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news

“The South of Scotland partnership is active, dynamic, interested and taking a true ownership of the programme.”

Dr Beschel



Dr Manfred Beschel



The European Commission delegation at Scotland's highest village. **From left** - Marc Vermyle of DG Employment, Dr Manfred Beschel, Rachel Lancry and Annick Villarosa of DG Regional Policy with South of Scotland Programme Director Donald MacKinnon.

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Recycled paper from sustainable forests

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Commission officials tour South of Scotland

The South of Scotland recently played host to a number of senior European Commission officials. The delegation, which included Dr Manfred Beschel, Head of Regional Operations in the United Kingdom and Latvia within the European Commission was in the region to see at first hand the contribution European Structural Funds are making to economic regeneration.

Dr Beschel's two day visit to the South of Scotland started with a tour of a local factory and then he visited projects which have benefited from ERDF investment.

Mr Christopher Murley, Managing Director of Pet and Garden Manufacturing, based in the small Upper Nithsdale town of Sanquhar welcomed Dr Beschel to the region. Mr Murley said: "European funded business support provided through Scottish Enterprise Dumfries and Galloway has proved invaluable in helping us to develop the business and maintain and grow employment in one of the countries most deprived rural areas. "

The European Delegation then travelled to North West Resource Centre in Dumfries to better understand how this innovative community regeneration project is bringing new optimism to the area.

Fraser Sanderson, Corporate Director of Education and Community Services with Dumfries and Galloway Council said: "I am delighted to have had the opportunity to show this flagship European funded project and to share with Dr Beschel and his team our experience of how together ERDF Objective 2 and ESF Objective 3 investments are making a significant impact in helping to improve economic conditions and opportunities for men, women and young people in this regeneration area."

The final visit of the day took the delegation to the Barony College at Parkgate near Dumfries. Dr Beschel was shown round the Scottish Forest Industries Technology Centre and the Small Animal Care Centre both of which have benefited from ERDF investment.

Dr Beschel said: I am delighted to once more have the opportunity to visit the rural South of Scotland. It is always heartening to hear at first hand the benefits European Regional Development Funding is bringing to businesses and communities at a local level. I am particularly glad to see that the South of Scotland

Objective 2 Programme is helping to overcome the natural handicaps the region faces in developing its economy, in particular the sparsity of population."

He added: "It is clear to me that the programme is helping to meet the distinct economic development needs of this rural part of Scotland. "

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Dr Beschel



Dr Manfred Beschel, speaking to ITV Border's main news and current affairs programme at Wanlockhead.

In addition to visiting ERDF projects, Dr Beschel was able to see the strong partnership which has developed across the South of Scotland through his attendance at a Programme Monitoring Committee meeting, which took place in Scotland's highest village – Wanlockhead.

"It is interesting to see how a region which is geographically at the periphery of Europe .. get itself into the heart of Europe"

Dr Beschel



Programme Monitoring Committee in session in Wanlockhead Community Centre.

David Parker, Leader of Scottish Borders Council and a member of the Programme Monitoring Committee also stressed the importance of European funding to the region, both in the past and the future, saying: "What we will be doing is trying to raise the profile of the region to increase the funding post 2006 to allow us to carry on doing the work which has been so successful to date."

Dr Beschel concluded: "It is interesting to see how a region which is geographically at the periphery of Europe ... get itself into the heart of Europe."

Allan Wilson is new Structural Funds Minister

Scotland has a new minister responsible for European Structural Funds. Allan Wilson, MSP for Cunninghame North was appointed the new Deputy Minister for Enterprise and Lifelong Learning, with special responsibility for European Structural Funds, on 4 October 2004 by the First Minister.

Before his election as an MSP in 1999, Mr Wilson was election agent for Brian Wilson MP and had held posts in the NUPE and UNISON unions. Before his ministerial appointments Mr Wilson was a member of the Scottish Parliament's European Committee.

The Minister is no stranger to the South of Scotland, having visited the region on a number of occasions in his previous role of Deputy Minister for Environment and Rural Development, a brief he held for nearly three years to October 2004.

Mr Wilson has taken a particular interest in the 7stanes mountain biking project, describing it as "bringing significant benefits to the local economy" in the South of Scotland.

Launching Newcastleton 7stanes in August this year, he said: "Newcastleton's new network of biking trails aims to bring mountain bikers and visitors flocking to the area, giving the local economy a much-needed boost. Already other 7stanes centres have been getting very good reviews, helping to drive up the South of Scotland's reputation for being a major destination for world-class mountain biking."

Lewis Macdonald, the former minister responsible for European Structural Funds has taken over Allan

Wilson's brief as Deputy Minister for Environment and Rural Development.

Allan Wilson MSP launching the Newcastleton 7stanes mountain bike facility, with Programme Director Donald MacKinnon and Karl Bartlett of Forestry Commission Scotland.



"Newcastleton's new network of biking trails aims to bring mountain bikers and visitors flocking to the area, giving the local economy a much-needed boost. Already other 7stanes centres have been getting very good reviews, helping to drive up the South of Scotland's reputation for being a major destination for world-class mountain biking."

Allan Wilson MSP

DTI showcase south Euro funded projects

The UK Government has profiled two ERDF supported projects in the South of Scotland as examples of good practice. Ettrick Riverside Business Creation Centre in Selkirk and the pan South of Scotland 7stanes Mountain Biking project are featured in a centre page spread of the 2004 edition of Objective, the Department of Trade and Industry's UK Structural Funds Newsletter.

A hard copy of the 'Objective' newsletter is available from SOSEP offices.

An electronic copy can be obtained from the DTI website at: www.dti.gov.uk/europe/objective_issue_3.pdf.

More information is available on Ettrick Riverside Business Creation Centre at www.scottishenterprise.com/ettrickriverside and on 7stanes at www.7stanes.gov.uk.



www.dti.gov.uk/europe/structural.html

Scots MEPs lead the way on Regional Development Committee

The three Scots MEPs on the European Parliament's Regional Development Committee let the wider partnership in the South of Scotland know of the importance of their work to Scotland and in particular to the rural South of Scotland.

Elsbeth Attwooll MEP



“I am confident that what is being achieved with Structural Funds in the South of Scotland will stand the region in good stead as we move forward.”

“ Continuing reform of the Common Agricultural and Fisheries policies, together with the intended changes to European Structural Funding, means that Scotland's rural areas face many challenges. MEPs must understand these and act upon the needs and concerns of rural areas, such as the South of Scotland. Consequently, I am very pleased that we have persuaded a delegation from the Regional Development Committee to come on a study visit to Scotland in 2005.

As one of the Vice-Presidents of the European Parliament's Regional Development Committee, I am

working, along with the two other Scottish members, to make sure that the new funding regulations will do justice to the situation here in Scotland.

Successful influence by MEPs depends on all stakeholders working closely together to develop an agreed platform that reconciles regional and local diversities with what is essentially a common interest.

It is always good to see how European Structural Funds are making a difference in rural areas and I have been lucky enough to visit a number of the European funded projects in the South of Scotland, including Browne House CPD Centre at the Crichton in Dumfries and the 7 Stanes mountain bike initiative. And with future funding allocations still to be agreed it is important now, more than ever, to demonstrate that sound investments are being made and are bringing real economic benefits to the region.

I am confident that what is being achieved with Structural Funds in the South of Scotland will stand the region in good stead as we move forward. ”

eattwooll@europarl.eu.int

Alyn Smith MEP



“The big issue for South of Scotland of course is the levels of support we can get from Europe, and whether we can have the boundaries at European level redrawn to make South of Scotland eligible for higher support.”

“ After my election in June for the SNP, I sought and won membership on the Regional Development Committee, to my mind the most relevant Committee for Scotland. We deal with all aspects of the EU's structural funds and wider so it is important Scotland is effectively represented - and we can win things in Europe. Recently the Regional Committee backed my initiative, supported by the other Scottish parties, to come to Scotland in 2005 to examine how Scots funding is under threat not because of any Brussels

proposals, but because of London proposals to cut the EU budget. We'll have a busy few months working out where to go and what to see though South of Scotland's on my list!

I have also been appointed as the only Scots MEP in a Temporary Committee of the Parliament looking at the full scale financing of the EU into the future, which will be a major opportunity to fight Scotland's corner.

The big issue for South of Scotland of course is the levels of support we can get from Europe, and whether we can have the boundaries at European level redrawn to make South of Scotland eligible for higher support.

I'm out here fighting for it, and will hopefully have something to report soon. Meantime if anyone wants to get in touch my email address is: aesmith@europarl.eu.int ”

aesmith@europarl.eu.int

Catherine Stihler MEP



“I am well aware of the challenges facing rural areas and the need for European policy to address these concerns.”

“ I serve as a Labour MEP for Scotland in the European Parliament. As the regional and fisheries spokesperson for the European Parliamentary Labour Party (EPLP), as well as the new Deputy Leader of the EPLP, I am well aware of the challenges facing rural areas and the need for European policy to address these concerns.

With the whole EU budget currently up for review, the future of structural fund reform is high up on the political agenda.

In July 2004, the European Commission presented its reform proposals to cover the period 2007-2013. We are still at an early stage of the reform and no clear deadlines have been set. The European Parliament has set up a Temporary Committee on the Financial Perspectives. This is due to report in spring 2005 and the Parliament should adopt its position soon afterwards. I deeply regret that Parliament does not have an equal say with the Commission and Council on the reforms. Co-decision applies to only two pieces of legislation - the Regulation on the European Regional Development Fund to replace Regulation 1783/1999 and the Regulation establishing a European grouping of cross-border cooperation. However, the Parliament will make the most of its ability to present its views. The recent enlargement of the EU certainly means that the targeting of structural funds has to change to help those most in need. Budget uncertainties make it hard to predict available funds for Scotland post-2006 but I am committed to trying to secure the best possible deal for Scotland as a whole in the difficult negotiations ahead. ”

cstihler@cstihlermep.freemove.co.uk

John Swinney MSP, Convener of the European Committee

I am delighted to be able to contribute to the SOSEP newsletter in my new role as Convener of the Scottish Parliament’s European and External Relations Committee.



“it is important that we continue to be a vehicle for others to air their concerns, such as the possible implications for the South of Scotland region and the drawing up of maps of eligible areas.”

“ I take over this role from my predecessor, Richard Lochhead MSP, and I pay tribute to his work. Not least of this was the publication in June 2004 of the authoritative report on European Structural Funds post-2006 and what’s in Scotland’s best interests.

Personally, I was disappointed that although many of the recommendations were adopted by Scottish Ministers, the central recommendation that the principle of repatriation or renationalisation of EU structural funds was perhaps not the best way forward was not adopted by the Scottish government.

For me now, I think it is incumbent on the Committee and other parliamentary committees to keep a “watching brief” as the debate in the EU on the post-2006 regime develops. I also think it is important that we continue to be a vehicle for others to air their concerns, such as the possible implications for the South of Scotland region and the drawing up of maps of eligible areas.

On a wider note, the Committee is drawing its inquiry into the Promotion of Scotland worldwide to a close and we hope to report in the early part of 2005. This flagship and far-reaching inquiry will cover issues such as the Scottish government’s vision of, and strategy for, the promotion of Scotland on the world stage through our business, arts, culture, sporting, tourism and political interests.

From late 2004, we will of course need to turn our attention to what’s next and, as a “listening committee”, all ideas are welcome through the usual channels. ”

europe@scottish.parliament.uk

Focus on forestry

As the most densely afforested region in the UK, timber harvesting and processing plays an important role in the economy of the South of Scotland. However, the international forestry sector is a highly competitive and rapidly changing one in which businesses must be at the cutting edge to prosper. That is why complementary investments from the European Regional Development Fund (ERDF) and the European Social Fund (ESF) have been made in the training infrastructure and the people involved in the forestry sector in the South of Scotland.



Forests are a prominent part of the landscape of the South of Scotland.

Martyn Haines, Assistant Principal of the Barony College, near Dumfries said: "The South of Scotland is one of the most rural regions in Europe and as one of Scotland's foremost colleges serving the land based industries, the Barony has always strived to provide first class learning facilities."

"European Regional Development Funding has helped us to develop state of the art training facilities to cater for some of our key markets, including forestry, animal care and veterinary nursing. This investment in training infrastructure by the South of Scotland Objective 2 Programme has been complemented by investment from the European Social Fund through the Scottish ESF Objective 3 Programme."



Scottish Forest Industries Technology Centre building

An example of the high degree of Objective 2 and 3 funding complementarity is the Barony College's £620,000 Scottish Forest Industry Technology Centre. This centre, which benefited from an ERDF

investment of over £156,000 boasts an impressive timber built technology suite incorporating a virtual reality simulator where students can learn to operate forest machines as well as an extensive modern workshop where mechanical skills are taught.

Anne Foley, Business Development Manager at the Barony College added: "The forestry industries play a vital role in the economy of the South of Scotland, and thanks to European funding, we are at the forefront of industry training in the UK."



The virtual reality training simulator in the Scottish Forest Industries Technology Centre

"ERDF has helped us develop state of the art facilities in the form of the Scottish Forest Industries Technology Centre while ESF funding has complemented this investment in infrastructure by supporting training programmes. This has allowed us to produce high quality recruits equipped with the necessary skills to make them attractive to potential employers."

"In the last couple of years we have secured ESF investment of over £80,000, which has helped support almost 700 course attendances by people from around 200 small businesses in the forestry sector."

Anne Foley

Ms Foley continued: "In the last couple of years we have secured ESF investment of over £80,000, which has helped support almost 700 course attendances by people from around 200 small businesses in the forestry sector."

www.barony.ac.uk

Needs of rural areas highlighted in draft regulations

As discussions progress on the nature of future European Regional Development programmes, rural areas and areas dependent on fisheries have been identified by the European Commission as having particular needs.



St Abbs on the North Sea coast is just one of many rural coastal communities in the South of Scotland. The region has almost 250 miles of coastline.

Earlier this year, the Commission adopted a proposal of five new regulations for renewed Structural Funds and instruments for the period 2007 – 2013, after the current programmes end in 2006.

“highlighted in the draft regulation are the particular challenges faced by areas suffering from natural handicaps, including sparsity of population and mountainous regions.”

The draft European Regional Development Fund regulation outlines a number of areas in which ERDF investment should be concentrated to help diversify rural economies. These include:

- Infrastructure investment to improve accessibility
- Accelerating the roll out of telecommunications networks and services to rural communities
- Development of new economic activities outside the agricultural and fisheries sectors
- Development of tourism and rural amenities

Also, highlighted in the draft regulation are the particular challenges faced by areas suffering from natural handicaps, including sparsity of population and mountainous regions. The South of Scotland is one of the least densely populated regions in Europe and the Southern Uplands was recently designated by the European Commission as a mountainous massif.

The draft regulation for the new programming period states that ERDF investments in areas suffering from natural handicaps should be focused on



The remote Glen Trool in Galloway is near the South of Scotland's highest peak, Merrick.

improving accessibility, promoting and developing economic activities relating to the cultural heritage, promoting the sustainable use of natural resources and stimulating the tourism sector.

In addition, it is stressed that individual regulations do not operate in isolation and it is important to ensure complementarity and consistency is achieved between the programmes financed by ERDF and the measures co-financed by the European Agricultural Fund for Rural Development (EAFRD), European Fund for Fisheries.

southlmi.org launched

European funding applicants and others with an interest in the economic development of the South of Scotland now have a valuable new source of labour market information and intelligence.

The South of Scotland Labour Market and Economic Intelligence project, which has secured ERDF and ESF funding, is a joint initiative involving the South of Scotland European Partnership and the Scottish ESF Objective 3 Partnership with Scottish Enterprise Borders and Scottish Enterprise Dumfries & Galloway. It aims to develop a shared pool of intelligence and research to provide a clearer insight into the operation of the labour market in the rural South of Scotland.

The project will include a number of elements, including annual reports which analyse the labour

markets in Scottish Borders and Dumfries and Galloway. These initial outputs were launched at an event in Dumfries on 18 November 2004, which was attended by a wide range of people with an interest in the labour market of the rural South of Scotland. Also launched at the event was the project's website, www.southlmi.org, which will act as an important element in the dissemination of information from the initiative. The website will also provide links to a wide range of other labour market and economic data and intelligence at local, regional and national levels.

South of Scotland Labour Market and Economic Intelligence project website is:

www.southlmi.org

South of Scotland project gets national recognition

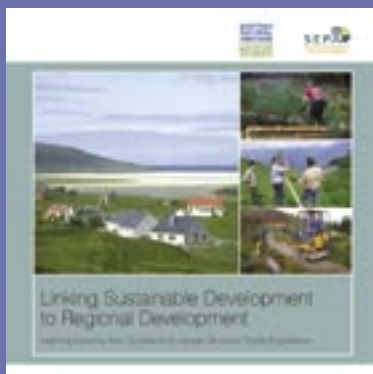
A project to help businesses throughout the South of Scotland has been highlighted as a good example of sustainable development in a new report published by Scottish Natural Heritage (SNH) and the Scottish Environment Protection Agency (SEPA). The report "Linking Sustainable Development to Regional Development" showcases a wide range of case studies throughout Scotland, part-financed by the European Union, which demonstrate that businesses of every size can improve bottom line performance, while looking after the environment.

The South of Scotland Business Efficiency Initiative, which was jointly funded by Scottish Enterprise Borders, Scottish Enterprise Dumfries & Galloway and the South of Scotland Objective 2 Programme, aimed to improve environmental awareness and subsequently increase levels of productivity and efficiency within businesses. It is praised in the report for its economic, social and environmental achievements, which include creation of 22 new jobs and cost savings of £270,000. It also demonstrated to companies the direct economic benefit of improving environmental performance, such as increased energy efficiency and recycling.

Dr Calum Macleod, National Advisor on Sustainable Development for Scotland's Structural Funds Programmes commented: "The South of Scotland Business Efficiency Initiative is a great example of how integrating sustainable development principles into regional policy makes good sense for Scotland's economy, society and environment. Our report dispels the myth that environmental considerations are at best, of secondary importance in regional economic development. In fact, the reverse is the case. As the featured case-studies like the South of Scotland

project demonstrate, focusing on environmental protection and enhancement can help projects to deliver a wide range of economic and social benefits. It's important that Scotland continues to build on the progress already made in linking sustainable development to regional development, both now and in the future."

Adding his support to the publication was Lewis Macdonald MSP, Deputy Environment Minister (and former Deputy Minister for Enterprise and Lifelong Learning), who said: "Sustainable development has become a formal part of the mainstream of the European Union's Structural Funds Programmes in the current programming period (2000-2006). This is a challenging agenda. It seeks to link economic development, social inclusion and environmental protection so that all three elements become mutually reinforcing, thereby leading to sustainable development. In particular, the SEPA/SNH report shows how placing an emphasis on environmental sustainability can make real and lasting contributions towards economic development and social inclusion."



The report noted that South of Scotland Business Efficiency Initiative helped 1194 small and medium sized enterprises and safeguarded 124 jobs. It had a social impact by targeting disadvantaged areas in South of Scotland, and also provided work experience for young people. One of its main achievements was that it demonstrated how good environmental performance can have positive economic impacts. A subsequent survey of the companies involved found that the majority would like more support in improving environmental performance.

www.sepa.org.uk/publications

FUTURE ROUNDS

Key dates for the coming year include:

10 th round closing date	14 April 2005
Formal decision on 10 th round	13 July 2005 *
11 th round closing date	15 September 2005
Formal decision on 11 th round	14 December 2005 *

Partner organisations are strongly encouraged to contact the PME to discuss any potential project ideas prior to submission of applications.

* Provisional dates

Contact details for SOSEP:

South of Scotland European Partnership
Dumfries Enterprise Park
Tinwald Downs Road
Dumfries DG1 3SJ
Tel: 01387 251360 Fax: 01387 252733

South of Scotland European Partnership
St Mary's Mill, Level Crossing Road
Selkirk TD7 5EW
Tel/Fax: 01750 725104

E-mail: info@sosep.org
Website: www.sosep.org



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