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1 EU FUNDS AND FUNDING PROGRAMMES

A. THE STRUCTURAL FUNDS

 EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF) AND EUROPEAN SOCIAL FUND (ESF)

Description/priorities

The Structural and Cohesion Funds are the European Union's main instruments for supporting social and economic restructuring across the EU. They account for over one third of the European Union budget and are used to tackle regional disparities and support regional development through actions including developing infrastructure and telecommunications, developing human resources and supporting research and development.

The vision for ERDF spending in the Highlands and Islands will be to support the development of prosperous, inclusive and self-sustaining communities, where the unique cultures, traditions and environments are enhanced and the region makes a distinctive contribution to Scotland, the UK and the EU.

Priority 1: Enhancing business competitiveness, commercialisation and innovation

Priority 2: Enhancing key drivers of sustainable growth

Priority 3: Enhancing peripheral and fragile communities

Priority 4: Technical assistance

The vision of the ESF programme for the Highlands and Islands will be to contribute towards sustainable growth in the size and skills of the region's workforce within the Lisbon jobs and growth framework. In support, there will be three main priority areas for ESF spending within the Convergence Programme:

Priority 1: Increasing the workforce Priority 2: Investing in the workforce

Priority 3: Improving access to lifelong learning

Budget

The Highlands and Islands qualify for phasing out Convergence Funding of €174 million during the 2007-2013 Financial Perspective, because it has a GDP per capita above 75% of the EU 25 average but below 75% of the EU 15 average.

and Islands of Scotland

ESF Convergence Programme for the Highlands €52 million

and Islands of Scotland

Calls for projects

There will usually be one call for projects per year for projects with the opportunity for fast track applications for projects who face threats to their match funding or urgently need to start out with the timeframe of the normal call for projects. The 2009 call will start in the summer.

Intervention rate

Up to 50%.

HIGHLAND LEADER PROGRAMME AND CONVERGENCE FUND

The Highland Leader Programme covers all of the Highland Council area, except for the settlement development area of Inverness and the part of the Highland Council area within the Cairngorms National Park. The aim of the Highland LEADER Programme is:

'To enable people in the Highlands to realise their ambitions to live in communities where they can fulfil their personal, social and economic potential'

The main aims of the new fund are:

- Revitalising Communities
- Progressive Rural Economies

The Highland LEADER Programme is being delivered as part of the Scottish Rural Development Programme (SRDP) and has eight key themes;

- Local Development Strategies
- Culture and Heritage
- Training and Learning Opportunities
- Access to Activities, Facilities and Services
- Land, Environment and Access to the Countryside
- Renewables
- Tourism
- Social Enterprise and Micro-Businesses

Budget

The Highland LEADER Programme 2007- 2013 has received an award of £14.26m (LEADER £6.76m and Convergence £7.5m) for the period 2007-2013. The funds will be amalgamated and run as a single programme across Highland.

Calls for Projects

Applications can be submitted at any time. Decisions are made at the regular Local Advisory Group meetings.

Intervention Rate

LEADER is not intended for major capital/revenue projects and will normally be targeted at small to medium sized projects. Grant rates between 40% and 45% will be available.

B. TRANSNATIONAL PROGRAMMES

■ INTERREG IV 2006-2013 – Territorial Co-operation

Description/priorities

The aim of this programme is to support European regions developing joint innovative solutions to common issues through co-operation and the exchange of best practice. Projects should generally have partners from at least two member states within the eligible areas. There are three distict categories of funding:

i **Strand A** – **Cross-border Co-operation** which will focus on resolving local problems along land borders and some designated maritime borders. The areas of Highland Region that are

eligible to apply under the Cross-border Programme for Ireland, Northern Ireland and Scotland are: Lochaber; Skye and Lochalsh.

ii **Strand B – Transnational Co-operation** which consists of geographical groupings of regions within the Programme area. Relevant Programmes to Highland are:

The North Sea Programme – covers parts or all of the participating states of Denmark, Germany, the Netherlands, Sweden, the UK, the Flemish region of Belgium and Norway.

The Atlantic Area Programme – covers parts or all of the participating states of the UK, Ireland, France, Spain and Portugal.

The Northern Periphery Programme – covers parts or all of the participating states of Scotland, Northern Ireland, Sweden, Finland and Norway.

iii **Strand C – Interregional Co-operation** which supports exchanges of experience and best practice. There are no geographical barriers to participation as this is one programme for the whole EU. The programme is part of the EU initiative 'Regions for Economic Change'.

Each sub-programme will have it's own set of priorities

Calls for projects

Normally one call for projects from each programme, each year. However, some of these calls may be specific to a particular priority.

Intervention rate

Highland/Scottish/UK projects normally expect to attract between 50% and 75% grant funding.

C. OTHER EU FUNDING PROGRAMMES

LIFE +

Description/priorities

LIFE+ is a limited but focused funding instrument providing specific support for the development and implementation of Community environmental policy and legislation. It comprises three components:

- LIFE+ Nature & Biodiversity
- LIFE+ Environment Policy & Governance
- LIFE+ Information & Communication

At least 78% of LIFE+ will be for the co-financing of project action grants, of which at least 50% will be for nature and biodiversity projects. These will be operated by the Member State Managing authority

Budget

€2.143 billion (for the period 2007-2013),

Calls for projects

Annually through the members State MA, (Scottish Govt in the firsdt instance for Highland Projects). Next Call – Submission of concept notes to Scottish Government by 29 May 2009. Calls will focus on specific themes.

Intervention rate

50% in General but up to 75% where the focus is on priority species or habitats.

LIFE LONG LEARNING PROGRAMME 2007 - 2013

Description/priorities

The European Commission has integrated its various educational and training initiatives under a single umbrella, the Lifelong Learning Programme.

The programme enables individuals at all stages of their lives to pursue stimulating learning opportunities across Europe. There are four sub-programmes focusing on different stages of education and training and continuing previous programmes:

- Comenius for schools
- Erasmus for higher education
- Leonardo da Vinci for vocational education and training
- Grundtvig for adult education

Four key activities within each programme focus on policy co-operation, languages, information and communication technologies, effective dissemination and exploitation of project results.

Aiming for a geographical reach beyond Europe's borders, the Jean Monnet programme stimulates teaching, reflection and debate on the European integration process at higher education institutions worldwide.

Budget

With a significant budget of nearly €7 billion for 2007 to 2013.

Calls for Projects

At any tim. Each submission will be dealt with by the Member State MA – the British Council in the UK at their quarterly programme meetings.

Intervention Rates

These do not existing the LLP. Instead the programme offers nationally agreed expense rates for participation and administration which are based on travel, accommodation, subsistence, duration and activities undertaken.

CULTURE PROGRAMME 2007-2013

Description/priorities

The EU's Culture programme is an initiative to celebrate Europe's cultural diversity and enhance our shared cultural heritage through the development of cross-border co-operation between cultural operators and institutions. It has three objectives

- To promote cross-border mobility of those working in the cultural sector
- To encourage the transnational circulation of cultural and artistic output
- To foster intercultural dialogue.

For the achievement of these objectives, the programme supports three strands of activities: i cultural actions; ii European-level cultural bodies; and iii analysis and dissemination activities.

Budget

€400 Million

Calls for Projects

Calls for projects will be annual and normally the deadline for submission will be October of for a project start date in May of the following year

Intervention Rates

These vary according to the priority and the activity, normally between 50% and 80%. There is also an element of flat rate payments for some of the work.

■ EUROPE FOR CITIZENS PROGRAMME 2007-2013

Description/priorities

This programme supports a wide range of activities and organisations promoting "active European citizenship", especially the involvement of citizens and civil society organisations in the process of European integration.

It supports four main types of actions:

- Action 1 Active Citizens for Europe involving citizens either through activities linked to town-twinning or through other kinds of citizens' projects.
- Action 2 Active civil society in Europe targeted to civil society organisations either through structural support on the basis of their European level work programme or through support to projects.
- Action 3 Together for Europe: including high visibility events, studies and information tools
- Action 4 Active European Remembrance: support to projects aiming at preserving the sites and archives associated with de deportations as well as the commemorating of victims of Nazism and Stalinism.

The Programme is open to all stakeholders promoting active European citizenship including local authorities.

Budgets

The programme "Europe for citizens" with a total budget of EUR 215 millions starts on 1 January 2007 and ends on 31 December 2013.

Calls for Projects

There is an annual schedule of calls published on the programme web page

Intervention Rates

This is a combination of flat rate payments and co-financing with and IR of 60%

http://eacea.ec.europa.eu/citizenship/guide/who_en.htm

INTELLIGENT ENERGY EUROPE PROGRAMME

Description/priorities

Intelligent Energy – Europe is a part of the EU's **Competitiveness and Innovation Framework Programme** (**CIP**). The Intelligent Energy - Europe programme is the EU's tool for funding action to improve these conditions and move us towards a more energy intelligent Europe.

What the IEE programme will fund: Projects in various areas such as capacity building, spreading of know-how, exchanges of experience, policy input, awareness raising, education and training.

Which types of actions are supported?

- 1) European projects:
 - At least 3 partner organisations from 3 different eligible countries.
 - Maximum funding period 3 years.
 - Budget usually between €0.5 2.5 million (mainly staff costs).
- 2) Setting up of new local/regional energy agencies:
 - Only local/regional public authorities can apply
 - 1 authority = 1 proposal
 - Maximum funding period 3 1/2 years.

Budgets

€730 million. Individual project range between €500,000 and €2.5 million Calls for Projects

The next call will be published in early 2009.

Intervention Rates Upto 75%

2010 YEAR OF COMBATING POVERTY AND SOCIAL INCLUSION

Description/priorities

The European Commission has today designated 2010 as the European Year for Combating Poverty and Social Exclusion. The €17 million campaign aims to reaffirm the EU's commitment to making a decisive impact on the eradication of poverty by 2010.

The 2010 European Year aims to reach EU citizens and all public, social and economic stakeholders. Its four specific objectives are:

- Recognition of the right of people in poverty and social exclusion to live in dignity and to play a full part in society;
- An increase in the public ownership of social inclusion policies, emphasising everyone's responsibility in tackling poverty and marginalisation;
- A more cohesive society, where no one doubts that society as a whole benefits from the eradication of poverty;
- Commitment of all actors, because real progress requires a long-term effort that involves all levels of governance.

http://ec.europa.eu/employment_social/emplweb/news/news_en.cfm?id=326

PROGRESS PROGRAMME 2007 - 2013

Description/priorities

The Community Programme for Employment and Social Solidarity, has been established to support financially the implementation of the objectives of the European Union in the fields of employment and social affairs, as set out in the Commission Communication on the Social Agenda, and there by contribute to the achievement of the Lisbon Strategy goals in those fields. There are five priority areas:

- Employment: (23% of Budget)
- Social protection and inclusion: (30% Budget)
- Working conditions: (10% Budget)
- Non-discrimination: (23% Budget)
- Equality between women and men: (12% Budget)

Budget

€743,25 million. The budget will be divided between the priority areas in accordance with the percentages above. The remaining 2% will be used for programme administration.

Calls for Projects

Annual calls for projects in each priority are will be held.

Intervention Rates

Up to 80% of eligible expenditure.

FUNDAMENTAL RIGHTS AND JUSTICE PROGRAMME

Description/priorities

This framework programme consists of five instruments:

- Prevent and combat violence against children, young people and women and to protect victims and groups at risk (Daphne III)
- Drugs prevention and information
- Fundamental rights and citizenship
- Civil justice
- Criminal justice.

Budget

The financial package for the whole framework programme is 542,90 million €for 2007-2013.

Calls for Projects

Annual calls will be held. However not each of the five areas will have a call every year

Intervention Rates

Up to 50% of eligible expenditure. However some elements are directed at the Member State and can attract significantly higher rates.

http://ec.europa.eu/justice_home/funding/intro/funding_rights_en.htm

■ MEDIA PROGRAMME 2007-2013

Description/priorities

MEDIA is the EU support programme for the European audiovisual industry. MEDIA co-finances training initiatives for audiovisual industry professionals, the development of production projects (feature films, television drama, documentaries, animation and new media), as well as the promotion of European audiovisual works. The MEDIA 2007 Programme comprises a series of support measures for the European audiovisual industry focusing on:

- training professionals
- developing production projects
- distributing films and audiovisual programmes
- promoting films and audiovisual programmes
- supporting film festivals

Budget

€755 million

Calls for Projects

Annual calls will be held within each of the five priorities.

Intervention Rates

Up to 50% of eligible expenditure. Grants and Scholarships are also available.

http://ec.europa.eu/information_society/media/index_en.htm

THE SEVENTH FRAMEWORK PROGRAMME (FP7)

This is the European Union's main instrument for funding research in Europe. It includes several specific programmes:

- Co-operation fostering collaboration between industry and academia to gain leadership in key technology areas.
- Ideas supporting basic research at the scientific frontiers (implemented by the European Research Council).
- People supporting mobility and career development for researchers both withn and outside Europe.
- Capacities helping develop the capacities that Europe needs to be a thriving knowledge-based economy.
- Nuclear research (Euratom programme) developing Europe's nuclear fission and fusion capabilities.

Different participation rules apply depending on the research initiative in question but basically the Programme is open to universities; research centres; multinational corporations; SMEs; public administrations and individuals from anywhere in the world.

For further information consult: www.cordis.europa.eu/fp7/

EMAS

The EU Eco-Management and Audit Scheme (EMAS) is a management tool for companies and other organisations to evaluate, report and improve their environmental performance. The scheme has been available for participation by companies since 1995 and was originally restricted to companies in industrial sectors.

Participation is voluntary and extends to public or private organisations operating in the European Union and the European Economic Area (EEA) — Iceland, Liechtenstein, and Norway. An increasing number of candidate countries are also implementing the scheme in preparation for their accession to the EU.

http://ec.europa.eu/environment/emas/about/summary_en.htm

ECO-INNOVATION PROGRAMME

Description/priorities

Eco-innovation is at the heart of the Environmental Technologies Action Plan that helps bridge the gap between research & development and the market place for eco-friendly products, technologies, services, processes and management methods across Europe.

Innovative

Environmental-friendly projects in the area of materials recycling Sustainable buildings
Food & drink industrial processes
Green business & smart purchasing

Budget

€28 million

Calls for Projects

This Call is open to all legal persons that are based in eligible countries but the priority will be given **to** Small- and Medium-sized Enterprises (SMEs). Clusters of applicants and projects which demonstrate a European added value and have a high potential for market replication are strongly encouraged.

Intervention Rates

Between 40% and 60%

http://ec.europa.eu/environment/etap/ecoinnovation

2 EUROPEAN NETWORKS

CONFERENCE OF PERIPHERAL MARITIME REGIONS (CPMR)

The CPMR is an organisation representing regional local authorities on the coastline of Europe. It brings together around 160 regions from 28 countries who work together to ensure that EU institutions and national governments take account of their common interests, and cooperate on practical projects in order to enhance their assets.

The CPMR operates mainly as a political pressure group highlighting the role of the regions as key actors within European institutions. CPMR works in close collaboration with the Committee of the Regions, the European Parliament and the Economic and Social Committee. It seeks to develop the relationship between the centre and the periphery.

Since its establishment in 1973, the CPMR has progressively organised itself into 6 geographical commissions that broadly represent the main maritime basins of the Islands; the Baltic Sea; the North Sea; the Atlantic Arc; Mediterranean; the Balkans and Black Sea.

The Highland Council is a member of the CPMR and North Sea Commission.

NORTH SEA COMMISSION

The North Sea Commission's aim is to facilitate and enhance partnerships between regions which manage the challenges and opportunities presented by the North Sea. Furthermore, it seeks to promote the North Sea Basin as a major economic entity within Europe by encouraging joint development initiatives and political lobbying at European Union level.

EUROMONTANA

Euromontana is the European multi-sectoral association for co-operation and development of mountain territories. It embraces regional and national mountain organisations throughout greater Europe, including regional development agencies, local authorities, agriculture organisations, environmental agencies, forestry organisations and research institutes.

Euromontana's mission is to promote living mountains, integrated and sustainable development and quality of life in mountain areas.

In order to achieve this, Euromontana facilitates the exchange of information and experience among these areas by organising seminars and major conferences, by conducting and collaborating in studies, by developing, managing and participating in European projects and by working with the European institutions on mountain issues.

Euromontana brings together organisations of mountain people: development and environmental agencies, agricultural and rural development centres, territorial authorities, research institutes, etc. It includes organisations from Western Europe as well as from Central and Eastern European countries with the aim of developing international co-operation.

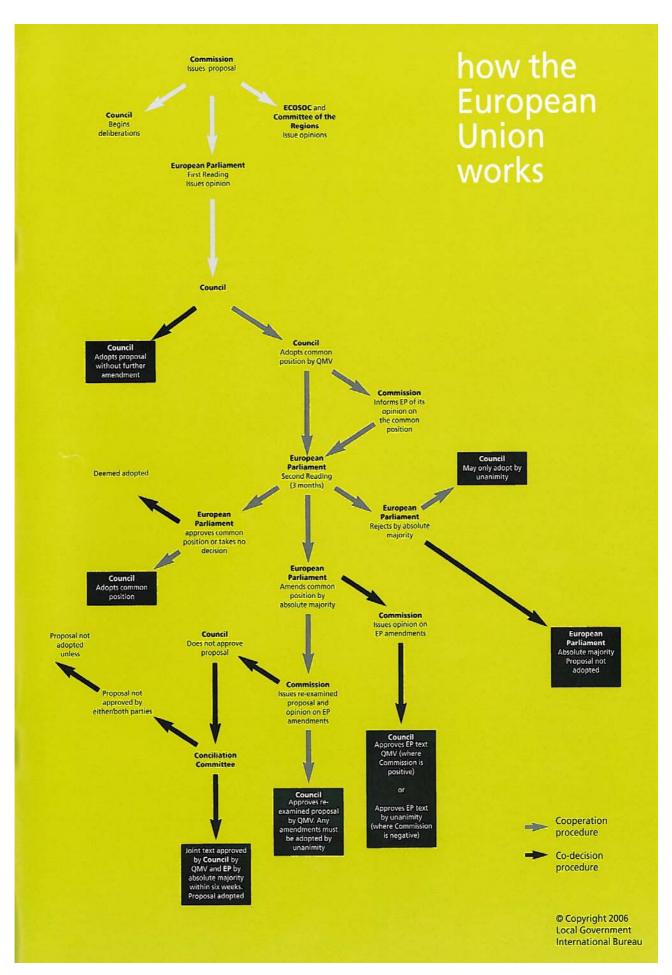
3 THE EUROPEAN UNION – HOW IT WORKS

The European Union (EU) is a collection of democratic European countries working together to improve life for their citizens and to build a better world.

Decision-making at European Union level involves various European institutions, in particular;

- The European Council is composed of the head of government of each Member State and the President of the European Commission. It provides the political impetus for the EU and defines general political guidelines. It does not form part of the institutional framework of the Union but it is the initiator of new policies and can act as arbiter in the event of internal crises.
- The European Commission is based in Brussels and has 27 members; a president and 26 Commissioners. Commissioners are nominated by the Member State governments in agreement with the Commission president and they may serve up to two terms. The Commission acts in the common interest of the European Union, independently of the Member States' governments, and is answerable to the European Parliament. The Commission provides ideas for new laws and executes the European Union's policies. It also acts as a watchdog and can take governments or companies to court for breaches of Community law.
- The European Parliament is made up of MEPs who meet in Brussels and Strasbourg to give advice and help agree on new laws. They are elected by the citizens of the 27 Member States every five years. MEPs sit in political party groups rather than national delegations. The European Parliament does not have legislative powers in the same way as a national parliament, but it has a right to be consulted on many issues and to amend legislation. It also appoints the European Ombudsman, ratifies ingernational agreements and approves the admissin of new Member States. It can reject the EU's budget and amend spending priorities on non-agricultural issues.
- The Council of the European Union (previously the Council of Ministers) is made up of one minister from each EU country who are empowered to act on behalf of their government and are also politically accountable to their national parliaments. The Council is the Community's principal decision-making body, acting on Commission proposals. In practice, unanimity tends to be the trule but decisions can be taken by a qualified majority. For this, the votes of members are weighted according to population. The presidency of the Council lasts for six months and is held in turn by the Member States. The Presidency provides the driving force in the legislative and political processes of the EU, and each new Presidency sets out its own priorities for its term of office.
- The Court of Justice has one Judge from each EU country who serves for a six year term. The Court rules on questions of Community Law and whether actions by the Commission, the Council of Ministers, Member States' governments are compatible with the Treaties

There are other bodies that carry out specialist functions including The European Economic and Social Committee, the Committee of the Regions, the European Central Bank, the European Ombudsman, and the European Investment Bank.



4 EUROJARGON & ACRONYMS

Additionality Project additionality is the extent to which funding creates something which

would not have happened without the funding.

CAP Common Agricultural Policy

CFP Common Fisheries Policy

COR Committee of the Regions. Advisory body consisting of elected members in

local and regional government.

CPMR Conference of Peripheral Maritime Regions

DG Directorate General. The staff of the main EU institutions (Commission,

Council and Parliament) are organised into a number of distinct

departments, known as 'Directorates-General, each of which is responsible for specific tasks or policy areas. The administrative head of a DG is known

as the 'Director-General' a term sometimes also abbreviated to 'DG.

ERDF European Regional Development Fund

ESF European Social Fund

Final Beneficiaries The bodies applying for the grant, regardless of whether they then pass the

funding on through a scheme to other organisations or businesses.

Intervention Rate The amount of grant requested as % of a project's eligible costs.

Match Funder An organisation providing a direct financial contribution or in-kind

contribution towards the costs of a project. Also referred to as co-funder or

co-financier.

Match Funding Direct financial and in-kind contributions towards the costs of a project.

Also referred to as co-funding or co-financing.

MEP Member of the European Parliament

NUTS Nomenclature of Territorial Statistical Units. The classification of regions

applied by the Statistical Office of the European Communities upon which

the geographical limits of European programmes are based.

OJ Official Journal. The EU vehicle for publishing legislation, EP minutes,

Commission documents etc.

SMEs Small and Medium Sized Enterprises

Subsidiarity The 'subsidiarity principle' means that EU decisions must be taken as

closely as possible to the citizen. In other words, the Union does not take action (except on matters for which it alone is responsible) unless EU action

is more effective than action taken at national, regional or local level.

Transnational Co-operation between organisations based in more than one EU country

5 PUBLICATIONS AVAILABLE IN THE EUROPEAN SECTION

Combating Climate Change The EU contribution

The Committee of the Regions What it is and how it works

EU Agencies Details of European Commission Agencies and the

services they each provide.

Europe at a Glance How the UK benefits from being in the European Union

Europe in 12 LessonsBasic guide on how the EU works

The Environment and the European

Commission

An introduction to the Environment DG of the EC and to

sources of information on EU environment policy.

How the European Union Works A guide to the EU institutions.

Jobs and Growth in the EU A roadmap to a sustainable future.

Key Facts and Figures about Europe

and the Europeans

Basic facts and figures about the European Union and its

member states.

Lets Explore Europe Introduction to Europe for Schools.

New Funds, Better RulesBasic guide to EU funding programmes.

Welcome to the European

Parliament

What it does and who are its members

Your Rights as a Consumer How the EU protects your interests