

ISEC/17/82

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£9.4M NON-QUOTA REGIONAL FUND ALLOCATION
FOR SHIPBUILDING AREAS

The shipbuilding areas of the United Kingdom are to receive about £9.4m help from the European Regional Development Fund to encourage the creation of new employment where so many jobs have been lost as a result of shipyard modernisation. The areas affected are Strathclyde, Cleveland, Tyne and Wear, Merseyside and the Belfast urban area. Between July 1977 and July 1981, 16 460 jobs have been lost in the shipbuilding industry in these zones.

The money goes towards a special programme covering the five years 1981-85, for which the total cost will be about £14.2m. The ERDF contribution is from the non-quota section of the Fund. The programme will put special emphasis on the establishment and development of small and medium-sized enterprises. It has been prepared by the UK Government in consultation with regional bodies.

Most of the aid will be allocated to the improvement of run-down urban and industrial areas, involving cleaning-up and site preparation, conversion of disused industrial buildings and their surroundings, including modernisation of premises for small and medium-sized businesses, creation of green areas and minor works for improving the appearance of localities and possibly minor roads.

The programme will also include help for the establishment or development of consulting firms or other bodies which may be empowered to give temporary assistance to undertakings for implementing their recommendations. Establishment or development of common services for a number of undertakings will be included, as well as the promotion of new ideas in industry and services and provision of better access for the enterprises to risk capital.

Aid to the United Kingdom from the non-quota section of the Regional Fund now totals £32m. The breakdown of this assistance is as follows:

		<u>ECUm</u>	<u>£m</u>
Strathclyde	ERDF contribution	7.00	3.86
	total expenditure	10.50	5.79
Cleveland	ERDF contribution	1.20	0.62
	total expenditure	2.00	1.10
Tyne and Wear	ERDF contribution	4.40	2.43
	total expenditure	6.60	3.64
Merseyside	ERDF contribution	1.40	0.77
	total expenditure	2.10	1.16
Belfast	ERDF contribution	3.00	1.66
	total expenditure	4.50	2.48
Total	ERDF contribution	17.00	9.40
	overall expenditure	25.70	14.20

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