



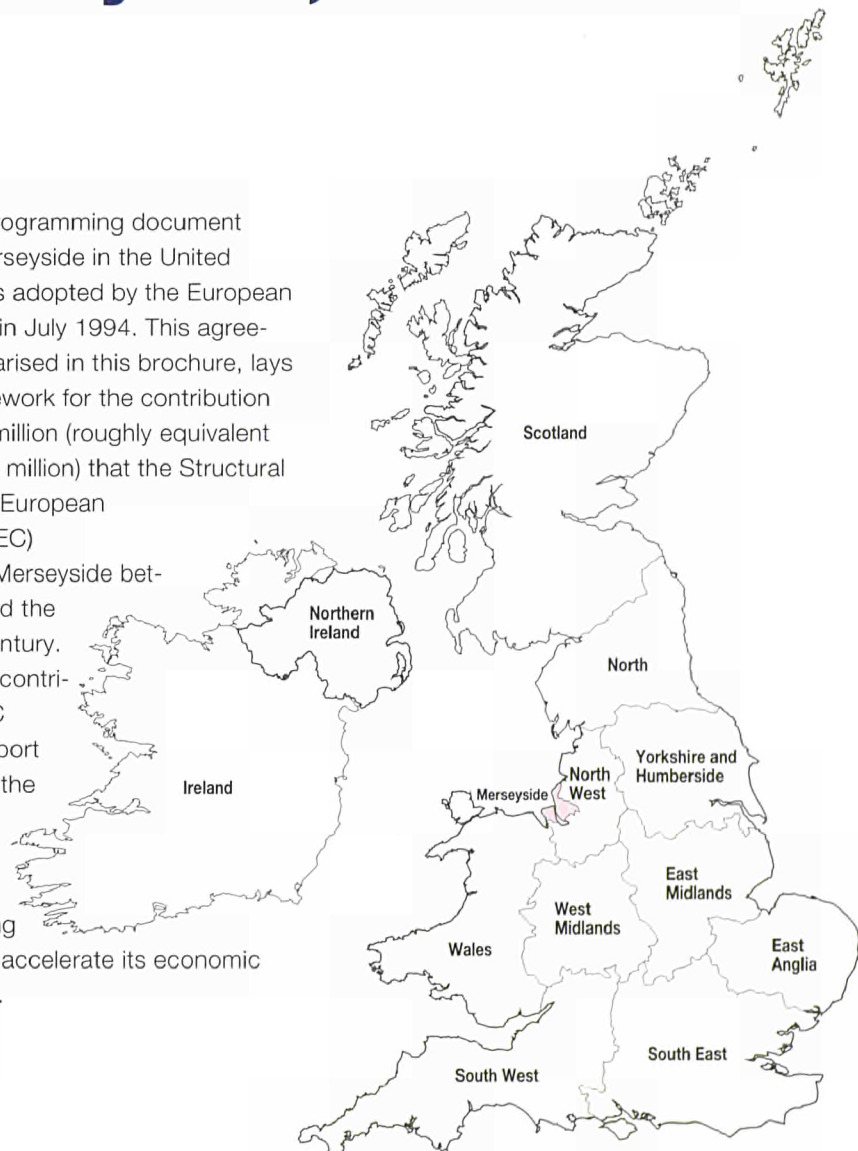
November 1994 - EN

Summary of the SPD for Merseyside (Objective 1)

# The EC Structural Funds and the development of Merseyside, 1994-1999

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The Single programming document (SPD) for Merseyside in the United Kingdom was adopted by the European Commission in July 1994. This agreement, summarised in this brochure, lays out the framework for the contribution of ECU 815 million (roughly equivalent to ST £640.5 million) that the Structural Funds of the European Community (EC) will make to Merseyside between now and the end of the century. Through this contribution the EC seeks to support the efforts of the national and regional authorities in encouraging the region to accelerate its economic development.



## Merseyside and Europe

Merseyside has long faced a decline in the regional economy that has had serious repercussions. The GDP per head of population relative to the EC average has steadily declined from 95% in 1983 to an estimated 73% in 1992. Unemployment, in particular long-term unemployment, remains at very high levels, reaching 70% above the Community average in the early 1990s.

In response to this the European Community took the step in July 1993 of designating Merseyside an Objective 1 region (regions whose development is lagging behind).

## The Single programming document

The Single programming document (SPD) is an agreement drawn up between the European Commission and the national and regional authorities responsible for the Structural Funds.

The SPD includes the general development strategy and the financing programme which become operational immediately. Project managers wishing to benefit from this programme must contact the authority responsible for the implementation of the SPD:

### Objective 1 Secretariat

Government Office for Merseyside  
Graeme House  
Derby Square  
Liverpool L2 7UP  
United Kingdom.  
Tel: +44 51 227 41 11  
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The government of the United Kingdom submitted a proposal for the SPD to the Commission on 3 November 1993. Based on this, the Commission adopted in July 1994 its single decision on Structural Fund intervention in Merseyside.

The resulting Single programming document includes five development priorities for the region of Merseyside each of which is divided into a series of sub-measures. Alongside this there is an allocation set aside for technical assistance.

The Single programming document is a new approach to administering the Structural Funds. The more familiar system requires a Community support framework (CSF) which is an initial agreement on the development objectives for the particular region. Specific programmes are then adopted in a second stage.

## The economy of Merseyside

A special feature of Merseyside is the sharp degree of economic and social disparity within the region. These inequalities are concentrated in well-defined localities, for instance with unemployment rates of between 30 and 40% in the inner city of Liverpool and across certain peripheral housing estates.

On average Merseyside has lost 7,600 jobs a year since 1981 at a time when employment in the United Kingdom and across the European Community has grown. This is coupled with a dependency on large firms and the public sector employment alongside a low level of small firm creation. There is also a low level of educational attainment and professional qualification in the area with 28% of young people in Merseyside leaving school with no qualifications at all - twice the level in the UK as a whole, whilst the level of post school qualifications amongst the workforce is also much less than elsewhere in the country.

Old industry has left its legacy on the environment too with 1,700 hectares of derelict land - over 10 times the national average. Certain town centres in the area suffer badly from a deteriorated urban environment.

This general decline in economic activity and quality of life has led to damaging levels of out-migration amounting to 20% over the past 30 years.

# Priorities

The regional development strategy for Merseyside over the next six years is based around five priority areas for Structural Fund actions.

## 1 Inward investment and key corporate business development

Sites for industrial and commercial investors, training needs of the corporate sector, the Merseyside Image Campaign, developing ports and airports, access to key sites, managing and recycling waste.

## 2 Indigenous enterprise and local business development

Premises for SMEs, incentives for local business investment, training needs for SMEs, the farming and food industries.

## 3 The knowledge based industries and advanced technology development

Research, innovation and technology development, training for new technology, clean technologies and environmental awareness, training for environmental skills.

## 4 The cultural, media and leisure industries

Development of facilities for investors, better quality and training, attracting visitors, upgrading skills, protecting and developing the natural and historic built environment.

## 5 Action for the people of Merseyside

Pathways to integration, training, community development and a better quality of life, economic and social support for inner city areas, career development, equal opportunities, access to jobs and training for those excluded from the labour market, action for a better environment.

# Quantified objectives

For each of the priorities the Single programming document sets a series of clear targets, many of them quantitative, allowing a precise programme impact evaluation in the future.

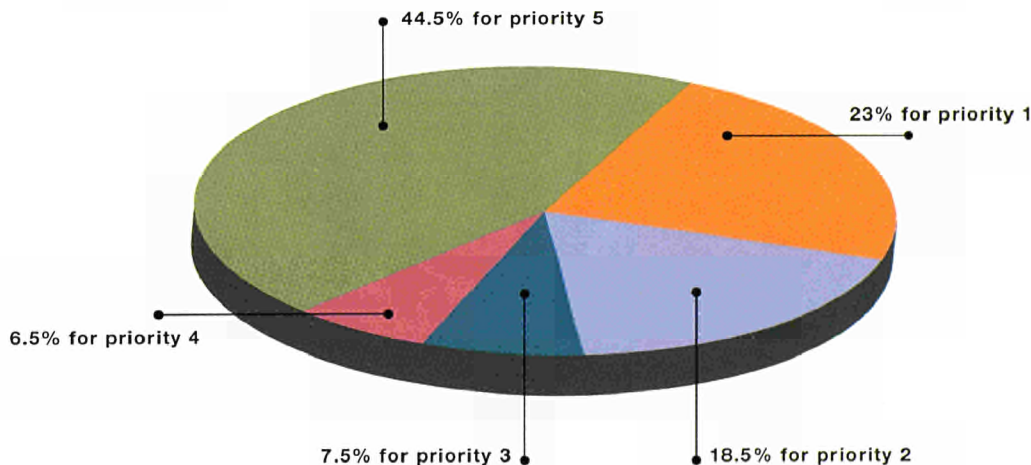
An exact quantification of results achieved through Objective 1 Structural actions across the whole eligible area may be difficult to forecast. Not least because these actions are complementary to a wide range of other development actions that are already being undertaken in the region. However each priority area listed opposite has a very specific objectives to be achieved. For example under "Priority 1: Investment/Business development" the measures are designed to:

- create 10,500 permanent jobs
- safeguard 25,100 jobs
- create 17,900 permanent jobs indirectly
- provide 370 hectares of land improved, serviced or returned to productive use
- develop 3,110,000 m<sup>2</sup> of industrial and commercial floor space.

The measures within each priority also contain specific objectives showing how they will contribute to the overall objectives set. For example "Measure 5 of Priority 1: Access to key sites for industrial and commercial development" must deliver:

- 32 km of access routes
- 5 new or upgraded railway stations
- 20 km of new or improved railway lines.

**The division of Structural Fund resources by priority area**



# Financing the investment

(million ECU)

Priorities	Total Struct. Funds 1 = 2 + 3 + 4 + 5	Structural Funds				EIB/ECSC Loans 6	National/ public/funding 7	Private funding 8	Total cost 9 = 1 + 7 + 8
		ERDF 2	ESF 3	EAGGF 4	FIFG 5				
<b>1 Investment/business development</b>	<b>186</b>	<b>178</b>	<b>8</b>			<b>150</b>	<b>132</b>	<b>164</b>	<b>482</b>
Sites and premises	100	100					90	64	254
Training needs	8		8				8	8	24
Image campaign	4	4					6	1	11
Ports and airport	45	45						73	118
Access to key sites	26	26					25	16	67
Management of industrial waste	3	3					3	2	8
<b>2 Indigenous enterprise</b>	<b>149</b>	<b>106</b>	<b>40</b>	<b>3</b>		<b>25</b>	<b>150</b>	<b>102</b>	<b>401</b>
Premises for SMEs	30	30					35	13	78
Incentives for local business development	76	76					72	47	195
Training needs	40		40				40	40	120
Farming, food sector	3			3			3	2	8
<b>3 Technology development</b>	<b>62</b>	<b>42</b>	<b>20</b>				<b>59</b>	<b>51</b>	<b>172</b>
Research, innovation, technology development for business needs	24	24					22	17	63
New technology skills (ERDF)	10	10					15	15	40
New technology skills (ESF)	15		15				10	8	33
Clean technologies	8	8					7	6	21
Environmental skills	5		5				5	5	15
<b>4 Culture, leisure, the media</b>	<b>54</b>	<b>38</b>	<b>16</b>				<b>50</b>	<b>42</b>	<b>146</b>
Facilities for investors	10	10					8	8	26
Quality of media through improvement of skills	6		6				6	6	18
Tourist attractions, festivals and events	13	13					10	10	33
Quality in tourism through improvement of skills	10		10				10	10	30
Protecting the natural and historic built environment	15	15					16	8	39
<b>5 Action for the people</b>	<b>361</b>	<b>109</b>	<b>252</b>			<b>75</b>	<b>421</b>	<b>9</b>	<b>791</b>
Pathways to integration (ESF)	90		90				90		180
Pathways to integration (ERDF)	35	35					57		92
Career development	110		110				110		220
Equal opportunities	5		5				5		10
Targetted action to combat social exclusion	25		25				25		50
Better education, training and employment services (ESF)	22		22				22		44
Better education, training and employment services (ERDF)	17	17					28		45
Improving the public transport system	43	43					62	8	113
Environmental action on derelict land	14	14					22	1	37
<b>Technical assistance</b>	<b>4</b>	<b>2</b>	<b>2</b>				<b>4</b>		<b>8</b>
ERDF	2	2					2		4
ESF	2		2				2		4
<b>Total</b>	<b>816</b>	<b>475</b>	<b>338</b>	<b>3</b>		<b>250</b>	<b>816</b>	<b>368</b>	<b>2000</b>

## Technical assistance

In addition to these measures, ECU 4 million has been set aside for technical assistance evaluation, awareness raising, and research work related to the Single programming document provisions.

## Monitoring Committee

A Monitoring Committee will be responsible for the Objective 1 programme. This includes overseeing the programme management, setting the strategic framework for implementation of the measures and monitoring the impact of the projects undertaken.

The Monitoring Committee will comprise representatives of principal regional partners including:

- Training and Education Councils
- statutory bodies
- the private and voluntary sectors
- local and national government
- the European Commission.

# Measures

The priorities set out in the Single programming document will be implemented under the measures listed below. The Structural Fund contribution is given for each measure and, where appropriate or when available, the type of beneficiary and responsible authority.

## 1 Inward investment and key corporate business development

The following 6 measures are envisaged.

- creating quality sites and premises for industrial and commercial investors. (100 Mecu - local authorities, English partnerships, Mersey Docks and Harbour Company, Merseyside Development Corporation)
- training in the key corporate sectors. (8 Mecu - managers and employees of SMEs)
- the Merseyside image campaign to improve the perception of the area internationally. (4 Mecu - public or private bodies able to deliver the campaign)
- developing Merseyside's ports and airport for business needs. (45 Mecu - Mersey Docks and Harbour Company, local authorities, Liverpool airport and other public and private bodies)
- access to key sites for industrial and commercial development. (26 Mecu - local authorities, Merseyside Passenger Transport Authority and Executive, British Rail, English partnerships, Merseyside Development Corporation, private sector)
- developing the management of industrial waste and encouraging recycling. (3 Mecu - the Waste Disposal Agency, local authorities, private and voluntary sectors, educational institutes)

## 2 Indigenous enterprise and local business development

The following 4 measures are envisaged.

- the provision of quality industrial and commercial premises for SMEs. (30 Mecu - local authorities, English partnerships, Mersey Docks and Harbour Company, Merseyside Development Corporation, public and voluntary sector bodies, SMEs)

- incentives for local business investment including: diagnostic and consultancy services; marketing assistance; developing supplier networks; industrial quality and design; support for industrial investment plans; telecommunications links for SMEs; and energy efficiency and environmental best practice for business. (76 Mecu - Merseyside companies with priority for SMEs)
- support for specific training needs of SMEs. (40 Mecu - the self employed, managers and employees of SMEs, people following training courses covered under the priority, those starting new businesses)
- actions to improve the farming sector and food industries including farm improvement and diversification, countryside management and environmental enhancement. (3 Mecu - farmers and the food processing industries)

## 3 Knowledge based industries and advanced technology development

The following 4 measures are envisaged.

- research, innovation and technology development serving business needs including: support for new product and processes development; support for the commercialisation of research activity; help with participation in research programmes; and developing incubation centres for new businesses. (24 Mecu - private sector firms and organisations, further and higher education)
- training in new technologies. This includes: the encouragement of science and technology in schools and other educational establishments; meeting the new technology skill needs of industry; forging technology training links between industry and education; and developing advanced technology training centres. (25 Mecu - SMEs, those being trained in priority areas, further and higher education)
- developing clean technologies and increasing environmental awareness. (8 Mecu - higher and further education, SMEs)

- training for new techniques in environment management, clean technologies, energy efficiency, pollution control and the upgrading of skills in environmental techniques in the construction industry. (5 Mecu - the self employed, SMEs, further and higher education, organisations in the public, private and voluntary sectors)

#### **4 The cultural, media and leisure industries**

The following 5 measures are envisaged.

- the development of facilities for investors to increase employment possibilities and to encourage indigenous growth in these sectors. (10 Mecu - local authorities, English partnerships, public and private bodies)
- improving the quality of the cultural and media industries and training in specific skills. (6 Mecu - SMEs, those undergoing training in the identified areas, the long-term unemployed young people and other priority groups)
- attracting visitors to Merseyside: assistance for festivals, events and tourist attractions. (13 Mecu - SMES, local authorities, voluntary sector, Merseytravel, other public bodies)
- improving quality: upgrading skills in the tourist sector. (10 Mecu - tourism SMEs, those undergoing training in the identified areas)
- protecting and developing the natural and historic built environment. (15 Mecu - SMEs, local authorities, voluntary sector, public bodies)

#### **5 Action for the people of Merseyside**

The following 7 measures are envisaged.

- Pathways to integration: an integrated approach to economic and social support targeted on key communities in Merseyside such as inner Liverpool, Bootle, Birkenhead, Huyton, Knowsley, and Speke/Garston. (125 Mecu - businesses and people in the target communities especially the young and disadvantaged)
- career development: meeting lifetime training needs in identified growth sectors. (110 Mecu - young people, the long-term unemployed and others at a disadvantage in the labour market)
- measures to improve equal opportunities for men and women in the labour market. (5 Mecu - training and employment services personnel, employers, employees, those at school, the unemployed)
- action to improve access to jobs and training for those with special needs facing exclusion from the labour market. (25 Mecu - training and employment services personnel, those facing exclusion)
- improved and more flexible education, training and employment services. (39 Mecu - education/training/employment services personnel, organisations providing training or childcare facilities and equipment, trainees)
- improving the public transport system. (43 Mecu - Merseyside Passenger Transport Authority and Executive (Merseytravel), private sector, local authorities, community groups)
- measures to deal with derelict, contaminated and neglected land. (14 Mecu - local authorities, companies in the private sector, public bodies and the voluntary sector.)

### **Geographical targeting**

**Given that the sharp economic and social disparities in Merseyside are concentrated in well-defined localities it is planned to increase the effectiveness of the actions undertaken through targeting the funds selectively on areas of particular need or opportunity. The aim is to maximise private sector leverage, job creation, environmental improvement and visibility. This is likely to mean concentration on the areas most badly affected by very high unemployment.**

The full text of the SPD can be obtained from:

HMSO Books

(Agency section)

HMSO Publications Centre

51 Nine Elms Lane

UK-London SW8 5DR

Tel: +44 171 873 9090

Fax: +44 171 873 8463

## For more information

In order to promote overall harmonious development, the Community has adopted a policy focusing on economic and social cohesion with concentration on non-repayable financial assistance and on five priority objectives.

### Objective 1

Structural adjustment of regions whose development is lagging behind

### Objective 2

Economic conversion of areas seriously affected by industrial decline

### Objective 3

Combating long-term unemployment and facilitating the integration into working life of young people and those threatened with exclusion from the labour market

### Objective 4

Preventive measures to combat unemployment associated with industrial change

### Objective 5a

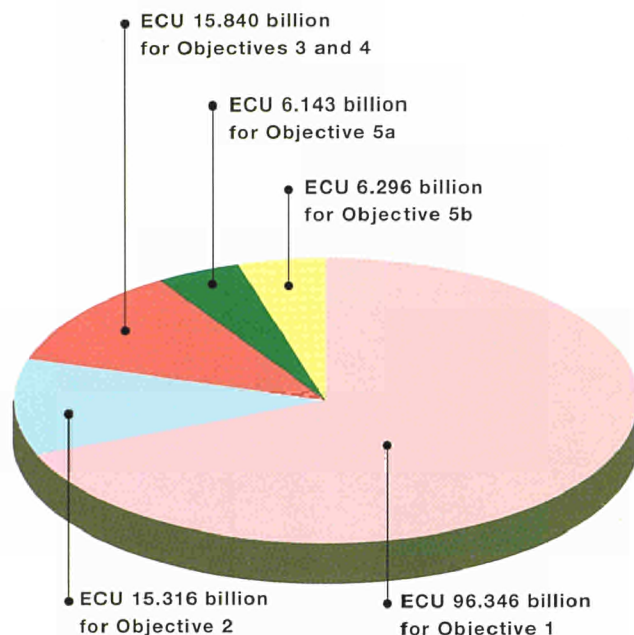
Structural adaptation of agriculture and fisheries

### Objective 5b

Economic diversification of vulnerable rural areas

Objectives 1, 2 and 5b are regionally targeted and give rise to measures part-financed by the Structural Funds in certain regions, or parts of regions, recognized as eligible. For Objectives 1 and 5b the lists of eligible regions and areas are fixed for 1994-1999. For Objective 2 the list is fixed for 1994-1996. Measures part-financed by the Structural Funds under Objectives 3, 4 and 5a may be implemented throughout the Community.

During the period 1994-1999, the Structural Funds - European Regional Development Fund (ERDF), European Social Fund (ESF), Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) and the Financial Instrument for Fisheries Guidance (FIFG) - will have at their disposal a total appropriation of ECU 141.471 billion.



«Part-financing» is the operative term because, in most cases, the Structural Funds can meet only part of the total cost of projects:

- up to 85% in the remotest regions and certain Greek islands
- up to 80% in the Objective 1 regions of Spain, Greece, Ireland and Portugal
- up to 75% in the other Objective 1 regions
- up to 50% for Objectives 2, 3, 4 and 5b.

Other Community sources of financing are available, such as grants from the Cohesion Fund and the EFTA countries for the four eligible countries (GR, ES, IRL and PT), and EIB and ECSC loans.

Complementary national financing may be of private or public origin (national, regional or local).



European Commission  
Directorate-General for Regional Policies

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