

2014 to 2020 European Structural and Investment
Funds Growth Programme

Call for Proposals
European Regional Development Fund

**Priority Axis 3: Enhancing the
Competitiveness of Small and Medium
Sized Enterprises – International Trade**

Managing Authority:	Department for Communities and Local Government
Fund:	European Regional Development Fund
Priority Axis:	Priority Axis 3: Enhancing the Competitiveness of Small and Medium Sized Enterprises – International Trade
Call Reference:	OC50R18P 0777
Local Enterprise Partnership Area:	National Call including the following areas: North East Leeds City Region Humber Sheffield City Region York, North Yorkshire and East Riding Cheshire and Warrington Cumbria

	Greater Manchester Lancashire Liverpool City Region Black Country Coventry & Warwickshire Greater Birmingham and Solihull Stoke-on-Trent & Staffordshire The Marches Worcestershire D2N2 (Derby, Derbyshire, Nottingham & Nottinghamshire) Greater Lincolnshire Leicester & Leicestershire South East Midlands Dorset Gfirst (Gloucestershire) Swindon and Wiltshire Coast to Capital Enterprise M3 Hertfordshire Solent South East
Area Indicative Fund Allocation:	Up to £28,219,569 See detail of maximum allocation per category of region on Annex 2
Call Open:	Friday 2 March 2018
Call Closes:	23:59 on Friday 20 April 2018

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1. Introduction

The 2014 to 2020 European Structural and Investment Funds bring the European Regional Development Fund, European Social Fund and part of the European Agricultural Fund for Rural Development together into a single European Union Structural and Investment Funds Growth Programme for England supporting the key growth priorities of innovation, research and development, support for Small and Medium Sized Enterprises, low carbon, skills, employment, and social inclusion.

The Government has confirmed that it will guarantee EU funding for structural and investment fund projects signed before the UK's departure from the EU, even when these projects continue after we have left the EU.

The Funds are managed by the Department for Communities and Local Government for the European Regional Development Fund, Department for Work and Pensions for the European Social Fund and the Department for Environment, Food and Rural Affairs for the European Agricultural Fund for Rural Development. These Departments are the managing authorities for each Fund. In London, the Greater London Authority acts as an intermediate body for the European Regional Development Fund and European Social Fund programmes. In some other areas, intermediate bodies are being designated by the Department for Communities and Local Government and the Department for Work and Pensions to perform the following tasks:

- Input into project calls in respect of local development needs (with reference to ESI Funds strategies); and
- Assessment of applications against certain selection criteria in relation to fit with local priorities in respect of the European Regional Development Fund and European Social Fund.

The managing authorities and intermediate bodies work closely with local partners on ESI Funds sub-committees in each local enterprise partnership area. Partners on these sub-committees provide:

- Practical advice and information to the managing authorities to assist in the preparation of local plans that contribute towards operational programme priorities and targets;
- Local intelligence to the managing authorities (or intermediate bodies where designated) in the development of project calls that reflect operational programme and local development needs as well as match funding opportunities; and
- Advice on local economic growth conditions and opportunities within the context of the operational programme and the local European Structural and Investment Funds Strategy to aid the managing authorities' (or intermediate bodies where designated) assessments at outline and full application stage.

This call is issued by the Department for Communities and Local Government and invites outline applications in respect of the European Regional Development Fund for England 2014 to 2020.

2. Call Context

On behalf of the national Growth Programme Board, the Department for Communities and Local Government (the managing authority) invites applications seeking European Regional Development Fund support under:

Priority Axis 3 Enhancing the Competitiveness of small and medium sized enterprises

Investment Priorities:

- 3d** Supporting the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes

The **European Regional Development Fund operational programme for England 2014 to 2020** sets out how the European Regional Development Fund will focus on investment to support economic growth and job creation. **Priority Axis 3** of the operational programme aims to enhance the competitiveness of small and medium sized enterprises.

Any application for funding will be required to clearly demonstrate that it provides good value for money and supports domestic strategic priorities. Applications must meet the requirement of, and make a meaningful contribution to, the delivery of the relevant Priority Axis of the [European Regional Development Fund Operational Programme](#).

In addition, applications will be expected to meet identified local development needs, as expressed in the scope of this call and as set out in the Annex 2 with, for all participating LEP areas, a reference to each European Structural and Investment Funds strategy.

Applicants are advised to familiarise themselves with the detail of the operational programme, local European Structural and Investment Funds strategy and the relevant documentation listed in sections 5 through to 8 **prior to** submitting an outline application.

Government is working with local enterprise partnership (LEPs) across England to establish a network of private sector-led growth hubs connecting businesses to the right support including access to local and Government funded support services. Applicants under this call will need to demonstrate how activity and delivery will be co-ordinated and made accessible through the growth hub in the local enterprise

partnership area covered by this call. Applicants will also need to demonstrate how they will work locally with their growth hub and all business support provision provided by local public and private sector partners and not duplicate any existing services, including that provided by the growth hub. Where relevant, further detail on growth hubs is set out below and in the Annex at the end.

Export advice is provided by UK Trade & Investment through contracts for International Trade Services and UK Export Finance. The Greater London Authority work with a number of additional organisations providing export advice. Contact the Greater London Authority for further details.

3. Scope of the Call

3.1. Scope

This call invites outline applications which support the delivery of Priority Axis 3 of the European Regional Development Fund operational programme and respond to the local development need set out in the Annex 2 with, for all participating LEP areas, a reference to each European Structural and Investment Funds strategy.

<p>Indicative fund allocation:</p>	<p>Indicatively, through this call the managing authority expects to allocate up to £28,219,569.</p> <p>The managing authority reserves the right to invite to full application (and subsequently approve) projects that have a cumulative value that is higher or lower than this indicative allocation, subject to the volume and quality of proposals received. The managing authority may also decide to place some projects submitted through this call on a reserve list and invite them to proceed at a later date, subject to the availability of funding.</p> <p>There is no indicative allocation of European Regional Development Fund funding between capital and revenue activity, both capital and revenue is eligible dependent on the nature of activities / investment priorities set out in the call.</p>
<p>Minimum application level</p>	<p>European Regional Development Fund investment is intended to make a significant impact on local growth. Applications are expected to demonstrate appropriate scale and impact. The managing authority does not intend to allocate less than £500,000 European Regional Development Fund to any single project. Consequently projects with a total value of less than £1,000,000 in more Developed areas or £833,333 in Transition areas will not</p>

	normally be supported under this call
Duration of project activity	Projects should plan to deliver activity for a maximum of three years; however the managing authority reserves the right to vary the maximum duration, upwards or downwards.
Geographical scope	<p>The England European Regional Development Fund operational programme operates on a national basis. All eligible European Regional Development Fund expenditure must benefit organisations located in England.</p> <p>Revenue projects should predominantly support businesses based within the local enterprise partnership area listed in Annex 2 of this call.</p>
Specific call requirements	<p>Applications should cover at least one or more of the geographic annexes and its specific requirements as indicated in the attached Annex 2 A to G.</p> <p>Applications will be reviewed by all ESIF local sub-Committees of areas listed in Annex 2 A to G and should therefore, for each area, articulate clearly and specifically how they intend to address local needs as detailed in the Annex.</p> <p>Please note: Value for Money and alignment with Strategic Domestic Priorities will form a key part of the assessment and appraisal of all applications. Therefore proposals should clearly articulate and demonstrate how activities align with domestic strategic priorities and offer good value for money.</p>
Call deadlines	<p>For this specific call, applications will be assessed after the close of the single deadline.</p> <p>Applications received after the published call close date will not be considered. All applications will be assessed following closure of the call.</p>

3.2. Local development need

Projects must deliver activity which directly contributes to the objectives of Priority Axis 3 of the operational programme, one or more of the relevant investment priorities and meet the local development need expressed in the table below.

Local Development Need

Local growth priorities:

Local Economic Context:

This call is specifically for trade support. It seeks activity which will deliver under investment priority 3d and which specifically focuses upon increasing the capacity of small and medium sized enterprises (subject to sector eligibility) to enter and increase trade in international markets.

The export agenda is critical as the UK re-calibrates its relationship with Europe and lays the foundations for trade deals with countries around the world. The Government's ambition is to make the UK more outward looking than ever before, a truly global Britain. It has launched the Exporting is GREAT campaign, and the trade hub great.gov.uk, to inspire and support more businesses than ever before to start their exporting journeys.

Through getting more local companies exporting, and getting local companies exporting more, this will boost jobs and wealth coming into local economies. Business growth achieved through increased exports is genuine growth and not displacement. It will also make local economies more resilient to change and competition through companies becoming less dependent on a smaller number of customers or markets. If companies have a product or service that is performing well at home, then there will almost certainly be a demand for it overseas. The UK accounts for just 1/20th of the world's economy, so confining business to the domestic market is overlooking a huge potential.

Exporting reduces risk by spreading it across a wider range of customers and protecting businesses if the UK demand for a product or service falls. As well as boosting profits, exposure to overseas markets makes for sharper UK businesses that are more innovative and better able to maintain a competitive position in their sector. Exporting also enhances a business's profile, whether for new clients at home or ones abroad.

There is untapped demand for British goods and services abroad. At the moment less than 9% of registered businesses export. The Government is working with business to help forge a new culture of exporting amongst the UK business community. To do this, it is equipping companies with the tools and opportunities they need to succeed in the global marketplace, including through specialist finance and insurance from UK Export Finance.

The Department for International Trade (DIT) helps businesses export, drives investment, opens up markets and champions free trade. DIT is an international economic department, responsible for:

- Bringing together policy, promotion and financial expertise to break down barriers to trade and investment, and help businesses succeed;
- Delivering a new trade policy framework for the UK as we leave the EU;
- Promoting British trade and investment across the world; and
- Building the global appetite for British goods and services.

Through its International Trade Advisor (ITA) teams located throughout England and

expert staff in 177 locations overseas DIT identifies and stimulates overseas demand for UK goods and services, and supports UK companies to get export-ready and, in the case of existing exporters, to grow in new markets. These services are organised nationally, managed regionally, and delivered locally. They help businesses develop the skills they need to export successfully and to access market information and research.

DIT support is targeted where government can add most value. It prioritises its global export promotion activity by identifying the sector-market combinations that present the greatest opportunities to achieve the maximum impact and success.

DIT works closely with local enterprise partnerships and Growth Hubs to ensure that local companies are connected to DIT's global network and its services tailored to local needs.

- Applications to this call will need to set out how they will be complementing and building upon existing provision through DIT.

- Applications should explain how proposed activities will align with local Growth Hubs (please see Annex 2 for further details) to ensure:

(i) local priorities and needs will be met; and

(ii) the proactive referrals of small and medium sized enterprises to and from the Growth Hubs to enable on-going support of local small and medium sized enterprises to maximise opportunities of growth.

Preference will be given to applications that demonstrate evidence of engagement and alignment with local Growth Hubs.

Local priorities:

Proposals should demonstrate alignment with local development need and priorities including:

- see Specific Local Enterprises Partnership area priorities as provided at Annex 2 A to G

More generally, the applicant should explain how they will:

- complement and align with other European Regional Development Fund projects to enhance the competitiveness of small and medium sized enterprises that may impact on this activity, including business support and innovation activities;
- underpin international trade performance activities with robust data analysis which supports the development of capacity and capability; and,
- provide baseline data and commit to quarterly performance reports and analysis of locally based exporters at LEP area level.

3.3. Operational programme investment priorities

Applications must specify the activities to be delivered and must directly contribute to **one or more** of the following investment priorities:

Investment priority	3d – Supporting the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes
Specific objectives	Increase the growth capability of small and medium sized enterprises.
Indicative actions	<p>The support provided through this specific objective will help businesses to develop their internal capability in order to improve their productivity, grow and create jobs:</p> <p>Under this investment priority indicative actions to be supported by European Regional Development Fund may include:</p> <ul style="list-style-type: none"> • Provision of efficient local referral routes to ensure that small and medium sized enterprises are able to identify and access the most appropriate and tailored support for their specific growth needs; • Support small and medium sized enterprises to develop focused growth strategies and update or introduce new business models which will drive business performance; • Advice and support for small and medium sized enterprises to enter, establish and expand in new international markets; • Support events, trade fairs and missions to enable small and medium sized enterprises to enter, establish and expand in new international markets; • Targeted grant schemes to support productive investment. <p>Activities will target domestic and foreign-owned small and</p>

	<p>medium sized enterprises, including social enterprises.</p> <p>Activity under this investment priority will focus primarily on addressing the barriers that business face in identifying, accessing and understanding the different types of finance that is available.</p>
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4. Required Outputs under this Call

Applicants will need to demonstrate how the eligible activity, funded by the European Regional Development Fund will achieve the programme-level outputs for Priority Axis 3.

For projects proposing to deliver activity against more than one investment priority, the appropriate outputs should be selected. Project will be required to report on, and evidence, the achievement of the outputs separately under each investment priority.

For projects coming forward under this call the expected outputs and results are:

Investment Priority 3d	
Output reference	Name
C1	Number of enterprises receiving support
C2	Number of enterprises receiving grants
C4	Number of enterprises receiving non-financial support
C5	Number of new enterprises supported
C6	Private investment matching public support to enterprises (grants)
C8	Employment increase in supported enterprises
C29	Number of enterprises supported to introduce new to the firm products
P13	Number of enterprises receiving information, diagnostic and brokerage support

The managing authority expects the level of outputs proposed within outline applications to be realistic and achievable and to deliver good value for money. The application should clearly state the methodology used to determine the levels of outputs proposed.

Projects will only be supported if they demonstrate good value for money. An important consideration when assessing value for money is the level of European Regional Development Fund outputs that the project would deliver.

The managing authority has not set specific output targets for this call and does not publish average or expected unit costs.

The local European Structural and Investment Fund strategy for each local enterprise partnership Area includes details of the local, notional European Regional Development Fund allocation to each priority axis and the type and number of European Regional Development Fund outputs that are expected in return for this investment.

All operations will be required to report regularly on progress toward achievement of targets. This will need to include both quantitative and qualitative data relevant to the appropriate geographical areas. Applicants will need to explain how they will collect and record this information to maintain a fully evidenced audit trail. It should be noted that if an operation fails to deliver contracted outputs, a performance penalty may apply.

5. Application Process & Prioritisation Methodology

There are two stages to the European Regional Development Fund application process:

- (i) Outline application and, if successful
- (ii) Full application.

Acceptance of an outline application to progress to full application stage does not in any way indicate or constitute an offer of European Regional Development Fund grant.

Applicants must fully complete the [outline application](#) which will be assessed by the managing authority against all of the national [selection criteria](#) except where an intermediate body has been designated to assess against some of the selection criteria. Where an intermediate body has been designated to undertake delegated tasks, the intermediate body will undertake the assessment against the selection criteria in relation to fit with local priorities.

Outline applications will be assessed in two stages, Gateway assessment and Core assessment.

The Gateway assessment is undertaken by the managing authorities and considers:

- Applicant eligibility;
- Activity and expenditure eligibility; and

- Fit with the National operational programme and the local development need set out in section 2.

Applications that fail the Gateway assessment undertaken by the managing authority will be rejected. Applications which pass the Gateway assessment will then be assessed by the managing authority in relation to all Core assessment criteria.

In areas where an intermediate body¹ has been designated, the following will apply:

The intermediate body will assess the application against the following Core assessment criteria:

- Local strategic fit

The managing authority will assess the application against the following Core assessment criteria:²

- National strategic fit;
- Value for money;
- Management and control;
- Deliverability;
- Compliance;
 - Procurement
 - State Aid
 - Publicity requirements
- Cross cutting themes; and
 - Environmental sustainability
 - Equal opportunities

The intermediate body will also provide advice to the managing authority to assist the managing authority to make its assessment against the following Core selection criteria:

- Value for money; and
- Deliverability.

Having assessed projects against these criteria the relevant local enterprise partnership area European Structural and Investment Funds sub-committee will advise the managing authority or intermediate body as relevant on the contribution to local economic growth conditions and opportunities within the context of the operational programme and local European Structural and Investment Funds strategy to aid the managing authority's assessments (at outline and full application stage).

¹ This process works differently for the Greater London Authority. Please contact the Greater London Authority for further details.

Having concluded their assessments the managing authority and the intermediate body will prioritise the applications they wish to proceed based on their assessment against their respective selection criteria. Only projects that the managing authority and the intermediate body each agree should proceed, based on their respective core selection criteria, will be invited to submit a full application. Subsequently only those full applications that the managing authority and the intermediate body each agree should proceed, based on their respective selection criteria, will be approved.

Please note that the managing authority's decision is final and there are no appeals. If you wish to complain about the calls and application process, please follow the procedure set out at <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/about/complaints-procedure>.

Potential applicants may wish to take advantage of information and support services funded through European Regional Development Fund Technical Assistance and available to assist the design and development of compliant projects / applications for the European Regional Development Fund. Details of your local Technical Assistance funded project can be found on the [Technical Assistance website page](#).

6. General Information

6.1. National Eligibility Rules

When developing an application, applicants must refer to the [National Eligibility Rules](#) setting out the requirements of the 2014 to 2020 European Regional Development Fund programme. It is the responsibility of the applicant to ensure that the National Eligibility Rules are adhered to both at application stage and following approval. Failure to do so can lead to financial penalties leading to recovery of up to 100% of the grant value. If in doubt on any of the requirements, applicants are strongly advised to seek specialist advice.

European Regional Development Fund eligibility rules apply to **all** project spend within the eligible costs, including match funding.

The European Regional Development Fund is governed by European regulations and national rules. Applicants are advised to familiarise themselves with the relevant documentation, (section 8 Key Document refers) prior to submitting an outline application. If successful at the full application stage, applicants will enter into [a Funding agreement](#) and must abide by the standard terms and conditions contained therein. Once a Funding agreement has been issued it should be signed and returned within 30 days, unless otherwise agreed with the Managing Authority. Applicants are therefore strongly advised to read these terms and conditions to ensure that they are able to enter into such an agreement prior to responding to the call.

6.2. Eligible applicants

Section 4 of the [National Eligibility Rules](#) sets out who is eligible to apply. Financial Due Diligence checks will be undertaken on non-public sector applicants that are successful at the outline application stage. Checks will be carried out following notification of a successful outline application and may exclude applicants from further consideration. These checks will include assessment of the applicant's financial standing including ability to deal with cost overruns, the ability to cash flow a project in arrears and absorb a financial irregularity. Applicants must be legally constituted at the point of signing a funding agreement. If the application is approved the applicant organisation will enter into a legally binding Funding agreement and therefore will carry the liability for ensuring that the terms and conditions of the funding agreement are met.

If there is more than one organisation applying for the funds, a lead organisation must be selected to become the applicant (and grant recipient) with the remaining organisation(s) acting as delivery partner(s). In this situation the applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating compliantly.

During the application process the managing authority will consider the applicant's track record, both positive and negative. If the applicant has been involved in the delivery of previous European grants and any irregularities have been identified, the managing authority will expect to see what steps have been taken to ensure that the risk of further irregularities in the future is mitigated. It is acknowledged that some organisations will be new to European Structural and Investment Funds funding and will not have a track record.

6.3. Contribution rate and match funding

European Regional Development Fund investment must not be used to replace existing funding sources. European Regional Development Fund investment must enable activity to take place that would not otherwise happen or to increase the scope, scale or intensity of activity. The level of European Regional Development Fund awarded will be the minimum in order for the project to proceed

The maximum contribution rate is 60% in Transition areas or 50% in More Developed areas of the total eligible project costs subject to State Aid regulations.

The remaining 40% or 50% or more must come from other eligible sources as specified under section 6 of the National Eligibility Rules. During the application process applicants will need to satisfy the managing authority that they have, or are

able to put in place eligible match funding for the balance of costs. Other EU funds cannot be used as a source of match funding.

European Regional Development Fund investment is limited by State Aid regulations and where the award of European Regional Development Fund would constitute State Aid the European Regional Development Fund grant rate may fall below the 50% or 60% maximum.

European Regional Development Fund is paid quarterly in arrears and expenditure must be defrayed prior to the submission of any grant claims. Applicants may be asked to demonstrate how they are able to cash flow the operation.

6.4. Project timescales

European Regional Development Fund funding will normally be approved for three years, however the managing authority reserves the right to extend the contract term in exceptional circumstances.

Projects approved through this call will normally be expected to:

- Submit a detailed and complete full application within three months of formal selection at outline stage. Projects which fail to meet this deadline may be deselected;
- Commence delivery (defraying European Regional Development Fund eligible costs) within three months of formal approval. Projects which fail to meet this deadline may be deselected; and
- Be closed by June 2023.

6.5. Project extensions

Existing grant recipients whose projects:

1. Do not involve the direct development of premises or infrastructure;
2. Have a funding agreement that ends/has a financial completion date during the period of this call or within **18 months of the closing date of this call**; and
3. Addresses the priorities set out in section 2

May apply for a second phase of delivery – this will be expected to be in the same form as the current project (i.e. a genuine continuation of activity) but may reflect improvement/some change to reflect experience of the first phase of the project. The application must be made using the standard outline application form. Where changes to the first phase of the project are significant, these should be presented as a new application. The relevant Growth Delivery Team will apply judgment in considering the significance of any change. Projects may apply to be extended for up to 3 years.

Applications in respect of the development of premises or other infrastructure should be presented as new projects, this includes applications that have a link to an existing European Regional Development Fund project e.g. further phases of the development of sites or premises.

Please note - extensions to existing projects will be assessed against the criteria set out in this call in the same way as 'new' projects. There is no guarantee that extensions will be selected. Extension requests relating to projects that end more than 18 months after the closing date of the call or do not meet the requirements set out in this call will be rejected. The applicant's track record and the performance of existing contracts will be taken into account during the assessment process.

6.6. Capital projects

In developing the budget for the outline application, applicants seeking European Regional Development Fund to support a capital project should note that:

- New build projects will normally be expected to achieve the Building Research Establishment Environmental Assessment Method (BREEAM) rating of 'excellent'; however BREEAM 'very good' will be accepted where this is the maximum feasible standard;
- Refurbishment projects will normally be expected to achieve the BREEAM rating of 'Very Good'; and
- Infrastructure projects will normally be expected to achieve the Civil Engineering Environmental Quality Assessment rating of 'Very Good'.

6.7. Cross Cutting Themes / Horizontal Principles

All applications selected as a result of this call will be required to demonstrate how the Cross Cutting Themes have been addressed in the project design and development. Cross Cutting Themes for European Regional Development Fund are 'equality and anti-discrimination' and 'sustainable development'. Further information is available in section 11 of the [European Regional Development Fund Operational Programme](#).

Some groups lack entrepreneurial understanding and appropriate skills and face entrenched attitudinal barriers. People in difficult social or economic circumstances face barriers to enterprise, but some groups have additional ones – for example women and black and minority ethnic groups are often under-represented in enterprise compared to the wider population, so investments under priority axis 3 should actively address barriers to business start-up and other types of business opportunities for such groups.

In providing support for small and medium sized enterprises, applicants under priority axis 3 should show, where appropriate, how resource efficiency is embedded into the business support offer.

6.8. Additionality, duplication and displacement

Additionality is a core principle of European Regional Development Funding. Applicants must be able to demonstrate that the activity paid for out of European Regional Development Funding adds value to new or existing activity.

European Regional Development Funding cannot support activities that duplicate existing provision/services within the region.

Applications need to identify and evidence how the beneficiaries will use the service and demonstrate that the project does not displace other activity available in the market place.

6.9. State Aid and revenue generation

Applicants are required, in the outline application, to provide a view on how their proposal complies with State Aid law. Applicants must ensure that projects comply with the law on State Aid. Grant funding to any economic undertaking which is State Aid can only be awarded if it is compatible aid, in that it complies with the terms of a notified scheme under the General Block Exemption Regulation (EU) 651/2014.

Only if this is not possible should Applicants use the De Minimis Regulation or 'no aid'. [Guidance for grant recipients](#), explaining more about State Aid, is available; it is important that Applicants take responsibility for understanding the importance of the State Aid rules and securing their full compliance with them throughout the project, if it is selected into the programme.

The managing authority is not able to give legal advice on State Aid. It is the responsibility of the applicant to ensure that the operation is State Aid compliant.

6.10. Procurement

All costs claimed by the applicant (grant recipient and / or delivery partner(s)) must be recovered on an actual cost basis. Other costs must be procured in line with National (including [Public Procurement Regulation 2015](#)) and EU regulations. Procurement will be subject to audit and verification and any irregularity will result in a financial penalty of up to 100% of the grant paid. Robust and transparent procurement is required to ensure that grant recipients:

- Consider value for money;
- Maximise efficient use of public money; and
- Maintain competitiveness and fairness across the EU.

It is **strongly recommended** that applicants seek and follow legal advice in respect of procurement requirements. Procurement irregularities remain the most substantive cause of error and clawback of grants.

7. Support

Please note that this is a competitive call and to preserve impartiality the managing authority and, where appropriate, the intermediate body are unable to enter into correspondence with applicants over their outline application. Details of where guidance can be found are contained throughout this call document. In exceptional circumstances, if there are issues with accessing this guidance, please contact: SW.ERDFenquiries@communities.gsi.gov.uk.

8. Key Documents

- European Regional Development Fund operational programme;
- Outline application form;
- Outline application form guidance;
- Local enterprise partnership area's European Structural and Investment Funds strategy;
- Eligibility guidance;
- Target definitions; and
- Funding agreement (revenue and / or capital).

9. Document Checklist

Incomplete applications will be rejected. Please ensure the following information (documents) are submitted.

Outline Stage:

- Fully completed outline application;
- Financial tables; and
- Outputs, results and indicators tables.

10. Document Submission

Completed outline applications must be submitted via **email** to the address in Section 7.

Outline application forms not received by the deadline will not be assessed. Outline applications which are not fully completed will be excluded.

For this call applications will normally be required to **commence delivery / activity within three months** of the award of a Funding agreement.

Any changes related to the deadline for the submission of the outline application form will be notified on the [European Growth Funding](#) website pages.

ANNEX 1

2014 to 2020 European Regional Development Funding for local business growth hub activities

Growth hubs (those governed by local enterprise partnerships) will ensure that support for business is simpler, more joined up and easier to access, providing targeted support to businesses tailored to local needs, for instance priority sectors, business start-up and those businesses with the potential to grow and scale-up. In the 2014 to 2020 European Regional Development Fund programme period, some growth hubs will also have a physical presence in the local area for businesses to seek advice, support and to network whilst others will offer a hub and spoke or virtual service via digital, telephone based and social media channels.

Whilst growth hubs are open to all businesses, regardless of size or sector, they will be able to offer European Regional Development Fund support only to those small and medium sized enterprises that are eligible under European Regional Development Fund priority axis 3. Local enterprise partnerships and their delivery partners in some localities have therefore sought further clarification as to whether the 2014 to 2020 European Regional Development Fund programme for England can be used to fund the following activities:

- Signposting and diagnostic activity (e.g. salary costs associated with business advisers, telephone support services);
- Facilitation of peer to peer networking events;
- Growth hub marketing activity;
- Development of website and customer relationship management systems (CRM) and maintenance and/or enhancements/development of new on-line tools;
- Growth hub back office and administration roles; and
- Managerial oversight of the growth hub.

The Department for Communities and Local Government has therefore worked with the Department for Business, Energy and Industrial Strategy (BEIS) to update this annex in relation to growth hub activities and how they may be supported by the European Regional Development Fund.

European Regional Development Fund objectives

Where growth hub activity is eligible for European Regional Development Fund support, it will be supported under priority axis 3 of the European Regional Development Fund operational programme which is designed to improve the competitiveness of small and medium sized enterprises by increasing the capacity

and capability of small and medium sized enterprises and promoting entrepreneurship.

Eligibility of growth hub activities for European Regional Development Fund support

Local enterprise partnerships and other delivery partners are asked to note:

1. European Regional Development Fund requires minimum match funding of between 20% and 50%, depending on where in England the growth hub is located. As a result, a robust match funding package needs to be in place for a project to proceed.
2. European Regional Development Fund requires that the match funding and associated outputs must be accounted for and auditable, so transparent reporting systems for both funding and impacts will need to be in place.
3. As a general principle, European Regional Development Fund can support core functions (and revenue costs) of growth hubs, where they directly contribute to operational programme activity and outputs.
4. Any European Regional Development Fund support under priority axis 3 is limited to European Regional Development Fund eligible sectors, small and medium sized enterprises (not large companies) and potential entrepreneurs. This means that a universal offer for all businesses cannot be funded by European Regional Development Fund – we can only fund those parts that provide support to eligible potential entrepreneurs or enterprises.
5. Delivery of information, diagnosis, brokerage (IDB) is permitted, however, integrated delivery with further support, advice or grant is preferred (for reasons of practicality, deliverability and value for money), rather than standalone information, diagnosis and brokerage
6. Growth hub staff directly associated with the delivery of European Regional Development Fund project activity are eligible for European Regional Development Fund support, e.g. staff costs for posts directly related to the European Regional Development Fund project in terms of project delivery, management, co-ordination and monitoring; and posts directly related to referrals, signposting and diagnosis of needs of small and medium sized enterprises and potential entrepreneurs eligible for support from European Regional Development Fund.
7. Growth hub marketing collateral and peer to peer events; purchase, set up and maintenance of enhancements to the customer relationship management (CRM)

systems to assist with client management; website content, tools and diagnostics may **only** be supported where developed specifically for the purpose of helping to deliver European Regional Development Fund project activity and outputs.

8. Strategic partnership development between growth hubs and organisations/institutions involved in providing business support that involves agreeing appropriate referral mechanisms that are clearly linked to signposting and information diagnostic and brokerage support for eligible small and medium sized enterprises and outputs under European Regional Development Fund priority axis 3 may be supported.
9. 15% flat rate overheads are available (based on 15% of direct staff costs) and cover eligible overheads and back office costs – for example, indirect staff costs such as receptionists, human resources, legal, procurement support, governance and partnership development time (also see 7 and 8 above), information technology, shared premises costs and other associated costs.

European Regional Development Fund will **not** be able to support generalised local growth hub activity that does not deliver support to eligible individuals or enterprises, such as:

- a. Support for strategy development (including sector strategies).
- b. Support to simplify the business support landscape (e.g. mapping and analysis), except where this relates to the development of referrals and protocols linked to European Regional Development Fund project delivery and eligible European Regional Development Fund small and medium sized enterprises.
- c. Support for research or other development activity for the growth hub and/or Local Enterprise Partnership, including the production of annual growth hub performance reports.
- d. General growth hub website maintenance and tools development unrelated to the delivery of the European Regional Development Fund operational programme.
- e. Support for general day to day growth hub strategic partnership activity and governance.

Inevitably, this will result in some functions (or parts thereof) of each growth hub that must be funded from other sources, such as private contributions or other public funds.

ANNEX 2

A – North East

LEP Area	North East
Local ESIF Strategy	North East LEP https://www.nelep.co.uk/wp-content/uploads/2014/10/NE-LEP-ESIF-Strategy-Full-23-June-2016.pdf
Local LEP Area Contact	North East LEP Dinah Jackson - Dinah.jackson@nelep.co.uk
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £2,300,000 ERDF – for applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will be apportioned across category of regions as follows: <ul style="list-style-type: none"> • up to £1,800,000 in the More Developed area; • up to £ 500,000 in the Transition area.
Duration	3 years
<p>LOCAL DEVELOPMENT NEED - Local priorities</p> <p>North East LEP area</p> <p>A key strategy for generating growth in the North East LEP area is through existing businesses expanding into new markets.</p> <p>Applications should explain how they will:</p> <ol style="list-style-type: none"> 1. deliver a truly collaborative and joined up solution(s); 2. achieve the LEP area’s strategic priorities for business growth in the North East and strengthen the pipeline of high growth businesses across the area; 3. increase the number of businesses exporting; 4. support supply chain development to help effective trade; 5. increase the North East’s presence in key international markets; 6. contribute to ‘more and better jobs’ across the North East; 7. tailor their provision to add maximum value to businesses in the international trade arena; 8. drive export growth of businesses in the area’s economy through a focus on higher value added sectors where the North East has competitive advantage. These are the smart specialisation sectors (passenger vehicle manufacture, subsea, marine and related advanced manufacturing, life sciences and health, creative, digital, software and technology-based services and other sectors with strict regard for European Regional Development Fund eligibility criteria, where growth potential is identified in the Strategic Economic Plan (engineering and manufacturing; business and professional services; low 	

carbon and renewable technologies; tourism and logistics)

9. provide direct financial support through an export preparation fund, specifically how bespoke financial assistance will be made available to small and medium sized businesses preparing to export and could include support for international travel, trade show/exhibitions, and web internationalisation. This should be made available via International Trade Advisors to ensure it is supporting activities in an international business plan developed as part of an export review and accessing and maximising all national offers.
10. ensure management expertise and business capacity are supported, potentially through an export specialist fund. Funding could provide bespoke support via specialist help for a company in collaboration with the Department of International Trade (DIT)/ International Trade Advisors support with activities including additional sector or market specialist International Trade Advisers and support including for key sectors, the virtual export manager model, exporting innovation pilot projects, language and cultural awareness (including workshops and access to specialists).
11. provide additional support for developing effective trade and export-specific marketing strategies including on-line trading, culture and language.
12. support Research & Development and innovation for export, including support to help with market identification, collaboration and service/product development
13. work alongside and align with the North East Growth Hub <http://www.northeastgrowthhub.co.uk/> and how they will contribute to the development of the range of North East Growth Hub functions (for example, dynamic content, online communities, digital marketplace etc.).
14. complement and align with other European Regional Development Fund calls to enhance the competitiveness of small and medium sized enterprises that may impact on this activity, including business support and innovation activities.
15. underpin international trade performance activities with robust data analysis which supports the development of capacity and capability.

B – Yorkshire and Humber

LEP Areas	<p>Humber Leeds City Region Sheffield City Region York, North Yorkshire and East Riding</p>
Local ESIF Strategy	<p>Humber http://www.humberlep.org/strategies-and-deals/european-structural-and-investment-funds-strategy/ Leeds City Region https://www.the-lep.com/LEP/media/New/ESIF%20docs/Leeds-City-Region-ESIF-STRATEGY-REFRESH-February-2016-FINAL.pdf Sheffield City Region http://sheffieldcityregion.org.uk/wp-content/uploads/2013/05/SCR-ESIF-FINAL-1.pdf York, North Yorkshire and East Riding https://www.businessinspiredgrowth.com/wp-content/uploads/2017/01/EUSIF-Implementation-Plan.pdf (The LEP are refreshing their Economic Strategy for publication mid- 2018).</p>
Local LEP Area Contact	<p>Humber Laura Barley - L.Barley@humberlep.org Leeds City Region Heather Waddington - heather.waddington@westyorks-ca.gov.uk Sheffield City Region Ben Morley / David Campbell-Molloy Ben.Morley@sheffield.gov.uk david.campbell-molloy@sheffieldcityregion.org.uk York, North Yorkshire and East Riding Tim Frenneaux- Tim.Frenneaux@businessinspiredgrowth.com</p>
Priority Axis	3
Notional ERDF Allocation for this activity	<p>Up to £8,625,528 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below:</p> <p>Humber Up to £429,012 (Transition area) Leeds City Region: Up to £4,000,000 (More Developed area) Sheffield City Region Up to £2,500,000 - This is indicatively apportioned between the More Developed (East Midlands part of Sheffield City Region) and Transition areas (South Yorkshire) as follows:</p> <ul style="list-style-type: none"> • up to £2,150,000 in the Transition area;

	<ul style="list-style-type: none"> • up to £350,000 the More Developed area. <p>York, North Yorkshire and East Riding</p> <p>Up to £1,696,516. This is apportioned between more developed and transition areas as follows:</p> <ul style="list-style-type: none"> • Up to £1,200,000 in the More Developed area; • Up to £496,516 in the Transition area.
Duration	3 years

LOCAL DEVELOPMENT NEED – Local Priorities

Humber

HMRC Data from 2015 highlights that the Humber lags behind other LEPs when it comes to both the number of businesses involved in exporting, as well as in the total value of exports.

The number of exporters within the Humber was 1,110 compared to a LEP average of 3,270 and the area has 12 exporters per working age population compared to the LEP average of 21 and the highest levels of exporting in Buckinghamshire Thames Valley of 33.

In terms of the number of exporters (rather than value), the 2015 data shows a need to increase Humber based businesses' export markets by increasing the number of countries that exporters are currently trading with.

Looking at the Standard International Trade Classification highlights the greatest levels of exporting take place within chemicals and related products (which includes medicinal and pharmaceutical products). These figures will however primarily be as a result of large companies and is unlikely to capture many SMEs.

In light of the Humber ESIF strategy, the Humber is seeking a programme of support which will grow the opportunities for exporting across the Humber to increase the number of exporters, the value of exports in the Humber and widen the markets of existing exporters.

Applications covering the Humber should:

1. Explain how provision would work alongside the LEP to create an export led growth programme in the LEP area.
2. Outline how the proposal will deliver that growth programme by identifying and targeting businesses in sectoral and geographic clusters.
3. Focus primarily on supporting existing exporters to enable them to expand their export markets, particularly those that may have tried exporting briefly but have yet to fully embrace this within the business
4. Explain how the proposal will:
 - Make a significant impact on awareness amongst business owners and managers of the general opportunity provided by export led growth, and which specific markets provide the most worthwhile opportunity.
 - Provide a package of advice and funded support (including trade missions, business travel bursaries etc) to help exporters access new markets.
 - Provide a package of advice and funded support to help mature small and medium

sized businesses build their internal capacity to engage in international trade and grow the export side of their business

5. Outline how the activity will align with the Humber Business Growth Hub (<http://hub.humberlep.org/>) and integrate with other ESIF funded support programmes.

Leeds City region

Productivity in Leeds City Region is rising and is similar to most core city LEPs in the North and Midlands. However, LCR levels of productivity stand at just under 90% of the England average; moreover, they are growing more slowly than average.

Closing these gaps will be a long term process, however the foundations needed to drive significant and lasting improvements are in place, and there are many strengths the city region can exploit further. Leeds City Region is home to the largest manufacturing base in the UK with distinct assets in automotive, bio-science, turbo technology, advanced textiles and medical devices. LCR is also the largest regional financial and professional services centre; and has unique strengths in the application of digital technology ranging from healthcare to big data analytics. These provide the City Region with competitive capability in globally significant markets that are likely to grow strongly in the future. The challenge is to deliver a response that is resolutely focused on accelerating this position and unlocking productivity improvements by helping those businesses that are striving to grow to overcome the barriers to competitiveness and growth.

Applications covering the Leeds City region should explain:

1. How provision would respond to the identified need for a targeted programme of activity to increase both the number of SME's exporting and the value of exports from the city region, particularly in the local area's six key sectors and in those where there is untapped potential in the world's largest export markets; (with strict regard to European Regional Development Fund eligibility criteria);
2. How five particular areas of intervention will be considered:
 - Create and nurture a pipeline of businesses with future potential and ambition to trade internationally;
 - Direct financial and advisory support to help businesses to explore and grow in markets overseas.
 - Increase the awareness, opportunities and benefits of trading internationally across the Leeds City Region, particularly through closer and integrated working with the LEPs Growth Service (Leeds City Region's Growth Hub) to embed international trade into business growth plans and into the full range of publically-funded products available.
 - Enhance of the impact and reach of existing peer to peer export network activity in the city region, to complement the more formal export support available through maximising the benefits of experienced exporters passing on their expertise to new and/or novice exporters, and/or, to businesses exporting to new markets for the first time.
 - Deliver any other more innovative approaches to increasing the take-up of export support by SMEs across the city region.

Sheffield City Region

One of the key trade-related messages emerging from the recently agreed a new International Trade and Investment Plan in The Sheffield City Region (SCR) is the need to increase both the number of SMEs trading internationally and the value of exports, supporting the city region's SMEs

to be prepared for the post-Brexit trade environment. The city region wishes to achieve this through rebalancing its trade more evenly between EU and non-EU markets.

Sheffield City Region has identified 3 key trade priorities set out in the International Trade and Investment Plan, as follows:

- Continuing to raise the profile of exporting and simplifying the existing support landscape to make it easier for SMEs to access products and services.
- Providing more intensive support to SME's in the city region's internationally competitive sectors.
- Increasing export sales to high growth and emerging non-EU markets.

Sheffield City Region (SCR) wishes to develop an overarching export market development programme that covers the following:

- Target sectors: Advanced Manufacturing and Engineering - including but not limited to Nuclear*, Automotive, Aerospace, Medical Technologies, Rail. (*subject to ERDF eligibility criteria).
- Target markets: China, India, North America, Gulf

Innovative and creative approaches to delivery is welcomed, however, applicants are expected to broadly align with the SCR 'ACE' delivery model set out below, providing a wrap-around, intensive support programme that prepares SME's to successfully export to the city region's target non-EU markets:

1. Awareness raising: this could include, for example, events and market promotion including trade opportunities and case studies.
2. Capacity building: providing more in-depth export preparation support to SMEs through: workshops, seminars, webinars, finding potential customers and/or agents and distributors, market research and/or mentoring.
3. Enter support to target markets: facilitating easier market access through support such as export grant assistance that helps to de-risk market entry.

The city region is looking to address gaps in developing SME capacity in order to increase their international trade. Applicants are required to:

4. Clearly articulate how their proposal(s) will align with the above model.
5. Engage with the Sheffield City Region Local Enterprise Partnership to identify options to meet this requirement prior to submitting an application.

York, North Yorkshire and East Riding

The LEP area is significantly underperforming on business exports, with the LEP ranked 34th out of 39* for total value of exports. The average propensity for an individual business to export is on the 9th percentile** (out of 100), some considerable way below the Yorkshire and Humber regional average on the 28th percentile.

(*HMRC data 2015) (**CBI data 2017)

Food and Drink is a particular cause for concern, given this sector comprises a large proportion of our businesses, yet underperforms areas with much smaller food and drink industries. However the pattern holds across all industrial sectors.

Applications covering York, North Yorkshire and the East Riding should explain:

1. How provision would work alongside the LEP to create an export led growth programme in the LEP area.
2. How the proposal will deliver that growth programme by identifying and targeting businesses in sectoral and geographic clusters.
3. How the proposal will:
 - Make a significant impact on awareness amongst business owners and managers of the general opportunity provided by export led growth, and which specific markets provide the most worthwhile opportunity.
 - Provide a package of advice and funded support (including trade missions, business travel bursaries etc.) to help first time exporters access new markets.
 - Provide a package of advice and funded support to help mature small and medium sized businesses build their internal capacity to engage in international trade and grow the export side of their business.
4. How the activity would align with How's Business, the area's Growth Hub (<http://www.howsbusiness.org/>), and integrate with other ESIF support programmes, particularly Manufacturing Growth Programme, Skills Support for the Workforce and business Leadership and Management Improvement programmes.

C – North West

LEP Areas	Cheshire and Warrington Cumbria Greater Manchester Lancashire Liverpool City Region
Local ESIF Strategy	Cheshire and Warrington http://www.871candwep.co.uk/strategic-economic-plan/ Cumbria http://www.cumbrialep.co.uk/wp-content/uploads/2015/03/Cumbria-LEP-ESIF-Version-1-March-2015.pdf Greater Manchester http://www.agma.gov.uk/gmca/european-funding-2014-2020/index.html Lancashire Lancashire ESIF Strategy Liverpool City Region https://www.liverpoollep.org/wp-content/uploads/2015/06/Final-ESIF-Strategy-4-February-2016-to-DCLG.pdf
Local LEP Area Contact	Cheshire and Warrington Francis Lee - francis.lee@871candwep.co.uk Cumbria Corinne Watson - Corinne.Watson@cumbria.gov.uk Greater Manchester Alison Gordon - Alison.Gordon@greatermanchester-ca.gov.uk Lancashire Andy Walker - Andy.Walker@lancashire.gov.uk Liverpool City Region Andy Devaney - Andy.Devaney@liverpoollep.org
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £5,611,000 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below: Cheshire & Warrington Up to £1,000,000 (More Developed area) Cumbria Up to £500,000 (Transition area) Greater Manchester Up to £1,211,000 (More Developed area) Lancashire Up to £2,400,000 (Transition area)

	<p>Liverpool City Region Up to £500,000 – covers both the Transition / More Developed category of regions. Applicant will need to justify the proposed split within the application.</p>
Duration	3 years
<p>LOCAL DEVELOPMENT NEED - Local priorities</p> <p>Cheshire and Warrington Cheshire & Warrington LEP is looking for an international trade support programme, targeted at growth companies in key sectors identified in the ESIF and Strategic Economic Plan. The specific aim will be to increase overall export performance of the Cheshire & Warrington LEP area.</p> <p>Project applications are therefore sought which will build on the significant growth of the Cheshire and Warrington LEP area and provide pre-export businesses with the knowledge and support to develop a commercially viable export strategy and provide jointly branded specialist advice to experienced exporters to enter new markets.</p> <p>Applications covering the Cheshire and Warrington area should explain how activity would be fully integrated and imbed capacity into and add value to the LEP Cheshire and Warrington’s Growth Hub.</p> <p>This will include but will not be limited to the following (with regard to European Regional Development Fund eligibility criteria):</p> <ol style="list-style-type: none"> 1. Delivery of a package of integrated, targeted and proactive activities and services for high growth, scale-up and manufacturing companies. 2. Provide pre-export businesses with the knowledge and support to develop a commercially viable export strategy and provide specialist advice to experienced exporters to enter new markets. 3. Support for pre-export companies to take them through an integrated programme of advice/support, peer to peer networking, master-classes, export explorer visits, trade missions and events. 4. Support to experienced exporters with a focus on high growth, scale-up and priority sectors/markets and other specialist areas such as joint ventures adding value to national DIT initiatives. 5. Development grants to support high growth / R&D / innovative companies to enable them to access new markets faster than would otherwise be the case and a LEP area exporter’s network. 6. Support to small and medium sized enterprises according to both their ability to grow/implement a growth programme and addressing the complexity of barriers to growth the firms face (E.g. Alignment with EU / international regulations and barriers) to achieve the greatest impact). <p>Cumbria SMEs are the drivers for Cumbria’s economy with over 21,000 firms making up 99.7% of the total business base. In addition, there are an estimated additional 10,000 micro-enterprises in Cumbria</p>	

which are not registered for VAT/PAYE.

The Cumbria Business Survey 2015/16 highlighted that two thirds of all businesses aim to grow their output, sales turnover or employment in the next three years demonstrating the ambition and opportunity that lies within the local business community. In addition to this, more and more businesses are looking towards the opportunities that export offers and are seeking to invest in their capacity and capability.

The LEP is seeking to support projects that can work directly and flexibly with local SMEs to promote the benefits of and increase the number of firms exporting.

Applicants should include information on the following key elements;

1. How delivery will work alongside and complement key local and national provision, including the Cumbria Growth Hub, Eco-Innovation Cumbria and the Cumbria Innovations Platform.
2. How delivery will identify and work with those businesses yet to export and deliver a comprehensive and integrated package of support to enable them to begin exporting.
3. How delivery will provide in-depth support to existing exporters to enable them to grow their reach, access new markets and increase the value of international sales.
4. Assurance that there will be no restrictions (outside of ERDF rules and regulations) such as turnover or minimum staffing numbers, to Cumbrian SMEs ability to benefit from the support available.
5. Whether grants will form part of the delivery arrangements and how they will be promoted and complement existing funds.
6. How support will be delivered throughout Cumbria, including the proposed staff resource and opportunities for co-location of staff with the Growth Hub, the LEP and other key strategic partners.
7. How the applicant will target and engage with businesses in Cumbria's key sectors as outlined in the Strategic Economic Plan and when available, the Cumbria Local Industrial Strategy.
8. How the applicant will ensure that support is available to eligible businesses who sit outside of identified key sectors but have export potential.

Greater Manchester

Growth in trade export performance is central to the delivery of improvements in Greater Manchester's productivity and supports their ambition to spread the benefits of internationalisation to businesses and communities across Greater Manchester.

International trade in goods is worth £5.36bn to Greater Manchester economy. In 2015 Greater Manchester exported £3.1bn to the EU (57%), the USA came in a distant second at £798m. The importance of China is increasing with GM exports now at £449m. Trade with Japan is strong (£224m), because of their historic connections. The size of the India economy and strong growth forecasts will mean that it is be an important trading partner (currently £125m and growing).

The LEP aims to leverage their key assets and strengths to provide our business base with access to the tools, evidence, finance and confidence they need to identify, realise and then fully exploit new international export trade opportunities – focusing on those businesses with the best potential for export growth or to exploit new markets.

All applications will also be expected to have regard to the Greater Manchester Social Value Framework agreed in November 2014. More information can be found here:

<http://www.agma.gov.uk/gmca/european-funding-2014-2020/social-value/index.html>

Applications covering the Greater Manchester area should explain:

1. How activity would be fully integrated into, and add value to DIT's International Trade service and work alongside and with Greater Manchester's inward investment agency, MIDAS;
2. How activity would prioritise and contribute to the delivery of the [Greater Manchester Internationalisation Strategy](#);
3. How operations will work alongside and with the Greater Manchester Business Growth Hub provision and complement the Business Growth Service. In particular, how this project will utilise the Greater Manchester Business Growth Hub's ability to support trading companies. As part of the integrated service delivery model, this will include but will not be limited to the following (with strict regard to European Regional Development Fund eligibility criteria):
 - Sector specific support in Greater Manchester
 - Resource efficiency
 - Low carbon sector development
 - Digital technology enablement
 - Innovation
 - Support for manufacturers
4. How support will be delivered for companies ready to export to take them through an integrated programme of advice/support, master-classes, export explorer visits and events;
5. How support will be provided to experienced exporters with a focus on Greater Manchester's prime capabilities as set out in the [Greater Manchester and Cheshire East Science and Innovation Audit](#), and high growth and employment sectors. This activity should be linked, and add value, to national DIT programmes;
6. Whether trade and development grants would be appropriate to companies on DIT's and other business support programmes in Greater Manchester which supplement and add value to these national programmes;
7. How specialist assistance can be provided, potentially including development grant support, to high growth / R&D / innovative companies which enables them to access new markets faster than would otherwise be the case.
8. How they will adapt the level and intensity of support to small and medium sized enterprises according to both their ability to grow by exporting/implement an export growth programme and the complexity of barriers to export growth the firms face to achieve the greatest impact.
9. How the applicant intends to share data with the Greater Manchester Business Growth Hub to ensure effective brokerage.
10. Agreement with LEP and CA on targets to be delivered with a focus on C1 (business assist) and C8 (jobs created) as well as increase in export values, commensurate with ERDF proposed.

Lancashire

Lancashire is keen to support continued ERDF funding for a trade support service across the LEP area, as part of a wider DIT trade support programme. Supporting greater internationalisation of

businesses is central to the emerging SEP for Lancashire and will form part of a collective approach to ensure that businesses are resilient in terms of the impacts and opportunities that will arise from Brexit.

The LEP area supports a focus on mid-sized businesses and existing exporters, anticipating that this programme will increase export volumes significantly and diversify the focus of export markets away from Europe.

Locally they would seek a demonstrable focus on their priority sectors (aerospace, automotive, advanced manufacturing, energy and health) and would expect local International Trade Advisers (ITAs) to work with key, local trade bodies and have a background in these sectors. They would want trade advice to be well aligned with Northern Powerhouse Trade missions and would encourage a particular focus on China and Canada, over and above support to attend major European sectoral trade fairs.

Applications should explain how they will:

1. ensure the presence of a dedicated and clearly defined Lancashire team of ITA's, and expect them to work seamlessly as part of the Boost's (Lancashire's Growth Hub) core businesses engagement team. As such they will record all interactions with Lancashire businesses on the Boost CRM.
2. engage and maintain strong working relationships with the local business support organisations;
3. ensure that local delivery partners are able to compete to provide support for all eligible local businesses, as opposed to being excluded from working with applicant's clients.

Liverpool City Region

Liverpool City Region (LCR) growth priorities are set out in the Single Growth Strategy 2016, focused on productivity, people and place. There is a strong focus on exporting, seeking both a substantial increase in businesses which export and a substantial increase in the value of exporting (<https://www.liverpoollep.org/wp-content/uploads/2016/06/SGS-Final-main-lowres.compressed.pdf>). The SGS identifies 7 growth sectors and these - as well as growth companies with export ambitions - should form the core within the delivery of the international trade ERDF provision. Liverpool City Region wishes to support all types of SMEs, both current exporters as well as new to exporting to reach its ambitious exporting targets in the Single Growth Strategy. The city region is establishing a network of exporters which will form a key plank of delivery going forward – with an expectation that delivery is sustained across the entire Liverpool City Region.

Applications should explain how they will:

1. ensure joint planning of service with the LCR LEP, including split between exporters/non-exporters, regular feedback on delivery and agreement of delivery parameters;
2. working direct with and through the Liverpool Growth Hub, growth sector specialists and ERDF projects; this to include agreed physical presence and visibility of the applicant in the area, returns for the LCR CRM system and referrals other relevant business growth services;
3. ensure full alignment with the LCR International Strategy and subsequent export related strategies
4. focus on increasing exporting (both number of businesses **and** the value of exporting) in businesses with growth ambitions and within LCR identified growth sectors: Advanced

Manufacturing, Maritime & Logistics, Low Carbon; Health & Life Sciences; Digital & Creative; Professional and Financial Services and Visitor Economy

5. agree with LEP and CA on targets to be delivered with a focus on C1 (business assist) and C8 (jobs created) as well as increase in export values, commensurate with ERDF proposed.

D – West Midlands

LEP Areas	Black Country Coventry & Warwickshire Greater Birmingham and Solihull Stoke-on-Trent & Staffordshire The Marches Worcestershire
Local ESIF Strategy	Black Country https://www.blackcountrylep.co.uk/upload/files/ESIF/Black_Country_ESIF_Strategy_Jan2016.pdf Coventry & Warwickshire http://www.cwlep.com/sites/default/files/coventry_and_warwickshire_esif_priority_chapters_dec_2016_vfinal.pdf Greater Birmingham & Solihull https://gbslep.co.uk/resources/reports/european-structural-investment-fund-strategy Stoke-on-Trent and Staffordshire https://www.stokestaffslep.org.uk/app/uploads/2015/04/ESIF-Strategy1.pdf The Marches https://www.marcheslep.org.uk/download/economic_plans/european_structural_and_investment_fund/Marches-Final-Strategy-070416.pdf Worcestershire http://www.wlep.co.uk/assets/WLEP-ESI-Funds-Strategy-Feb-2016-update-with-amendments-3.pdf
Local LEP Area Contact	Black Country Zoey West - Zoey.West@walsall.gov.uk Coventry & Warwickshire David Hope - david.hope@coventry.gov.uk Greater Birmingham & Solihull Mark Reed - Mark.Reed@birmingham.gov.uk Stoke-on-Trent and Staffordshire Mark Connell - Mark.Connell@Stoke.gov.uk The Marches Gary Spence - Gary.Spence@shropshire.gov.uk Worcestershire Gary Woodman - gary.woodman@wlep.co.uk
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £3,733,541 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below: Black Country

	<p>Up to £450,000 (More Developed area) Coventry & Warwickshire Up to £500,000 (More Developed area) Greater Birmingham & Solihull Up to £1,000,000 - This is indicatively apportioned between more developed and transition areas as follows:</p> <ul style="list-style-type: none"> • up to £200,000 in the Transition area; • up to £800,000 in the More Developed area. <p>Stoke-on-Trent and Staffordshire Up to £1,233,541 (Transition area) The Marches Up to £400,000 - This is indicatively apportioned between more developed and transition areas as follows:</p> <ul style="list-style-type: none"> • up to £300,000 in the Transition area; • up to £100,000 in the More Developed area. <p>Worcestershire Up to £150,000 (More Developed area)</p>
Duration	3 years

LOCAL DEVELOPMENT NEED - Local priorities

Black Country

The Black Country Strategic Economic Plan sets out the challenges and priorities for the area. The sub-region has a number of key priority sectors where there is significant room for both growth and innovation, including High Value Manufacturing, building technologies, transport technologies and environmental technologies. There are also key local clusters and niche businesses in cultural, creative and digital sectors, health and social care, food and drink and the visitor economy that can be developed and exploited. There is significant evidence, both nationally and regionally, that confirms that these locally distinctive economies are significant growth sectors and can contribute to the diversification of the Black Country economy, supporting the need to avoid over-dependency on high value manufacturing.

Proposals should demonstrate alignment with local development need and priorities including:

- Black Country Strategic Economic Plan;
- Black Country Smart Cities Plan ;
- Black Country Low Carbon Economy Strategy.

Coventry & Warwickshire

A major challenge facing the Coventry & Warwickshire economy is to reduce the productivity gap relative to the national average. A major cause of this is that across both its urban and rural areas, Coventry & Warwickshire has a below average concentration “fast-growing” business achieving over 20% growth for at least three years (14.7% of businesses categorised as fast-growing over the period 2011-2014 compared to the national average of 16%). Moreover, not enough of the region’s SMEs are exporting, (just 11% of businesses export nationally). As a result, further support is required to enable more of Coventry & Warwickshire’s SME base to compete on the

international scale.

There is a need for targeted interventions to address barriers impeding the growth of local SMEs, and their ability to trade internationally, including:

- Limited access to external information, advice and expertise;
- Imperfect market knowledge;
- Limited access to finance.

Through the provision of targeted and specialist advice and grant schemes, the key priorities for Coventry & Warwickshire include:

- Additional promotional, marketing and engagement activities to increase the awareness of exporting and how to exploit overseas markets;
- Access to dedicated international trade support which can stimulate the growth of SMEs across a range of sectors, particularly Advanced Manufacturing & Engineering, Digital Technologies, Intelligent Mobility and Professional Services. This will also entail facilitating the growth of the creative and tourism sectors, particularly through exploiting the economic potential of Coventry's status as 2021 UK City of Culture and the "Shakespeare's England" region.

Greater Birmingham & Solihull

Applications should explain how their services will:

1. support SMEs with existing or potential Internationalisation and exports in the area, including SMEs in key/priority sectors and their Tier 1 and 2 suppliers.
2. focus on the International trading opportunities in Greater Birmingham and Solihull LEP Strategic Economic Plan and ESIF priorities such as Advanced manufacturing supply chain- focusing on transport technology – automotive, aerospace and rail, the HS2 supply chains and life sciences.
3. take into account other priorities which include financial and professional services, energy systems, disruptive technologies including digital and open data, intelligent and smart systems and advanced materials.
4. maximize the use of physical global connections through High speed rail, Birmingham Airport and our strength in Inward Investment.
5. take account of the City's business, academic and cultural global connections to develop post brexit trading opportunities.
6. take account of and maximise the diverse nature of the LEP to tap in to Countries of Origin with distinct connections into the local business community

Stoke-on-Trent and Staffordshire

Stoke-on-Trent and Staffordshire LEP is looking for an international trade support programme, targeted at growth companies in key sectors identified in the ESIF Strategy and Strategic Economic Plan, which include Energy Generation, Auto Aero, Medical Technologies, Agri-Tech and Advanced Materials. Aligning with Midlands Engine, additional identified growth areas include Rail, Cyber, Digital/Creative Technology, Tourism and Business/Professional Services. Specifically for Stoke-on-Trent, there is expectation for continued trade support to grow the tableware/traditional ceramics sector which is unique to the area. The specific aim will be to increase overall export performance of the Stoke-on-Trent and Staffordshire LEP area.

Project applications are therefore sought which will:

1. build on the growth of the Stoke-on-Trent and Staffordshire LEP area and provide pre-export businesses with the knowledge and support to develop a commercially viable export strategy and provide branded specialist advice to experienced exporters to enter new markets.
2. explain how activity would be fully integrated and add capacity to the LEP's Growth Hub.
3. include support to but will not be limited to the following (with regard to European Regional Development Fund eligibility criteria):
 - developing action plans with SMEs and provide grant funding for international trade
 - support to clusters through marketing, website and social media.
 - targeting beneficiaries in the sectors named above, including those new to exporting and looking to access foreign markets for the first time and;
 - more experienced exporters looking to increase trade levels.

The Marches

1. Proposals should demonstrate alignment with local development needs and priorities including The Marches Strategic Economic Plan which aims to create an exceptional business support environment for aspiring growth businesses through access to finance, research and incentives to innovate.
2. The Marches excels at a national level in a number of its key business sectors which are currently predicted to generate just over a fifth of new job growth, these being:
 - Advanced Engineering and Manufacturing
 - Agriculture, Food and Drink
 - Defence and Securities
 - Environmental Technologies and Services.

The Marches area is committed to a new integrated approach to business support in order to address particular market failure and the over complication of the business support landscape. A website and physical hubs will directly link aspiring entrepreneurs to inspiring resources and information that will incorporate national and global opportunities, as well as regional and local ones.

Therefore, all proposals should integrate with the Marches Business Growth Hub, to ensure that all the Business Support products available in the Marches are clearly targeted where provision is needed most and to avoid duplication of activities and be compatible with the business simplification model.

Worcestershire

There is potential to stimulate and increase the levels of international trade with Worcestershire SMEs to support their growth and to stimulate this growth, there is a need to work effectively at all levels with the local priority sectors.

There are generally low levels of exporting businesses in Worcestershire. A recent DIT survey shows the indicative number of exporting businesses in Worcestershire sits at around 600, with just over one fifth (24%) having had accessed international trade support in the past. Additionally, the indicative number of firms interested in exporting in Worcestershire is just 180, which

demonstrates that business interest in International Growth is relatively low.

The following shows the reasons identified for low appetite by the survey:

- Not relevant for our products and/or services : 63.7%
- Busy enough with demand from UK customers: 21.8%
- Other: 18.0%
- See it as too much effort for too little reward: 2.3%
- Too many other things are more important: 2%

As such more work needs to be done to address the perceptions of businesses who believe that their products or services aren't relevant for export markets.

Applicants covering the Worcestershire area should explain:

1. How activities will work alongside and with the existing provision within the Worcestershire area and complement existing projects and other growth offers.
2. How they will involve, among other things, bespoke support to particular growth sectors, such as advanced manufacturing, agri-tech and cyber security/defence/ IT. Any sectoral focus is to be conducted with strict regard to European Regional Development Fund eligibility criteria.
3. How activities will support the provision of:
 - dedicated International Trade Advisors or equivalent with relevant knowledge and commercial experience providing intensive support via an account management delivery model to develop and exploit Worcestershire's export potential
 - industry specific activities and events at key commercial interface levels – i.e. marketing and selling Worcestershire capabilities to international customers
 - opportunities for Worcestershire businesses to participate in sector specific trade activities including missions/conferences – pro-active representation and promotion of the business community to export opportunities.

E – East Midlands

LEP Areas	D2N2 (Derby, Derbyshire, Nottingham & Nottinghamshire) Greater Lincolnshire Leicester & Leicestershire South East Midlands
Local ESIF Strategy	D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) D2N2 ESIF Strategy - June 2016 Greater Lincolnshire https://www.greaterlincolnshirelep.co.uk/assets/documents/EU_SIF_%28Structural_Investment_Fund%29.pdf Leicester and Leicestershire https://www.llep.org.uk/strategies-and-plans/esif/our-esif-strategy-2014-2020/ South East Midlands http://www.semlep.com/our-strategy/
Local LEP Area Contact	D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Matt Wheatley - matthew.wheatley@d2n2lep.org Greater Lincolnshire Samantha Harrison/ Susannah Lewis SamanthaLHarrison@lincolnshire.gov.uk Susannah.Lewis@lincolnshire.gov.uk Leicester and Leicestershire Mary-Louise Harrison - Mary-Louise.Harrison@llep.org.uk South East Midlands Jane Roemer - jane.roemer@semlep.com
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £2,150,000 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below: D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Up to £500,000 (More Developed area) Greater Lincolnshire Up to £900,000 (Transition area) Leicester and Leicestershire Up to £500,000 (More Developed area) South East Midlands Up to £250,000 (More Developed area)
Duration	3 years
LOCAL DEVELOPMENT NEED - Local priorities	

D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire)

The [D2N2 Strategic Economic Plan](#) aims to create 55,000 additional private sector jobs by 2023.. Challenges include persistent productivity and disposable household incomes gaps with the UK. Closing the productivity gap would bring approximately £8 billion in extra GVA. Productivity is key to long term competitiveness and living standards.

Globalisation creates competitive trading conditions, whilst opening markets and opportunities. Businesses face challenges related to global uncertainty, particularly the UK's relationship with the European Union. In D2N2, 86,000 jobs may be exposed to the impact of any tariffs levied on exports of goods. Many manufacturing SMEs face challenges to move up the value chain by focusing on competitive edges in products, service and processes.

Applicants should:

1. identify and address specific issues in the eight D2N2 priority sectors, which are; Transport Equipment Manufacturing, Life Sciences, Food and Drink Manufacturing, Construction, Visitor Economy, Transport and Logistics, Creative Industries and Low Carbon Goods and Services;
2. take account of recent reviews of 'productivity' and 'inclusive' growth, which advised promoting productivity growth in SME in all sectors;
3. ensure firms from across the D2N2 area are be able to access support;
4. take into account the [Core Delivery Principles](#) in their application;
5. demonstrate how their proposal will relate to [D2N2 Growth Hub](#) service which offers detailed diagnostics of a business' potential for growth which can include export opportunities
6. consider approaching the D2N2 [Technical Assistance](#) Partnership who offer advisory support to potential applicants.

Greater Lincolnshire

Greater Lincolnshire has approximately 44,500 businesses, of which 97% employ fewer than 50 people. The area needs to create an environment for its businesses to be able to have a strong export focus, particularly focused on local priority sectors.

Projects should help achieve a step change in the number of Greater Lincolnshire businesses exporting. In doing so, applicants should explain how they will:

1. provide more intensive and personalised advice in an area with a large number of micro, small and medium sized businesses,. This should include High Growth business provision for future and existing scale up businesses (in line with the BEIS definition);
2. focus on Greater Lincolnshire LEP priorities including environmental technologies, manufacturing and agri-tech;
3. make sure they reach smaller businesses through the delivery of roadshows and seminars in the local area and by providing easy access to webinars;
4. provide regular local management information, relating specifically to the Greater Lincolnshire LEP area, to understand which countries/sectors businesses are exporting to so that this can influence and shape future funding opportunities;
5. work with local partners, in particular the Growth Hub and Chamber of Commerce;
6. identify lessons learnt from the existing programme so that the programme is tailored to the needs of the local area.

Leicester and Leicestershire

The Leicester and Leicestershire LEP is looking for an international trade support programme, targeted at growth companies in key sectors identified in the ESIF and Strategic Economic Plan. The specific aim will be to increase overall export performance of the Leicester and Leicestershire LEP area.

Project applications are therefore sought which will:

1. build on the significant growth of the Leicester and Leicestershire LEP area and provide pre-export businesses with the knowledge and support to develop a commercially viable export strategy and provide branded specialist advice to experienced exporters to enter new markets.
2. explain how activity would be fully integrated and add capacity to the LEP's Growth Hub.
3. include support to but will not be limited to the following (with regard to European Regional Development Fund eligibility criteria):
 - providing expert advice and support for small and medium sized enterprises provided by International Trade Advisers to enter, establish and expand in international markets;
 - support events, trade fairs and overseas missions to assist small and medium sized enterprises to enter, establish and expand in international markets;
 - sector specialist advice to cover locally significant sectors, such as Advanced Manufacturing, Food and Drink Production, High Performance Technologies, Transport Equipment Manufacturing and Environmental Technologies;
 - specialist advice for the important growth markets of the United States, China and India;
 - growth Hub engagement activities, such as workshops, export tasters or local marketing campaigns to encourage companies new to export to take the plunge;
 - grant / co-investment programmes for SMEs possibly targeted at key LEP sectors and designed to address financial barriers to exporting including funding for temporary Export Managers for companies that want to export but lack the people capacity to take forward their action plan; and
 - export advice to support 'scale-up' and 'step-up' businesses (those with the potential to scale) as defined locally within the Leicester and Leicestershire LEP area.

South East Midlands

Supporting businesses through targeted and cost effective support for all businesses remains a core theme of Government enterprise policy. Identify the importance of a support infrastructure that delivers economic impact and growth through removing barriers to growth, cutting red tape, boosting trade and inward investment, stimulating the start-up and growth of sustainable businesses.

Enhancing the DIT product will leverage the network and wider resources and knowledge of international trade, including full access to this existing UK infrastructure as well as the world wide resources as part of the DIT match funding. The added value will be access to additional support that will build on and enhance international trade services to reach and benefit South East Midlands' (SEM) diverse business bases in priority sectors enabling them to make new international sales.

F – South West

LEP Areas	Dorset Gfirst (Gloucestershire) Swindon and Wiltshire
Local ESIF Strategy	Dorset https://dorsetlep.s3.amazonaws.com/Documents/DorsetESIFStrategy_2016.pdf Gfirst (Gloucestershire) http://www.gfirstlep.com/downloads/library/17-esiffebruary2016.pdf Swindon and Wiltshire https://www.swlep.co.uk/resources/document636113582842718000.pdf
Local LEP Area Contact	Dorset Lorna Carver - icarver@bournemouth.ac.uk Gfirst (Gloucestershire) Mally Findlater - Mally.findlater@gfirstlep.com Swindon and Wiltshire Julian Head - Julian.head@swlep.co.uk
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £1,500,000 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below: Dorset Up to £500,000 (More Developed area) Gfirst (Gloucestershire) Up to £500,000 (More Developed area) Swindon and Wiltshire Up to £500,000 (More Developed area)
Duration	3 years
LOCAL DEVELOPMENT NEED - Local priorities	
<p>Dorset</p> <p>Applications should explain how their services will:</p> <ol style="list-style-type: none"> 1. increase the number of businesses exporting in the area; 2. proactively approach businesses to encourage exporting; 3. be complementary and not supplant any existing business support provision, including but not limited to other ESIF supported provision, Dorset Growth Hub, 4. provide a package of advice and funded support (including trade missions, business travel bursaries etc.) to help exporters and potential exporters access new markets 	

5. Increase the awareness, opportunities and benefits of trading internationally across Dorset.

Gfirst (Gloucestershire)

Gloucestershire has a number of major exporters, 21% of employees work within export intensive sectors. However, productivity has slowed, and further development of export potential would mitigate this challenge.

Gloucestershire's priorities include businesses with high growth potential, and export intensive sectors, including those within intensive manufacturing services (e.g. high and medium technology manufacturing, cyber security, creative industries, and digital).

Applications should explain how their services will:

1. compliment and add value to existing national and local support;
2. boost exports of high growth SME's;
3. deliver high impact support to assist businesses through their export journey, to grow their capacity and capability to export for the longer-term.

Furthermore, the application should:

1. support Gloucestershire's SME's to export to international markets, capitalising on the changing global market;
2. Focus on high growth SME's with considerable export potential - (existing exporters and / or new to export);
3. Cover the entire County wide coverage;
4. Deliver Business support of significant depth/value to leave a lasting legacy
5. Innovative solutions e.g. peer-to-peer support through an export club or mentoring scheme;
6. Align and integrate activity with the Gloucestershire Growth Hub, in close association with and out of the Growth Hub network centres;
7. Work closely with the Gloucestershire local enterprise partnership (Gfirst LEP);
8. Explore joint working opportunities with Inward Investment Gloucestershire.

Swindon and Wiltshire

Swindon and Wiltshire has a diverse economy, predominated by small and medium sized businesses many involved in selling innovative products and services suitable for export. The local economic growth is dependent amongst other things on businesses growing in size and capability in order to maintain high employment rates and to ensure higher skilled jobs and roles are on offer to the workforce.

Business growth can be achieved in a number of ways, with growth in trade and entry into new markets being an important factor.

Whilst other support is in place for start-ups, manufacturers, business scale-up, innovation and research and development, the area lacks an enhanced export service that works deeply and closely with businesses.

Applications should explain how they will:

1. utilise the Swindon and Wiltshire Growth Hub and The Enterprise Network in order to provide clear customer journeys for beneficiaries, and to promote an integrated support

offer across the area.

2. through the Swindon and Wiltshire Growth Hub, provide one-to-many and peer-to-peer services, particularly to local clusters, such as at Porton Science incubator and other geographical and sector groupings of relevant beneficiaries, for example, Women in Rural business, or by location, such as working from one of The Enterprise Network centres.
3. establish links to all other ERDF projects in the area, such as the SME Growth project
4. consider entering into a mutual agreement with Swindon and Wiltshire Growth Hub.

G – Greater South East

LEP Areas	Coast to Capital Enterprise M3 Hertfordshire Solent South East
Local ESIF Strategy	Coast to Capital http://www.coast2capital.org.uk/storage/downloads/esif_strategy_april_2016_refresh-1510238036.pdf Enterprise M3 https://www.enterprisem3.org.uk/european-structural-and-investment-fund-strategy/ Hertfordshire Hertfordshire Local Enterprise Partnership Area European Structural and Investment Funds Strategy Solent https://solentlep.org.uk/media/1613/solent-eu-sif-strategy-april-2016.pdf South East South East Local Enterprise Partnership area
Local LEP Area Contact	Coast to Capital Matthew Heath - matthew.heath@coast2capital.org.uk Enterprise M3 Kathy Vuillaume - kathy.vuillaume@enterprisem3.org.uk Hertfordshire Tim Burton - tim.burton@hertfordshirelep.co.uk Solent Siobhan Flynn - siobhan.flynn@solentlep.org.uk South East Jo Simmons - jo.simmons@eastsussex.gov.uk
Priority Axis	3
Notional ERDF Allocation for this activity	Up to £4,299,500 ERDF - For applications relating to this Annex, it is anticipated that the total European Regional Development Fund investment will follow the distribution below: Coast to Capital Up to £750,000 (More Developed area) Enterprise M3 Up to £500,000 (More Developed area) Hertfordshire Up to £549,500 (More Developed area)

	<p>Solent Up to £500,000 (More Developed area)</p> <p>South East Up to £2,000,000 (More Developed area)</p>
Duration	3 years
<p>LOCAL DEVELOPMENT NEED - Local priorities</p> <p>Coast to Capital</p> <p>Exporting is a vital part of the local economy in the Coast to Capital LEP area. Businesses that export made up an estimated 16% of the Coast to Capital business population in 2011. Exporting now accounts for 38% of the Coast to Capital LEP area's Gross Value Added.</p> <p>The main market for exporting is predominantly the European Union, with substantial exports also going to United States, China, Japan and other key emerging markets.</p> <p>The main barriers to businesses exporting are a lack of finance for expanding into new markets, a perception that there is a saturation of suppliers already in the overseas markets, a lack of skills and knowledge of exporting within the company, a lack of overseas contacts, and Brexit-related insecurity.</p> <p>A further issue is that only 3% of non-exporters in the Coast to Capital region were planning on starting export activity in the near future, this is slightly less than 4% nationally. There is still a potentially large untapped market making up 10-15% of businesses that are identified as 'prospects' for international exporting, those companies who match the export profile but have not necessarily considered it as an option.</p> <p>Applications should explain how they will:</p> <ol style="list-style-type: none"> 1. Help businesses to develop their internal capability in order to improve their business planning, productivity, growth and job creation potential. 2. Provide support to ensure that small and medium sized enterprises are able to identify and access the most appropriate and tailored support for their specific growth needs. 3. Support small and medium sized enterprises to develop focused growth strategies and to introduce new innovations which will drive business performance. 4. Develop management and leadership skills within small and medium sized enterprises. 5. Advise and support small and medium sized enterprises to access finance and become investment ready to take advantage of growth and productivity improvement opportunities 6. Advise and support small and medium sized enterprises to help identify and exploit new domestic and international market opportunities. <p>Furthermore, the applicant should demonstrate how they will:</p> <ol style="list-style-type: none"> 7. Raise awareness of global opportunities available to businesses in the post-Brexit era. 8. Provide businesses with the knowledge, support and expertise to enable them to explore new global market opportunities. 9. Work with a range of partners in the Coast to Capital area to help develop links with overseas 	

business networks.

It is essential that this scheme links with other programmes of support related to international trade including the Export ASEAN and South East International Business Growth (SEIBG) Priority Axis 3 ERDF projects currently being delivered by Newable in the Coast to Capital LEP area

It is important that the scheme compliments any other live ERDF projects in the Coast to Capital LEP area (Priority Axis 3, or otherwise) and that the scheme seeks to work closely with the Coast to Capital Growth Hub to help to ensure maximum local impact.

Enterprise M3

The vision for the Enterprise M3 LEP area is to be ‘the premier location in the country for enterprise and economic growth, balanced with an excellent environment and quality of life’. Exporting activity is currently relatively low for the South East and in recent years the growth in exports has been sluggish. Following the EU Referendum and the context of Brexit, the need to support SMEs to improve their trade position in terms of accessing existing and new markets has increased. The Local Enterprise Partnership area needs to capitalise more on existing assets, such as proximity to London’s airports, especially Heathrow Airport and the planned extension and new runway. The aim of proposals to this call should be to contribute not only to the Operational Programme, the local ESIF Strategy but also to align with the overarching local Strategic Economic Plan (SEP refresh), which aims to support the creation of 200 new high growth companies, 8,000 additional jobs and generate £2 billion of new export markets from businesses located the Enterprise M3 area.

Applications should explain how they will:

1. prepare SMEs against uncertainties related to Brexit, as well as exploring new opportunities for internationalisation
2. better promote current and additional expert services
3. develop trade in strategic important, high value sectors and develop and deliver a collaborative programme through a mixture of grants and business support activities in the priority sectors for the LEP area : ICT and digital technologies, aerospace and defense, pharmaceuticals, professional services and in the emerging sectors of satellite technologies, cyber security, advanced aerospace/automotive, animal health, 5G, advanced materiel and nano-technologies, photonics, gaming;
4. set up an EM3 Export grant scheme accessible to local SMEs (minimum 1,000 ERDF);
5. work with, but not duplicating the activity of the Growth Hub, local Authorities and existing agencies, other related ERDF funded projects

Hertfordshire

The Hertfordshire Economic Development Strategy 2009-2021 reported that Hertfordshire is operating in a global marketplace, facing increasing competition from other parts of the world that can undercut it. The county remains an expensive place to live, and to locate or run a business. This means that it needs to demonstrate significant added value to overcome the extra cost hurdle and maintain its competitive edge.

The vast majority of businesses in Hertfordshire are Small and Medium Sized Enterprises accounting for around half of all employment. The vast majority of Small and Medium Sized

Enterprises are sole traders and partnerships employing fewer than 4 people, and represent approximately 73% of the business base. However, the Small and Medium Sized Enterprise base is undersized in terms of the representation of businesses in employment size bands between 5 and 249 employees. Non-micro, Small and Medium Sized Enterprises and large firms are still the main drivers of employment growth accounting for more than ¾ of all employment but representing less than 30% of the business base.

The 2015 Local Enterprise Partnership Growth Dashboard report by the Enterprise Research Centre and Grant Thornton identified specific areas of concern in Hertfordshire:

- Relatively low survival rates for start-ups
- Below England average in growing Start-ups to £1m businesses
- Below average performance in growing firms from £1m turnover to £3m turnover after 3 years
- Key barriers to growth identified as Strategy and Management and Skills/staff

This continues to support the evidence underpinning the Local Enterprise Partnership's strategic priorities to focus on growing micro businesses to small businesses (to include Social Enterprises) and scaling existing Small and Medium Sized Enterprises to become larger firms.

Proposals should demonstrate alignment with local development need and priorities including:

1. Project delivery that is compatible and consistent with the Hertfordshire Growth Hub's role as the main channel through which business support in the county is coordinated;
2. Where part of a larger, cross-LEP area proposition the project should provide and allocate appropriate levels of visibility, resource and outputs (by type and scale) for the delivery of activity in Hertfordshire. Similarly, the activity targeted needs to be relevant to and meet the development requirements of SMEs in the area. Projects that complement existing business support provision, will need to clarify how an ERDF project in Hertfordshire will provide additionality
3. Consistency with the aims set out in Hertfordshire's European Structural and Investment Funds implementation plan and the Foundations for Growth package in Hertfordshire Local Enterprise Partnership's Strategic Economic Plan

Solent

The Solent economy has a population of over 1.3 million, 50,000 businesses, and a local GVA of £27.8 billion. Two densely populated cities and complex coastal geography, present unique challenges. The economy is shaped by its four ports, which are high performing economic assets of national significance and access to global markets. However the economy under performs. Average productivity in the Solent stood at £45,645 in 2015, this was 8.4% below the regional average and 0.5% behind the UK average. The UK Competitiveness index 2016 ranks Solent as the second least competitive LEP area in the South East of England.

The area is prioritising investment in supporting businesses to innovate, export and grow, building on sectoral strengths and recognising our comparative advantages, in order to reposition the Solent economy to a globally, future-facing, agile economy able to adapt to the opportunities and challenges of 4th Industrial Revolution.

Proposals should demonstrate alignment with local development need and priorities including how

they will target the following sectors are identified as having the greatest potential for commercialisation and economic growth: Marine and Maritime, Photonics, Advanced Materials and Composites, Digital and Computer Science, Aerospace and Defence, including autonomous systems, Life Sciences and clean tech, Creative Industries.

Other specialisms with marketisation potential include: Forensics cyber security, Advanced sciences, Life sciences, Immunology and intelligent infrastructure.

Further detail is set out in the [Solent Productivity and Growth Strategy Update 2017](#) which accompanies the original [Solent Strategic Economic Plan](#) and [Solent ESIF strategy](#) and the [Innovation South Science and Innovation Audit](#) which identifies: Big Data Analytics; Digital; Cyber Security; Photonics; and Quantum.

South East

The South East LEP area is the UK's most important land and sea gateway to the rest of the world. It is situated in a pivotal position between London, mainland Europe and international markets and has transport infrastructure of national importance.

Exporting is a key driver of local economic growth - exporting SMEs are on average more productive, more innovative and more resilient than non-exporters. The South East LEP area is committed to accelerating growth and increasing productivity by supporting businesses to grow and export.

Currently, the share of employment in export intensive industries in the SELEP area is relatively low, and below the average for England. Alongside business support programmes enabling access to finance, inward investment and innovation through smart specialisation, a key local growth priority is the development and integration of the region's export potential.

Applications should explain how they will:

1. increase the number of SMEs exporting successfully and accelerate the growth of international sales by existing exporters, across priority sectors in the region.
2. provide a LEP-wide programme of work through work packages tailored to area-specific requirements, and how they will work closely with the Growth Hubs to engage participant SMEs and embed local export support for future sustainability.
3. add value to the national core offer of support provided through DIT, and how they will engage SMEs locally around sector development and capacity building in companies to make export plans happen.
4. provide local events targeting priority sectors covering business education, sector focused market visits, trade missions, trade fairs and meet the buyer events.