

Enterprise, Innovation and Networks Committee

EIN(2) 06-06 (p1)

Date: 20th September 2006

Venue: Committee Room 2, Senedd, Cardiff Bay

Title: Report from the Minister for Enterprise, Innovation and Networks

Economic Data

Labour Market Statistics: The last set of labour market statistics for Wales and the UK were published on 13th September.

Key results included: -

- Employment in Wales was up 18,000 over the last year and up 6,000 over the last quarter.
- The employment rate amongst the working age in May to July was 71.7%, unchanged on the previous year and slightly down (0.1%) on the previous quarter. This compares to the UK as a whole where the employment rate was 74.6%, down 0.2% on the previous year and down 0.1% on the previous quarter.
- The latest 3-month average from the LFS shows total employment in Wales at 1,339,000, the highest estimate for any 3-month period.
- The unemployment rate in Wales was 5.7%, a small rise (up 1.2%) on the previous year. The UK average is 5.5%.
- The claimant count level in Wales in August was up slightly 100 (or 0.2%) on July. The UK saw a reduction of 3,900 (or 0.4%). Compared to August 2005, the claimant count level was up 6.7% in Wales and 9.3% in the UK.
- Inactivity amongst working age people in Wales for the three months to July fell by 14,000 compared to the same period in the previous year and by 10,000 compared to the previous quarter. The rate was 23.9 per cent, down 0.9 percentage points on the previous year, compared to a reduction of 0.5 percentage points across the rest of the UK."

CBI Welsh Industrial Trends Survey:

The latest research from the CBI indicates that Welsh manufacturers are now more optimistic about their prospects than at any time in the last two years, with the latest survey reporting the highest optimism level since April 2004. It shows a balance of +33% of businesses being positive, against a negative balance of -7% in April and -23% in January. The survey also showed a strengthening of order books. After 5 successive quarterly falls total order volumes for the past 3 months surged (up 27%) to record the strongest gain since October 1996.

Financial Services:

New figures show that the financial services sector has emerged as a key driver of private sector employment growth. Between 2001-04 the sector grew by 7%, up from 147,000 to 157,000 and now accounts for 12% of employment in Wales.

Supporting Enterprise

Ministerial Advisory Group (MAG): The Ministerial Advisory Group, which I established to provide me with independent advice on our policies, policy development and delivery, has met 3 times. I joined the Group for a general discussion before its first meeting and have every confidence that it will challenge and test our modus operandi to ensure we continue to have policies fresh and fit for purpose. Under Richard Parry-Jones' Chairmanship the Group has met in Swansea and Deeside and further meetings are planned for this year for the Head of the Valleys, Bangor and Aberystwyth. In its early days the Group is establishing a common understanding of Wales – its strengths, weaknesses and the opportunities which prevail. As part of this they are meeting academics, business leaders and others to inform their thinking. I will want to share the advice with the Committee in due course as promised previously.

Heads of the Valleys:

Officials are currently analysing the responses to the consultation on 'Turning Heads... A Strategy for the Heads of the Valleys 2020'. Meanwhile, five major environmental projects are being implemented in partnership with local authorities. Stakeholders groups are being convened to explore a range of issues, including microgeneration and ICT. The recently formed Heads of the Valleys Employment Consortium has been successful with its bid for funding under the Department for Work and Pensions Cities Strategy. The funding will be used to roll out Blaenau Gwent's successful JobMatch scheme for helping people into work across the area.

Assembly Investment Grant (AIG): A number of recent AIG awards are assisting companies to expand and invest in new facilities and equipment. These include:

- Dyffryn Equine Clinic, based in Carmarthenshire is Wales's first purpose built horse care clinic, providing a regional service for veterinary practices, breeders and stud owners;
- DecTek Ltd - AIG has assisted the Treforest based company to meet the cost of new state of

the art scripting and inkjet printing machines to help meet new commercial demands;

- SMF Sheet Metal Work Ltd - AIG aid has enabled the Bridgend based company to acquire a laser profile cutting machine to improve turnaround times and efficiency;
- Wyndham Plastics Ltd - where AIG has helped the company invest in new processes to undertake work that was previously outsourced.

The above are just some of the latest examples of the success of AIG in supporting SMEs to make new capital investments to boost their business. Since the scheme began over 1600 offers have been made, worth nearly ?50 million that have leveraged in some ?160 million of total investment and created 4,500 jobs.

During the life of the Assembly over 1200 offers of RSA with a combined value of ?683 million to businesses undertaking capital investment projects in Wales worth a total of ?2.946 billion have been made. These projects were expected to create over 52,000 new jobs and safeguard some 22,000 jobs.

Creative IP Fund:

The 4th major investment through the ?7 million Wales Creative IP fund has been announced with the news of a flagship ITV film "The history of Mr Polly" to be made in Wales and broadcast later this year. The production is the result of a joint effort between ITV Wales, ITV Productions and the Wales Creative IP Fund. The Fund is the centrepiece of my strategy to boost the growth of our creative industries and I am delighted that the Assembly Government Creative Industries team has been able to work so closely and effectively with ITV Wales on this project.

ParcAberporth:

Five leading aerospace companies are investing in Wales as part of the national Unmanned Aerial Vehicle (UAV) programme ASTRAEA (Autonomous Systems Technology Related Airbourne Evaluation and Assessment), with a dedicated centre being established at ParcAberporth for their operations. The Assembly Government is providing ?3 million of funding over the next three years to support the investment and will leverage further funding of around ?7 million for research and development into Wales in the UAV sector. The companies set to carry out R&D projects in Wales are EADS QinetiQ; Flight Refuelling Ltd; Thales; and BAE Systems. The UAV sector is already a priority area within the Welsh aerospace industry and this additional investment will help boost the UAV industry and ParcAberporth's reputation as a centre for excellence even further.

Manufacturing Advisory Service (MAS):

MAS, the Assembly Government backed organisation that provides support to manufacturing

companies in Wales has exceeded its first year target of increasing by ?8 million the profitability of manufacturing companies. The service based at the Waterton Technology Centre in Bridgend has helped deliver solutions to manufacturing companies which are forecast to result in more than ?11.5m improvements in productivity.

Victoria Dock (Caernarfon):

On July 25th the start of work began at the commercial, office and retail development at Caernarfon's Victoria Dock. In addition to the 300 jobs created and sustained by the development, around 160 construction jobs will be created during the redevelopment. The project is being supported by the Assembly Government through an investment of ?4.3 million over the next 3 years. As a Government we have already invested heavily in the area and this latest development will help lever further private sector investment and bring improved employment opportunities to the town and wider area.

Project Kimber:

Wales has been chosen as the preferred location for a new assembly plant for the production of a re-branded and re-engineered version of the Smart roadster and coupe. Project Kimber has had an 'in principle' offer of RSA. A formal offer of grant will be subject to the provision of satisfactory evidence to support the case.

Shared Service Centres:

2,000 inward investment Shared Service Centres jobs have been created in Wales in the last two years. Amongst the successes are Wales and West Utilities announcing the creation of more than 300 new jobs in Newport; HM Prison Service announcing the relocation of 500 jobs, also to Newport and the Department of Transport's plans to create 300 jobs in Swansea. The performance in attracting these Shared Service Centre jobs to Wales highlights the confidence shown not just in our business support, communications infrastructure and property strategy that offers tailor made premises but above all in the quality of the workforce. All these factors have combined to help make Wales, according to research carried out by Ernst and Young, the most cost-efficient location anywhere in the UK for Shared Service Centres.

End of Life Vehicle Cluster:

The cluster led by the Assembly Government and set up as part of the Accelerate Cluster Programme now has more than 50 members ranging in size from mass market car manufacturers to small specialist companies. The cluster is helping to place Wales ahead of the game in terms of maximising new business opportunities emerging from the EU directive on End of Life Vehicles. The Assembly Government has long supported the modernisation and diversification of the automotive supply chain in Wales, and through this cluster we are now helping the industry to ensure that automotive recycling is just as modern and diverse as the automotive production side of the chain.

Big Media Group:

The Milford Haven based company has signed a global licensing deal with TELentice Global Inc, one of the world's key players in the digital and media sector. The Group has benefited from specialist support and funding from the Assembly Government which has helped it to develop the technology to exploit commercial opportunities and target key markets.

SA1 Waterfront:

Work has commenced on the ?7.5 million, 42,800 Sq. ft Ellipse office development - the first major premises to be delivered through the new Welsh Investment Strategic Partnership (WISP). WISP is designed to bring new investment and provide property of the highest quality. This latest development on SA1 is another boost to the continued transformation of Swansea.

Syniad Systems:

The Port Talbot based company has developed the first microscope wafer loader with an embedded computer for inspecting and testing semiconductors. The company plans to sell the product in Europe, the US and Far East, following an expansion of its production capacity with the help of an AIG offer of ?25,000.

Graduate Start Ups:

The latest evidence (published July 2006 by Higher Education Funding Councils across the UK) suggests strong performance by graduates starting up in business in Wales – a Key Economic indicator. Wales established 14% (572 starts across the UK, 80 in Wales) of all UK graduate start-ups with only 5% of all UK graduates. The number of enterprises, full time employees and those surviving more than 3 years were all up year on year. The data relates to academic years 2003/4 compared to 2002/3 and is reinforced by more recent data from the Assembly Government's own services to support graduates start up in business. Uptake of these services has again grown considerably for academic years 2005/6 when compared to 2004/5.

Structural Fund Progress at 31 August 2006:

Structural Funds has committed ?1.58 billion to 2,791 projects, representing some ?3.8 billion of total project investment in Wales. Objective 1 has committed some ?1.35 billion grant to 1,711 projects, representing around ?3.2 billion of total project investment in West Wales and the Valleys, creating and safeguarding thousands of jobs.

Convergence Programme:

The First Minister launched the consultation on the 2007-2013 Convergence Programme on 28 July; the consultation period will end on 6 October. The consultation document has been developed with input from the five Post 2006 workstreams and the Post 2006 External Stakeholder Group, as well as with a variety of individual and sectoral organisations. In addition to various sectoral and local events, WEFO is organising four major events across the West Wales and Valleys region to inform the consultation; two of these have already taken place in Carmarthen and Aberystwyth and provided

useful feedback.

Food Centre Wales:

The EU Regional Policy Commissioner, Danuta Hubner highlighted this Objective 1 project as a best practice example of a European funded project at the recent 'Regions for Economic Change: Innovating through EU Regional Policy' conference. Commissioner Hubner noted that the project "illustrates the range of opportunities to be considered in supporting innovation". Objective 1 funding of ?0.368m has been committed to the project, which has provided 4 purpose built food incubator units in Ceredigion to support starter food companies and enable them to develop new, innovative food products.

Promoting Innovation

Swansea University Electronics System Design Centre:

The research team at the Swansea University Electronics System Design Centre has been awarded a ? 1 million grant through the DTI's Technology Transfer Competition. The Swansea centre has benefited from Knowledge Exploitation Fund (KEF) funding which has enabled the delivery of a number of important technological developments leading to the patenting of several solutions. Increasing the research and development capacity of Wales is a key element in the development of a sustainable knowledge based economy and industry / academic links are a key component of this. As a Government we are actively assisting collaboration between industry and our academic institutions.

Knowledge Exploitation Fund (KEF):

The Fund established to support academic/ industry collaboration, facilitate technology transfer from university research departments into industry, and assist in the commercialisation of research has continued to deliver over the summer months. Notable examples include:

- The University of Wales Swansea, Centre for Power Electronics, and its success in building on work developed using KEF referred to above.
- The biosensor developed by a team from the School of Chemistry at University of Wales Bangor led by Prof Mahar Kalaji using KEF to support the proof of concept activity. The projects team has now been invited to participate in a 10.4 million Euro EU project to develop an integrated mobile system for security in public places;
- An eTraining network dissemination event held in July and which reported on the outcomes of the South West Wales eTraining network supported by KEF (?300,000), involving all the colleges and universities in the region. The network has developed and piloted online training for SMEs in eCommerce at NVQ levels 3 and 4.
- Seven new projects were awarded Patent and Proof of Concept (PPOC) (?491,766):-

Aberystwyth University - Improved Systems for the Detection of Active Tuberculosis Infection
Bangor University – a Small Electrically Powered Rotorcraft for Overhead Line Inspection
Bangor University - Pest Control Agents from a Natural Plant Extract
Cardiff University - Novel Targets for Cancer Vaccines
Cardiff University - a Non-invasive method of visualising Cartilage & Soft Tissue Radiologically
NEWI - Novel Printing of Nano-Phosphors for Flat Screen Displays
NEWI - Novel Block Copolymers for Biomedical Hydrogels

Incubator Centres:

There are currently 3 incubator centres supported by KEF. These are:

Ideapolis – Neath Port Talbot College
Bridgend Enterprise Centre – Bridgend College
CRISALIS – University of Wales Aberystwyth

Since 2004, in return for a total investment of ?137,466 the combined outputs from these centres show that some 95 companies have been advised, 73 jobs created, 11 further jobs safeguarded and 82 new companies created.

Masters in Business and Law (innovation and technology):

?397,500 has been awarded to University of Wales Swansea, in partnership with Universities of Wales Bangor and Aberystwyth, for the development of a unique MBL programme in innovation and technology. This programme will provide 30 individuals with high level skills training in the management of innovation including licensing and patenting. These individuals will be placed with Technium companies as part of their programme.

ECM?:

Cardiff University has received ?3.65 million of WEFO funding to relocate the QinetiQ turbine combustion test rig from Farnborough to ECM2 in Port Talbot. The test rig is unique within Europe and enables new turbine materials and fuel compositions to be evaluated. Installation of the rig started in July and commissioning is due for completion in January 2007.

Wales Energy Research Centre (WERC):

The WERC ERDF application has been approved by WEFO, total budget for the projects is ?6.5 million, including ?3.9 million Structural Funds, and projects in the Centre and at the universities will start from the 1 August.

Technium:

NPOWER Renewables moved into Baglan Sustainable Technologies Technium during August. This company is primarily looking at wind power and is an exciting prospect for growth and high value jobs for the region.

ICT Roadshow:

The ICT Roadshow, organised in partnership with Carmarthenshire County Council, took place on 19th July at Trinity College, Carmarthen. 237 delegates benefited from attending the event, which included a series of keynote sessions, workshops and an exhibition of 19 ICT support organisations. The aim of the event was to bring together Businesses and ICT support providers from the public and private sectors to help businesses learn how to harness the benefits of ICT, which is critical to the growth of any business.

eBusiness Support Programmes:

130 medium to large SMEs across Objective 1 & 2 have engaged with high-end e-adoption projects to date. The support activity is well on its way to achieving its total of 260 by the end of 2007.

Launch of CEPE Automotive Testing Facility, 25 July 2006:

The Centre for Electronic Product Engineering (CEPE) at the University of Glamorgan, accredited under the Welsh Assembly Government Centres of Excellence scheme, launched a new electronics testing centre for SMEs in the automotive sector, which has received funding from the Knowledge Exploitation Fund. The Fuel Cell Research Group will look at how the alternative vehicles of the future can utilise hybrid fuel cells with the aim of encouraging and stimulating technology transfer with SMEs to develop value added products for the next generation of vehicles.

Whirlwind Utilities:

The Wrexham based company have devised a new pipe cleaning system that can drastically reduce the time that customers are without water when works are being carried out. The company has benefited from Assembly Government support through the High Growth Programme which provides extensive fast track support to new ventures.

Tidal Power Investigation:

The UK Government responded to the Assembly Government's suggestion that Severn Barrage proposals should be re-examined by asking the Sustainable Development Commission (SDC) to assess the potential for harnessing tidal energy in the UK, with a focus on the Severn Estuary. The SDC has consulted the Assembly Government and other stakeholders in the preparation of a project specification that outlines the methodology, outputs, management process, timing and budget for the study. The Assembly Government will be closely involved in planning and assessing work relating to the Severn Estuary, along with SDC, DTI and the South West Regional Development Agency. The SDC hope to report on the study's findings in March 2007.

SMARTCymru:

International Rectifier of Newport (IRN) has been awarded a ?1m grant for pioneering research into the next generation of Power IC devices. The award to IRN will result in an extra ?5m investment by the company into the development of switching devices for the computing, communications and home entertainment markets of the future – a potent hundred million-dollar market.

Technium OpTIC:

The 7th International Display Holography Symposium was held on 10th – 14th July. After a year's planning, the Technium OpTIC team delivered a first class, International symposium. This event was attended by 123 delegates who travelled to St. Asaph from over 18 different countries. Holography is a centre of excellence within OpTIC and is fast becoming recognised as such by the International community.

Opto-electronics:

The Road Map on Photovoltaics in Wales has now been published on the Welsh Opto-electronics Forum website (www.wof.org.uk). This has informed the Welsh Affairs Committee in its review of Energy in Wales. The document offers a real opportunity for Wales to take the lead in the implementation of this technology in its energy portfolio. Wales had the market leader based in Wrexham producing 120MW annually. This is almost exclusively for the German market.

KK Fine Foods, Deeside:

KK Fine Foods has been Highly Commended by an Independent Panel of Judges in the Best of British Manufacturing IT Awards 2006 Manufacturing/ Business Management Category. Dr Ann Sudder of the North Wales Technology & Innovation team has been supporting KK Fine Foods over the last 3 years with process developments including securing three Technology Exploitation Grants during the period for integrated manufacturing software to improve productivity.

Investing in Networks

Rail Investment:

The Assembly Government has provided funding for four class 158 trains on six key services for the remainder of the summer timetable. This additional rolling stock has relieved overcrowding on our railways, with over 5,000 additional seats every week for the Cambrian Coast line, and additional 700 seats every weekend for travellers on the Heart of Wales Line.

As a Government we continue to work closely with Arriva Trains Wales to ensure that Assembly Government resources are used to the best possible effect across the network. This has seen spare capacity transferred from the Cardiff Valley Lines to West Wales for the heavily utilised summer period, and the Cambrian Mainline strengthened with a hot spare based at Shrewsbury.

Road Network Management:

- A470 Blaenau Ffestiniog to Cancoed improvement: A ?10 million design and build contract was awarded in July to Alfred McAlpine Project Services to improve this 4km of trunk road to the north of Blaenau Ffestiniog. Construction work is expected to take about 2 years to complete.
- A494 Drome Corner to Ewloe improvement: Development work has been continuing following the award of a design and build contract to Alfred McAlpine Project Services in June 2005 and a public information exhibition took place this July. These included revised proposals which took account of local concerns, especially in the Old Aston Hill area, which was subject to much Ministerial correspondence. Draft Orders reflecting these changes will be published later this year which will be open to comment and objection in the usual way.
- A40 Llanddewi Velfrey to Penblewin improvement: A public consultation started on 6 September and will last until 31 October on alternative plans to improve this 4 km stretch of trunk road. This included a public exhibition which took place on 13 & 14 September.

Intra Wales Air Service:

The Department for Transport has now imposed a Public Service Obligation (PSO) on the air route between Cardiff - RAF Valley on Anglesey. The service will be established for an initial three-year period. If it is successful, consideration will be given to the scope for developing the network within Wales. Officials are working with stakeholders to ensure that the service starts on schedule. The service is due to begin in March 2007.

Route Development Fund:

In promoting Cardiff International Airport, I launched a Welsh Route Development Fund to encourage new scheduled services, particularly international links from the Airport. The Fund is aimed at sharing the risk in starting new air services, which improve business connectivity and enhance inbound tourism. This is done through enhancing the discounts on aeronautical charges which airport operators offer to airlines. The Assembly Government has set aside ?4 million for the Fund over the next four years, and we will be working closely with Cardiff International Airport to fill in the gaps in Cardiff's network coverage.

E Wales Strategy:

On 13th July 2006 I launched the Assembly Government's e-Wales Strategy for public consultation. It sets out the Government's new ICT agenda and the consultation is due to end in October with a visionary ICT Action Plan being published thereafter.

BT 21st Century Network (21CN):

Progress has been made by BT on the roll-out of its pioneering 21CN in Cardiff. Indeed on 4th September it announced details of the next three phases of customer upgrades, which are designed to have a significant impact on the speed, ease and quality in the way people communicate. The upgrades will commence from late November.

RIBS:

The RIBS project is already well advanced. By 8th September 2006, 30 of the 35 exchanges have been upgraded to provide a broadband service. This means that approximately 8,054 businesses and residents have been given access to broadband for the first time. A further 3 will be done by the end of the month. Furthermore two blackspot areas (Bronwydd Arms and Pennial in Carmarthenshire) are being addressed through the RIBS project and this will continue.

E Wales Procurements:

Two key strategic procurements have commenced during the summer recess. One relates to a more joined up way of networking the Welsh public sector together, which will result in business efficiencies. The other relates to a long term strategic investment in North Wales aimed at improving availability and affordability of high speed broadband services for businesses.

Broadband Research:

During the summer research has been undertaken which highlights that broadband is an important prerequisite for the development of a vibrant economy. On 11th September the Assembly Government published a key report highlighting the benefits of broadband technology on the economy of Wales. The key findings of the study estimate that the net benefit of broadband on the Welsh economy over the period 2000 to 2015 will be between ?1.3 billion and ?28 billion. Benefits to the private sector from broadband technology in Wales are estimated to be at least ?1.1 billion with at least ?300 million attributable to the public sector over this 15 year period.

Broadband Journal:

The Assembly Government's interactive online Broadband Journal, which is aimed at stimulating broadband demand in Wales was awarded "Website of the Day" by www.thefwa.com on 7th September 2006. This is exciting as it both illustrates the innovative nature of the Journal as well as benchmarking the Assembly Government's creative material alongside such companies as Levi Strauss and Volvo who were previous winners.

Cardiff Bay - review of the arrangements for managing the Barrage, the Inland Lake and the Outer Harbour:

The arrangements are set out in an agreement made between the former Cardiff Bay Development Corporation (CBDC) and Cardiff Council in March 2000. The National Assembly for Wales inherited CBDC's rights and liabilities including those to provide the Council with the necessary

funding. Clause 7 of that agreement contained provision to review the arrangements within it after a period of 5 years. The Assembly Government and the Council had initially agreed to complete the review by 30 September 2006 but it is now clear that more time is needed. In that respect the Assembly Government and the Council are in the process of agreeing a revised completion date of 28 February 2007. Any revised arrangements will then take effect from 1 April 2007.

It has previously been made clear that the Assembly Government would look at alternative arrangements for managing the Barrage and the Bay if there were doubts that the present arrangements provided value for money. An independent view on this was appropriate so, after a tender exercise, consultants (Hornagold and Hills) were contracted to advise on whether the existing arrangements were effective, provided value for money and whether these arrangements or alternative arrangements could provide continued or improved value for money. The consultants' report was finalised in July and a copy is available in the Library. Whilst the consultants identified some areas where improvements could be made, overall the conclusion was that "the evidence suggests that the harbour Authority is performing its role effectively and is providing the Assembly Government with a VFM solution". The consultants were also satisfied that it was not necessary at this stage to look at alternative arrangements.

Cardiff Council's Economic Scrutiny Committee have also undertaken an inquiry to investigate the long-term implications of the Council continuing the harbour authority contract in terms of (a) the financial implications for the Council; and (b) the future regeneration of the Bay area. The Economic Scrutiny Committee report was published in July of this year and is available via the Council's website. Briefly, that report considered that the Harbour Authority managing the Barrage and the Bay was a strategic fit with the Council's vision in terms of current developments and future regeneration of the bay area and should be continued if possible. Issues identified by the Scrutiny Committee, together with those in the Hornagold and Hills report and a range of other issues, are being considered as part of the next stage of the review.

I will make further reports to the Committee in due course.

Visit Wales

Tourism Advisory Panel (TAP):

The Tourism Advisory Panel which I established to provide independent and strategic advice on tourism policy and delivery has now met twice – in Cardiff and Saundersfoot – and will meet next on 27 September in Llandrindod Wells. I have met with Panel members and Chair Keith Brooks (former Chief Executive of TBI) and am in no doubt that their combined experience will produce challenges to conventional views, policies and priorities and identify new opportunities for developing our tourism industry. As with the MAG, it is early days for the Panel in familiarising itself with key Assembly Government strategies and their aims and objectives. As the Panel comes forward with proposals and advice I will share this with the Committee.

Tourism:

Latest figures from the ONS International Passenger Survey indicate a healthy increase - over 30% - in the volume of overseas visitors to Wales in the first quarter of 2006 compared with the same period in 2005. While the third quarter of the year remains the most significant in terms of visitor volumes, these first quarter figures augur well for 2006. Tourism is a key sector in Wales, worth over ?3 billion to the economy. As a Government we are committed to working with the industry to make Wales a destination of choice in an increasingly competitive market. These results are indicative of a high level of confidence and activity in this sector, and prospects for the 2006 summer season are positive.

Summer Survey:

At the end of the summer season, the fourth tourism survey carried out by Visit Wales, shows that the tourism industry in Wales has had a fantastic year to date. Comparing the summer of 2006 with last summer, 47% of operators said that they had more guests/visitors than in 2005, while 32% said that business had remained the same as last year. Of those who had seen an increase in business 34% attributed the increase to better weather and 28% to efforts of their own marketing work. A further 47% of operators said that turnover was higher than last year, 34 % said that turnover had remained the same as last year, with 14% saying that they'd experienced a lower turnover in 2007. Over the bank holiday weekend 71% of accommodation operators were fully booked, 7% were 90% full.

Visit Wales Marketing Activity:

Latest research has shown that 2005 marketing activity undertaken by Visit Wales has generated additional business worth more than ?55 million to the economy. A breakdown of the figures show that Visit Wales promotional campaigns led to ?32.3 million worth of trips to Wales for the purposes of a specific activity: -

- ?11.9 million walking;
- ?6.3 million adventure;
- ?6.1 million mountain biking;
- ?8 million fishing.

In addition, and, as a direct result of Visit Wales promotional activity, visitors spent nearly ?24 million on equipment and the actual pursuit of the above activities. This Research is highly encouraging and is a clear demonstration that Visit Wales world class marketing campaigns are continuing to deliver for Wales.

Visit Wales Autumn / Winter Campaign:

On September 4th Visit Wales launched its autumn and winter campaign of advertising designed to generate additional income from short term breaks. A key feature in the marketing drive is a new edition of 'A View of Wales', the magazine that invites award winning travel writers and celebrities to choose a holiday break in Wales and describe their experience. The Visit Wales team have a proven track record in delivering on their promotional activity and I am sure this latest campaign will capitalise on the trend towards short breaks.

Adfywio Grant Scheme:

New objective 2 funds have been made available to businesses in Powys following the first round of the Adfywio grant scheme, launched to aid rural recovery in the aftermath of the foot and mouth crises. The 750,000 capital grant scheme is designed to provide financial support for projects that help integrate tourism with outdoor recreation and the natural environment. Rural Wales has a vital role to play in tourism and this grant scheme is an excellent way of making the connections between outdoor recreation, the natural environment and tourism.

Marketing Awards:

Visit Wales, the Assembly Government's tourism team has won the Precision Marketing Response Award for best responsive inserts initiative. The Award was for Visit Wales' 2005 Big Country autumn direct mail campaign. Visit Wales have also been shortlisted in many categories in the Chartered Institute of Marketing Travel Industry Group) which take place 14 September.

National Park Interpretation Centre:

I officially opened the Pembrokeshire Coast National Park Interpretation Centre on 14 July. The Pembrokeshire Coast National Park Authority has been keen to establish a small but crucial network of interpretation centres that can properly inform local residents and a wide range of visitors with differing interests of the Park's aims and objectives and help them to understand how the interests of conservation, leisure activities and everyday working life are kept in balance so that they may coexist in relative harmony.

Howies:

Howies, the active clothes brand based in Cardigan, have published their 'Go Wales' guide which was inspired by their tour of Wales in July. The guide, which will be distributed with their autumn/winter catalogue, shares their experiences and gives an insiders guide to Wales. Visit Wales has worked with howies on this idea, 10,000 copies of the guide will be distributed with Visit Wales brochures.

Adventure Tourism:

The 'I Try' pilot initiative has commenced in north Wales – the scheme aims to increase outdoor activity providers' sales of 'taster sessions' and to improve the accessibility/buying opportunities for customers. Following an internal evaluation it is hoped that the initiative will be rolled out across

Wales.

International Business Wales

Senior Appointment (Americas):

The International Business Wales operation has been strengthened by the recruitment of Geraint Jones, a former senior Director with Barclays Bank. As Vice President for the Americas, Geraint will be based at the International Business Wales North American headquarters in New York and will play a leading role in raising the profile of Wales, not just in the US and Canada but also in the Latin American market. I am committed to ensuring Wales punches above its weight in exports and in attracting high level companies, and attracting someone of Geraint's calibre and experience will better place us to do just that.

Senior Appointment (Australasia):

The former rugby international and business executive Gareth Davies is to join International Business Wales as Vice President for Australia and New Zealand. Gareth has held a number of high profile posts, latterly with the Royal Mail and S4C and boasts a considerable degree of experience in networking with key players in a challenging business environment. This first class appointment reinforces an already strong International Business Wales team and will help us develop trade and investment opportunities across the Australasian market.

Nuaire:

I am pleased to report that Nuaire of Caerphilly has secured an export order worth almost ?600,000 to provide ventilation for the Dubai Mall. This is an important order for the company in a market that offers more potential.

Regional Exports by Value for Quarter 2 2006:

New statistics showing UK regional exports by value for the second quarter of 2006 were released on 7th September by HM Revenue and Customs (HMRC).

The key findings for Wales were as follows:-

- The value of exports for Wales for the four quarters up to and including quarter 2 2006 rose by ?246 million (2.8%) compared to the previous four quarters. The value of exports for the total of all UK countries and English regions also rose over the same period, by 18.3%.
- The increase for Wales was made up of an increase of ?408 million in exports to non-EU countries (up 13.1%) partly offset by a decrease of ?163 million in exports to EU countries (down 2.9%).

- Looking at quarter 2 2006 in isolation, total exports (by value) for Wales increased on the corresponding quarter in 2005, by ?221 million (up 10.0%), to ?2,425 million. The value of exports for the total of all UK countries and English regions increased by 24.5% over the same period.
- Welsh exports for quarter 2 2006 were higher in value than in the previous quarter (up ?106 million or 4.6%), compared to a 10.7% rise for the total of all UK countries and English regions.

Jobs Created / Safeguarded

Constrata:

The Caerphilly based company has invested in an in-house production facility for the manufacture of raised access flooring panels. The investment has been assisted with an RSA offer of ?130,000 and is hoped to create 11 Jobs.

Design and Supply:

The company based on Pant Industrial Estate, Merthyr Tydfil have more than trebled their workforce over the last 5 years as a result of an investment programme in excess of ?2 million. The investment has been assisted by RSA and AIG. Established 19 years ago the company is now one of the biggest manufacturers of bespoke fire resistant steel doors in the UK.

Dragon Motorsport Rescue:

The Pyle based company has been launched with the help of a ?15,000 offer of assistance through the Assembly Investment Grant. The company hopes to create 3 jobs and will provide a safety and recovery service for the growing motorsport market.

Excelerate Technology:

Has now moved to a new custom designed centre in St Mellons, Cardiff, where with the support of a ?175,000 RSA grant it is establishing its R & D facility. The company supplies command vehicles that are equipped with advanced mobile communications technology to the emergency services and government agencies. The investment is expected to create 15 new jobs.

Futurgen:

The start-up venture is in the process of completing a dedicated production plant for its innovative oil filter. The product can be cleaned for re-use and is fully recyclable. The project was assisted with the offer of a ?45,000 AIG and is expected to create 33 jobs in Taffs Well.

Palmer Environmental:

Plans to create 16 jobs over two years by expanding operations in Cwmbran with the support of a ?180,000 RSA grant. The company makes specialist equipment to detect leaks in water pipes. Established 20 years ago it has a turnover of ?10m and employs 40 staff.

Penn Pharmaceutical Services:

The company will invest almost ?1 million at its premises on the Tafarnaubach Industrial Estate. The project involves the building of new clean rooms, improved packaging suites and enhanced laboratory facilities and will safeguard 5 jobs and is expected to create a further 29 jobs. The investment has been assisted with a ?250,000 offer of RSA.

Job Losses

LG Electronics:

LG Electronics has announced the closure of its plant in Newport at the end of 2006 with the loss of some 315 jobs. The company blames closure of the plant which assembles LCD computer monitors on falling prices and rising production costs.

Panasonic Electronic Devices UK (PEDUK):

The company has announced that its factory in Port Talbot will close in December 2006 with the loss of about 250 jobs. The closure is part of PED's global restructuring programme which will see car speaker manufacture transferred to Asia and Slavakia.

Portec Rail Products, Ruabon, Wrexham:

On 2nd August 2006, notification was received that Portec Rail Products were closing their Welsh division and moving all production to Sheffield with the loss of 23 jobs. All plant and equipment will be transferred to Sheffield. The decision was taken by the parent company although mid-year figures for Wrexham reported them ahead of budget. The company have asked staff to relocate, though none appear to be interested in this option. 5 staff will leave at the end of September, with final closure end of December. Rapid Response to Redundancy has been instigated to assist in finding alternative employment for the staff.

Magellan, Wrexham:

Magellan (supplier to Airbus UK) announced up to 55 job losses due to a failure to secure a new contract with Airbus UK. A 30-day consultation process was completed on 29th August 2006. Redundancies will be phased until December 2006. The job losses will be incurred in the Fabrication and Treatment Plants. The Welsh Assembly Government Account Manager visited Magellan to discuss the support available to the company and its employees. Wrexham County Borough Council,

JobCentre Plus and Mark Tami MP are all offering support.

Burberry:

The manufacturers and distributors of clothing have announced their intention to close their factory in Treorchy with the loss of 300 jobs. The company was offered ?140,000 RSA in March 2003 to assist their project of adapting their factory in Treorchy. A first instalment of ?50,000 was paid in August 2004 with part of the project completed. The company have until March 2009 to complete the project. If closure goes ahead a recovery of ?50,000 RSA paid could be sought. I have met with the MD and with the Unions to explore any avenues available to us retain the Rhondda operation.

Other Announcements

Welsh Assembly Government's Annual Report on Equality:

Members may be aware that the Assembly Government's Annual Report on Equality for 2005-06 has recently been made available and will be considered by the Equality of Opportunity Committee on 25th October. Individual subject Committee's have been asked to consider the relevant parts of the report and write to the Equality of Opportunity Committee with their views. My Department provided a full contribution to the Report (this is attached at Annex B). I am pleased to say that across the whole of EIN there is a positive story to tell not only in building equality into our departmental objectives, but also in terms of outcomes.

Annex A

Action Outstanding

EIN(2) 05-06, 5 July, 2006

EIN Minister agreed to provide confirmation of position in respect of public sector job gains and losses in Wales (Item 2).

The Lyons review is about moving jobs out of London, essentially, to other parts of the nations and regions. So, strictly speaking, there should be no job losses in Wales that can be directly attributed to the Lyons review. However, in any sector, particularly the public sector and Government, there will be job losses and job gains. This is true across any sector and any Government department. We do not have any available statistics or any statistical sources that provide information on the net gains or losses separately. However, from 2001 to 2004, the total number of people who resided in west Wales and the Valleys-the Objective 1 area-and worked in the public sector increased by around 20,000. The equivalent increase for east Wales, namely the non-Objective 1 area, was approximately 15,000. So, these changes reflect the net effect of both increases and decreases at particular places of employment.

*Figures are for the public sector, which includes the UK Government, the Assembly Government and local government:

EIN Minister agreed to provide the targets set for enterprise support agencies (Item 2).

It should be noted that these figures only relate to General Support for Business and do not include targets associated with other support programmes.

When considering the output figures provided all should be viewed bearing in mind that General Support for Business figures projected for 06-07 are not all directly comparable to its predecessors (the General Business Advisory Service (GBAS) and New Business Starts (NBS) programmes).

The figures below show where a direct comparison for jobs created, jobs safeguarded and new business starts is possible.

	05/06	06/07
Jobs Created	6934	5544
Jobs Safeguarded	1217	1434
New Business Starts	3879	3005

In addition the table below shows the figures for businesses assisted and advised. However the comparison is between GBAS and GSB, NBS figures are not included as the definition and method of collecting has now been unified for the GSB programme. By definition, the provision of information, advice and assistance to individuals seeking to start an enterprise cannot be reflected in figures relating to businesses.

	05/06	06/07
Business Assisted	1824	1746
Business Advised	3368	2277

For 06/07 each provider has been given an indication of the outputs they are expected to achieve against the funding they have been allocated. However all allocations are indicative as they are dependant on the type and number of clients each contractor has referred to them and as such the figure is variable and subject to change. This situation mirrors the contracts under GBAS and NBS

In order for support to be allocated with in discretionary criteria, throughout the year we will be closely monitoring expenditure to ensure that we allocate funding to those areas where it is most required and where we can achieve the greatest impact.

EIN Minister agreed that a note on the Business Birth Rate Strategy would be provided, including information on the number of businesses helped and how many have survived (Item 2).

The Business Birth Rate Strategy was an Objective 1 funded project running from the 1/04/03 to 31/03/06 It led to the creation of 6355 new enterprises starting up. Services included an individual diagnosis of need, a range of training services to meet such needs and access to one to one advice. Survival rates are measured at 24months, at which point 71% were still trading.

The project did not cover Conwy, Denbighshire and in Gwynedd Ynys M?r Arfon and Dwyfor.

Members requested a paper on Operating Aids for new cohesion funds (Item 2).

<http://www.wales.gov.uk/keypubasementinovnet/content/paper1-0106.pdf>

EIN Minister agreed to investigate with officials the scope for reviewing the Assembly Government’s approved list of 22 companies providing printing services, and report to Committee (Item 3).

The current Assembly Government framework currently has 16 suppliers listed. Of those, 15 are based in Wales (a list is attached below for information). A number of North Wales based suppliers did respond to the invitation to tender but then either did not pass the pre-qualification stage, or if they did so, did not return a tender bid.

There are no current plans to review the framework in advance of the scheduled 2008 renewal. A staggered roll-out of merged bodies into the current framework is underway. The procurement will be advertised in accordance with European Procurement Regulations and will be advertised through www.sell2wales.co.uk.

All relevant suppliers registered on the website at that time will receive an automatic notification of the opportunity.

Furthermore, supported by Value Wales Procurement, Denbighshire Council are currently leading a regional North Wales collaborative Design & Print framework. The project is at its pre-qualification stage with award due in October 2006. The project has generated a lot of interest with over 80 pre-qualification questionnaires being returned. Corporate Procurement Services are awaiting the outcome of this framework, which could feasibly provide further options for North Wales based locations.

Printers Currently on the Framework		
Zenith Media	Taffs Well,	Wales
WPG Ltd	Welsh Pool	Wales
Westdale Press	Cardiff	Wales
Stephens & George	Merthyr Tydfil	Wales

Rainbow Print	Merthyr Tydfil	Wales
Provincial Printing	Cardiff	Wales
PPL	Cardiff	Wales
MWL Print Group	Pontypool	Wales
Knight Print	Penarth	Wales
HSW Print	Tonypandy	Wales
Colourprint UK Ltd	Cardiff	Wales
Chas Hunt & Co	Cardiff	Wales
Cambrian Printers	Aberystwyth	Wales
AST Print Group Ltd	Cardiff	Wales
A McLay & Co Ltd	Cardiff	Wales
Cats Solutions Ltd	Swindon	England

Printers No Longer on the Framework		
Alphagraphics	Cardiff	Wales
Scanagraphics	Cardiff	Wales
CIT Printing Services	Haverfordwest	Wales
Pims Enterprise Ltd	Somerset	England
Ancient House Press	Ipswich	England
McCorquodale Confidential Print Limited	Milton Keynes	England
The Oaktree Press	London	England

EIN Minister agreed to provide an update on the Assembly Government Building in Llandudno Junction (Item 3).

Detailed design work is currently being undertaken by the contractor's architect to interpret the accommodation schedule in readiness for the planning submission in Aug/Sept. Planning approval, if given, should be granted in December, with the contractor mobilising on site before Christmas.

EIN Minister agreed provide further information on the North Wales Business Park

(Item 3).

Construction of the North Wales Business Park commenced in March 2006 with completion due November 2006. The site is approx 15 hectares (37 acres) and has planning permission for office accommodation, Research and Development facilities and a GP's surgery. The site is the only private sector led project in Wales to receive Objective 1 monies for funding infrastructure works.

To date, an 8,000 sq ft building has been built, occupied by Worldspan and the National Farmers Union. 15,000 sq ft of speculative office accommodation is also in the process of being built, due for completion in the autumn. Officers are assisting the developer to find indigenous and inward investment occupiers. Both buildings have received Property Development Grant assistance.

It was agreed that regular (6 monthly/quarterly) reports would be produced showing the progress made toward achieving Customer Service Standards (Item 3).

Improving Customer and Stakeholder Service' has been identified as a key strategic theme for the newly merged Assembly Government's services to business within the recently published DEIN Business Plan for 2006/7. This strategic approach links closely with developments through Making the Connections and WAG2010.

- Ongoing discussions have been held with business representatives groups (CBI, FSB, Chambers, Professions, IoD, EEF) to help shape customer service understanding. Through this work a 'Statement of Service' for the Assembly Government's business-facing work has been developed alongside Customer Service KPIs for business facing functions.
- Working with other areas of the Assembly Government, a survey of 2,000 current clients has been undertaken against KPIs and to establish methodologies. This work has been augmented by a survey of 500 companies, undertaken to establish levels of awareness of business support amongst Welsh business.
- A Customer Service group has been established across all business-facing elements of the Assembly Government to share best practice, co-ordinate activity and put forward new ideas for activity.
- A Client Relationship Management (CRM) Strategy Group, covering all areas of the Assembly Government's business facing functions has been established - this group has agreed to employ a common data set in client management systems.

An extensive survey of business customers was carried out in March 2006. This work brought together teams from DEIN and DELLS in a joint working exercise. The key aim of the work was to establish a practical methodology and set of questions to be used in future customer service standard monitoring. The customers surveyed included those from the three former ASPBs (WDA, ELWa and WTB) as well as the Assembly Government.

The key results for the agreed four headline KPIs were:

Satisfaction:

(Are clients happy with the service?) – 48% very satisfied, 32% quite satisfied

Impact:

(Do businesses think our help makes a difference?) – 40% described impact of intervention as ‘making a big difference’, 29% as ‘making a small difference’

Efficiency:

(How efficiently are we responding to clients?)– 48% describe service as ‘very efficient’, 35% as ‘quite efficient’

Awareness:

(Do businesses know where to get help?) – 38% of businesses had taken up external advice, information or support in the last 12 months. For those who had not, Accountants (38%) were the largest unprompted source of advice mentioned.

All results were available by programme area, geography, demographics and business type / size / sector.

The findings from the surveys are now being analysed and taken forward in each business area. The exercise will be repeated annually from Spring 2007. Other areas of work to improve customer service are ongoing and it is planned to report on such work on a six monthly basis.

EIN Minister agreed to provide a Report on the number of contacts and the number of businesses that have been helped by Business Eye, by office if possible (Item 3).

Business Eye New Enquiries* 1st January to 31st June 2006

Region	Total
Mid, Antur Teifi - Cardigan	274
Mid, Antur Teifi - Lampeter	188

Mid, Ceredigion - Aberystwyth	613
Mid, Powys - Brecon	329
Mid, Powys - Llandrindod Wells	182
Mid, Powys - Welshpool	235
Mid, Powys - Ystradgynlais	133
North, Anglesey	386
North, Conway - Llandudno Junction	390
North, Denbighshire - Rhyl	210
North, Flintshire - Mold	238
North, Gwynedd - Caernarfon	285
North, Gwynedd - Dolgellau	184
North, Gwynedd - Pwllheli	78
North, Wrexham - Bersham	251
SE, BiF - Bridgend	383
SE, BiF - Cardiff	256
SE, BiF - Rhondda Cynon Taff	187
SE, BiF - Vale of Glamorgan	241

SE, Blaenau Gwent	218
SE, Caerphilly	162
SE, Merthyr Tydfil	158
SE, Monmouthshire	160
SE, Newport	80
SE, Torfaen	527
SW, Carmarthenshire	571
SW, Pembrokeshire	449
SW, Swansea Bay	315
Business Eye - Contact Centre	6523
Grand Total	14206

* In accordance with figures presented in Business Eye's monthly performance reports a new enquiry is considered to be the first contact made with Business Eye concerning a subject, question or issue that has not previously been raised by that particular client.

Companies Dealt with by Local Business Eye Centre 1st January to 31st June 2006

Region	Total
Mid, Antur Teifi - Cardigan	83
Mid, Antur Teifi - Lampeter	47

Mid, Ceredigion - Aberystwyth	153
Mid, Powys - Brecon	71
Mid, Powys - Llandrindod Wells	30
Mid, Powys - Welshpool	87
Mid, Powys - Ystradgynlais	19
North, Anglesey	122
North, Conway - Llandudno Junction	127
North, Denbighshire - Rhyl	85
North, Flintshire - Mold	85
North, Gwynedd - Caernarfon	85
North, Gwynedd - Dolgellau	51
North, Gwynedd - Pwllheli	21
North, Wrexham - Bersham	88
SE, BiF - Bridgend	124
SE, BiF - Cardiff	87
SE, BiF - Rhondda Cynon Taff	40
SE, BiF - Vale of Glamorgan	64

SE, Blaenau Gwent	70
SE, Caerphilly	48
SE, Merthyr Tydfil	54
SE, Monmouthshire	67
SE, Newport	28
SE, Torfaen	232
SW, Carmarthenshire	225
SW, Pembrokeshire	114
SW, Swansea Bay	78
Business Eye - Contact Centre	2204
Grand Total	4589

DEIN Business Plan 2006/07 - A breakdown would be provided on which areas were included in the Mid Valleys regeneration package.

Mid Valleys Regeneration:

The Mid Valleys Regeneration Strategy is a strategy to strengthen town centres along the mid valleys corridor to implement Local Authority and Assembly Government economic initiatives. The aim is to stimulate markets and encourage investment to the area to assist small businesses and communities. Primary towns include Pontypridd, Porth, Blackwood, Newbridge, Pontypool, Pontypridd and Cwmbran. Other areas include Treorchy and the former Navigation Colliery.

The strategy responds to the Five Counties Regeneration Programme which identifies the need to improve strategic town centres as a response to the Corus closures and the Wales Spatial Plan that identifies the need to:

"Strengthen the valleys as desirable places to live, work and visit – combining a wider mix of types of housing and good access to jobs and services – in distinctive communities set in an attractive environment".

This strategy will build upon previous and planned public investment and encourage private sector interest in the "growth corridor" to create the essential links between the valleys and the coastal belt. The strategy will deliver by means of both property and urban solutions.

Projects within the strategy are at various stages in their development. Examples include;

Blackwood Bus Station – this project involves the re-development of the Bus Station and will provide new public transport facilities to support the wider benefits of the Sirhowy Enterprise Way and further development of Oakdale Strategic Business Park.

Blaenavon World Heritage Centre – the refurbishment of the former St Peters Church School to provide a high quality visitor and educational centre.

Blaenavon Town Centre Improvements – this project will enhance several sites within the town centre to include enhanced public realm and car parking provision in support of wider Blaenavon regeneration initiatives.

Newbridge Gateway Development – this project will provide 1,212 sq metres of office accommodation to BREEAM standards. The scheme will result in approximately ?1.65M of private sector investment and is intended to act as the catalyst for development at the site and for future investment in the town.

Newbridge – Bridge Concepts – these schemes, currently at development stage, will compliment both the Safe Routes to School Initiative and the Ebbw Valley Route (EVR) by providing a bridge for the community of Newbridge that will address the barriers posed by the River Ebbw and the railway line. Once implemented the bridge will link the town centre with the Leisure Centre, Comprehensive School and the employment site (mentioned above).

Maerdy Colliery

I can confirm that Phase 2 of the former colliery site is included in the EIN Business Plan for 2006-7

Phase 1 of the reclamation of the colliery complex (involving the southern colliery area) was undertaken in the 1990s in order to create an industrial development plateau. A master-planning exercise has now been completed and the proposed works will involve the completion of reclamation on the northern section of the former colliery complex. The completion of reclamation will restore the former colliery surface areas back to a more natural landform and will create amenity areas directly linked with the existing mountain /countryside. The completion of reclamation will remove the final scars of the sites former industrial use in order to assist in the Communities First Partnerships aspirations to create an outdoor pursuits/heritage and tourist related facility which is intended to act as a catalyst for the rejuvenation of Maerdy town centre.

Annex B

Department for Enterprise, Innovation and Networks (DEIN)

Top Five Departmental objectives	Identify how equality was built into the objective	Identify positive equality outcomes and outputs
<p>To increase the sustainability, productivity and competitiveness of business in Wales and its contribution to increasing environmental welfare and reducing carbon emissions by:</p> <p>? Increasing the innovative capacity of the wealth creating parts of the Welsh economy, particularly among high potential enterprises; and</p> <p>? Putting Wales at the forefront of resource efficiency, including energy efficiency and clean energy production; and</p> <p>? To create and safeguard jobs in the Assisted Areas.</p>	<p>A Quality Assessment Form was included in the appraisal process for Regional Selective Assistance and Assembly Investment Grants. This includes assessing companies` commitment to training and equal opportunities.</p> <p>New Deal Plus Premium introduced as an add-on to the Regional Selective Assistance scheme as an incentive to encourage applicants to take on long-term unemployed or inactive people from jobcentre plus programmes.</p>	<p>Better focus on companies who are exemplars in equal opportunities and sustainability.</p> <p>?1.59 million offered, 265 potential jobs under the initiative in 2005-06. It should be noted, however that, people must be with the company for at least 12 months before premium payments can be made.</p>

<p>Put Wales on the World map – by becoming a key player in Europe, by becoming a strong international trading nation and by raising Wales’ profile on the international stage including attracting inward investment, marketing events in Wales and about Wales.</p>	<p>The then Wales Trade International provided appropriate international trade support to all Wales-based SME’s. Partnerships were forged with a range of external organisations in order to ensure that details of services were cascaded and promoted to a wide audience. These partnerships included such organisations as the Ethnic Business Support Programme (EBSP), and Women in Business International.</p>	<p>Organisations like EBSP were consulted in the development of the programme of activities. This included joint working on a proposed trade mission to Bangla Desh. Unfortunately, due to circumstances outside Wales Trade International’s (WTI) control, the event has yet to take place but discussions will continue. There was also engagement with the ethnic business community when hosting inward delegations from overseas markets. As part of the work of the Customer Relationship Management (CRM) merger group, International Business Wales are looking to introduce the capture of ethnic and equality information on their CRM system so that they can better analyse performance with these groups. In addition, IBW have arranged for a post-graduate ethnic student placement to join them for two months in July/ August 2006 to conduct initial research with EBSP and other relevant organisations to look at the interaction with the ethnic business community in Wales.</p>
<p>To enhance the prosperity and spread of that prosperity in Wales by helping to create an environment within which a greater number of sustainable businesses can start up and be developed by a more diverse group of people and owners.</p>	<p>While access to business support programmes remains open to all, we have continued to provide dedicated positive action to assist under-represented groups including minority ethnic groups, women, and the disabled.</p>	<p>Business Eye is the main portal for access to all business support. During the year the percentage of users of the service from minority ethnic groups on a monthly basis averaged some 4% of all its customers. Against a base population share of just over 2%, this suggests that a higher rate of take-up than from the population as a whole. The Potentia Programme achieved the following outputs during the year:</p> <p style="text-align: right;">? Nearly 4,300 individuals from under represented</p>

		<p>groups were given at least one hours business advice/ assistance.</p> <p>? 448 businesses started up as a result.</p>
<p>To ensure that Wales has affordable access to a world class communications infrastructure that allows full exploitation of ICT by businesses, public sector, voluntary organisations, individuals and communities.</p>	<p>The Broadband Wales Programme is focussed on delivering affordable broadband services to the people of Wales regardless of age, gender or ethnic origin.</p>	<p>All people in Wales are now able to access and take advantage of free communications infrastructure through the Lifelong Learning Network (LLN) which connects Schools, Libraries and Learning Centres in Wales to high speed broadband services. The Regional Innovative Broadband Support (RIBS) Project is delivering first generation broadband infrastructure to the areas of Wales that were deemed unviable by the telecommunication industry. This is ensuring that nearly all the people in Wales have the ability to access high-speed broadband technology that was previously unavailable to them.</p>
<p>The Structural Fund Programmes in Wales provide grant aid for projects that encourage and facilitate economic regeneration and revival in areas where the decline of traditional industries has caused serious economic and social problems.</p>	<p>Equal Opportunities (covering the areas of disability, gender, race, Welsh language) are mainstreamed into the European Structural Fund Programmes as one of three Cross-Cutting Themes. In addition, there are certain Priorities and Measures within the Programmes which specifically focus on Equality issues; for example, Objective 1, Priority 4 Measure 5</p>	<p>1. There continued to be significant demand for the WEFO Fact Sheet on Welsh Language to highlight projects with a strong emphasis on the Welsh language that had successfully accessed Structural Funds, as well as highlighting opportunities for projects that target Welsh speakers as their main beneficiaries. (the Fact Sheet was developed in</p>

(Improving the Participation of Women in the Labour Market).

Data on activities and results is submitted by project sponsors on a quarterly basis.

2004).

2. In 2004, WEFO strengthened the monitoring of Equal Opportunities data by drawing up additional guidance to all project sponsors, including issue of a sample monitoring form. This work has continued with individual sponsors to support them in the monitoring process.

3. In Autumn 2004, WEFO undertook a Childcare Mapping Exercise on childcare provision in Wales supported by Structural Funds. The findings were presented to the Childcare Working Group, who considered them when drafting a strategy for childcare delivery across Wales. The Group has now completed its role. The Strategy was published during the year and is now being implemented.

4. Since completion of the Mid-term Evaluations and Reviews of the Programmes in 2003, there has been a change in emphasis towards identifying gaps in provision and barriers to projects, and proactively encouraging the development of strategic projects. In November

2004, 'Genesis Wales', a strategic All Wales project, was approved. The project aims to provide a comprehensive package of advice, guidance, support and childcare for individuals, predominantly women, who wish to access work, training and / or learning opportunities. The project is making good progress. Beneficiaries have increased and targets should be met. An evaluation will be undertaken once the project has been completed (June 2008) to inform policy on overcoming barriers to women returning to employment and training.

5. During the year WEFO commissioned an independent evaluation of how well projects have integrated the Cross Cutting Themes into the Objective 1 and 3 Programmes, and the strengths and weaknesses of the model used to integrate them. The report will be used to inform the integration of the Cross Cutting Themes in the post 2006 SF programmes, and can be found at <http://www.wefo.wales.gov.uk/resource/RME-CCT-2006-e4535.pdf>.

The study found that:

? advice and guidance available to project sponsors has generally been well received, although many sponsors would have welcomed more detailed examples of how to integrate the Themes for their specific projects;

? there are very good examples of how projects have championed at least one of the Themes;

? there are a number of barriers to their effective implementation, including difficulties associated with securing match funding, planning permission and State Aid issues;

? the majority of targets are likely to be achieved by the end of the Programme; and

? there is considerable value in the two pronged - vertical and horizontal - approach to integrating the Themes.

6. January 2006 monitoring data figures show that progress continues to be made towards achieving the Equal Opportunities targets in many of the Priority and Measures, with some targets being exceeded. For example, an Objective 1 Priority 1, Measure 2

		<p>target, the number of new SMEs owned by women, disabled people, Black and Minority Ethnic groups, and Welsh speakers have been given advice / information or assistance, has been exceeded by 77%. Relevant information can be found in section 4 of the Objective 1 Programme Monitoring Committee report, as it is an agenda item for each quarterly Objective 1 PMC. The report for March 2006 is available via the WEFO website as follows:</p> <p>http://www.wefo.wales.gov.uk/default.asp?action=page&ID=1693</p>
<p>An excellent transport system which offers businesses and people good access to markets and jobs and practical and affordable travel solutions. A transport system which minimises impact on the environment and the generation of emissions. To manage, maintain, operate and improve the trunk road network in Wales in a sustainable manner, taking into account the social, economic and environmental needs and obligations of the nation To meet the aims of the Road Safety strategy for Wales by reducing real and perceived danger for all road and footway users in Wales and meet the UK casualty reduction targets for 2010 and to increase the numbers of people</p>	<p>The Draft Wales Transport Strategy (Connecting Wales) focuses on the role transport can play in delivering wider policy objectives in areas such as spatial planning, economic development, education, health, social services, environment and tourism. The Strategy is positioned as a framework document that will become the focus of the Regional Transport Plans and the Assembly Government's future transport programmes. The Strategy has passed through the Gender Disability and Race Equality Impact Assessment processes. The Wales Transport Strategy will also undergo Strategic Environmental Assessment (SEA) – this is thought to be the first strategy by any UK government to be subject to the statutory SEA</p>	<p>Number of children killed or seriously injured in 2004 was 41% lower than the 1994-98 average.</p>

walking and cycling.	<p>process.</p> <p>Reducing the number of accidents for all members of the community particularly those in disadvantaged areas.</p> <p>Funding given to local authorities with the stipulation that they concentrate in Community First areas.</p>	
----------------------	--	--

Specific policy function or activity relating to equality of opportunity	How were the objectives of the policy or activity related to equality?	How successful were these policies or activities in achieving these objectives?	Equality strands covered? (See Key)
<p>Transport Wales commitments in Wales: A Better Country, which promotes social inclusion.</p>	<p>Extending reduced and free bus travel.</p> <p>Extending 20mph zones and safe routes to school.</p>	<p>Developed scheme managed by the Community Transport Association to demonstrate ways of providing free travel by severely disabled people on community transport. Finalised projects providing half fares on buses for 16-18 year olds in Bridgend and North East Wales.</p> <p>Funding of ?3.5 million allocated to safe routes to school projects across Wales.</p> <p>Funding of ?7.25 million allocated to local authorities to help them improve road safety in their local areas and create more 20mph zones.</p>	<p>Age</p> <p>Disability</p> <p>Age</p> <p>Disability</p> <p>Race</p>