions for competitive SMEs

Ex-Ante: welcomes the stress on brownfield land and existing premises, and suggests this should be a selection criterion.

Response: adopted as a measure level selection criteria (see guidance on scoring and appraisal).

Ex-Ante: that care is taken to ensure that activities here are genuinely additional, and do not represent displacement from elsewhere.

Response: adopted as a Measure level selection criteria (see guidance on scoring and appraisal).

Measure 1.2: Financial Engineering for SMEs

Ex-Ante: that the importance of mentoring management support is stressed.

Response: identified as an eligible activity, and adopted as a Measure level selection criterion.

Measure 1.3: Developing Competitive SMEs

Ex-Ante: that business support is subject to a minimum or recognised accreditation standard.

Response: not specified directly, although the Measure selection criteria for support to be substantive and to generate significant benefits to SMEs indicates that in order to do this quality standards *must be high* (see guidance on scoring and appraisal).

Measure 1.5: Supporting the New Entrepreneur

Ex-Ante: that business support is subject to a minimum or recognised accreditation standard.

Response: not specified directly, although the Measure selection criteria for support to be substantive and to generate significant benefits to SMEs indicates that in order to do this quality standards *must be high* (see guidance on scoring and appraisal).

Measure 1.6: Developing Sectors with Growth Potential

Ex-Ante: that business support is subject to a minimum or recognised accreditation standard.

Response: not specified directly, although the Measure selection criteria for support to be substantive and to generate significant benefits to SMEs indicates that in order to do this quality standards *must be high* (see guidance on scoring and appraisal).

Ex-Ante: that the importance of mentoring management support is stressed.

Response: identified as an eligible activity, and adopted as a Measure level selection criterion.

Measure 1.7: New Employment Opportunities

Ex-Ante: welcomes the emphasis on higher level skills, but stresses the need for this support to be substantive

Response: the point is recognised; the implication of the emphasis on higher level skills is that support is thereby more substantive by nature.

Priority 2: Strategic Investments

Measure 2.1: Strategic Investments (large site based)

Ex-Ante: welcomes the emphasis on target sectors, but suggests these are kept under review

Response: the target sectors identified are referred to 'as the initial target sectors'.

Measure 2.2: Employment Growth Centres

Ex-Ante: that additional selection criteria should be added 1) that benefits achieved should be sustained after the end of the Programme; 2) that plans should demonstrate how any infrastructure/public realm improvements will be maintained after the Programme is complete.

Response: the points are recognised, but are not adopted as Measure level criteria. Instead, the continuation of benefits into the long-term is addressed at the Priority level. All Measures in Priority 2 are scored against their ability to generate significant private sector investment "town centre regeneration plans..... should generate considerable investment in the years following completion".

Measure 2.4: Strategic regional infrastructure

Ex-Ante: that 'consistency' with Regional Planning Guidance, the Structure Plan and the Transport Strategy is less vague than 'linkages'

Response: amended accordingly.

Priority 3: Developing People

Measure 3.3: Lifelong Learning

Ex-Ante: that the Measure selection criteria are vague

Response: the criteria will be subject to a separate PMC decision, in accordance with the system being developed for the England Objective 3 Operational Plan.

Priority 4: Community Economic Development and Rural Sectoral Adjustment

Measures 4.3 to 4.6 (Rural Structural Adjustment)

Ex-Ante: that there is need for clear, additional guidance on what is an eligible activity and for clear project appraisal and approval arrangements to be established.

Response: there may be additional guidance published under a separate cover, similar to guidance on scoring and appraisal for ERDF.

Priority 5: Regional Distinctiveness

Measure 5.1: Securing economic benefits from the arts, cultural and heritage industries

Ex-Ante: that there should be an overall Cornwall-wide co-ordinated approach to these activities to avoid duplication of effort, which is reflected in the measure selection criteria

Response: this has not been adopted in order to retain flexibility in the Measure, such as plans that focus on a particular area or a particular sector, although area-based integrated arts, culture and heritage plans are encouraged (and are identified as one of the eligible activities).

Measure 5.2: Enhancing and developing the public product

Ex-Ante: that a strategic approach to the allocation of funds is encouraged to ensure critical mass and maximised economic benefits

Response: the inclusion of the Measure level selection criterion tying the capital measure to revenue measures is designed to help move away from a project-by-project and non-strategic approach. The measure level criterion tying the projects supported to the number of visitors attracted (which will need to be justified by robust projections) will ensure the issue of critical mass is addressed.

Measure 5.3: The Knowledge Driven Region and 5.4 Research and Knowledge

Ex-Ante: it is unclear how this relates to regional distinctiveness

Response: the rationale for the Priority and Measure structure is given in full in the approved SPD. In short, the concept of “a knowledge based economy” is related to the knowledge, skills, and creativity needed to give a competitive edge. These are the distinctive assets of a knowledge driven economy. They are essential to creating high-value products and services and to improving business processes. They are as vital in traditional engineering industries and in services as in high-technology businesses.

PROGRAMME QUANTIFICATION*Financial Allocation*

In general the Ex-Ante evaluators accepted the distribution of the financial resources across the Priorities and Measures.

Measure Level Baselines

On the whole, the Ex-Ante evaluators accepted the specification of the measure-level baselines, deeming them to be comprehensive with respect to the available data and appropriate with respect to the actions proposed.

Priority 1

Ex-Ante: that the baseline data with respect to the key sectors is added at the earliest opportunity

Response: this will be detailed in the First Annual report.

Priority 2

Ex-Ante: that the baseline data with respect to derelict land is updated at the earliest opportunity

Response: this will be done when the data becomes available.

Ex-Ante: that the baseline data with respect to the Employment Growth sectors is collected as a requirement of the Integrated Area Plan

Response: this recommendation should be supported.

Priority 3

Ex-Ante: that the baseline data with respect to NVQ attainment disaggregated by gender is addressed at the earliest opportunity

Response: this requires the purchasing of data from ONS, and is being pursued.

Priority 5

Ex-Ante: that additional baseline data is added to cover knowledge-based industries in Measures 5.3/5.4.

Response: This will be detailed in the first annual report.

Outputs and Impacts

On the whole, the Ex-Ante evaluators accepted the specification of output and impact targets and welcomed the comprehensiveness of the targets specified.

Ex-Ante: that guidance is prepared on the methods by which targets have been calculated.

Response: benchmarks used in the calculation of targets have been incorporated into the guidance on scoring and appraisal, and therefore can readily be made more widely available.

Net impacts

Ex-Ante: whilst overall the Complement implies an increase in GDP as a result of the Programme of 12% (which is reasonable), the GDP target for Priority 4 appears low.

Response: the targets at a Priority level were agreed in the final SPD, and the Programme Complement simply expresses these at a Measure level.

Ex-Ante: that GDP per capita is a better measure of programme impacts

Response: the expression of GDP has not been altered. Expressing GDP in terms of the absolute effect of the Programme is regarded as a better gauge of the Programme impacts.

Ex-Ante: that it is unclear as to the meaning of the GDP targets and how these should be measured

Response: provided as part of the guidance for applicants.

ANNEX EAGGF 1

CORNWALL OBJECTIVE 1

EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND MEASURES - ADDITIONAL INFORMATION

INTRODUCTION

This Annex gives additional information on compliance with Council Regulation (EC) No 1257/1999 - the Rural Development Regulation (abbreviated below to RDR).

MEASURE 1.4 PROCESSING AND MARKETING OF AGRICULTURAL PRODUCTS

Background

1. Chapter VII, Articles 25 to 28 of RDR provide for a scheme affording support for investment in projects aimed at improving the processing and marketing of agricultural products in order to increase their competitiveness in the market place and their added value. Such investments must contribute to improving the situation of the agricultural sector producing the relevant basic commodity, and be of appropriate economic benefit to the primary producers of that commodity. Measure 1.4 is for capital investment but applications can include associated fees up to 11% of total cost.

Grant rates

2. In line with MAFF policy (which is based on evaluations of past Processing and Marketing grant schemes) the maximum grant rate will normally be 40%, including a Community (EAGGF) contribution of 20%. However, in exceptional cases funding will be available up to a total of 50% (including EAGGF of 25%) which is the maximum permitted by RDR. Examples of such cases might include proposals burdened by exceptional establishment and running costs resulting from location (eg. on the Isles of Scilly); and small-scale processing of speciality foods with limited economies of scale. In all cases, the grant payable will be the minimum necessary to enable the project to proceed.

Eligibility conditions and criteria

3. Products to be processed and resulting from processing must fall within the definition of agricultural products as laid down in Annex 1 of the Treaty of Rome. The measure excludes any producer activities covered by Community aided multi-annual operational programmes developed by recognised producer organisations under Council Regulation 2200/96 (principally covering fruit, vegetables, fruit and vegetable processing, citrus, nuts and mushrooms). In addition, support is not available to **promote** (eg. advertise) agricultural products or to eradicate animal diseases. Investment at the retail level will **not** be eligible under this Measure (but may be under Measure 4.6).

4. Applications for support will be open to individuals, groups of primary producers or SMEs (and micro businesses) involved in agricultural production, processing and marketing. Applications from non-SME's will also be considered but only if significant benefits for primary producers will result, and there is strong evidence of need for grant and of additionality.

5. Investments must fulfil one or more of the objectives stated in Article 25 (2) of RDR:-

- To guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products,
- To improve or rationalise marketing channels or processing procedures,
- To improve the presentation and preparation of products or encourage the better use or elimination of by-products or waste,

- To apply new technologies,
- To favour innovative investments,
- To improve or monitor quality,
- To improve and monitor health conditions,
- To protect the environment.

6. Applicants will need to demonstrate that they are **financially viable**. They will have to explain why the project could not proceed without support, indicate how the project can be expected to be profitable and how an adequate and lasting share of the benefits from the project will accrue to primary producers.

7. Applicants will need to provide evidence of the **existence of normal market outlets** for the products concerned according to Articles 6 and 26 of RDR. When assessing applications, the secretariat will consider issues such as market research, letters of intent from major buyers, the current state of supply of the product in question, the additionality of the market and risk of displacement, and the use of regional branding.

8. The secretariat will use a number of criteria to assess whether proposals will guarantee primary producers **an adequate share in the resulting economic benefits**. These will include the origin of the raw material, the volume of raw material to be used, contractual arrangements made for the supply of raw material, pricing arrangements for raw material, number of jobs protected or created. If the processing facility is to be operated by a farmer or grower, the proportion of raw material sourced from other producers will be taken into account. Funding will not be available for the processing and marketing of products from third countries (ie those outside the EU).

Requirement to comply with minimum standards regarding environment, hygiene and animal welfare

9. All applicants will be required to declare that they will comply with the requirements of national and EU legislation on the environment, hygiene and animal welfare (see also Annex EAGGF2). Compliance will be ensured through inspection by Local Authority and national enforcement agencies during the lifetime of projects and thereafter.

10. To minimise any effect on the environment, the secretariat will require applicants to provide details of the location of the project in relation to scheduled sites such as Ramsar Convention Sites or Conservation Areas established under the Wild Birds Directive (SPA) or the Habitat and Species Directive (SAC). If planning permission is required, applicants will have to submit details of Local Authority planning approval, including recommendations and conditions, environmental statements or impact studies submitted to the Local Authority and details of any referral for advice by the Local Authority to an expert environmental body. However, it may be possible to process an application while planning consent is being obtained. If planning permission is not required, applicants will have to submit details of the use of any noxious chemicals, any impact on flora and fauna, soils, topography, climate, geology, vegetation and cultural heritage, any impact on surface or ground water and any adverse effect on water in the zone around the site, any adverse effects on the atmosphere in the area of the project, noise generation above existing background levels, the creation of dangerous, irritative or noxious wastes/emissions and the risk of erosion in the area of the project site. Applicants will also be expected to provide details of the steps they intend to take to remedy any adverse effect on the environment. The level of detail required will be appropriate to the nature and scale of the investment.

Sectors of the basic agricultural production

11. The sectors of the basic agricultural production which will be covered by this measure will be products covered by Annex 1 to the Treaty of Rome except fishery products. Priority will be given to the dairy, beef, sheep and horticultural sectors. However, proposals involving other sectors such as cereals, poultry, and novel and industrial crops will also be considered if they will help deliver the Objective 1 Strategy for Agriculture.

MEASURE 4.3 INVESTMENT IN AGRICULTURAL HOLDINGS - ENERGY CROPS (MISCANTHUS)

Background

1. Chapter I, Article 4, of RDR provides a mechanism to support the development of Miscanthus as an energy crop and for other uses. The development of Miscanthus will contribute to a number of the objectives defined in the Article. These include:

- to enable the redeployment of production; and
- to preserve and improve the natural environment (through contributing to action on climate change).

2. Planting grants for short rotation coppice (SRC) are at present delivered through the Woodland Grant Scheme. However, this arrangement is currently under review and consideration is being given to establishing a single scheme on energy crops, covering both Miscanthus and SRC, in England (the Energy Crops Scheme). If such a scheme is implemented, it will be the source of funds for establishment of **SRC on agricultural land** within the Objective 1 areas. In the case of Miscanthus, the Objective 1 programme will provide funding, but applications are likely to be processed following the national scheme procedures.

Grant rates

3. The RDR makes provision, in Article 7, for grant payments up to a maximum of 40% (50% in Less Favoured Areas); or in the case of young farmers (less than 40 years old) in the first five years of setting up, 45% (55% in LFA's). In line with the Energy Crops Scheme, the rate of grant for establishment of Miscanthus will be £920 per hectare. These figures include equal proportions of EAGGF and matching UK public funding.

Eligibility conditions and criteria

4. Where grants are requested in support of energy crops applicants will need to demonstrate that an **appropriate end use** for the crop exists within reasonable distance of the enterprise. This means that they must be able either:

- to provide a letter of intent from, or contract with, the person who is making a commitment to buy the crop (ie the end user); or
- be able to show that they already have access to, or have planning permission to install, equipment suitable for using the crop to generate heat and power, or as a source of fibre; or
- be able to show that they are proposing to establish an approved area for trial purposes.

5. Farmers seeking grants for Miscanthus based projects will be required to provide a business plan for evaluation to demonstrate **economic viability**. Business plans will need to demonstrate significant change in the farm business in support of the principles of diversification and redeployment.

Minimum standards regarding the environment

6. Growers are required to meet the minimum environmental standards detailed at Annex EAGGF2 of the Programme Complement. A system of inspections will be put in place, along the lines of the current evaluation of applications for the existing grants for

planting SRC, to provide assurance that these standards have been met. Grant will be withheld if applicants fail to meet the required standards.

7. Plantings will be assessed for their impact on the landscape. Work is in place to assess environmental impacts from, for example, nitrate leaching. Planting of energy crops will only be allowed on arable land, improved grassland, or on reclaimed land provided there will be no significant adverse effect on wildlife or cultural heritage. Planting will not be permitted in areas designated as environmentally sensitive (eg. ESA's).

Maximum investment per holding

8. EC Regulation 1750/1999 (Annex, section 3(B)) requires a maximum level to be set for the total investment eligible for support on any individual holding. The national ERDP scheme envisages 100 hectares as the largest area likely to be the subject of an application for planting energy crops on an individual holding. Based on this figure, a maximum ceiling on investment of £100,000 per holding will be set. The Cornwall and Isles of Scilly Objective 1 Programme will adopt this same ceiling, although it is unlikely that any holding will establish as much as 100 hectares.

MEASURE 4.4 TRAINING

Background

1. Chapter III, Article 9 of RDR allows for provision of “support for vocational training to contribute to the improvement of the occupational skill and competence of farmers and other persons involved in agricultural activities and forestry activities and their conversion”. Vocational training activities will be supported in the Objective 1 programme because of the need to improve the skills base in rural areas. An improved skills base is seen as a key priority which will help ensure greater diversification, improve competitiveness and the strength of the rural economy. Improving the skills base is also vital for the successful delivery of projects under all aspects of the Programme.

2. Vocational training will assist with the modernisation and improvement of agricultural (this includes all forms of horticultural activity) and forestry holdings. It will contribute to a well founded diversification of the rural economy and will promote the adoption of sustainable and environmentally sensitive practices. In many cases, full time education courses provide a sound theoretical underpinning but fail to provide the focused practical training experience workers and employers in the sector require. To ensure that training under the programme is of maximum benefit to the rural economy specific “needs based” training activities will need to be developed and delivered. Priority areas for training which have been identified include:

- ICT
- business / marketing skills
- traditional craft skills
- forestry, countryside and environmental skills
- customer care skills
- farm management skills
- skills related to the food chain and to food processing
- development of innovation
- initiative, leadership and facilitation skills

- the provision of practical experience to underpin more formal courses of education

Grant rates

3. It is anticipated that under certain circumstances trainees will not be expected to contribute towards the cost of the training they receive (ie. total grant can be 100%, including a Community contribution of 50%). In other cases they will be expected to bear a proportion of the costs involved. However, trainees undertaking training from which they or their employer can expect to derive an immediate commercial benefit are likely to be required to meet at least 50% of the costs involved. In all cases the total public support will be equal proportions of Community (EAGGF) and UK public contributions. Areas where training is likely to be provided free or, where the end user will be expected to make a small (under 50%) contribution, will include:

- environmental and conservation activities
- training for young people (under 40 years of age)
- training linked to projects drawing on other Measures where the successful delivery of wider project objectives is dependent on training
- training with no immediate commercial benefit

Eligibility conditions and criteria

4. Aid will be available to farmers and other persons involved in agriculture and forestry activities and their conversion. Aid will be given in relation to delivery of and participation in vocational training or instruction. To facilitate the participation in training it may be necessary to make available or fund some form of farm relief service. Where appropriate, training should lead to the acquisition of a recognised vocational qualification or any part of such qualification. However, the achievement of formal qualifications will not be mandatory in all cases. Aid will also be given to activities associated with the identification of training needs and the provision of facilities necessary to run courses, the resources required to deliver training, and the testing of trainees to ensure that they have reached the required standard.

5. In many, but not all cases, aid for training will be linked to the delivery of other projects under the Programme. However, where training forms part of a wider project, aid will be restricted to those activities and participants falling within the scope of Article 9. Where appropriate a formal Training Needs Assessment will be required before aid for training is approved.

6. Full time courses of education and training provided through secondary schools, Further Education Colleges and Higher Education Establishments will not be eligible for aid.

7. Training activities in receipt of aid under Objective 3 will not be eligible for aid under the Objective 1.

8. To be eligible for funding, training must demonstrate additionality. Courses designed to meet basic statutory requirements (eg food hygiene, basic chainsaw skills) will not be eligible.

MEASURE 4.5 FORESTRY

Background

1. Chapter VIII Article 30 of RDR provides for support for forestry. Measure 4.5 will draw on all the measures listed in para 1 of Article 30 apart from the last measure which relates to restoring production following natural disaster. The emphasis will be on achieving sustainable management through enhancing the market for timber and wood, by encouraging new products, marketing, improved quality and alternative use of woodland (eg. recreation). However, funding will also be available for planting of woodland and short rotation coppice on **non-agricultural land** and for management of woodland.

2. Planting on agricultural land will continue to be funded by the national Woodland Grant Scheme and Farm Woodland Premium Scheme, drawing on Article 31 of RDR. Planting of short rotation coppice on agricultural land will be supported by the Energy Crops Scheme.

Grant rates

3. Maximum grant rate will be 70%. However, where there is an economic return to the beneficiary, the maximum will be 50%. These figures include equal proportions of EAGGF and matching UK public funding.

Eligibility conditions and criteria

4. Applications for support will be open to individuals; SME's and micro businesses; groups of woodland owners, contractors and processors involved in woodland management, timber production, harvesting, processing and marketing.

5. Industrial processing will not be eligible for support. Nor will state owned forests or their products.

6. Applicants will need to demonstrate the **economic viability** of their businesses by means of evidence such as accounts and business plans. They will have to explain why the project could not proceed without support, indicate how the project can be expected to be profitable and how an adequate and lasting share of the benefits from the project will accrue to woodland owners (primary producers).

7. In the case of proposals for processing and marketing of timber, applicants will need to provide evidence of the **existence of normal market outlets** for the products concerned according to Articles 6 and 26 of RDR. When assessing applications, the secretariat will consider issues such as market research, letters of intent from major buyers, the current state of supply of the product in question, the additionality of the market and risk of displacement, and the use of regional branding.

8. The secretariat will use a number of criteria to assess whether proposals will guarantee primary producers **an adequate share in the resulting economic benefits**. Such criteria will mainly apply to cases involving processing and marketing of timber. They will include the origin of the raw material, the volume of raw material to be used, contractual arrangements made for the supply of raw material, pricing arrangements for raw material, number of jobs protected or created. If a processing facility is to be operated by a woodland owner, the proportion of raw material sourced from other producers will be taken into account.

Requirement to comply with minimum standards regarding environment, hygiene and animal welfare

9. All applicants will be required to declare that they will comply with the requirements of national and EU legislation on the environment, hygiene and animal welfare (see also Annex EAGGF2). Compliance will be ensured through inspection by Local Authority and national enforcement agencies during the lifetime of projects and thereafter.

10. In the case of Measure 4.5, hygiene and animal welfare are likely to be of limited or no relevance (eg. in the case of animal welfare, limited to activities such as the use of

horses for extracting timber, or the grazing of woodland as an aid to management). However, environment will be a key issue.

11. The details set out for Measure 1.4 under para 10; for Measure 4.3 under para 6 and 7; and in Annex EAGGF2, will apply in so far as they relate to woodland, forestry and associated operations. In addition, applicants will be required to state whether woodland is ancient woodland, and to follow Forestry Commission guidance on the management of ancient woodland.

12. The Forestry Commission will be involved with the assessment of applications for grant aid. In the case of the planting and management of woodland, they will apply similar checks and criteria to those which have been used for the Woodland Grant Scheme. In cases with the potential for a significant effect on the environment, environmental assessment will be required, in accordance with rules laid down by the Forestry Commission. Much of the aid available under this Measure is likely to be delivered by umbrella projects.

MEASURE 4.6 PROMOTING THE ADAPTATION AND DEVELOPMENT OF RURAL AREAS

Background

1. Article 33 of RDR offers a range of measures to promote the adaptation and development of rural areas. The objective is to provide targeted support for the development of more sustainable, diversified, enterprising rural economies and communities, particularly aiding the re-structuring of businesses in response to declining incomes and changing market pressures. The measures to be promoted in Cornwall and the Isles of Scilly are listed in the SPD and in the text of the Programme Complement.

Grant rates

2. The level of aid, comprising both Community and national contributions, will be determined taking account of: (i) the nature of the measure concerned; (ii) the potential degree of leverage in respect of non-public funding; and (iii) the extent to which the investment will generate revenue for the applicant.

3. As a general rule, the maximum rate of grant for revenue bearing investments (ie. those from which the applicant will derive an economic return) will be 50% (including 25% EAGGF). In practice, rates of grant significantly less than 50% will apply when projects will yield a substantial return on investment. However, funding up to 100% (including 50% EAGGF) will be considered for projects with minimal economic return (eg. those involving environmental or community/social objectives such as countering rural stress). In all cases, public support will be made up of equal proportions of EAGGF and matching UK public funds. Further limits stemming from RDR include:-

- for investments in infrastructure, the EAGGF element must not exceed 40% of project costs (ie. maximum total grant/public funding of 80%)
- for investment in firms, the EAGGF element must not exceed 35% of project costs (ie. maximum total grant/public funding of 70%).

Eligibility conditions and criteria

4. Applicants may include individuals, partnerships, companies, and other organisations. In general, however, priority will be given to projects which promote co-operation and collaboration. Support may also be given to individual beneficiaries via bodies which promote and co-ordinate applications within the context of a single project ("umbrella projects"), and which then distribute aid to eligible final beneficiaries in accordance with the approved objectives of the overall project.

5. Details of the indicative activities which may be funded by Measure 4.6 are given in the text of the Programme Complement. Further guidance on issues relating to each of the Article 33 measures adopted is given below:-

6. Setting-up of farm relief and farm management services. In considering applications for reducing business costs (eg. machinery rings), consideration will be given to the degree of collaboration. Use is likely to be made of "umbrella projects" to deliver services such as business support and technology transfer. The measure excludes any producer activities covered by Community aided multi-annual operational programmes developed by recognised producer organisations under Council Regulation 2200/96 (principally covering fruit, vegetables, fruit and vegetable processing, citrus, nuts and mushrooms).

The measure excludes any producer activities covered by Community aided multi-annual operational programmes developed by recognised producer organisations under Council Regulation 2200/96 (principally covering fruit, vegetables, fruit and vegetable processing, citrus, nuts and mushrooms).

7. Marketing of quality agricultural products. The measure excludes those capital grant projects (with associated marketing activity) covered by Measure 1.4. The scheme will exclude any marketing measures covered by Community aided multi-annual operational programmes developed by recognised producer organisations under Council Regulation 2200/96 (principally covering fruit, vegetables, fruit and vegetable processing, citrus, nuts and mushrooms).

8. Basic services for the rural economy and population. This measure does not seek to substitute for existing Government action; for example, to maintain rural schools or health facilities, or to provide additional funding in support of public transport in rural areas. Instead, funding would be available for pump-priming projects primarily targeted at dispersed populations which are not covered by mainstream initiatives.

9. Diversification of agricultural activities and activities close to agriculture to provide multiple activities or alternative incomes
Proposals involving diversification directly related to agricultural activities (as a guideline: related to products covered by Annex 1 of the Treaty of Rome), will **not** be eligible under Measure 4.6. However, the majority of diversification initiatives (eg. conversion of farmland and buildings to non-agricultural uses; sport and recreation, and adding value to non-Annex 1 products) may be supported.

10. Development and improvement of infrastructure connected with the development of agriculture. Grants may be delivered by means of an "umbrella project". When considering applications, heed will be taken of the need for infrastructure improvements to facilitate diversification, agriculture-related developments, and re-structuring.

11. Encouragement for tourist and craft activities. Grants are likely to be delivered by means of an "umbrella project". With tourism projects it will be especially important to address the issue of local demand and supply of accommodation, and potential displacement, and other issues which will be incorporated in the local agricultural and tourism strategies.

12. Protection of the environment in connection with agriculture, forestry and landscape conservation as well as with the improvement of animal welfare. This measure excludes those activities covered by the agri-environment measures under Articles 22 - 24 of Regulation 1257/1999 (eg. Countryside Stewardship and the West Penwith ESA). Nevertheless, this measure provides scope for further activities to be aided, particularly where beneficial linkages can be made to the main agri-environment measures. In this way, for example, capital measures providing

added value or addressing locally important aspects, including community initiatives, may be supported. This may have an economic aspect in terms of producing or sustaining a commercial enterprise, such as measures which enhance country leisure pursuits. Any forestry activity which can be funded by Measure 4.5 should use that Measure in preference to Measure 4.6.

ANNEX EAGGF 2**EC MINIMUM STANDARDS FOR ENVIRONMENT, ANIMAL WELFARE AND FOOD AND ANIMAL HYGIENE**

1. Council Regulation 1257/1999 requires member states to apply minimum standards regarding environment, hygiene and animal welfare. These are conditions for: investment in agricultural holdings (Chapter I of the Regulation), setting up young farmers (Chapter II), improving processing and marketing of agricultural products (Chapter VII). Therefore, they apply to Measures 1.4, 4.3 and elements of 4.6 of the Programme.

2. In some instances, funding will be available from the Programme for improvements needed to enable businesses to meet the minimum standards.

ENVIRONMENT

3. In England the minimum standards in respect of the environment are detailed in the table below. The table also shows the penalties applicable for any offence and the public body responsible for enforcing the legislation.

4. In addition, MAFF have published Codes of Good Agricultural Practice for Water, Air, Soil; and for the Safe Use of Pesticides on Farms and Holdings (Green Code). Applicants for support from the Measures listed above will have to meet these Codes in order to be eligible (subject to the exception referred to in para 2, above).

MINIMUM ENVIRONMENTAL STANDARDS			
<u>Relevant Legislation</u>	<u>Subject</u>	<u>Penalty</u>	<u>Enforcement Agency</u>
Water Resources Act 1991	Pollution of water	Up to £20,000	Environment Agency
Groundwater regulations 1998	Disposal or tipping	Up to £20,000	"
Control of pollution (Silage, Slurry and Agricultural Fuel Oil) Regulations 1991	Storage and handling of these substances	Up to £5,000	"
The Action Programme for Nitrate Vulnerable Zones (England and Wales) Regulations 1998	Measures to reduce nitrate leaching	Unlimited fine	"
Hedgerow Regulations 1997	Removing hedgerows	Unlimited fine	Local Authorities
Wildlife and Countryside Act 1981	Damage to Sites of Special Scientific Interest; wildlife offences	Unlimited fine	English Nature
Part III of the Food and Environment Protection Act 1985	Misuse of pesticides	Unlimited fine	Heath and Safety Executive
Plant Protection Products Regulations 1995	Misuse of pesticides	Unlimited fine	"
Clean Air Act 1993	Emitting dark smoke	Up to £20,000	Environment Agency
Crops Residues (Burning) Regulations 1993	Burning crop residues	Up to £5,000	Local Authorities
Heather and Grass etc. (Burning) Regulations 1986	Burning heather	Up to £1,000	Ministry of Agriculture, Fisheries and Food
Ancient Monuments (Class consents) Order 1994	Damaging ancient monuments	Unlimited fine	English Heritage

ANIMAL WELFARE

4. A comprehensive framework of legislation exists to protect animals kept for farming purposes. The Agriculture (Miscellaneous Provisions) Act 1968 makes it an offence to cause unnecessary pain or unnecessary distress to any livestock, while The Protection of Animals Acts 1911 makes it an offence to cause unnecessary suffering to any domestic or captive animal. The 1968 Act also authorises Agriculture Ministers to issue more detailed regulations specifying detailed conditions under which livestock must be kept. It also provides for codes of recommendations for the welfare protection of farm animals. Storekeepers are required by law to be familiar with, and have access to, the welfare codes which encourage the adoption of the highest standards of husbandry. Although the codes are not directly applicable in law, failure to observe their provisions may be used in support of a prosecution for offences under the 1968 Act.

Enforcement

5. The 1968 Act, and its subsidiary legislation is enforced by the State Veterinary Service (SVS). The SVS visits farm premises to check the welfare of the livestock, and investigates all complaints and allegations that welfare requirements have been infringed. The SVS liaises closely with local authorities, the police and organisations such as the

RSPCA. We do not hesitate to prosecute, where necessary, or to provide expert witness in the case of prosecutions brought by other bodies.

6. As a member of the European Union, the UK is required to implement into domestic law any Directives adopted. Other member states are also bound by the Treaty of Rome to implement legislation in their countries.

7. There are currently 3 main EC Directives laying down minimum standards for the welfare of specific farm animals:-

- 88/166/EEC (laying hens in battery cages);
- 91/629/EEC, as amended by 97/2/EC and 97/182/EC (calves); and
- 91/630/EEC (pigs).

These Directives are implemented in GB by the Welfare of Livestock Regulations 1994 (S.I 1994, No. 2126) and the Welfare of Livestock (Amendment) Regulations 1998 (S.I 1998, No. 1709). Both are made under the Agriculture (Miscellaneous Provisions) Act 1968.

8. Directive 98/58/EC, which sets minimum standards for the welfare of all farm animals, applies from 31 December 1999 and will be implemented into UK legislation in due course by updated Welfare of Farmed Animal Regulations.

9. Directive 99/74/EC sets new standards for laying hens. It bans the barren battery cage from 2012 and lays down minimum welfare standards for the keeping of laying hens in non-cage systems. This Directive applies from 1 January 2002 and will be implemented in due course.

10. Encouragement to farmers to adopt high standards of animal husbandry is given through the welfare codes, through a wide range of MAFF advisory booklets on welfare issues (e.g., lameness, heat stress, condition scoring, lamb/calf survival etc.) and through MAFF-funded advisory meetings and workshops run by the agricultural consultancy, ADAS.

FOOD HYGIENE

General

11. The minimum hygiene standards for food businesses are laid down in the General Food Hygiene regulations and the Temperature Control regulations made under the Food Safety Act 1990. This secondary legislation implements Council Directive 93/43/EEC on the Hygiene of Foodstuffs; The Temperature Control regulations are a national measure.

Enforcement

12. These standards are enforced by Environmental Health Officers in (local) Food Authorities. Lead responsibility for interpretation and enforcement of the hygiene legislation lies with the Department of Health. In any dispute between a Food Authority and a food business proprietor, interpretation of the legislation rests with the courts who are able to penalise either by fine, 2 years imprisonment or both, depending on the outcome.

13. The enforcement authorities are required to pay due attention to statutory Codes of Practice, issued under the Food Safety Act 1990, which provide instructions on enforcement of the SIs. The Department of Health also formally recognises a number of Industry Guides to Good Hygiene Practice which provide advice to various sectors of the food industry on compliance with the Regulations. Following these Guides is voluntary.

Dairy

14. The Dairy Products (Hygiene) Regulations 1995, as amended, (DPHRs) implement within England and Wales Council Directive 92/46 which lays down the health rules for the production and placing on the market of raw milk, heat-treated milk and milk-based products (similar legislation applies in Scotland and Northern Ireland).

15. The Regulations apply to all premises which produce and place on the market raw milk, heat-treated drinking milk, milk for the manufacture of milk-based products and milk-based products intended for human consumption. However, they do not apply to most retail premises, which sell milk and milk-based products e.g. to the ultimate consumer. Storage depots and wholesalers are subject to only minimal requirements.

Enforcement

16. All premises with one or more cows, goats, sheep, and buffaloes need to be registered and inspected by the Dairy Hygiene Inspectorate (DHI) in England/Wales (or licensed by the Environmental Health Department in Scotland and with the Department of Agriculture in Northern Ireland) if they are producing milk for sale (known as production holdings).

17. All premises heat-treating milk or processing dairy products for sale are known as dairy establishments. Such premises (which may be on farm) are subject to additional requirements to those applying to production holdings. In particular they need to be approved (or inspected in the case of direct sellers of raw milk or milk products where approval is not required) by Environmental Health Departments (EHDs), which have overall responsibility for supervising the necessary standards of hygiene in such premises.

18. Enforcement instructions are provided both for the DHI and EHDs.

19. Six Guidance booklets on the Regulations (including a Food Safety Act 1990 - Code of Practice) are available for use by interested parties.

Penalties

20. Regulation 19 of the DPHRs sets out offences and penalties for infractions under these Regulations. These are part of criminal law. Enforcement criteria ranges from supervision of activities pending correction (e.g. via Improvement Notices) through to withdrawal of registrations or approvals. There are procedures for appeals to a Magistrates Court. In the event of prosecutions, fine and or imprisonment may result.

Egg Products Regulations

21. The Egg Products Regulations are made under the Food Safety Act 1990. This legislation implements Directive 89/437/EEC on 'hygiene and health problems affecting the production and the placing on the market of egg products'.

Enforcement

22. These standards are enforced by Environmental Health Officers in (local) Food Authorities. Egg products establishments must be approved by the enforcement authorities. Revocation of approved status lies with Food Authority and in special cases at Ministerial level. In any dispute between a Food Authority and an Egg Product establishment, interpretation of the legislation rests with the courts who are able to penalise either by fine, 2 years imprisonment or both, depending on the outcome.

23. The enforcement authorities are provided with a list of statutory and other guidance to assist the enforcement role.

24. The General Food Hygiene, Temperature Control and the Egg Products regulations do not cover animal welfare, animal hygiene or any aspects of primary production. These secondary regulations have cross reference to other legislation not directly associated with food.

The Ungraded Eggs (Hygiene) Regulations 1990

25. These regulations are under review. They were made under the 1984 Food Act and refer to the Council Regulation 2772/75 on the 'Marketing Standards for eggs as amended'. Their main force is to prevent the retail of cracked eggs by farms, local markets or by door to door sales.

Enforcement

26. These regulations are enforced by the local authorities. Interpretation in dispute lies with the courts who are able to penalise infractions either by fine, 2 years imprisonment or both, depending on the outcome.

27. No enforcement guidance has been issued on the UEHRs.

MEAT HYGIENE***Establishments producing fresh meat***

28. With certain limited exceptions (such as small on-farm poultry slaughterhouses and premises supplying the final consumer, e.g. farm shops), all premises slaughtering, cutting or storing fresh meat intended for sale for human consumption must hold a licence under one or more of the following Regulations, made under the Food Safety Act 1990:

29. The Fresh Meat (Hygiene and Inspection) Regulations 1995 (as amended) (which implement the EC Fresh Meat Directive 64/433/EEC (as amended) and, in respect of large farmed game, the EC Farmed Game Directive 91/495/EEC);

30. The Poultry Meat, Farmed Game Bird Meat and Rabbit Meat (Hygiene and Inspection) Regulations 1995 (which implement the EC Poultry Meat Directive 71/118/EEC (as amended) and, in respect of farmed game birds and rabbits, the EC Farmed Game Directive 91/495/EEC);

31. The Wild Game Meat (Hygiene and Inspection) Regulations 1995 (which implement, in part, the EC Wild Game Directive 92/45/EEC).

32. Licences are granted, on application, by MAFF if the premises meets the structural and hygiene standards laid down in the Regulations. Licensed premises must be supervised by an Official Veterinary Surgeon of the Meat Hygiene Service (MHS).

Enforcement

33. The MHS has powers to take enforcement action when standards in licensed premises deteriorate. These include powers to prosecute breaches of the Regulations, to serve notices under the Regulations to prevent the use of rooms and equipment, to serve improvement or prohibition notices under the Food Safety Act 1990, to seize unfit meat and, ultimately, to revoke premises' licences.

34. The MHS is subject to the relevant Codes of Practice issued under the Food Safety Act 1990 and receives instructions from MAFF through its Operations Manual which is a public document.

35. Premises which are exempt from the Regulations listed in paragraph 1 above are nevertheless subject to the requirements of the Food Safety Act 1990 and the Food Safety (General Food Hygiene) Regulations 1995.

Penalties

36. If found guilty of an offence under the Fresh Meat, the Poultry Meat or the Wild Game Meat Regulations an operator shall be liable: -

- (i) on summary conviction, to a fine, the level of which is dependent on the nature of the contravention; or
- (ii) on conviction on indictment, to a fine or imprisonment for a term not exceeding two years or both.

Establishments Producing Meat Products and Minced Meat & Meat Preparations

34. With the exception of premises supplying only the final consumer, all premises handling, storing or re-wrapping meat products intended for sale for human consumption must be approved under the Meat Products (Hygiene) Regulations 1994 (which implement the EC Meat Products Directive 77/99/EEC (as amended)). These Regulations are made under the Food Safety Act 1990.

35. With the exception of premises supplying only the final consumer and those manufacturing minced meat and meat preparations for the national market only, all

premises handling minced meat and meat preparations intended for sale for human consumption must be approved under the Minced Meat & Meat Preparations (Hygiene) Regulations 1995 (which implement the EC Minced Meat & Meat Preparations Directive 94/65/EC). These Regulations are made under the Food Safety Act 1990

36. Approval to operate as a meat products premises or as a minced meat or meat preparations premises is granted, on application, by the local food authority (or by MAFF for certain combined premises) if those premises meet the structural and hygiene standards laid down in the relevant Regulations. The Regulations are enforced, in stand alone premises, by the local authority and in combined premises by an Official Veterinary Surgeon of the Meat Hygiene Service (MHS).

Enforcement

37. The relevant enforcement authority has powers to take enforcement action when standards in approved premises deteriorate. These include powers to prosecute breaches of the Regulations and, in the case of the Minced Meat & Meat Preparations (Hygiene) Regulations 1995, to seize unfit minced meat & meat preparations and, ultimately, to revoke premises' approvals.

38. Local Authorities and the MHS are subject to the relevant Codes of Practice issued under the Food Safety Act 1990 and receive instructions and guidance from MAFF through Codes of Practice, Guidance Notes and, for the MHS, the Operations Manual. These are public documents.

39. Premises which are exempt from the Regulations listed in paragraphs 1 and 2 of this section are nevertheless subject to the requirements of the Food Safety Act 1990 and the Food Safety (General Food Hygiene) Regulations 1995.

Penalties

40. If found guilty of an offence under the Meat Products (Hygiene) Regulations 1994 or the Minced Meat & Meat Preparations (Hygiene) Regulations 1995 an operator shall be liable:-

- (i) on summary conviction, to a fine not exceeding the statutory maximum;
- or
- (ii) on conviction on indictment, to a fine or imprisonment for a term not exceeding two years or both.