



Department
for Business
Innovation & Skills

Blue Growth in the UK – what areas are of most interest for blue growth

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Outline

- The Atlantic Strategy and Atlantic Action Plan.
- Opportunities for Blue Growth across the UK.
- Sources of EU Funding.



Atlantic Action Plan

- Implementing a sea-basin strategy for the Atlantic as part of the EU's Integrated Maritime Policy and its “Blue Growth” initiative.
- Involves France, Ireland, Portugal, Spain and the United Kingdom.
- 4 main priorities:
 - promoting entrepreneurship and innovation;
 - protecting, securing and developing the Atlantic marine and coastal environment;
 - improving accessibility and connectivity;
 - creating a socially inclusive and sustainable model of regional development.



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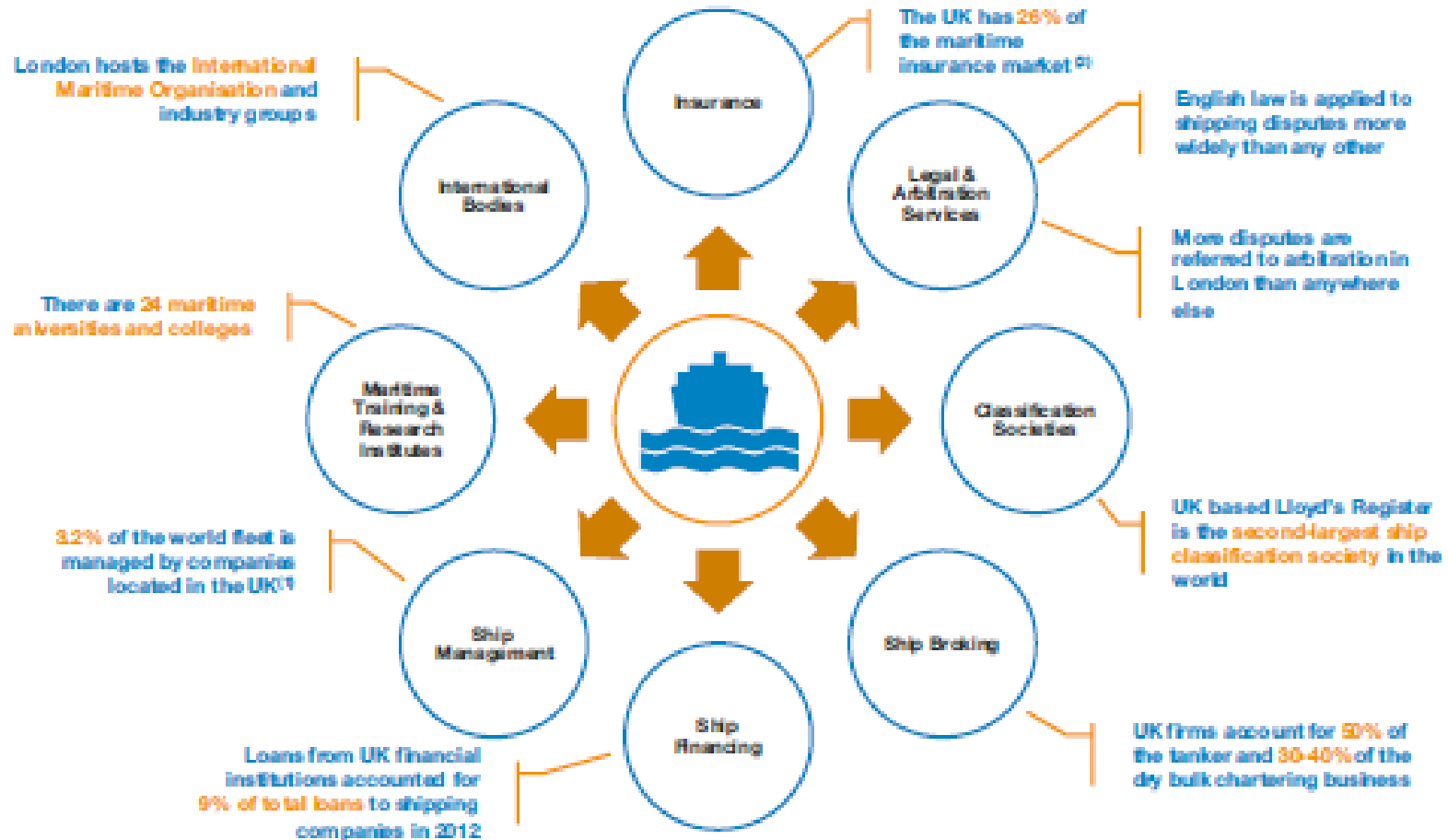


Blue Growth – the maritime sector

- Sector includes shipping, ports and other activities such as training, business services, engineering, manufacturing, research and development.
- Contributes £11 billion GVA.
- 6,600 maritime businesses in the UK with more than 113,000 employees.
- Strong regional dimension with significant clusters all over the country especially Liverpool, Plymouth, Southampton, and Glasgow.
- High levels of SMEs at the forefront of R&D and innovation in maritime products and services.



Blue Growth – UK strengths





The UK's Maritime Growth Strategy



Department
for Transport

Maritime Growth Study:
keeping the UK competitive
in a global market

Moving Britain Ahead



Aim:

- maintain the UK's position as a world-leading maritime centre.
- exploit opportunities to generate further growth in the sector.

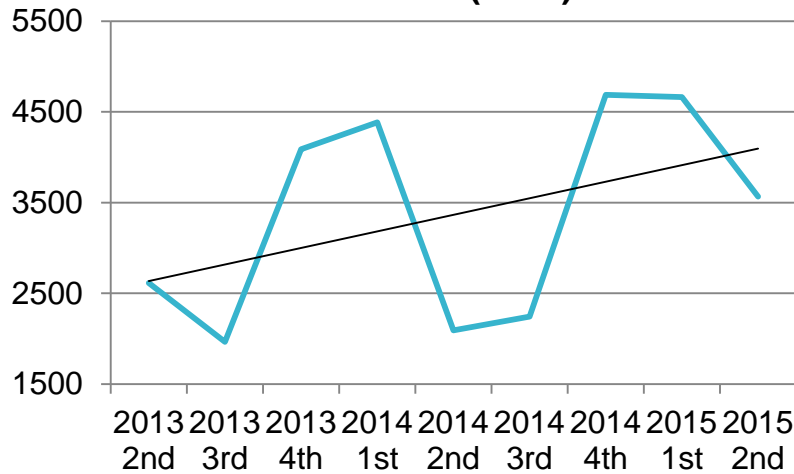
Recommendations include:

- a ministerial working group in government to drive forward action on maritime issues, set clear targets and monitor progress.
- a new standalone unit within the Maritime and Coastguard Agency to focus on attracting more ships to be British registered and fly the Red Ensign.
- a joint strategy by government and industry to identify skills gaps and increase apprenticeships in the UK maritime sector and increase apprenticeships.
- a single industry body to promote the UK maritime sector to international markets.



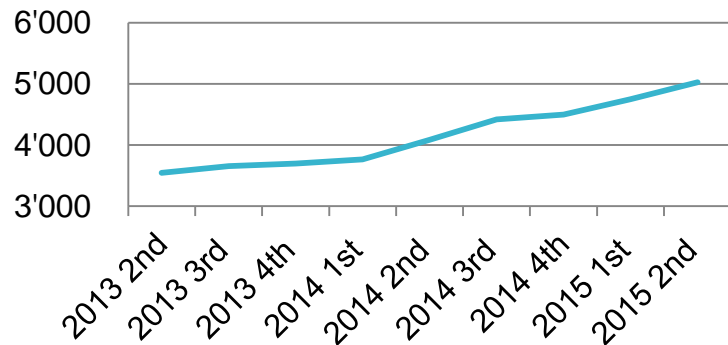
Blue Growth - Offshore Wind Sector

Generation (TWh)



- Offshore wind expected to growth from around 4% of the UK's electricity in 2014 to around 8-10% by 2020 with 10GW installed offshore wind energy capacity.
- Costs of offshore wind are coming down.
- Offshore wind sector supports 13,700 jobs in the UK.
- Investment into the sector between 2010-2014 totalled £9.5bn.
- Exports are growing quickly - from £1m in 13/14 to £90m in 14/15 as UK capability grows. Estimated exports for 15/16 are £120m (about 5% of the market so there is potential for much more growth).
- Over 70% of the value of operations and maintenance contracts for UK offshore wind farms are won by UK businesses.

Cumulative Installed Capacity (MW)





European Structural and Investment Funds (ESI Funds)

The UK is eligible for four funds:

- European Regional Development Fund (ERDF) – €5.8bn
- European Social Fund (ESF) – €4.9bn
- European Agricultural Fund for Rural Development (EAFRD) – €5.2bn
- European Maritime and Fisheries Fund (EMFF) – €243m

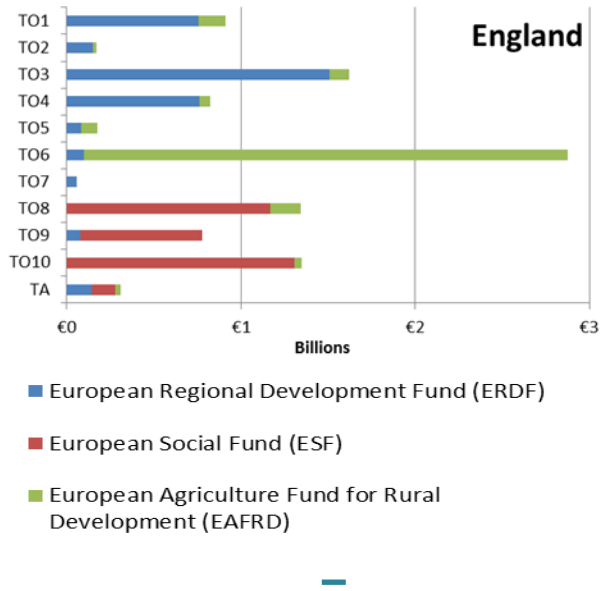


Thematic Objectives

	ERDF €m	ESF €m	EAFRD €m	EMFF €m	TOTAL €m
1.Strengthening research, technological development and innovation	1393	0	188	0	1581
2. Enhancing access to, and use and quality of, information and communication technologies	242	0	25	0	267
3. Enhancing the competitiveness of small and medium-sized enterprises,	2013	0	305	85	2403
4. Supporting the shift towards a low-carbon economy in all sectors	1339	0	86	1	1427
5. Promoting climate change adaptation, risk prevention and management	82	0	282	0	364
6. Preserving and protecting the environment and promoting resource efficiency	156	0	3843	139	4139
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	162	0	2	0	164
8. Promoting sustainable and quality employment and supporting labour mobility	167	1632	181	9	1990
9. Promoting social inclusion and, combating poverty and any discrimination	75	1094	123	0	1292
10. Investing in education, training and vocational training for skills and lifelong learning	0	2051	76	0	2127
11. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration	N/A	N/A	N/A	N/A	N/A
Technical assistance	195	164	67	8	435
TOTAL	5826	4943	5180	243	16191



England



ERDF: €3.6bn

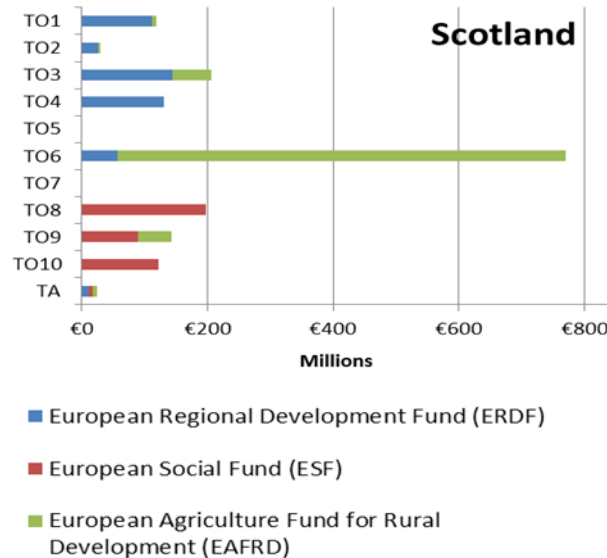
ESF: €3.3bn

Programmes built on ESI Funds strategies for each LEP area.

- 12 LEP areas with coastlines on the Atlantic side have identified opportunities for fostering blue growth across a range of Atlantic Action Plan priorities and across a broad range of sectors in the blue economy including:
 - Renewable technologies including offshore wind and marine energy;
 - Marine engineering and technology including green ship technologies;
 - Life sciences;
 - Fisheries and aquaculture;
 - Logistics;
 - Marine leisure;
 - Low carbon environmental goods and services;
 - Coastal premises; and
 - Visitor economy.



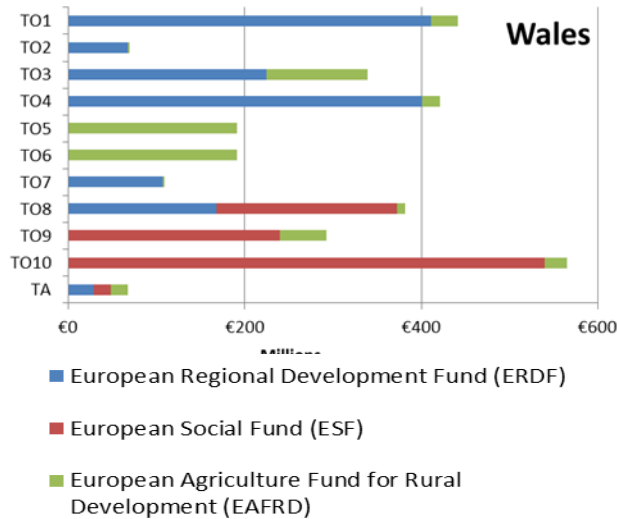
Scotland



- ERDF: €476m
- ESF: €417m
- ESI Funds will support both the Atlantic Action Plan and the delivery of Scottish Government's own priorities. In particular:
 - Fostering Common Fisheries Policy reform through a wide range of measures;
 - Capacity building in marine research, technology and maritime skills;
 - Increasing ocean observation capacity;
 - Ensuring Good Environmental Status of the marine environment;
 - Safety and security of seafarers;
 - Measures to adapt to climate change;
 - Accelerating marine renewables; and
 - Developing new marine sectors, (deep sea mining, marine biotechnology).



Wales

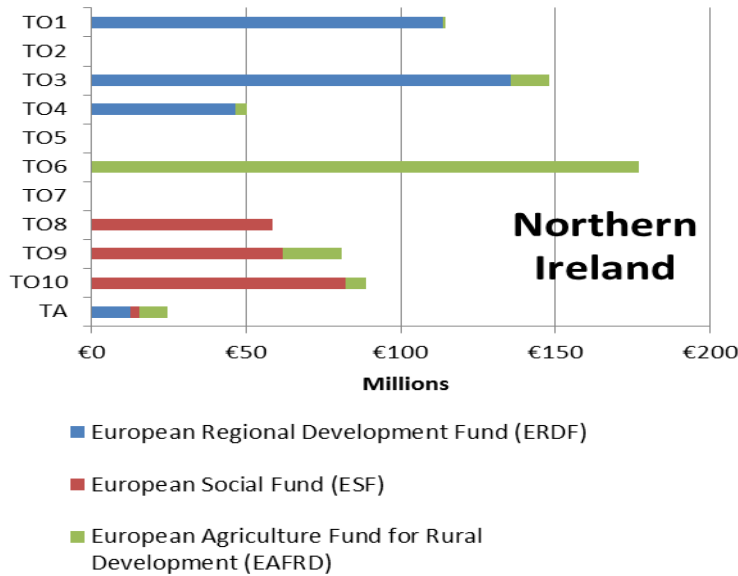


- ERDF: €1.4bn (of which (€1.2bn is for West Wales and the Valleys)
- ESF: €1bn (of which €802m is for West Wales and the Valleys)
- EMFF funds will be focused on:
 - sustainable growth in the fisheries and aquaculture sectors;
 - capacity building in marine research, technology, and skills
 - ensuring good environmental status of the marine environment;
 - improving maritime safety.
- Cross border programme with Ireland

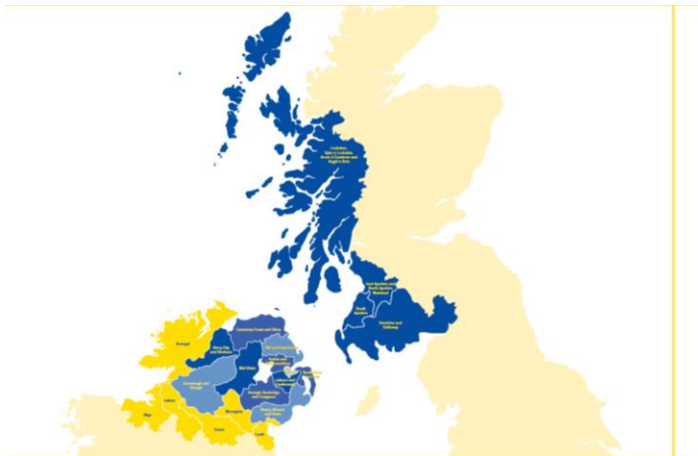




Northern Ireland



- €308m ERDF.
- €295m ESF.
- Grid strengthening proposal in ERDF Operational Programme.
- Cross-border programme with Scotland and Ireland.





Programme for the Competitiveness of Enterprises and SMEs (COSME)

€2.3 billion to strengthen the competitiveness of enterprises, encourage an entrepreneurial culture and promote the creation and growth of SMEs.

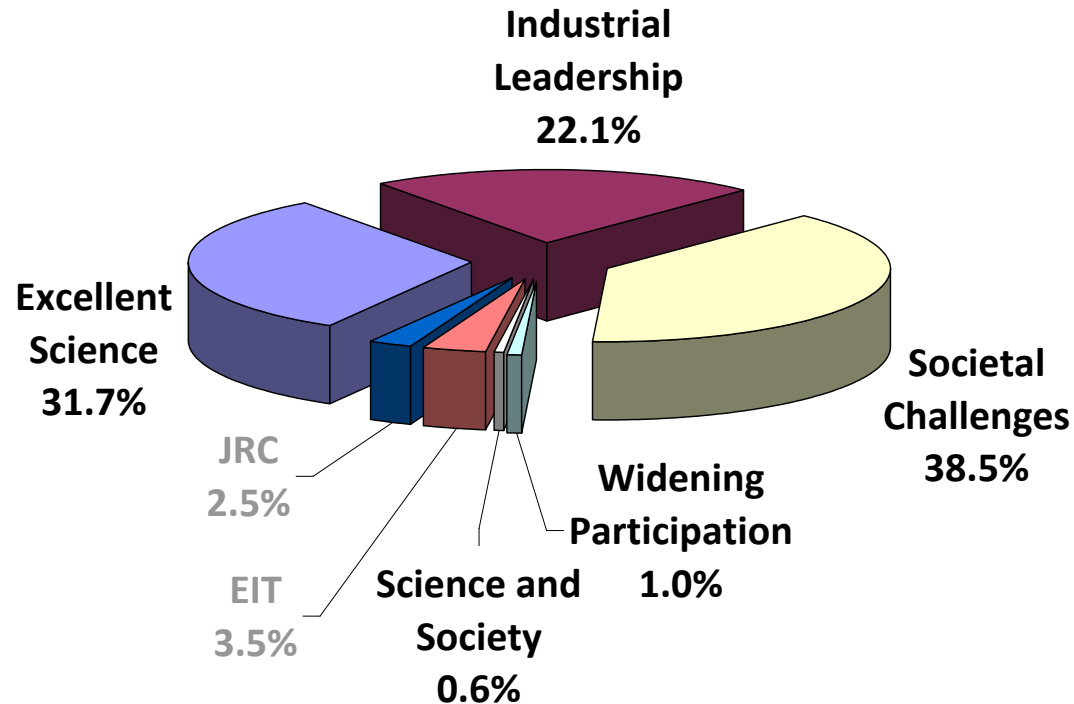
- **Improving access to finance**
 - Equity and debt instruments for growth and research and innovation
 - 1,295 loans to UK SMEs with €26.8m of underlying financing as at 30 June 2015
- **Improving access to markets**
 - Enterprise Europe Network, on-line portals (e.g. Your Europe Business portal, SME internationalisation portal, IPR helpdesks), training and awareness raising.
- **Improving framework conditions for business**
 - Reducing administrative burden, supporting smart regulation & SME policy
 - Stimulate development of certain markets/sectors
- **Promoting entrepreneurship and entrepreneurial culture**
 - Developing entrepreneurial skills and attitudes, creating mentoring schemes, promoting social entrepreneurship



Horizon 2020

Research and Innovation Funding in the EU

Funding for H2020: **€76.4bn** (was **€79bn**)





Further Information

- **UK Portal:** <https://www.gov.uk/government/publications/european-structural-and-investment-funds/european-funds-european-structural-and-investment-funds>
- **England ERDF and ESF:** <https://www.gov.uk/european-structural-investment-funds>
- **England EAFRD:** <https://www.gov.uk/farming-food-grants-payments/rural-grants-payments>
- **Scotland:** <http://www.gov.scot/Topics/Business-Industry/support/17404>
- **Wales:** <http://wefo.wales.gov.uk/programmes/post2013/?skip=1&lang=en>
- **Northern Ireland:** <http://www.dfpni.gov.uk/index/finance/european-funding/content - european funding-future-funding.htm>
- **COSME:** www.access2finance.eu
- **COSME:** <http://een.ec.europa.eu/>
- **HORIZON 2020** <https://www.gov.uk/horizon-2020>