

Motion

tabled by the Members of the Bundestag Dr Joachim Pfeiffer, Andreas Lämmel, Thomas Bareiß, Veronika Bellmann, Gitta Connemann, Erich G. Fritz, Dr Michael Fuchs, Michael Grosse-Brömer, Dr Matthias Heider, Ernst Hinsken, Robert Hochbaum, Karl Holmeier, Dieter Jasper, Andreas Jung, Ulrich Lange, Stephan Mayer, Hans Michelbach, Dr Mathias Middelberg, Stefan Müller, Dr Georg Nüßlein, Franz Obermeier, Rita Pawelski, Ulrich Petzold, Eckhart Rehberg, Dr Heinz Riesenhuber, Albert Rupprecht, Anita Schäfer, Nadine Schön, Christian von Stetten, Lena Strothmann, Andrea Voßhoff, Kai Wegner, Volker Kauder, Gerda Hasselfeldt and the CDU/CSU parliamentary group and the Members of the Bundestag Dr Hermann Otto Solms, Dr Martin Lindner, Claudia Bögel, Klaus Breil, Paul K. Friedhoff, Christian Lindner, Rainer Brüderle and the FDP parliamentary group

Responding to the new challenges of regional economic structures – continuing the scheme for the Improvement of Regional Economic Structures (GRW) and shaping EU Cohesion Policy to meet the needs of the future

The Bundestag is requested to adopt the following motion:

I. The German Bundestag notes:

The Joint Federal Government/*Länder* Scheme for the Improvement of Regional Economic Structures (GWR) has since 1969 been the central and well-tried instrument for establishing equal living conditions in Germany, as required under the Basic Law. The Federation and *Länder* together support structurally weak regions which are not able on their own to make the necessary structural changes or which face particular regional challenges.

The main aim is to create and/or safeguard permanently competitive jobs in structurally weak regions by promoting commercial investment, investment in business-related infrastructure and targeted measures to promote the competitiveness of small and medium-sized enterprises.

The GWR is being continuously developed and adapted to current developments. The area covered by the GWR, for example, has been specifically extended to rural areas with a package of measures to boost the development of structurally weak rural areas and supplemented with new funding measures. Promoting and activating regional forces is a particular priority area in this regard.

The last evaluation highlighted the positive contribution made by the GRW to the economic opportunities of people in structurally weak areas. The main focus of support is on small and medium-sized enterprises and on innovation. Between 1998 and 2008, for example, businesses which received support recorded an average growth in jobs of 4.5 per cent and a 6 per cent increase in income. Particularly in the recent years of crisis the GRW scheme has been able with the help of its tried and tested system to strengthen the economic basis in structurally weak regions.

Between 2008 and 2010, that is to say during the severest economic slump in the history of the Federal Republic, 5.8 billion euro of GRW funds from the Federation and *Länder* as well as EFRE funds from the European Union led to around 25.1 billion euro of investment on the part of companies, over 74,000 new permanent jobs were created in the business sector and around 301,000 jobs were safeguarded. High outflows of funds of over 90 per cent demon-

strate the high level of interest on the part of the Federal *Länder* and businesses on the ground. Regional policy in Germany faces great challenges:

- The general conditions regarding state aid for national regional policy are being restructured by the European Commission for the new funding period with effect from 2014. These rules will determine where and what Germany in future will be allowed to provide support for under its regional policy.
- Demographic change will hit rural and structurally weak areas first, that is to say those areas in which GRW funds are concentrated.
- GRW funds are also available for the conversion of former Bundeswehr locations. The reform of the Bundeswehr which is currently underway presents the GWR with a new task.
- The investment grant for businesses in East Germany (*I-Zulage*) expires at the end of 2013. Solidarity Pact II to support the East German Federal *Länder* comes to an end in 2019. Funds from the European Structural Funds are likely to be reduced substantially in Germany with effect from 2014, so that the GRW will have more responsibility in terms of regional policy.
- The European Structural Funds are to be refocused with effect from 2014.

Preparations are currently being made therefore to ensure the GRW is able to make an effective and flexible contribution to strengthening the regions to make them competitive locations and to enable structurally weak regions too to play their part in pan-German economic growth.

II. The German Bundestag therefore calls on the Federal Government, within the limits of the available budget funds,

1. to continue to maintain the GRW as a budget item at the existing high level and to provide it with adequate funding to ensure it remains structurally effective,
2. in budget planning for 2013, to acknowledge the role of the GRW in relation to the conversion of former Bundeswehr property,
3. to insist vis-à-vis the governments of the Federal *Länder* on the provision of *Land* funds to safeguard equal co-financing,
4. to continue to support regions with extensive structural problems in particular with measures which help activate and support local initiatives,
5. to support cooperation and coordination at local government level in rural regions,
6. to encourage the *Länder* to use existing possibilities to promote broadband within the framework of the GRW using technology-neutral and commercial solutions for connections in the commercial sector.

The German Bundestag supports the Federal Government in the negotiations to further develop the EU regional aid guidelines. There must be fair and effective transitional arrangements for regions which are to lose their status as "A" Assisted Areas, In Germany this means in concrete terms supporting the process of adjustment of the East German Federal *Länder*. In accordance with the principle of subsidiarity, there must continue to be national scope to provide effective support for structurally weak regions in the Member States of the European Union. This also applies to support for structurally weak regions in West Germany.

European Union rules must not be allowed to obstruct the task, as laid down in the Basic Law, of establishing equal living conditions in Germany.

The German Bundestag therefore calls on the Federal Government, in the negotiations on the further development of the regional aid guidelines of the European Union, to lobby for

7. an extension of the transitional period for ex-A areas to 2020,
8. a limit of the differential in the assistance level to the regions eligible for the highest rates of aid to 15 percentage points,
9. retention of the national benchmark for calculating the C ceiling,
10. the possibility of assisting large companies in ex-A and C regions,
11. retention of the pan-European population ceiling of at least 45.5 per cent,
12. the allocation of a separate quota to inhabitants of assisted areas without this being offset against the regular population ceiling for areas which border an "A" Assisted Area in another Member State,
13. Application of the database from 2007 to 2009.

The German Bundestag supports the Federal Government in the negotiations on the future cohesion policy. We welcome in particular the fact that the Structural Funds will in future be geared to a greater extent to the goals of the Europe 2020 Strategy and will hence drive competitiveness and sustainable growth. In the process cohesion policy must continue to be geared to the treaty goal of abolishing disparities in regional development. We need to ensure the efficient and appropriate use of EU funds in all countries. The European Commission's proposal regarding the thematic orientation and concentration of future cohesion policy makes sense in large parts. The regions, however, must retain sufficient scope to be able to respond to specific regional needs and requirements.

The German Bundestag calls on the Federal Government, in the further negotiations on the legislative package for the cohesion policy, to lobby for

14. concentration on sustainable economic growth which strengthens competitiveness and secures jobs. In the process sufficient scope must be given to individual regions to reflect different funding requirements,
15. concentration in line with the goals of the EU 2020 Strategy on the transition to a low-carbon, resource-efficient economy which is environmentally compatible and addresses climate change, on innovation and research and on the competitiveness of small and medium-sized enterprises,
16. the feasibility of funding corporate investments outside the SME sector,
17. a safety net for former convergence regions corresponding to at least 2/3 of the assistance provided in 2007-2013,
18. safeguards to ensure efficient and appropriate use of EU funds in all Member States according to the principles of "better spending", and regular progress checks and measurement of results,
19. a reduction in the costs of the bureaucracy involved in implementing the cohesion policy for all involved, particularly for national authorities and the companies concerned,
20. continuation of European territorial cooperation and, in particular, measures to cushion the funding and aid differential in border regions,

21. measures to prevent the European Commission influencing policy fields outside the cohesion policy by ex-ante conditionality which is outside the EU's competence. Since structural assistance in Germany is essentially implemented by the *Länder*, the wish of the European Commission to exert influence in this way is problematic,
22. the continued eligibility for assistance of tourism infrastructure in rural areas.

Berlin, 12 June 2012

Volker Kauder, Gerda Hasselfeldt and parliamentary group
Rainer Brüderle and parliamentary group