

programmes

Regional development programmes

**Federal Republic of Germany,
including Berlin (West)
1979-1982**

COMMISSION OF THE EUROPEAN COMMUNITIES

Regional development programmes

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including Berlin (West)
1979-1982**

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PREFACE

The Eighth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' (Section A) represented an important step towards further harmonization of the Outline Plan governing national regional policy and the regional development programmes which are of importance for European regional policy.

In the general section (Part I) of the Eighth Outline Plan, sections concerning regional structural policy in the overall economic context and concerning the special features of regional structural policy in a federal system have been included for the first time. It is precisely these sections which are likely to be of particular interest in the other member countries of the EEC. The considerably expanded sections concerning the cooperation of regional policy proper with other policies affecting regions and concerning effectiveness control, essential parts of which are already embodied in the Common Task, also provide important information and suggestions.

In order to achieve a large degree of identity between the Outline Plan and the EEC regional development programmes, the German regional development programmes (the so-called 'Regionale Aktionsprogramme', constituting Part III of the Outline Plan) are going to be basically revised in the Ninth Outline Plan, which enters into force in 1980, largely on the model of the arrangement of the EEC regional development programmes. By way of example, this has already been done for two of the German regional development programmes (Section C). A comparison of these model programmes with the previous German Regional Development Programmes of the Eighth Outline Plan shows clearly that, in particular, the economic analysis of the programme areas and the presentation of the development programmes have been considerably expanded and also improved.

Last but not least, further development of the effectiveness control will lead to a further improvement in the quantitative planning framework. The preliminary work for an improved method of target quantification has already started. Firm incorporation of the ERDF resources in the Outline Plan, important though it is, will only be feasible when there is a changeover in European regional policy from project financing to programme financing. Great importance therefore attaches to systematic further development of the EEC countries' regional development programmes, since it is only on this basis that programme financing can take place.

Translator's note: For clarity's sake I have translated 'Entwicklungsprogramme' by 'EEC development programmes' and 'Aktionsprogramme' by 'German development programmes'.

A

Eight Outline Plan of the Common Task
'Improvement of regional economic structure'

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On 29 January 1979 the Planning Committee for Regional Economic Structure, composed of the Federal Minister for Economic Affairs as chairman, the Federal Minister for Finance and the Ministers (Senators) for Economic Affairs of the 11 Lands adopted the Eighth Outline Plan for the period 1979 to 1982, pursuant to the Law on the Common Task 'Improvement of Regional Economic Structure' (GRW) of 6 October 1969 (Federal Statute Book I, p 1861), the Plan having entered into force on 1 January 1979.¹

Part I

GENERAL

1. REGIONAL STRUCTURAL POLICY IN THE OVERALL ECONOMIC CONTEXT

1.1. In the Federal Republic of Germany regional problems cannot be characterized, as in most other member countries of the European Economic Community, by a striking contrast between a developed and a less developed half of the country, ultimately attributable to a metropolitan centre which dominates everything. On the contrary, economically strong and structurally weak regions are to be found in nearly all parts of the Federal Republic, although in differing forms and degrees. From the point of view of regional policy there are three territorial problem categories in the Federal Republic of Germany which, in many respects, overlap:

- (i) Berlin and the Zonenrandgebiet² which, as a result of the division of Germany, were placed in a very unfavourable position at the edge of the Federal territory and the Common Market with particularly hampering effects on the economic development of these areas;
- (ii) rural areas in which there is a marked lack of industrial jobs in general and high-quality jobs in particular;
- (iii) areas with a usually high industrial occupation rate but little diversity of industrial structure, which are particularly affected or threatened by processes of structural adjustment of the leading branches of the economy.

¹ Subject to the decision still pending in accordance with Article 93 of the EEC Treaty and the budgetary decisions required from the competent Federal and Land authorities.

² Areas on the border with the Eastern countries.

The economic structure and economic strength of the individual sub-areas depend on the one hand on objective factors with regard to location, such as their being in a favourable position from the point of view of communications and possessing mineral resources. They are also partly the result of long-established traditional specialization of certain regions in specific branches of economic activity. But regional structural differences are not attributable solely to objective location factors, which frequently necessitate a regional division of labour. They are also due to lack of possibilities and insufficient ability and willingness on the part of businessmen and workers respectively, to undertake new investment in economically weak regions or move to locations with greater earning potential. This is where public economic policy, and especially regional structural policy, should facilitate and promote the appropriate developments and adjustments.

1.2. Regional structural policy is an integral part of overall economic policy. Its central aims are the growth aim, the stabilization aim and the equalization aim - aims which can only be pursued bearing in mind the interactions between them.

The growth aim of regional structural policy consists in the mobilization of growth reserves in the problem areas in order to increase the contribution of these areas to overall economic growth. Admittedly, the regions receiving regional economic assistance are not always areas which are capable in the long run of making above-average contributions to overall economic growth; but there are some indications that regional structural policy has succeeded in the past, by releasing additional production potential, in setting in motion growth impulses which are on balance positive and thus making an important contribution to overall economic growth.

The stabilization aim of regional structural policy consists primarily in reducing the cyclical and structural vulnerability of regions. As regional economic structures differ, the individual regions may be variously affected by cyclical fluctuations and structural changes. It is thus often difficult to distinguish between cyclical vulnerabilities and structural weaknesses of regions. Reduction of the cyclical and structural vulnerability of regions calls in the first instance for a diversification of unbalanced structures. As the stabilization aim ultimately means bringing about a steadier, balanced development of regional growth processes, regional structural policy also makes a contribution to the economic strategy for achieving steadier medium-term growth of the economy as a whole.

The equalization aim of regional structural policy consists in reducing inter-regional differences with regard to earning possibilities and also, to a certain extent, regarding the supply of public and private services. Regional structural policy thus also contributes to the achievement of uniform living conditions throughout the Federal area (Article 72 (2) of the Basic Constitutional Law).

1.3. The strategy of regional structural policy is formulated on a medium and long-term basis. The central task of structural policy in a market economy is to counter existing obstacles which impede regional development and structural change. Control of the economic structure on a regional and sectoral basis, and in relation to the size of undertakings, is exercised basically via the market and central-government framework data. Regional structural policy endeavours primarily to create general conditions which are favour-

able for private investors in the medium term and also, to some extent, for local government investment in the field of infrastructure closely connected with economic activity.

The aim of influencing regional investment activity, and thus raising incomes and employment in the problem areas, is in the foreground of regional structural policy. This is done, while respecting the autonomy of investment decisions by undertakings, by means of geographically concentrated investment incentives, varying in degree, for private undertakings and by appropriately designed improvements in infrastructure closely connected with economic activity. As it is left to the undertakings to decide whether to respond to government encouragement, the measures of regional structural policy exert only an indirect influence on regional investment activity. The measures of regional structural policy are not permanent subsidies but merely incentives for investment projects in operating units which, in the longer run, are capable of holding their own in the market even without further government assistance.

1.4. The changed economic situation which has existed for some years also makes the achievement of regional policy aims more difficult. In particular, mention should be made of the following changes in overall economic conditions:

- (a) The change in the quality of the Federal Republic as an industrial location owing to the relatively sharp rise in unit wage costs in the first half of the 1970s.
- (b) The wrong indications for the country's economic structure given by the undervaluation of the deutsche mark for many years and the subsequent pronounced changes in the pattern of exchange rates.
- (c) The uncertainty created in the first half of the 1970s by inflation and recession and its possible repercussions on the propensity to invest.
- (d) The increasing differentiation in final demand as a result of higher mass incomes and changed demand behaviour in the presence of partial saturation tendencies.
- (e) The increased pressure for rationalization, especially owing to a narrowing of company profit margins.
- (f) The decline in the resident population coupled with a continuing growth in the working population.
- (g) The change in cost relationships due to the movement of energy and raw-material prices.
- (h) The increasing pressure of imports from developing countries and countries with state monopoly trading, coupled with a growing tendency towards protectionism throughout the world.

1.5. The regional effects of changed overall economic conditions are reflected first of all in the fact that, with the slackening in economic growth, the process of improvement in previous assisted areas takes place more slowly or is even interrupted on the one hand while, on the other, in connection with the structural changes, new problem regions with persistently high unemployment come into being. The level and structure of regional development processes are not independent of the overall development of the economy and the concomitant structural changes.

Although, for the near future, it is not possible to indicate with sufficient certainty the overall economic framework conditions affecting regional structural policy, some new difficulties for the solution of regional problems can be distinguished:

- (a) Owing to the slackening of industrial growth, the settlement of new undertakings and the extension of existing ones have become more difficult. Regional competition for industrial investment has become keener; the stronger demand for jobs even outside the assisted areas has, at the same time, made industry less willing to decentralize. Hence, in future regional structural policy is likely to have greater difficulty in bringing about a better-balanced regional distribution of investment activity in industry.
- (b) The advantage of the Federal Republic as a location is likely, if anything, to be based even more in future on factors which have hitherto been closely associated with advantages of urban concentration (human capital, technology, organizational know-how, information and communication systems, etc.). This is liable to reduce the chances of regional structural policy being able to bring about fruitful investment in economically weak regions.
- (c) In areas which, although possessing the advantages of concentration, need new jobs owing to the structural change, environmental problems and other disadvantages of urban expansion are having an increasingly adverse effect.

The changed problem pattern should not be taken as a reason for reducing efforts in the field of regional structural policy. On the contrary, the endeavour to promote the economic development of structurally weak areas and cope with structural change must be continued and intensified. Both the working-off of regional development backlogs and facilitating structural change assist economic growth, so that regional structural policy becomes largely a growth-oriented policy. In this connection it is particularly important to take advantage of the opportunities for renewal of production and distribution apparatus which are presented by structural change.

If regional structural policy were to turn into a policy designed to maintain the status quo, then inevitably the growth process would move increasingly to the unassisted areas. It is even more important now than in the past that regional structural policy should offer attractive conditions for potential investors in the assisted areas. To this end, the special advantages of the assisted areas (scenic attractions, residential and recreational amenities, favourable conditions for the tourist trade, etc.) must be made to serve regional structural policy even more than hitherto. The fact that there is a considerable demand for Common Task funds for the purpose of investment in the assisted areas shows that possibilities definitely exist for stimulating economic activity in these areas.

2. SPECIAL FEATURES OF REGIONAL POLICY IN THE FEDERAL SYSTEM

2.1. In a Federal State such as the Federal Republic of Germany, in principle public authority is exercised only by the Lands. The Federation has only such rights and duties as are expressly assigned to it by the Constitution

(the Basic Constitutional Law). The development of regional structural policy in the Federal Republic can therefore be understood only against the background of the structure of the Federal State.

The first forms of regional assistance extending beyond the individual Lands in the Federal Republic were emergency programmes of the Federal Government. The Federal Government's Regional Development Programme introduced as early as 1951, for so-called distressed or rehabilitation areas, was supplemented in 1953 by assistance for the zone frontier area (Zonenrandgebiet), which was given a special position for political reasons. At the end of the 1950s assistance to the distressed and rehabilitation areas and the zone frontier area was further supplemented by assistance for central locations (later called Federal Expansion Locations). And then at the beginning of 1968 a start was made on the preliminary work for the introduction of the regional programmes.

An important step in the further development of regional structural policy from ad hoc interventions to deal with cases of distress to systematic improvement of the regional economic structure was the enactment of the Law on the Common Task 'Improvement of Regional Economic Structure' of 6 October 1969. The institution of Common Tasks¹ created by an addition to the Basic Constitutional Law (Article 91a of that law) put an end to the situation which has continued for almost two decades in the field of regional economic assistance, in which the Federation's regional assistance had been without any constitutional basis.

2.2. According to Article 91a of the Basic Constitutional Law and the Law on the Common Task 'Improvement of Regional Economic Structure', regional economic assistance is the responsibility of the Lands, with the Federation helping in its fulfilment with regard to outline planning and financing. Implementation of regional economic assistance (including the granting of funds) is solely the responsibility of the Lands.

The Outline Plan governing the performance of the Common Task is jointly prepared by the Federation and the Lands for the financial planning period. It must be checked objectively and adapted to developments every year. Compilation of the Outline Plan is the main task of the Planning Committee, to which the Federal Minister of Economic Affairs, as chairman, the Federal Minister for Financial Affairs and the Land Ministers and Senators for Economic Affairs belong. The Planning Committee's decisions are taken with a majority of three-quarters of the votes, the Federation having eleven votes and each of the eleven Lands one vote. It is not possible in the Planning Committee, therefore, for decisions to be taken either against the Federation's vote or against the majority vote of the Lands.

In particular, the Outline Plan:

- (a) demarcates the assisted areas of the Common Task and combines them in Regional Development Programmes;

¹ In addition to the Common Task 'Improvement of Regional Economic Structure', the Common Task 'Improvement of the Agrarian Structure and Coastal Protection' and the Common Task 'Expansion and Building of Universities including University Clinics' were created.

- (b) indicates the job targets and other targets to be attained in these areas;
- (c) lists the measures and the funds to be allocated for them separately according to budget years and Regional Development Programmes; and
- (d) specifies the conditions for and nature and extent of the assistance.

The parliaments (Federal Parliament and Land Parliaments) participate in the outline planning mainly through the fact that the proposals of the Land in question for inclusion in the Outline Plan are laid before the Land Parliaments and the draft Outline Plan, with an evaluating opinion from the Federal Minister for Economic Affairs, is submitted to the committees of the Federal Parliament. The Parliaments' votes are taken into account in the deliberations of the Planning Committee.

2.3. The importance of the Common Task 'Improvement of Regional Economic Structure' lies primarily in the fact that it establishes general conditions for activities for the Federation, Lands and Gemeinden¹ in the field of regional economic assistance. It is not the Common Task's purpose to level out differences in the financial endowment of the Lands by means of financial transfers. Nor, in view of the limited volume of funds, would the Common Task be able to do so. Provision for serious differences in the financial capacity of the Lands is already made in the financial equalization embodied in Article 107 of the Basic Constitutional Law.²

The coordination function of the Common Task also lies in the fact that the Land Assistance Programmes for special regional purposes, which are possible under the Constitution and can exist side-by-side with the Common Task, may not conflict with the latter's aims. In addition, other policies of the Federation, Lands and local authorities which are of importance for regional economies should be coordinated with each other as far as possible to enable achievement of the greatest possible effectiveness of regional structural policy (see Section 5).

For the Common Task itself, the coordination function consists mainly of the following points:

- (a) demarcation of the assisted areas by a procedure which is uniform throughout the Federation;
- (b) general conditions, uniform throughout the Federation, for the selection of key points;
- (c) fixing of maximum assistance rates taking into account a general preference case (maximum preferences higher than those in the other assisted

¹ The Gemeinde (plural Gemeinden) is the smallest administrative unit.

² In addition to vertical financial equalization by tax distribution, a horizontal financial equalization takes place among the Lands which raises the tax capacity of the Lands entitled to equalization to at least 95% of the average tax capacity. In 1977 the volume of the horizontal equalization was DM 2 296 million. In order further to reduce the differences in financial capacity, in 1977 the Federation paid DM 939 million in the form of supplementary grants to financially weak Lands.

areas are possible in the zone border area (Zonenrandgebiet); West Berlin, for which the special rules of the Berlin Aid Law apply, is guaranteed the highest preferences);

- (d) uniform assistance rules with regard to the conditions for and nature and extent of assistance;
- (e) integrated use of all the instruments of regional policy (Investitionszulage - regional investment aid - as the basic assistance guaranteed by law; investment grants from Common Task funds as variable supplementary assistance; supporting programmes of lending from the ERP special fund; chronologically limited special programmes for structurally weak areas; indirect repercussions of outline planning on other Federal and Land planning of importance for regional policy).

3. PRINCIPLES OF REGIONAL STRUCTURAL POLICY

3.1. General remarks on the Eighth Outline Plan

The Eighth Outline Plan is essentially a continuation of the Seventh Outline Plan. The assisted areas, the total number of key points and the preference structure have remained unchanged. The incentives for industrial investment in the assisted areas however, have been somewhat strengthened by the raising of the rate of the Investitionszulage (regional investment aid) from 7.5% to 8.75%, and to 10% in the Zonenrandgebiet.

In comparison with the Seventh Outline Plan, the Eighth Outline Plan contains the following changes with regard to key points, localities attached to key points and assistance preferences:

- (i) The following key points or assistance preferences have been replaced, deleted key points or preference reductions not being subject to any expiry time-limits:
 - New key points: Kelheim/Niederbayern (assistance preference: 15%) and Uffenheim (assistance preference: 20%)
 - Deleted key points with an assistance preference of 15%: Trostberg and Scheinfeld
 - Preference upgradings: Bad Kissingen to 25% (A key point)
 - Preference downgradings: Hilpoltstein to 15%, Hofheim to 15%
- (ii) In including new localities attached to key points the Planning Committee based its action as hitherto on the principles that former key points cannot become localities attached to existing key points and that localities attached to key points must in principle perform the function of providers of land for industrial estates. According to these criteria, the following new localities attached to key points have been included:
 - To Kleve: Emmerich
 - To Crailsheim: Satteldorf
 - To Kelheim/Niederbayern: Saal a.d. Donau

- To Neunburg v. Wald: Wackersdorf, in so far as it is within the Zonenrandgebiet (the part of Wackersdorf situated outside the Zonenrandgebiet remains a locality attached to Schwandorf)
- To Traunstein: Traunreut
- To Schöningen: Büddenstedt

(iii) Lastly, a few more tourist trade Gemeinden or parts of such Gemeinden have been notified, although for the time being these have only been included in the Outline Plan. No change is being made at present in the Tourist Trade Area Order, which governs the granting of Investitionszulage (investment aid). New tourist trade Gemeinden will henceforth only be included in the Outline Plan and the Tourist Trade Area Order at intervals of several years.

3.2. Assisted areas, key points, assistance preferences, job targets

According to Article 5 No 1 of the Law on the Common Task 'Improvement of Regional Economic Structure' (GRW) the areas in need of assistance must be demarcated in the Outline Plan. They have been fixed according to Gemeinden. The territorial position is as at 1 January 1979.

Tourist undertakings are assisted with Common Task (CT) funds in the tourist areas specified in the Outline Plan. In these areas tourism is an important basic factor for the development of the economic area. In view of Article 3 (2) of the Investitionszulagengesetz (Investment Aid Law), tourist areas are demarcated in as detailed a manner as possible and classified according to Regional Development Programmes. The territorial position for tourist areas is as at 1 January 1979.

According to Article 2 (1) sentence 3 GRW the assistance is to be concentrated on geographical key points. The Lands have proposed the key points in accordance with the decisions of principle. The territorial position for the key points and the localities attached to them is as at 1 January 1979, unless otherwise stated in the Regional Development Programmes.

The reorganization of local authority areas has led in some cases to the formation of Gemeinden of considerable size. Hence assistance for the setting up of new undertakings is to be confined in future to certain settlement areas in the key points which are indicated in the approved land-use plans. The aim is to have such land-use plans available as quickly as possible for all key points. The intention is that from 1 January 1981 onwards the setting-up of new undertakings in key points for which such plans do not yet exist will only be assisted exceptionally and without any Investitionszulage (investment aid).

In fixing the key points the Planning Committee has, as hitherto, been guided by the view that, in connection with assistance for the settlement of firms, especially in manufacturing industry, the existence of too large a number of key points reduces the development chances of the individual key points and at the same time diminishes the effectiveness of regional economic policy. Consequently, as in the Seventh Outline Plan, the total number of key points is 331. Any appreciable lowering of the number of key points appears only possible in connection with a reduction of the assisted areas.

The preference system remains basically unchanged. The ratio of priority key points to total key points remains at 1 : 3.6.

The Planning Committee does, it is true, consider that the preference system requires further rethinking; however it doubts whether a sufficiently soundly based system for taking into account the urgency of assistance and important local conditions of the labour market regions when working out the preference structure can in fact be developed.

According to Article 5 No 2 GRW the Outline Plan must specify the aims to be achieved in the assisted areas. In principle the basis for fixing the job targets is to be the target data of the previous Outline Plan, the economic developments to be expected and the funds available. The job targets are subject to examination and revision.

The Regional Development Programmes have not mentioned hitherto any targets for the reduction of income shortfalls. The reason, as before, is that the possibilities of examination for this criterion do not yet appear to be adequately developed and assured. The object of regional economic policy is the creation or renewal of jobs which bring about an appropriate raising of incomes in the region. The term renewal includes the maintenance of existing jobs together with improvement of their quality. The question whether and to what extent the maintenance of jobs without any raising of incomes in the region can or should be an aim worthy of assistance under regional policy cannot be given any hard and fast answer. In the short term, admittedly, the maintenance of low-paid jobs may be necessary from the point of view of regional policy in order to avoid worsening the state of the regional labour market. But this must not be allowed to interfere with the making of necessary adjustments, since otherwise the longer-term development chances of regions will be reduced and regional discrepancies still further increased. It is agreed in principle that the primary aim is to promote good quality jobs. To ensure that more attention shall be paid to this point in the implementation of regional economic assistance, general criteria for judging what are qualitatively good jobs were included in the Sixth Outline Plan. More precise definition of these criteria, while admittedly desirable, raises a number of difficult problems.

During the planning period 1979-82 an annual average of about 75 250 new jobs - making a total of about 301 000 - are to be created, and 43 250 existing jobs - or a total of about 173 000 - safeguarded. In order to achieve these aims it is planned to assist industrial investment totalling approximately DM 11 100 million per year with CT funds. In addition, it is proposed to assist the expansion of infrastructure closely associated with economic activity with CT funds. The planned annual volume of investment for these measures during the planning period is about DM 500 million.

3.3. Rules

In accordance with Article 5 No 4 GRW, the Outline Plan specifies the conditions for and nature and extent of assistance for the various measures referred to in Article 1 (1) GRW. These rules are contained in Part II of this Outline Plan.

Most of the changes in and additions to rules in the Eighth Outline Plan are drafting amendments or clarifications. In particular attention should be drawn to the easier assistance conditions for tourist undertakings, which have been adapted to the change in the Investitionszulagengesetz (Investment Aid Law). With regard to the important question of the possibility of combining regional assistance funds with aid not earmarked for regional purposes, a satisfactory overall solution is to be formulated in time for the Ninth Outline Plan.

The appropriateness of the assistance rules will continue to be re-examined in order to take into account new aspects of assistance.

3.4. Assistance to the Zonenrandgebiet

The Planning Committee is of the opinion that the Zonenrandgebiet should continue to be given preferential treatment as regards assistance under the Common Task. It refers to its decisions of 29 June 1971 concerning the Zonenrandgebiet:

'The Planning Committee is aware of the special situation in the Zonenrandgebiet and of the need for preferential treatment of this region under the Common Task. The Planning Committee makes allowance for this situation by providing, in the 'Rules' part of the Outline Plan, more extensive assistance possibilities and higher assistance preference ratings for the Zonenrandgebiet. The Federal Government assumes that the governments of the four Zonenrandgebiet Lands will ensure the adoption of the assistance measures necessary in the Zonenrandgebiet within the limits of the resources made available to them. The representatives of the Zonenrandgebiet Lands declare that they will ensure preferential treatment of the Zonenrandgebiet as regards assistance as in the period prior to the entry into force of the First Outline Plan'.

3.5. Regional economic assistance in accordance with the principles of the European Regional Development Fund (ERDF)

A quite basic principle of European regional policy is that of subsidiariness. This means that the resources of the Regional Fund are additional to national expenditure for regional policy purposes and are thus intended to supplement it. Observance of this principle is of decisive importance for the development of a European regional policy, since additional effectiveness in the reduction of regional disparities can be expected only if the Community resources are directed, in conjunction with the national resources, to the attainment of aims defined on a regional basis.

In order to make such regionalization possible, all Member States are required to produce regional development programmes.¹ The programmes must show

¹ The regional development programmes (regionale Entwicklungsprogramme) of the Federal Republic of Germany are territorially identical with the regional programmes (regionale Aktionsprogramme) of the Outline Plan; the only addition is the regional development plan for West Berlin.

what aims are to be achieved by what measures and what expenditure they will entail. The more operational the development programmes are, as a result of regular forward projection and concrete presentation, the easier it will be to assess the additional contributions to the reduction of regional imbalances.

European financing of regional development projects is divided into two sections (see Annex N). From the section limited by quotas there is available to Member States a fixed amount which is intended to supplement national financing of industrial and infrastructure projects. The non-quota-restricted part is to be reserved for specific Community measures. Corresponding programmes are to be decided upon by the Council on the recommendation of the Commission. These are intended to solve new regional problems arising, in particular, owing to sectoral adjustment processes or in connection with decisions of Community policy. If necessary, these funds may also be employed in regions other than assisted areas.

4. MEASURES AND RESOURCES

4.1. In accordance with Article 5 No 3 GRW the Outline Plan lists the measures in accordance with Article 1 (1) GRW separately by financial years and Lands, together with the funds to be provided in each case by the Federation and each Land in the next year and for the subsequent years of the planning period, for the fulfilment of the Common Task. Annex A presents a summary of the measures planned in the individual Lands from 1979 to 1982 and their financing.

Attainment of the job and investment targets laid down in the Eighth Outline Plan requires the expenditure, in the 1979-82 planning period, of about DM 1 550 000 million for each planning year. This is with the inclusion of the Investitionszulagen (investment aid) under the Investment Aid Law in the financing plans for the Common Task. There is a high degree of subdivision in the planning contained in the Outline Plan: the total funds are divided among the 20 Regional Development Programmes and, within these programmes, among seven groups of measures.

A flexible procedure seems to be required for the implementation of the Outline Plan because the activities and locations where the greatest amount of aid is required may change in the meantime, or even during the planning year. The Planning Committee made allowance for this requirement as early as 29 June 1971 in the following decision:

'The Planning Committee is of the opinion that there must be a certain flexibility, both sectorally and regionally, between the allocations of funds under the Regional Programmes of a Land. In 1972 the individual Lands should undertake the necessary replanning on their own responsibility. In the event of extraordinary deviations from the plan figures, the subcommittee should be consulted. If the funds are used for a purpose other than that contemplated in the Outline Plan, this must be compensated for in the subsequent years. This applies in particular to the regional distribution of the funds. Compensation is not necessary if it is found that the deviation from the plan figures is necessary owing to justified changes in the targets set.'

The Planning Committee renews this decision for 1979.

4.2. Within the framework of the special programme 'Infrastructure measures in key points of the Common Task and for tourism in tourist areas' (Part IV), which was included in the Sixth Outline Plan and for which Federal and Land funds totalling DM 500 million are allocated for the period 1977-80, assistance is given for measures which are also indirectly of appreciable benefit to those small and medium-sized firms which do not normally receive any share of the Common Task funds. In selecting projects, areas with high unemployment should be given priority.

The special programme, already contained in the Seventh Outline Plan, for the creation of replacement jobs in the areas particularly affected by the process of adjustment in the steel industry (Part V), for which a total of DM 200 million is allocated for the period 1978-81, is intended to make possible the creation of 17 300 new jobs outside the iron and steel industry in the area of the 'Saar-Western Palatinate' Regional Development Programme.

4.3. In 1979 the cash resources available for the Common Task amount to DM 808 million, divided as follows: DM 588 million as the normal appropriation, DM 150 million for the special programme 'Infrastructure measures in key points of the Common Task and for tourism in tourist areas' and DM 70 million for the special programme for the creation of replacement jobs in the areas particularly affected by the adjustment process in the steel industry. Out of the DM 588 million, DM 246 million go to the Zonenrandgebiet, DM 100 million to the 'Saar-Western Palatinate' regional development programme and DM 242 million to the other assisted areas. The Federation is contributing DM 404 million of the DM 808 million and the Lands are likewise providing DM 404 million.

The budgetary arrangements for the Federal contribution of DM 404 million are as follows: DM 215 million is required to cover the 1977 and 1978 commitment appropriation, entailing cash expenditure in 1979 (including DM 110 million for the two special programmes); this leaves DM 189 million. In addition, as the 1979 commitment appropriation, there is a sum of DM 210 million (DM 105 million falling due for payment in each of the years 1980 and 1981). On top of the Common Task budget funds, it is expected that about DM 930 million of Investitionszulagen (investment aid) will be granted in 1979.

The normal Common Task appropriation of DM 588 million is divided among the Lands as follows:

Land	Percentage share of Land %	Share of 1979 cash resources (DM million)
Schleswig-Holstein	14.86	87.4
Lower Saxony	20.38	119.8
Bremen	0.34	2.0
North Rhine-Westphalia	7.48	44.0
Hesse	7.96	46.8
Rhineland-Palatinate	7.82	46.0
Saar	14.29	84.0
Baden-Württemberg	4.08	24.0
Bavaria	22.79	134.0
TOTAL	100.00	588.0

Out of the cash resources of the normal appropriation for 1979, DM 210 million is required to cover the 1978 commitment appropriations. At the same time new commitment appropriations amounting to DM 210 million, payable in the 1980 budget year and, for the first time, commitment appropriations totalling DM 210 million payable in the next-but-one budget year¹ are available, so that the new amount available for planning in 1979, at DM 798 million, is DM 210 million larger than in the previous year. This amount and the Investitionszulagen (investment aid) are distributed among the Lands as follows:

(DM million)					
Land	CT funds (DM million)				1979 Investi- tions- zulagen ¹
	Total	of which from budget for			
		1979	1980	1981	
Schleswig-Holstein	118.4	53.4	34.0	31.0	88.30
Lower Saxony	162.8	71.8	48.0	43.0	221.20
Bremen	2.0	2.0	-	-	5.50
North Rhine-Westphalia	60.0	42.0	2.0	16.0	218.80
Hesse	63.8	28.8	18.0	17.0	57.70
Rhineland-Palatinate	62.0	28.0	18.0	16.0	69.50
Saar	114.0	50.0	34.0	30.0	51.00
Baden-Württemberg	33.0	20.0	4.0	9.0	24.50
Bavaria	182.0	82.0	52.0	48.0	193.50
TOTAL	798.0	378.0	210.0	210.0	930.00

¹ Land estimates based on the job targets set for the planning period.

The funds in 1979 from the Special Programme 'Infrastructure measures in key points of the Common Task and for tourism in tourist areas' are distributed among the Lands as follows:

Land	DM million
Schleswig-Holstein	22.3
Lower Saxony	30.6
Bremen	0.5
North Rhine-Westphalia	11.2
Hesse	12.0
Rhineland-Palatinate	11.7
Saar	21.4
Baden-Württemberg	6.1
Bavaria	34.2
TOTAL	150.0

¹ The additional commitment appropriations are not yet included in the financing part of the Regional Development Programmes.

The funds in 1979 from the special programme for the creation of replacement jobs in the areas particularly affected by the steel crisis are distributed between the two Lands concerned as follows:

Land	DM million
Saar	63.0
Rhineland-Palatinate	7.0
TOTAL	70.0

4.4. Guarantees are also given to industrial undertakings in order to improve the regional economic structure. For 1979 the Federal Government will underwrite half the losses incurred by Lands in respect of such guarantees, in accordance with separate guarantee declarations, within an overall guarantee ceiling of DM 400 million. Guarantees given within the Common Task may thus total up to DM 800 million, distributed among the Lands as follows:

Land	Guarantees given (DM million)
Schleswig-Holstein	90
Lower Saxony	250
Bremen	14
North Rhine-Westphalia	75
Hesse	76
Rhineland-Palatinate	70
Saar	100
Baden-Württemberg	35
Bavaria	90
TOTAL	800

Subject to certain geographical and technical conditions, loans at reduced rates of interest may be granted from ERP Special Funds to undertakings not receiving Investitionszulage (investment aid) and Common Task funds. Such loans may be made to commercial and handicraft undertakings, small industrial firms, restaurants and hotels in assisted areas. DM 400 million was available for this purpose in 1978; the programme will be continued with DM 545 million in 1979.

Furthermore, loans at reduced rates of interest may be granted from ERP Special Funds for the purpose of improving the residential and recreational attractiveness of key points of the Regional Development Programmes. DM 180 million was available for 1978; the programme will be continued with a further DM 180 million in 1979.

4.5. Measures and resources of the European Regional Development Fund

Applications for a contribution to financing are made to the European Regional Development Fund for two types of project:

- (i) investment in industrial, handicraft or service undertakings, provided that at least ten jobs are created or maintained;
- (ii) investment in infrastructures which contributes to the development of the area in question in a manner justified by the basic regional development programme.

The proportions in which the Community contributes to these types of investment differ. While the Fund can contribute up to 20% for industrial investment, it can refund, for infrastructure projects, up to 30% or up to 40% of the expenditure depending on the nature and volume of the investment. Assistance to infrastructure projects is limited to 70% of total aid from the Fund.

The share of the Federal Republic of Germany in the part of the Regional Fund subject to quota will be 6% up to 1980. To ensure the return flow of these funds, projects under the Common Task 'Improvement of Regional Economic Structure' and Berlin projects for the Regional Fund are submitted to Brussels for fixing of the amount to be repaid. Out of the repayments for the Federal Republic of Germany, 5% is allotted in advance to the Land Berlin. Out of the remaining 95%, the Federation and the other Lands each receive half. The Planning Committee of the Common Task 'Improvement of Regional Economic Structure' decided in 1975 that the distribution among the Lands should take place in accordance with the Common Task distribution scale. This prescribes the following percentage distribution of the funds:

- Berlin	5.0
- Schleswig-Holstein	14.1
- Lower Saxony	19.3
- Bremen	0.3
- North Rhine-Westphalia	7.1
- Hesse	7.6
- Rhineland-Palatinate	7.4
- Saar	13.6
- Baden-Württemberg	3.9
- Bavaria	21.7

Ensuring the return flow of the resources from the Regional Fund entails a great deal of administrative work and expense without producing any appreciable effects from the point of view of regional policy. The reason for this contradiction is that the resources available to the Federal Republic of Ger-

many cannot be divided among the regions at the beginning of a planning period because it is not yet known what will be the outcome of the Regional Fund's project-examination procedure. It would be more useful, from the point of view of a Community regional policy, to make the Community resources available at the beginning of the planning period and to place greater emphasis, with a view to ensuring proper use of the resources, on the examination of the applications for payment. But the basic conditions for this still have to be created.

5. DIVISION OF FUNCTIONS WITHIN THE COMMON TASK

In drawing up the Outline Plan, the Planning Committee continues to take as its basis the following division of tasks:

As can be seen from the summary given below, the Planning Committee set up by the Federation and the Lands has laid down a number of general principles for applications by the Lands for inclusion in the Outline Plan. The Lands submit their applications for the Outline Plan in implementation of these decisions of principle. Provided that these applications remain within the framework of the decisions of principle, they are not opposed by the Planning Committee. The Planning Committee will periodically re-examine the distribution of tasks between the Planning Committee and the Lands.

(a) Demarcation of assisted areas (Article 5 No 1 GRW).

The Planning Committee's tasks include:

- (i) establishing a uniform system of indicators;
- (ii) establishing an order of priority among the territorial units serving as the criterion for the choice of assisted areas (regional labour markets);
- (iii) fixing a threshold value;
- (iv) basically specifying the assisted areas and defining a discretionary margin of action available to the Lands for the detailed demarcation of these areas;
- (v) fixing the minimum size of assisted areas;
- (vi) laying down principles for the recognition of tourist areas (if considered necessary).

The tasks of the Lands include:

- (i) demarcation of assisted areas down to Gemeinde level;
- (ii) where necessary, extension of the discretionary margin for detailed demarcation of the assisted areas by the distinguishing of individual Gemeinden eligible for assistance on their own;
- (iii) naming of the areas in which assistance to tourism is possible;
- (iv) designation, description and physical demarcation of regional development programmes.

- (b) Concentration of assistance at territorial key points (Article 2 (2) sentence 3 GRW).

The Planning Committee's tasks include the following:

The Zonenrandgebiet is by law an assisted area. The Saar, which is not shown to be in need of assistance according to the present system of indicators, is until further notice by virtue of decisions of the Planning Committee, included among the assisted areas.

- (i) listing of principles for the selection of key points and localities attached to key points;
- (ii) fixing of the total number of key points and their numerical distribution among the Lands.

The tasks of the Lands include:

- (i) naming of the key points and localities attached thereto in accordance with the principles and guiding values laid down by the Planning Committee;
- (ii) physical demarcation of key points.

- (c) Statement of the targets to be achieved in the assisted areas (Article 5 No 2 GRW).

The tasks of the Planning Committee include:

- (i) statement of targets and principles for their regionalization;
- (ii) listing of targets for the promotion of industrial investment (e.g. creation and maintenance of jobs, raising of incomes) and for assistance to infrastructure closely connected with economic activity;
- (iii) development of methods for assessment of degree of success (target-attainment check and effectiveness check).

The tasks of the Lands include:

- (i) quantification and regional division of targets set;
- (ii) assessment of degree of success.

- (d) Listing of measures and resources, broken down by financial years and Lands (Article 5 No 3 GRW).

The tasks of the Planning Committee include:

- (i) fixing of a formula for the distribution of Federal resources among the Lands;
- (ii) naming of groups of measures eligible for assistance.

The tasks of the Lands include:

- division of financial requirements and financial resources among the Regional Development Programmes and, within these, among the groups of measures.

- (e) Nature and degree of and basic conditions governing assistance for the various measures (Article 5 (4) GRW).

The tasks of the Planning Committee include:

- (i) fixing of the nature of the assistance (e.g. 'Investitionszulage', investment grants and guarantees);
- (ii) fixing of maximum rates of assistance and principles for their functional and regional distribution;
- (iii) fixing of certain basic conditions of building-control planning for assistance for the construction of new undertakings at key points.

The tasks of the Lands include:

- (i) distribution of the maximum assistance rates in accordance with the principles laid down by the Planning Committee;
- (ii) if necessary, recognition of industrial and commercial areas in the key points where the building of new undertakings can be assisted.

6. COOPERATION WITH OTHER REGIONAL POLICIES

6.1. Side by side with regional structural policy, sectoral policies at the various political levels may produce effects which differ from region to region. The relations between these policy areas are not always free of contradictions. Sectoral economic policy may indeed bring about effects which run counter to the aims of regional structural policy. The Planning Committee of the Common Task 'Improvement of Regional Economic Structure' has therefore repeatedly emphasized the need for cooperation and coordination with the other policy areas affecting regions. To provide a basis for this, an expert report as to the consistency of agricultural, energy and transport policy with regional economic policy was commissioned. This opinion has now been presented. Its recommendations are being examined in detail and evaluated for the purpose of practical coordination. A basic finding of the opinion is that the creation of a common territorial frame of reference is an essential prerequisite for non-conflicting use of the various public aid resources. The basic unit of this common territorial frame of reference should, it is said, be the regional demarcation of the Common Task 'Improvement of Regional Economic Structure' based on the concept of the regional labour markets. This, it is said, applies particularly to agricultural structural policy (income threshold), as the regional labour markets most readily indicate what alternative incomes are obtainable and the extent of the loss of income resulting from remaining in agriculture.

6.2. A number of policies applying to special fields are of importance for the attainment of the aims of regional structural policy. The following summary of the present situation and possible prospects as regards cooperation is intended to give an indication of the significance of some of these policies for regional economies.

Transport policy

In the past it has been found possible, in working out the plan of requirements for Federal trunk roads, to give greater weight to considerations of regional policy, which ought to include, in addition to the need for jobs,

shortfalls with regard to income. In future the aim must also be to cause due attention to be paid to the concept of the regional labour markets. These represent functionally interwoven areas (commuter traffic) whose labour market centres are nodal points as regards traffic which require optimum transport facilities. Projects under consideration regarding transport facilities (including contemplated closures) should take account of the development aims of the assisted areas, including their key points.

Energy policy

Good energy supply in the assisted areas is of great importance for regional structural policy. Regional development at the key points may be impeded if the region does not possess an energy source capable of providing for the future. The natural gas sector is an example of such a bottleneck. The provision of aid for the building of natural gas pipelines is therefore to be started during 1979. This will have a favourable effect on the assisted areas of the Common Task 'Improvement of Regional Economic Structure'.

Agricultural policy

Agricultural policy and regional economic policy have ensured in the past that structural change has taken place without unreasonable hardship. Agricultural policy should also, under different general economic conditions in the future, support the change in the structure of agriculture and the necessary releasing of agricultural workers. Permanent jobs of corresponding quality must therefore be created in areas where the agricultural structure is changing.

In order further to improve the consistency of regional economic policy and agricultural policy, the measures taken in the field of agricultural structural policy should, in addition to taking into account agricultural target indicators, be guided by regional income and employment situations outside the agricultural sector.

Town-planning policy

A relatively high degree of parallel action between town-planning policy and regional structural policy has already been achieved within the Common Task assisted areas.

Firstly, regional policy facilitates urban improvement and development measures in that expansions and transfers of undertakings which are connected with such town-planning measures are eligible for assistance. Secondly, town-planning policy supplements the key-point principle by fairly purposefully directed use of financial aid for the promotion of urban improvement and development measures resulting in the key points receiving a more-than-proportional share of this assistance.

Within the framework of the programme for future investment, assistance will be given during the period 1977-80 for the relocation of undertakings in renewal areas under the Town-Planning Assistance Law in the field of the pro-

grammes of the Federal Minister for the Environment, Housing and Town-Planning for 'Improvement of living conditions in towns and local-authority areas'. A total of DM 200 million of Federal aid, which can be used together with Common Task resources, is available for this purpose.

Vocational training policy

Regional policy and vocational training policy reinforce the effect of each other's measures with regard to the creation of positions for trainees. In the context of investment in expansion, one newly created training position is regarded, from the point of view of assistance, as equivalent to two jobs. This gives investors an additional incentive to increase the number of available trainee positions in the assisted areas, and young people more opportunity for developing their careers in the places where they have grown up, thus making possible a further raising of the quality of jobs and the level of incomes in the assisted areas.

Policy with regard to research and technology

The question of how far aid funds available under this head can be combined with regional assistance resources should be examined, since there is a danger that investments capable of bearing fruit in the future may not be undertaken to an adequate extent in the assisted areas.

Environment policy

The aim pursued in coordination with environment policy should be to ensure that, to the greatest extent possible, continued attainability of the targets of the Common Task 'Improvement of Regional Economic Structure' should be reconciled with the equally important requirements of environment protection.

Location of public agencies

Although strictly speaking this is not a specific field of policy, the influence exerted in favour of the assisted areas in connection with the establishment, retention and relocation of public authorities, institutions and other agencies financed with public funds should be increased. Suitable measures, especially to improve residential and recreational amenities, must be taken where appropriate, in order to create the requisite conditions.

Town and country planning

Regional structural policy, coordinated with other special policies, makes an essential contribution to the attainment of the aims of town and country planning, with regard to the settlement structure. Thus the key points of the Common Task 'Improvement of Regional Economic Structure' - consisting mainly of principal and intermediate centres - fit into the network of central locations of country planning and enhance their functional effectiveness.

6.3. Special policies of the European Community also have effects on regional development. Depending on the field and the region in question, efforts should be made in future to make the influence of these policies more evident. A further possible step to be considered later would be to coordinate them more closely with the aims of regional structural policy.

Particular importance attaches in this connection to EEC agricultural policy, EEC trade policy and - insofar as it exists at this stage - EEC industrial policy, together with the provision of funds from the EAGGF, the European Social Fund, the European Investment Bank and under the ECSC Treaty.

7. EFFECTIVENESS CONTROL ('ERFOLGSKONTROLLE')

7.1. Looking at the seven years of the Common Task 'Improvement of Regional Economic Structure' as a whole, the assistance record for 1 January 1972 to 30 September 1978 shows that during this period assistance was given to investments with the aid of which, according to information from the assisted undertakings, a total of 551 200 new industrial jobs have been or will be created in the assisted areas. This necessitated the granting of public aid for industrial investment totalling about DM 67 000 million.

7.2. Further progress was made in the preparatory work for the introduction of a systematic effectiveness control based on a simple, clear procedure. Systematic effectiveness control consists of three parts: administrative checks, effectiveness analyses and target-attainment checks.

7.2.1. The purpose of administrative checks is to determine whether, in the operating units receiving assistance, the investments specified in the request have been carried out and the corresponding jobs created or maintained in terms both of quantity and quality. Administrative checks are carried out mainly by the administration, but they are also performed in the form of random checks by the audit offices. The new Law against Fraudulent Business Practices (Wirtschaftskriminalitätsgesetz) is useful in this connection in that it requires undertakings to report to the assistance agencies all facts of importance from the point of view of subsidies (e.g. changes in the stated investments and jobs). The existing checking practice appears to be suitable and adequate.

7.2.2. Effectiveness analyses are intended primarily to indicate whether the assistance instruments are as good as they could be. Starting points for effectiveness analysis are offered by some investigations of which the findings have been presented recently, or will be available in the near future. In particular, mention should be made of the following investigations:

- (a) A comparative investigation of regional assistance measures in the countries of the European Community. The investigation provides not only a comprehensive and up-to-date survey of regional assistance measures in the EEC countries, but also includes a comparative assessment of these measures. The political implications of this study will be carefully evaluated in the Common Task.
- (b) A comparative investigation of the deconcentration policies in the Member States of the EEC reaches the conclusion that the control policies hith-

erto pursued by other EEC countries are not transferable to the Federal Republic and that it is generally doubtful whether disincentives are an appropriate instrument for the achievement of regional policy aims in the Federal Republic, at least in the present overall economic situation.

- (c) An investigation of the effects of assistance measures in selected assisted areas comes to the conclusion that the situation has improved in those areas investigated as regards employment-rate and income-level targets. The indicators used to measure the qualification structure of the jobs do, however, reveal a certain deterioration. However, the question of suitable quality indicators still needs to be thoroughly discussed.
- (d) Important information about the success of regional structural policy in the past is expected to be provided by the experiment in industrial effectiveness control in the case of settlement projects. The results will probably be available at the beginning of 1979.
- (e) Lastly, a pilot study is at present being carried out to discover inhibiting factors impeding industrial settlement at certain key points. Initial results of this study, primarily based on surveys conducted among firms, will be available at the beginning of 1979.

Such investigations provide important information for the bodies which take decisions on regional structural policy and are reflected primarily in the adaptation of the rules for assistance.

7.2.3. Target-attainment checking is at present a matter of central concern in the preparatory work for the establishment of a system of effectiveness control in the field of regional structural policy. Target-attainment checking is to consist of a final check carried out at intervals of several years, supplemented by an annual intermediate check. The stage reached by the work on target-attainment checking can be summarized as follows:

- (i) Regarding the final check, which involves an examination of the demarcation of the assisted areas, it is agreed that the target criteria must also be the standards whereby the degree of success achieved is to be measured. With a view to the re-demarcation of the assisted areas scheduled for 1981, the system of indicators and evaluation employed for the demarcation of assisted areas is at present being re-examined. The deliberations in the Common Task bodies are now sufficiently far advanced for it to be possible for research contracts for the calculation of the indicators to be placed at the beginning of 1979. Final decisions concerning the methodological evaluation of the data material for the re-demarcation of the assisted areas are not to be expected before the end of 1980, particularly as the research institutions will not be able to submit the regionalized data until mid-1980.
- (ii) The annual intermediate check is to be based initially on the results of the request statistics, the aim being to obtain, with the aid of a suitable procedure, better basic planning information for the regionalized job targets of the Outline Plan. The programme for the carrying out in practice of such a procedure has not yet been completed. The ex-post comparison between the values aimed at and those actually achieved is presenting difficulties, mainly because in some cases considerable territorial changes have taken place in the past as a result of rearrangement of local authority areas. Efforts must also be made at a later stage to improve the intermediate check, as yet concerned only with

purely quantitative job targets, by the addition of qualitative aspects. The investigation results so far available with regard to these problems show clearly that the inclusion of qualitative labour market problems in the intermediate check is creating a number of further difficult problems. Lastly, a procedure must also be devised for establishing a systematic link between the intermediate and the final check.

7.2.4. The Planning Committee emphasized that advantage must be taken of the possibilities for increasing efficiency provided by the effectiveness control, especially as the experience gained in regional economic assistance should also be useful for other fields of subsidization. Despite the problems which exist, work on the effectiveness-control system must be energetically pursued with a view to further improvement and supplementing of the methods employed.

Part II

RULES CONCERNING THE CONDITIONS FOR AND NATURE AND EXTENT OF ASSISTANCE

1. GENERAL PRINCIPLES

1.1. Budget resources for the Common Task 'Improvement of Regional Economic Structure' (hereinafter referred to as CT funds) may be used only in the areas (assisted areas) specified in the Outline Plan with observance of the key-point principle.

1.2. CT funds may be used for investments particularly worthy of assistance from an economic point of view in industry (including the tourist industry), and for extending the infrastructure.

Industrial investment is particularly worthy of assistance when it has a primary impact on the economy. This is the case when the investment is of such a nature that, by creating additional sources of income it leads directly to an appreciable and lasting increase in the total income of the economic area in question. It may be assumed that this condition is fulfilled when the operating unit to be assisted produces mainly goods or services which by their nature are regularly sold outside the region.

1.3. The industrial investments which are to be assisted must create new permanent jobs or maintain existing permanent jobs in the areas in need of assistance. As far as possible these should be jobs of good quality which are likely to improve the income situation in the region, which help to diversify the unbalanced structure of the areas and/or which lead to an improvement in the structure of the working population.

1.4. Investments in infrastructure will be assisted only insofar as is necessary for the development of trade and industry.

1.5. CT funds are always complementary aid. Consequently they are to be provided only when all other public financing possibilities have been exhausted. In particular, it is assumed in connection with industrial investment projects that application will be made for the 'Investitionszulage' (investment aid) amounting to 8.75% of the cost of the investments (or 10% in the Zonenrandgebiet) in accordance with Article 1 of the Investment Aid Law (Investitionszulagengesetz). An appropriate contribution by the undertaking carrying out the project is assumed in all cases.

The expressly complementary character of these financial aids also precludes the financing with CT funds of activities which in any case are the responsibility of a special Federal or Land department (e.g. building of Federal and Land highways and waterways).

1.6. Only projects which can be started shortly after the granting of the funds applied for should be included in programmes.

1.7. CT funds will not be granted for projects which have been started before the request was made. The investment project is deemed to be started when construction work begins (first spade cut, hoarding erected) or when moveable goods are ordered. Ordering is regarded as the beginning of the investment only from the time after which the investor can no longer cancel the order without financial loss.

1.8. When the decision is taken concerning assistance to individual undertakings, account is to be taken of 'Investitionszulagen' (investment aid) and investment premiums, grants, credits and interest rebates which the undertaking has received in previous years.

1.9. Insofar as use is to be made of financial aid from CT funds, the Land Government concerned must check whether:

1.9.1. the measures for which assistance is to be given are in accordance with the plans and programmes of the Lands in question that have been drawn up in accordance with Article 5 (1) of the Town and Country Planning Law (Raumordnungsgesetz);

1.9.2. all projects concerning transport have been examined and approved from the technical and accounting points of view by the competent Land authorities;

1.9.3. all projects concerned with energy supply have been examined by the competent supervisory authority for energy;

1.9.4. in the case of all projects liable to lead to harmful emissions (primarily air and water pollution, noise) or the production of waste, measures have been taken to ensure the prevention or greatest possible limitation of the emissions or the proper disposal of waste on the putting into operation of

(a) the project directly assisted,

(b) any industrial undertakings which are established on industrial estates created with CT funds;

corresponding requirements apply with regard to existing emissions or waste in cases of basic rationalization;

1.9.5. all projects whereby new jobs are created or existing ones maintained have been agreed with the Land Labour Office;

1.9.6. for investments in construction, whether:

(a) they comply with the views concerning development expressed by the local authority (Gemeinde) or several neighbouring local authorities in the general building plans formulated in accordance with the Federal Building Law;

- (b) they are connected with urban improvement and development measures in accordance with the Town-Planning Assistance Law (StBauFG) and if so, whether they contribute to the attainment of the stated town-planning aims (Articles 2 and 38 (2), Articles 47 and 58 StBauFG);
- (c) they are in harmony with the results of the preliminary planning of the agricultural structure in accordance with the guidelines of the Federal Minister for Food, Agriculture and Forestry.

If the general building plans do not exist, the measures to be assisted must be in accordance with the principles of town and country planning (Article 2 of the Town and Country Planning Law) and with the requirements of orderly urban development (Article 1 (4) and (5) and Article 2 (2) of the Federal Building Law).

1.10. There is no legal entitlement to CT funds.

2. ASSISTANCE TO INDUSTRY

2.1. There are certain maximum rates for assistance to industry. They express the value of permissible public aid (subsidy) as a percentage of the total investment costs. The individual parts of the subsidy are counted according to their subsidy value.

2.1.1. Public aid generally consists of the 'Investitionszulage' (investment aid) and an investment grant from CT funds. The gap between the 'Investitionszulage' and the relevant maximum rate can be filled by a grant from CT funds. If an investment project is not eligible for 'Investitionszulage', the investment costs can be offset by a grant up to the amount of the relevant maximum assistance rate. The 'Investitionszulage' is always put at a subsidy value of 8.75% (or 10% in the Zonenrandgebiet) even if parts of the investment project (e.g. plots of land and goods of small value) are disregarded in the calculation of the 'Investitionszulage'. This does not apply to the purchase of used goods, for which an investment grant from CT funds is given instead of the 'Investitionszulage'. Investment grants are included at their nominal amount in the calculation of the subsidy value.

2.1.2. In the case of loans at reduced rates of interest, the interest advantage resulting from the difference between the real interest rate and an assumed standard interest rate of 7.5% is determined. The total of the interest advantages as a percentage of the total investment costs, discounted at 7.5%, is the subsidy value of the loan. The same principle applies to grants in the form of interest rebates.

2.1.3. In calculating what is to be set against the maximum rates, no account is taken of the 'Investitionszulage' according to Article 4b of the Investment Aid Law, environment protection aids,¹ social aids under the Employ-

¹ The aids in question are as follows:

In North Rhine/Westphalia: 'Guidelines for the granting of financial aids to assist measures for the prevention, elimination or reduction of air pol-
(cont. on next page)

ment Promotion Law (AFG),² town-planning assistance funds,³ conditionally repayable funds of the Federal Ministry for Telecommunications and Technology in connection with the erection of nuclear plants and aids for freight including capitalization of freight aids⁴ for the Zonenrandgebiet and East Bavaria.

(cont. of note 1 of the preceding page)

lution, noise and vibration' (Programme for the Promotion of Protection against Immissions - Joint Circular Order of the Minister for Labour, Health and Social Affairs, the Minister for Economic Affairs, Small and Medium-sized Enterprises and Transport and the Minister for Finance of 10 January 1974 (Sammlung des bereinigten Ministerialblattes für das Land Nordrhein-Westfalen 7129 - Collection of the abridged Ministerial Gazette of the Land of North Rhine/Westphalia 7129).

In Bavaria: Financing aids for environment protection measures, especially loans for industrial investment in the field of sewage purification and preservation of the purity of the air in accordance with the 'Guidelines for the implementation of the Bavarian appropriation programme for 1977/78 for investment by industry in the field of sewage purification and preservation of the purity of the air' (Amtsblatt des Bayerischen Staatsministeriums für Wirtschaft und Verkehr No 2 vom 10 Februar 1977 - Official Gazette of the Bavarian Minister of State for Economic Affairs and Transport No 2 of 10 February 1977), loans for measures for the preservation of the purity of the air, protection against noise and vibration and proper waste disposal in accordance with 'Guidelines for the implementation of the Bavarian loan programme for measures for preserving the purity of the air, giving protection against noise and vibration and ensuring proper waste disposal' (Amtsblatt des Bayerischen Staatsministeriums für Landesentwicklung und Umweltfragen No 3 vom 15 März 1974/No 8 - Official Gazette of the Bavarian Ministry of State for Land Development and Environment Matters - No 3 of 15 March 1974 - Staatsanzeiger - State Advertiser - 1974/No 8).

In Baden-Württemberg: Financial aids in accordance with the 'Guideline for the implementation of the structural development programme of 19 December 1967' (Staatsanzeiger für Baden-Württemberg - State Advertiser for Baden-Württemberg - No 102 of 23 December 1967), amended by the Notice of 16 April/6 May 1969 (State Advertiser for Baden-Württemberg No 39 of 17 May 1969) and Notice of 18 January 1978 (State Advertiser for Baden-Württemberg No 21 of 15 March 1978), in accordance with the 'Guidelines for loan programmes of the Landeskreditbank for assistance to small and medium-sized industrial and commercial undertakings and liberal professions pursued in the economy' of 24 April 1978 (State Advertiser for Baden-Württemberg No 55 of 12 July 1978) and in accordance with the 'Guidelines for the implementation of a special programme (of the Landeskreditbank) for the financing of environment protection measures for industrial and commercial undertakings of 11 April 1978 (State Advertiser for Baden-Württemberg No 32 of 22 April 1978).

ERP programme for assistance for sewage purification plants, ERP programme for assistance for plants for preserving the purity of the air, ERP programme for assistance for waste disposal plants, ERP programme for assistance for location-related investments, provided that they are business investments intended exclusively for the elimination or reduction of noise, vibration or odour (Federal Advertiser No 139 of 28 July 1976 in conjunction with Federal Advertiser No 18 of 27 January 1977).

(notes 2, 3 and 4 on page 40)

2.2. Common Task aids usually take the form of investment grants. The grants are made only for the part of the investment costs of an operating unit in a Gemeinde which, calculated for a period of three years, does not exceed DM 250 million. This restriction does not apply to the 'Investitionszulage' (investment aid). The assistance rates which can be calculated on this basis are maximum rates which take precedence over the maximum rates specified in 2.8.1. to 2.8.4. The 'Investitionszulage' is governed by Article 2 (2) No 6 of the Investment Aid Law in the version of 2 January 1979; according to this, such aid is not given for investment projects whose cost per permanent job created or maintained exceeds thirty times the average investment cost per assisted job in the areas in need of assistance during the preceding three calendar years. This provision is also applied to the granting of CT funds. The average rate per grant is at present DM 120 000.

2.3. The CT funds can be granted to undertakings in manufacturing industry, except for construction undertakings⁵ (hereinafter referred to as undertakings in manufacturing industry) and to tourist undertakings. Mail-order trading firms, import-export trading firms, head offices of banks, credit institutions and insurance companies, publishing houses and producers of software for data processing are regarded as being equivalent to undertakings in manufacturing industry.⁶ Manufacturing-industry and tourist-trade training centres are also regarded as equivalent to the corresponding undertakings.

2.4. The establishment or extension of an undertaking which is connected with the transfer of an undertaking from West Berlin may be assisted only when there is no danger of appreciable disadvantages for West Berlin.

2.5. Modified deficit guarantees may be granted by the Lands for investment projects which fulfil the basic conditions for assistance with CT funds. The Federation, by a separate declaration, will provide a guarantee of 50% for

² In particular the measures for creating jobs contained in Articles 91 et seq. of the Employment Promotion Law of 25 June 1969 (Federal Law Gazette I, p. 582), as last amended by the Law of 25 June 1975 further developing the legislation on medical services under health insurance (Krankenversicherungs-Weiterentwicklungsgesetz - KVWG) of 28 December 1976 (Federal Law Gazette I, p. 3871), and the measures for promoting the taking of employment in Arts 53 et seq. of the Employment Promotion Law.

³ These are compensation grants under the Town-Planning Assistance Law (StBauFG) used to finance new building and assistance funds under Art 44 of the same Law.

⁴ Guidelines of the Federal Minister of Economic Affairs of 30 December 1976 concerning measures (aids for freight and capitalization of freight aids) in the Zonenrandgebiet outside de Common Task (Federal Advertiser No 3 of 6 January 1977).

⁵ The sectors of the economy forming part of manufacturing industry are listed under Numbers 200 to 299 in the 1961 classification of economic sectors (published by the Federal Statistical Office).

⁶ Other undertakings in the tertiary sector which fulfil the basic conditions regarding a primary impact contained in Section 1.2, para 2, can also be assisted if the Sub-Committee has established the existence of the primary impact.

this purpose up to a maximum total amount of DM 2.5 million per individual case per year.

2.6. In giving these guarantees the Land authorities will observe the following principles:

2.6.1. The guarantees are given for loans to industrial and commercial undertakings for the purpose of financing the establishment, extension, conversion and basic rationalization of manufacturing and tourist undertakings. Other financing of projects to be assisted by guarantee aids must not be possible.

2.6.2. As a rule the guarantees are not to exceed 90% of the loans to be granted.

2.6.3. The period of the loans must not exceed 15 years.

2.6.4. As far as possible the guaranteed loans will be secured by mortgage on property. If this is not possible, provision of other reasonable securities should be demanded.

2.6.5. The interest charged on guaranteed loans must not be above the usual market rates.

2.6.6. Guarantees in respect of funds from Federal or Land budgets and the giving of guarantees in cases of company reconstruction are not permitted.

2.7. Specifically, aid will be provided for the following investment projects, it being borne in mind that they must create or maintain jobs likely to improve the income situation in the region:

2.7.1. Establishment of an undertaking in manufacturing industry. If relocation is involved, the corresponding special rules stated in Section 5 apply.

2.7.2. Extension of an existing productive undertaking in manufacturing industry, whereby an appropriate number of new jobs will be created. Appropriate is understood to mean either 50 new jobs or a rise of at least 15%.

The calculation should be based on the number of permanent jobs existing in the operating unit to be assisted at the time when the investment is started. If, at the start of the investment, the number of people employed in the operating unit is lower than the average for the preceding two years, the applicant must furnish proof that the decrease is due not to a temporary decline in employment but to the disappearance of permanent jobs owing to structural adjustments to basic market changes which are relevant to the undertaking.

The term extension is also deemed to cover cases where, in direct connection with an urban improvement and development measure under the Town-planning Assistance Law, for reasons of environment protection or owing to a lack of adequate plots of land, an operating unit is established, under the basic conditions stated in sentence 2, at a location other than the previous one within the same Gemeinde. Assistance may be given only for the cost of the extension effect (cf. 5.3.1). In the event of further extensions, the calculation of the number of additional jobs required should be based on the sum

of the permanent jobs existing in the original operating unit and in the new operating units in accordance with paragraph 2 at the time when the investment is started.

2.7.3. Establishment or extension of tourist undertakings in the tourist areas specified in the regional development programmes. Assistance is given to operating units which engage to a significant extent in the provision of accommodation, i.e. achieve at least 30% of their turnover with visitors accommodated. For extension, 2.7.2. applies mutatis mutandis; it can also be assisted if an appropriate number of additional beds are made available (an increase of at least 20% in the number of beds). In the case of camping sites where the spaces are predominantly used by tourist visitors, that is, are available to a constantly changing flow of visitors, the extension must increase the number of places usable for visitors by at least 20%.

2.7.4. Conversion or basic rationalization of undertakings in manufacturing industry and of tourist undertakings eligible for assistance under 2.7.3. In the case of tourist undertakings, investments for improving the quality of the facilities offered are regarded as equivalent to rationalization investment. The conversion or basic rationalization in question must be necessary in order to ensure the continued existence of the undertaking and maintain the existing permanent jobs in it. An investment is to be regarded as basic rationalization when it relates to an operating unit or an important part of an operating unit, appreciably increases the profitability of the operating unit and when the amount of the investment, related to one year, exceeds the average depreciation entitlement for the last three years (not including special depreciation allowances under Article 3 of the Zone Border Area Assistance Law), by at least 50%.

2.8. Common Fund resources may be granted in addition to the 'Investitionszulage' (investment aid) (8.75% or 10% in the Zonenrandgebiet) in connection with the establishment, extension, conversion or basic rationalization of undertakings in manufacturing industry and tourist undertakings. The following cases should be distinguished:

2.8.1. Establishment or extension of undertakings in manufacturing industry at key points

Aid from public funds must not exceed the following proportions of the investment cost:

A key points	
(priority key points in the Zonenrandgebiet	25%
B key points	
(priority key points outside the Zonenrandgebiet)	20%
C key points.	15%
E key points	
(key points in an extreme zone-border position)	25%

2.8.2. Establishment or extension of undertakings in manufacturing industry outside key points

2.8.2.1. Aid from public funds must not exceed 10% of the investment cost. In the Zonenrandgebiet and in the case of investments with a high structural impact, for which the main deciding factor is the branch of industry to which the investment project belongs, the assistance may, by way of exception, reduce the investment cost by up to 15%.

2.8.2.2. An investment grant may only be allocated for the establishment of undertakings in manufacturing industry outside key points if either:

- (a) after the investment has taken place, the operating unit provides predominantly permanent jobs for women - and in cases of extension the appropriate number of new permanent jobs (see 2.7.2.) must be intended mainly for women, or
- (b) the undertaking is tied to certain locations by its raw material requirements, or
- (c) the undertaking causes substantial nuisances or dangers (e.g. emissions, noise, vibration, radiation) in residential areas.

2.8.3.3. An investment grant can be given only for the extension of undertakings in manufacturing industry outside key points which have been established or acquired⁷ by the investor since 31 December 1976⁸ if one of the exceptional circumstances described in 2.8.2.2. exists, or if

- (a) the establishment or acquisition of the operating unit takes place in a Gemeinde which was a key point at that time, or
- (b) acquisition of the operating unit was eligible for assistance according to the basic conditions stated in Section 6.

2.8.3. Establishment or extension of tourist undertakings

Assistance from public funds may not as a rule reduce the total investment costs by more than 15%. In the case of investments for the establishment of tourist undertakings in the Zonenrandgebiet, the investment costs may exceptionally, if there is a strong structural effect, be reduced by up to 25%. In rural areas where tourism offers the population opportunities of supplementing its earnings, grants for the building of more bedrooms for tourists may be made provided it is certain that these rooms will in fact be made to serve the tourist trade on a lasting basis.

⁷ The Sub-Committee will ensure that the acquisition of an undertaking in manufacturing industry is regarded as falling within the scope of this rule only if it is to be considered as an evasion of the key point principle.

⁸ For the assisted areas (see Part VI) which were introduced for the first time in the Seventh Outline Plan the critical date is 31 December 1977.

2.8.4. Conversion or basic rationalization of undertakings in manufacturing industry or tourist undertakings

2.8.4.1. Assistance from public funds may not reduce the investment costs by more than 10%. Investment grants may be made up to 10% of the investment costs. The grant may be paid in the Zonenrandgebiet provided that it is repaid to the extent of the 'Investitionszulage' (investment aid) granted under the Investment Aid Law. Assistance to undertakings in manufacturing industry which were established or acquired⁷ after 31 December 1976 outside the key points of the Regional Development Programmes is permitted only in the exceptional cases specified in 2.8.2.2. and 2.8.2.3.

2.8.4.2. In the case of investments with a particularly strong structural effect, assistance may represent up to 15% of the investment, provided that the conditions stated in 2.7.4. are fulfilled.

3. ASSISTANCE FOR EXTENSION OF INFRASTRUCTURE

3.1. In so far as it is necessary for the development of industry, extension of the infrastructure may be assisted by investment grants. The following measures are eligible:

3.1.1. the creation of industrial sites in the key points specified in the Regional Development Programmes in accordance with the need for foreseeable industrial settlements and extensions, and outside these key points only in connection with concrete proposals for establishment and extension in so far as these are eligible for assistance under 2.8.2.;

3.1.2. the extension of communication links;

3.1.3. power and water supply lines and distribution systems;

3.1.4. plants for sewage and waste disposal or purification;

3.1.5. creation of sites for tourism and of public facilities for tourism within the tourist areas specified in the Regional Development Programmes;

3.1.6. the establishment or extension of training, further-training and re-training centres in so far as there is a direct link between the planned measures and the need for skilled labour in the industry of the region within the meaning of 2 above.

3.2. Preference will be given, in the granting of this assistance, to local authorities (Gemeinden) and associations of such local authorities carrying out these measures. Even if the carrying out of such measures is entrusted to third parties, the local authorities and associations of local authorities may receive grants in respect of the investment costs to be borne by them. Assistance will not be given for measures to be taken by the Federation or the Lands or by physical or legal persons working with a view to profit. The investment grants will be given only where an appropriate proportion of the cost is borne by the party undertaking the investment. The cost of purchase of sites and land will not be included in the amount eligible for assistance.

4. EXCEPTIONS FOR THE ZONENRANDGEBIET

In view of the special situation, due to political factors, the key-point principle may be departed from in the immediate vicinity of the Zone border in justified exceptional cases and assistance may be granted up to 25%. Departures from the rules for assistance for the extension of infrastructure are also possible in the Zonenrandgebiet; this applies in particular with regard to the extent of the investing party's own contribution and the question whether extension of the infrastructure is necessary for the development of industry and trade.

5. ASSISTANCE FOR RELOCATION OF UNDERTAKINGS

5.1. Assistance may as a rule be granted only at key points for the establishment of an operating unit in connection with the relocation of an undertaking, unless the undertakings in question are those described in 2.8.2.2. or the establishment is taking place in connection with the taking-over of an operating unit.

5.2. In the case of long-distance relocations (relocation of an undertaking where the greater part of the workforce has to be newly engaged) from non-assisted areas to assisted areas, assistance may be given up to the maximum assistance rate applying to the new location.

5.3. Long-distance relocations within the assisted areas and short-distance relocations (relocation of an undertaking where the greater part of the labour force continues to be employed) may be assisted up to the maximum assistance rate applying to the new location of an appropriate number of permanent new jobs is created (see 2.7.2. and Article 2 (2) No 4 of the Investment Aid Law). If the undertaking is transferred, within the assisted areas, from one Land to another, the assistance will be given in consultation with the Land which the undertaking is leaving. Assistance in excess of the maximum assistance rate for the previous location may be granted only in agreement with the Land which the undertaking is leaving.

5.3.1. Assistance may be given only in respect of the costs of the extension effect which can be determined either by comparing the number of permanent jobs in the previous undertaking with the number of permanent jobs in the new undertaking or by deducting the proceeds obtained or obtainable from the sale of the previous undertaking and an appropriate compensation amount (e.g. in accordance with the Federal Building Law or the Town-Planning Assistance Law) from the investment costs for the new undertaking.

5.3.2. Assistance is given either - if the basic legal conditions are fulfilled - in a lump sum by the granting of the 'Investitionszulage' (investment aid - 8.75%, or 10% in the Zonenrandgebiet) in accordance with Article 1 of the Investment Aid Law for the total investment costs entailed by the relocation or on the basis of the exact calculation of the investment costs eligible for assistance as described in 5.3.1., the full amount of the 'Investitionszulage' being set against the maximum assistance amount thus calculated.

5.4. Relocations which do not fulfil the above conditions with regard to jobs may be assisted if they represent a basic rationalization or are directly connected with an urban improvement or development measure in accordance with the Town-Planning Assistance Law. The assistance rate is governed by 2.8.4.; the investment costs eligible for assistance are to be calculated as laid down in 5.3.1.

6. ASSISTANCE FOR ACQUISITION OF UNDERTAKINGS

6.1. By way of exception the acquisition of an undertaking may be regarded as the establishment of a new undertaking if

6.1.1. in an undertaking in manufacturing industry or a tourist undertaking the activity hitherto carried out has been discontinued for longer than half a year and an undertaking purchases the business and starts a manufacturing or tourist activity in it. In such cases, if they occur at key points or in tourist areas, an investment grant may be made up to the upper limit permissible under the Outline Plan for establishment of a new undertaking. Outside key points an investment grant may be made up to the level permissible for new undertakings eligible for assistance outside key points;

6.1.2. an undertaking in manufacturing industry or a tourist undertaking, being threatened with closure, is acquired by another undertaking which takes over a substantial number of the employees and continues the manufacturing or tourist activity (or starts a new manufacturing or tourist activity in it). In such cases, if they occur at key points or in tourist areas, assistance may be given up to the level of the investment grant permissible for the establishment of a new undertaking. Outside key points an investment grant may be made up to the level permissible for an undertaking eligible for assistance outside key points. The absolute amount of the subsidy eligibility is determined by the proportion of the employees taken over.

6.2. If additional investments are carried out in the manufacturing or tourist undertaking acquired, assistance may be given in respect of the investment costs up to the maximum rates applying for investments in a newly established undertaking. Granting of the 'Investitionszulage' (investment aid) is governed by the Investment Aid Law in conjunction with the letter of the Federal Ministry of Finance of 5 May 1977 (Federal Taxation Gazette I, p 246).

7. FAILURE TO REACH JOB TARGETS

7.1. If it is found that the job targets stated by the applicant have not been reached, the question must be asked whether the jobs forecast were not in fact created or whether the vacancies were created but could not be filled. A distinction must thus be drawn between jobs and people employed in the undertaking. While it can be assumed that a certain number of people employed at least corresponds to a corresponding number of jobs, the number of jobs may, on the other hand, be greater than the number of people employed.

7.2. If it is found that the number of people employed in an operating unit has not reached the number of jobs forecast, this may be due to the following reasons:

1. The applicant has not in fact created the jobs.
2. He has created the jobs but has not been able to fill them because
 - (a) the labour market was exhausted,
 - (b) market conditions were not in accordance with his expectations.
3. He has in fact created the jobs, but other jobs elsewhere in the operating unit have disappeared.

7.3. In the case of undertakings operating in several shifts, the number of jobs will be fixed at the number of people employed in them.

7.4. In answering the question whether, although the number of people employed is insufficient, a sufficient number of jobs has been created, the calculation should, for instance, be based, if the jobs cannot be counted in a simple manner (number of machines, desks, nature of the assembly line, etc) on the average cost per job in the industry in question. The information supplied by the applicant should if necessary be supplemented by opinions from expert bodies.

7.5. If the applicant has created fewer jobs in the undertaking than forecast or, in the case mentioned in 7.2. No 3 above, the aim from the outset was not an extension but a conversion or basic rationalization, repayment of the whole or part of the assistance must be demanded if the average cost per job is more than thirty times the average rate, the conditions for extension have not been fulfilled, the criteria for conversion or basic rationalization have not been complied with or the permissible maximum rates have been exceeded.

7.6. If, in the case mentioned in 7.2. No 3, permanent jobs cease to exist owing to substantial structural adjustments, not foreseeable at the time when the investment was started, to basic market changes affecting the undertaking, repayment of assistance that has already been granted should not be demanded.

8. ASSISTANCE FOR PROVISION OF TRAINING PLACES

8.1. Assistance may be given for training places in the undertakings eligible for assistance according to 2.3. and in their training establishments (training workshops, training laboratories, training offices) in the same way as for jobs.

8.2. With regard to the basic conditions for investment in extensions (2.7.2.), a newly created training place may be regarded as equivalent to two jobs.

8.3. If no permanent training places are created, the rules for failure to meet job targets apply accordingly.

9. TRANSITIONAL RULES

9.1. If possibilities of assistance are created or improved, application must be made immediately for the new or additional aids thus permissible. They may be granted only for goods, parts of buildings, improvements and extensions acquired or produced after the change has taken effect. Section 1.7. is not to be applied to such applications.

9.2. If local authority areas (Gemeinden) or parts thereof lose their character as assisted areas or tourist areas, the previous development assistance may continue to be granted if:

- (a) application is made by 31 December of the year following the year in which the area in question is for the first time no longer an assisted area or a tourist area, and
- (b) the goods, parts of buildings, improvements and extensions acquired or produced in connection with such an investment project have been delivered or completed within a period of three years after the expiry of the period set for application under a.

9.3. The time of acquisition is the time of delivery. If the contract for the purchase of an item of goods includes its installation by the vendor, the item is deemed to have been delivered only on completion of the installation work. The time of production is the time of completion. An item of goods is deemed to be completed as soon as it can be used in accordance with its purpose.

Part III

REGIONAL DEVELOPMENT PROGRAMMES

1. REGIONAL DEVELOPMENT PROGRAMME 'SCHLESWIG-UNTERELBE' (SCHLESWIG-LOWER ELBE)

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Flensburg, Heide-Meldorf, Husum, Itzehoe, Niebüll, Schleswig; within the Hamburg labour market area the interlocking area of Glückstadt and the following Gemeinden¹ of Kreis Steinburg: Altenmoor, Hohenfelde, Horst (Holstein), Kiebitzreihe, Kollmar (part Klein-Kollmar), Neuendorf b. Elmshorn, Sommerland, Süderau and the Gemeinde of Helgoland in Kreis Pinneberg.

The programme area thus includes the kreisfreie Stadt of Flensburg, the Kreise of Dithmarschen, Nordfriesland, Schleswig-Flensburg, Steinburg and the Gemeinde of Helgoland in Kreis Pinneberg.

The kreisfreie Stadt of Flensburg and Kreis Schleswig-Flensburg fall within the Zonenrandgebiet.

(2) Programme area

The programme area as a whole belongs to the type defined in Article 1 (2) 1 of the Law of 6 October 1969 on the Common Task 'Improvement of regional econ-

¹

Explanation of German terms used:

Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

omic structure'. It is thus an area whose economic strength is 'appreciably below the Federal average'.

The geographical situation of the programme area from the point of view of communications, located as it is on the peninsula of Schleswig-Holstein and on the frontier with Denmark, is markedly peripheral. Furthermore, the North Sea/Baltic canal represents a considerable obstacle to the growth of long-distance traffic between the northern part of the programme area and the remainder of Land Schleswig-Holstein and the Federal territory. The part of the programme area which is in the Lower Elbe region offers the possibility of development of transport by sea (Brunsbüttel).

(3) Important structural data concerning the programme area

Population (31 December 1977)	688 768
Area (31 December 1977)	6 606 km ²
Population density.	104
Industrial occupation per 1 000 inhabitants (30 September 1976)	47
Gross domestic product (GDP) per head of population corrected by commuter balance (1974).	DM 13 360

B - Development targets for industry in the planning period

(1) Regional policy must be aimed at permanently countering the latent tendencies towards emigration from the programme area attributable to its economic weakness due to its structure and location.

It will be of decisive importance in the immediate future to bring about an appreciable increase in the number and quality of industrial jobs by means of more energetic regional and sectoral assistance measures. The industrial structure in some places in the programme area is still characterized by the dominance of industries with declining employment possibilities.¹

The extensive and in some places highly developed tourist trade in the programme area is capable of making a considerable contribution to raising the standard of living of the resident population and thus helping in the attainment of the aims pursued by the industrialization efforts, which can be achieved only gradually. For tourism on the North Sea coast, on the offshore islands and in the inlets, and also on the Baltic coast, the short season is admittedly a major disadvantage; but this is to be counteracted by increasing the attractiveness of these areas with measures designed to lengthen the tourist season.

¹ In the case of industries where structural adjustments to fundamental market changes are needed, assistance measures are to be directed more towards safeguarding jobs. This applies, above all, to the shipbuilding industry, for which CT grants of up to DM 10 million per annum are being held available under the two Schleswig-Holstein development programmes.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonenrand-gebiet'
(a) Creation of new jobs	8 400	1 200
(b) Maintenance of existing jobs in the production industries	8 400	2 000

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Flensburg (25%)	95 000	167 000
Schleswig (25%)	33 000	81 000
Brunsbüttel (20%)	12 000	31 000
Husum (20%)	25 000	50 000
<u>Key points</u>		
Bredstedt (15%)	4 000	23 000
Glückstadt (15%)	12 000	28 000
Heide (15%)	23 000	70 000
Itzehoe (15%)	36 000	95 000
Kappeln (15%)	4 000	25 000
Meldorf (15%)	7 000	25 000
Niebüll (15%)	7 000	46 000
Tönning (15%)	4 500	19 000

¹ Localities belonging to key points: To Flensburg: Harrislee and Jarplund-Weding (Ortsteil Weding); to Brunsbüttel: Büttel, Kudensee*, Land-Scheide and St. Margarethen; to Husum: Hattstedt* and Mildstedt; to Glückstadt: Herzhorn*; to Heide: Hemmingstedt and Weddingstedt; to Itzehoe: Dägeling*; to Niebüll: Leck.

* These localities are only comprised as far as their industrial areas are concerned.

(b) Tourist areas

- Kreisfreie Stadt Flensburg

- of Kreis Dithmarschen: Albersdorf, Arkebek, Barlt, Bergewöhrden, Brickeln, Buchholz, Büsum, Büsumer Deichhausen, Bunsöh, Burg, Busenwurth, Dellstedt, Delve, Dörpling, Eggstedt, Elpersbüttel, Friedrichsgabekoog, Friedrichskoog, Glüsing, Groven, Gutendorf, Hedwigenkoog, Hellschen-Heringsand-Unterschaar, Helse, Hennstedt, Hillgroven, Hochdonn, Hövede, Hollingstedt, Immenstedt, Kaiser-Wilhelm-Koog, Karolinenkoog, Kleve, Krempel, Kronprinzenkoog, Kuden, Lehe, Lunden, Marne, Marnerdeich, Meldorf, Norddeich, Nordermeldorf, Nordhastedt, Odderade, Oesterdeichstrich, Offenbüttel, Osterrade, Pahlen, Quickborn, Sankt Annen, Sankt Michaelisdonn, Sarzbüttel, Schafstedt, Schalkholz, Schrumm, Schwienuhlen, Süderdorf, Süderwöhrden, Tellingstedt (Ortsteil Tellingstedt), Tensbüttel-Röst, Tielenhemme, Trennewurth, Wallen, Warwerot, Welmbüttel, Wennbüttel, Wesselburen, Wesselburenkoog, Westenborstel, Westerdeichstrich, Wrohm.

- of Kreis Nordfriesland: Alkersum/Föhr, Almdorf, Augustenkoog, Aventoft, Bordelum, Borgsum/Föhr, Bredstedt, Breklum, Dagebüll, Drage, Dunsum/Föhr, Elisabeth-Sophien-Koog, Emmelsbüll-Horsbüll, Fresendolf, Friedrichstadt, Friedrich-Wilhelm-Lübke-Koog, Galmsbüll, Garding, Gröde, Grothausenkoog, Hattstedt, Hattstedtermarsch, Hörnum/Sylt, Hooge, Horstedt, Hude, Husum, Kampen/Sylt, Katharinenheerd, Kirchspiel Garding, Klanxbüll, Koldenbüttel, Kotzenbüll, Langeneß, Langenhorn, Leck, List/Sylt, Midlum/Föhr, Nebel/Amrum, Neukirchen, Nieblum/Föhr, Niebüll, Norddorf/Amrum, Norderfriedrichskoog, Nordstrand, Ockholm, Oevenum/Föhr, Oldenswort, Oldsum/Föhr, Osterhever, Pellworm, Poppenbüll, Ramstedt, Rantum/Sylt, Reußenköge, Risum-Lindholm, Rodenäs, Sankt Peter-Ording, Schobüll, Schwabstedt, Seeth, Simonsberg, Sönebüll, Stedesand (Ortsteil Störtebekerkoog), Struckum, Süderende/Föhr, Süderhöft, Südermarsch, Sylt-Ost, Tating, Tetenbüll, Tönning, Tumlaucher Koog, Uelvesbüll, Utersum/Föhr, Vollerwiek, Welt, Wenningstedt/Sylt, Westerhever, Westerland/Sylt, Wisch, Witsum/Föhr, Wittdün/Amrum, Witzwort, Wobbenbüll, Wrixum/Föhr, Wyk/Föhr.

- of Kreis Pinneberg: Helgoland

- of Kreis Schleswig-Flensburg: Ahneby, Arnis, Bergenhusen, Bollingstedt (Ortsteil Bollingstedt), Boren, Borgwedel, Brodesby, Busdorf, Dannewerk, Dörpstedt, Dollerup, Dollrothfeld, Eggebeck, Ekenis, Erfde, Esgrus, Fahrdorf, Gelting, Geltorf, Glücksburg, Goltorf, Grödersby, Grundhof, Harrislee, Havetoft, Hasselberg, Hollingstedt, Husby, Idstedt, Jübek (Ortsteil Jübek), Kappeln, Kiesby, Kronsgaard, Langballig, Langstedt, Maasholm, Meggerdorf, Meyn, Munkbrarup, Nieby, Niesgrau, Norderstapel, Nottfeld, Oeversee, Osterby, Pommerby, Quern, Rabel, Rabenholz, Rabenkirchen-Faulück, Ringsberg, Sankelmark (Ortsteil Munkwölstrup), Schaalby, Schafflund, Schleswig, Selk, Sieverstedt, Silberstedt, Sörup, Sollerup, Stangheck, Steinberg, Steinbergkirche, Steinfeld, Sterup, Stolk, Stoltebüll, Süderbrarup, Süderfahrenstedt, Süderstapel, Taarstedt, Tarp, Tielen, Treia, Ulsnis, Wallsbüll, Westerholz, Wohlde.

- of Kreis Steinburg: Aasbüttel, Aebtissinwisch, Agethorst, Bahrenfleth, Beidfleth, Besdorf, Blomesche Wildnis, Bokelrehm, Bokhorst, Borsfleth, Brokdorf, Engelbrechtsche Wildnis, Fitzbek, Glückstadt, Gribbohm, Hadenfeld, Hennstedt, Herzhorn, Holstenniendorf, Kellinghusen, Kollmar, Lockstedt, Mühlenbarbeck, Nienbüttel, Oeschebüttel, Poyenberg, Rade, Rosdorf, Sarlhusen, Siezbüttel, Silzen, Störkathen, Vaale, Wacken, Warringholz, Wewelsfleth, Wiedenborstel, Willenscharen.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	980.000	140.000	143.790	24.290	89.790	16.290	54.000	8.000
2. Protection of jobs by reconversion and rationalization of production industries	191.000	88.000	26.440	13.740	10.240	10.240	16.200	3.500
3. Measures for the tourist industry	64.000	16.000	10.080	2.860	6.080	1.860	4.000	1.000
TOTAL 1 to 3	1 235.000	244.000	180.310	40.890	106.110	28.390	74.200	12.500
Yearly average	308.750	61.000	45.077	10.222	26.527	7.097	18.550	3.125
4. Preparation of industrial areas	21.500	3.800	27.200	2.700	-	-	17.200	2.700
5. Amelioration of local (communal) infrastructures	3.410	-	2.050	-	-	-	2.050	-
6. Public equipment for tourism	48.000	4.000	24.000	2.000	-	-	24.000	2.000
7. Building and extending schools for training, further training and re-training	25.000	6.000	9.500	2.500	-	-	9.500	2.500
TOTAL 4 to 7	97.910	13.800	52.750	7.200	-	-	52.750	7.200
GRAND TOTAL 1 to 7	1 332.910	257.800	233.060	47.890	106.110	28.390	126.950	19.700
Yearly average	333.228	64.450	58.265	11.972	26.527	7.097	31.738	4.925

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	26.528	26.527	26.528	26.527	106.110
2. Common task funds	31.290	31.570	32.160	31.930	126.950
TOTAL	57.818	58.097	58.688	58.457	233.060
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	22.448	22.447	22.448	22.447	89.790
(b) Common task funds	13.200	13.200	13.600	14.000	54.000
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	2.560	2.560	2.560	2.560	10.240
(b) Common task funds	4.050	4.050	4.050	4.050	16.200
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.520	1.520	1.520	1.520	6.080
(b) Common task funds	1.000	1.000	1.000	1.000	4.000
4. Preparation of industrial areas	4.300	4.300	4.300	4.300	17.200
5. Amelioration of local (communal) infrastructures	0.240	0.520	0.710	0.580	2.050
6. Public equipment for tourism	6.000	6.000	6.000	6.000	24.000
7. Building and extending of schools for training, further training and re-training	2.500	2.500	2.500	2.000	9.500
TOTAL	57.818	58.097	58.688	58.457	233.060

2. REGIONAL DEVELOPMENT PROGRAMME 'HOLSTEIN'

A - Description of programme area

(1) Demarcation

The development programme area comprises the following labour market regions: Bad Segeberg-Bad Oldesloe, Kiel, Lübeck, Neumünster, Ostholstein, Rendsburg and, in the Hamburg labour market region, the interlocking areas of Mölln and Lauenburg and the remaining Gemeinden¹ of Kreise Segeberg, Stormarn and the Duchy of Lauenburg.

The programme area thus includes the kreisfreie Städte of Kiel, Lübeck, Neumünster and the Kreise Duchy of Lauenburg, Ostholstein, Plön, Rendsburg-Eckernförde, Segeberg and Stormarn.

All the kreisfreie Städte and Kreise fall within the Zonenrandgebiet.

(2) Programme area

The area covered by the 'Holstein' regional development programme belongs predominantly to the type of region defined in Article 1 (2) 1 of the Law of 6 October 1969 on the Common Task 'Improvement of regional economic structure'.

Other parts of the 'Holstein' programme area not only comply with the criteria of Art. 1 (2) 1 of the Common Task Law, but also with those of Art. 1 (2) 2. Thus, in the Kiel-Neumünster-Rendsburg area and in Lübeck there is a predominance of branches of industry in which a structural change due to rationalization and adjustment to demand has led to a substantial decline in employment.

Large parts of the programme area on the Baltic coast and on the frontier with the German Democratic Republic have peripheral characteristics.

(3) Important structural data concerning the programme area

- Population (31 December 1977)	1 642 760
- Area (31 December 1977)	8 428 km ²
- Population density.	195

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county, Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- Industrial occupation per 1 000 inhabitants (30 September 1976)	74
- GDP per head of population corrected by commuter balance (1974).	DM 14 090

B - Development targets for industry in the planning period

(1) Differences in structure and the resultant diversities in development in the various labour market regions create different requirements as regards industrial development policy in the various parts of the region:

- (a) In the labour regions and centres which are undergoing a structural change the predominant branches of industry need to be supplemented by others. This applies in particular to the labour market regions of Lübeck, Kiel, Rendsburg and Neumünster.
- (b) In addition, in view of the increasing pressure on industry to adjust to fundamental market changes, greater assistance is to be given for rationalization measures, technical innovation and conversion in order to safeguard the economically possible level of employment. This applies in particular to the shipbuilding industry, for which a combined amount of CT resources of up to DM 10 million per annum is being held available for conversion investments under the two Schleswig-Holstein development programmes.
- (c) In the areas of the Kreise Duchy of Lauenburg, Ostholstein, Plön and Rendsburg-Eckernförde, which are predominantly concerned with farming and tourism, industrial assistance is to be directed towards further development of small and medium-sized firms, while the relatively strong tendencies towards outward migration are to be counteracted by settlement of new industrial undertakings and extension of existing ones.
- (d) In the Schleswig-Holstein area around Hamburg the main aim of town and country planning and regional policy is, as before, to direct industrial development further inland.

A large proportion of the Schleswig-Holstein tourist trade is concentrated in a few districts of the programme area.

The opportunities for development offered by the tourist areas in the region are to be fully utilized by the establishment and extension of tourist facilities in accordance with requirements and by measures to improve the quality of the amenities, thereby prolonging the tourist season.

(2) Creation of new jobs and maintenance of existing ones

	Total	of which in the 'Zonenrandgebiet'
(a) Creation of new jobs	12 240	12 240
(b) Maintenance of existing jobs in the production industries	12 600	12 600

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Kiel (25%)	272 000	374 000
Neumünster (25%)	86 000	119 000
Oldenburg in Holstein. (25%)	9 000	28 000
Rendsburg. (25%)	35 000	108 000
<u>Key points</u>		
Bad Oldesloe (15%)	18 000	39 000
Bad Segeberg (15%)	13 000	52 000
Burg auf Fehmarn. (15%)	6 000	27 000
Eckernförde. (15%)	21 000	41 000
Eutin. (15%)	17 000	53 000
Geesthacht (15%)	23 000	31 000
Kaltenkirchen. (15%)	7 000	44 000
Lütjenburg (15%)	6 000	16 000
Neustadt in Holstein (15%)	15 000	33 000
Plön (15%)	11 000	21 000
Preetz (15%)	15 000	29 000
Schwarzenbek (15%)	9 000	24 000
<u>Key points in extreme zone border position</u>		
Lauenburg/Elbe (25%)	11 000	14 000
Lübeck (25%)	239 000	321 000
Mölln. (25%)	15 000	28 000

¹ Localities belonging to key points: To Kiel: Flintbek, Klausdorf, Kronshagen, Raisdorf (only commuting area of Kiel) and Schönkirchen; to Rendsburg: Borgstedt, Büdelsdorf, Fockbek*, Osterrönfeld*, Schacht-Audorf and Westerrönfeld; to Bad Oldesloe: Reinfeld; to Bad Segeberg: Wahlstedt; to Neumünster: Bordesholm and Wattenbek*; to Lübeck: Bad Schwartau and Ratekau.*

* These localities are only comprised as far as their industrial areas are concerned.

(b) Tourist areas

- Kreisfreie Stadt Kiel
- Kreisfreie Stadt Lübeck
- of Kreis Herzogtum Lauenburg: Albsfelde, Alt Mölln, Aumühle, Bäk, Bälau, Basedow, Behlendorf, Berkenthin, Besenthal, Breitenfelde, Bröthen, Brunsmark, Buchholz, Buchhorst, Büchen, Dahmker, Dalldorf, Einhaus, Fitzen, Fredeburg, Geesthacht, Giesendorf, Götting, Grambeck, Groß Disnack, Groß Grönau, Groß Sarau, Gudow, Gülsow, Güster, Hamfelde, Harmsfeld, Hollenbek, Hornbek, Horst, Juliusburg, Kasseburg, Kittlitz, Klein Pampau, Klein Zecher, Klempau, Köthel, Krüzen, Krukow, Krummesse, Kuddewörde, Kühsen, Kulpin, Langenlehsten, Lankau, Lanze, Lauenburg/Elbe, Lehmrade, Linau, Lüttau, Mechow, Mölln, Mühlenrade, Müssen, Mustin, Niendorf bei Berkenthin, Niendorf/Stecknitz, Nusse, Panten, Pogeez, Ratzeburg, Römnitz, Roseburg, Sachsenwald, Salem, Schmilau, Schnakenbek, Schönberg, Schulendorf, Schwarzenbek, Seedorf, Siebeneichen, Sterley, Tramm, Wangelau, Witzeze, Woltersdorf, Zethen.
- Kreis Ostholstein
- of Kreis Plön: Ascheberg, Barsbek, Behrensorf (Ostsee), Belau, Bendfeld, Blekendorf, Bösdorf, Brodersdorf, Dannau, Dersau, Dobersdorf, Dörnack, Fahren, Fargau-Pratjau, Fietbergen, Giekau, Grebin, Heikendorf, Helmstorf, Högsdorf, Höhdorf, Hohenfelde, Hohwacht (Ostsee), Kalübbe, Kirchnüchel, Klamp, Klausdorf, Kletkamp, Köhn, Krokau, Krummbek, Kühren, Laboe, Lammershagen, Lebrade, Lehmkuhlen, Löptin, Lütjenburg, Lutterbek, Martensrade, Mönkeberg, Mucheln, Nehnten, Panker, Passade, Plön, Pohnsdorf, Postfeld, Pralsdorf, Preetz, Probsteierhagen, Raisdorf, Rantzau, Rastorf, Rathjensdorf, Ruhwinkel, Schellhorn, Schlesen, Schönberg, Schönkirchen, Schwartbuck, Selent, Stakendorf, Stein, Stolpe, Stoltenberg, Tröndel, Wahlstorf, Wankendorf, Wenddorf, Wisch, Wittmoldt.
- of Kreis Rendsburg-Eckernförde: Achterwehr, Ahlefeld, Alt Duvenstedt, Altenhof, Arpsdorf, Ascheffel, Aukrug, Bargstall, Bargstedt, Barkelsby, Beldorf, Bendorf, Bistensee, Blumenthal, Bordesholm, Borgdorf-Seedorf, Borgstedt, Bornholt, Bovenau, Brammer, Bredenbek, Breiholz, Brekendorf, Brinjahe, Brodersby, Bünsdorf, Christiansholm, Dänischhagen, Dätgen, Damendorf, Damp, Dörphof, Eckernförde, Ehndorf, Eisendorf, Embühren, Emkendorf, Felde, Fleckeby, Friedrichsgraben, Friedrichsholm, Gammelby, Gettorf, Gnütz, Gokels, Goosefeld, Grauel Grevenkrug, Groß Vollstedt, Groß Wittensee, Güby, Haby, Hamdorf, Hamweddel, Hanerau-Hademarschen, Haßmoor, Heinkenborstel, Hohenwestedt, Holtsee, Holzbunge, Holzdorf, Hütten, Hummelfeld, Jahrsdorf, Jevenstedt (Ortsteil Nienkattbek), Karby, Klein Wittensee, Kosel, Langwedel, Loose, Luhnstedt, Meezen, Mielkendorf, Mörel, Molfsee, Neudorf-Bornstein, Neu Duvenstedt, Nienborstel, Nindorf, Noer, Oldenbüttel, Oldenhütten, Osdorf, Ostenfeld, Osterby, Owschlag, Prinzenmoor, Rade b. Hohenwestedt, Rade b. Rendsburg, Remmels, Rieseby, Rodenbek, Rumohr, Schierensee, Schwedeneck, Sehestedt, Sophienhamm, Stafstedt, Steinfeld, Strande, Tackesdorf, Tappendorf, Thaden, Thumbby, Waabs, Warder, Westensee, Windeby, Winnemark.
- of Kreis Segeberg: Bad Bramstedt, Bad Segeberg, Bark, Bebensee, Blunk, Boostedt, Bornhöved, Buchholz, Daldorf, Damsdorf, Fahrenkrug, Groß Gladebrügge, Groß Rönna, Hartenholm, Heidmühlen, Högersdorf, Hüttblek, Kisdorf, Klein Rönna, Krems II, Kükels, Latendorf, Leezen, Mözen, Negernbötzel, Nehms, Neversdorf, Rickling, Schackendorf, Schmalensee, Schwissel, Seedorf, Sievershütten, Stipsdorf, Stocksee, Tarbek, Tensfeld, Trappenkamp, Wahlstedt, Wensin, Winsen, Wittenborn.

- of Kreis Stormarn: Bad Oldesloe (less Ortsteil Sehmsdorf), Feldhorst, Grabau, Grande, Grönwohld, Großensee, Hamberge, Hamfelde, Heidekamp, Heilshopp, Hohenfelde, Hoisdorf (Ortsteil Heisdorf), Köthel, Lütjensee, Mönkhagen, Rausdorf, Rehhorst, Reinfeld, Travenbrück, Trittau, Witzhave, Zarpn (Ortsteil Zarpn).

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 420.000	1 420.000	252.050	252.050	165.250	165.250	86.800	86.800
2. Protection of jobs by reconversion and rationalization of production industries	636.800	636.800	105.900	105.900	74.100	74.100	31.800	31.800
3. Measures for the tourist industry	64.000	64.000	11.450	11.450	7.450	7.450	4.000	4.000
TOTAL 1 to 3	2 120.800	2 120.800	369.400	369.400	246.800	246.800	122.600	122.600
Yearly average	530.200	530.200	92.350	92.350	61.700	61.700	30.650	30.650
4. Preparation of industrial areas	44.700	44.700	26.800	26.800	-	-	26.800	26.800
5. Amelioration of local (communal) infrastructures	60.670	60.670	37.750	37.750	-	-	37.750	37.750
6. Public equipment for tourism	24.000	24.000	13.700	13.700	-	-	13.700	13.700
7. Building and extending schools for training, further training and re-training	60.000	60.000	21.800	21.800	-	-	21.800	21.800
TOTAL 4 to 7	189.370	189.370	100.050	100.050	-	-	100.050	100.050
GRAND TOTAL 1 to 7	2 310.170	2 310.170	469.450	469.450	246.800	246.800	222.650	222.650
Yearly average	577.543	577.543	117.362	117.362	61.700	61.700	55.663	55.663

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	61.700	61.700	61.700	61.700	246.800
2. Common task funds	56.110	55.830	55.240	55.470	222.650
TOTAL	117.810	117.530	116.940	117.170	469.450
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	41.313	41.312	41.313	41.312	165.250
(b) Common task funds	20.700	20.700	22.400	23.000	86.800
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	18.525	18.525	18.525	18.525	74.100
(b) Common task funds	7.950	7.950	7.950	7.950	31.800
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.862	1.863	1.862	1.863	7.450
(b) Common task funds	1.000	1.000	1.000	1.000	4.000
4. Preparation of industrial areas	6.700	6.700	6.700	6.700	26.800
5. Amelioration of local (communal) infrastructures	9.560	9.480	9.290	9.420	37.750
6. Public equipment for tourism	3.500	3.400	3.400	3.400	13.700
7. Building and extending of schools for training, further training and re-training	6.700	6.700	4.500	4.000	21.800
TOTAL	117.810	117.530	116.940	117.170	469.450

3. REGIONAL DEVELOPMENT PROGRAMME 'NIEDERSÄCHSISCHE NORDSEEKÜSTE' (LOWER SAXONY NORTH SEA COAST)

A - Description of programme area

(1) Demarcation

The programme area extends from the Elbe to the Ems and comprises mainly the following labour market areas: Cuxhaven, Bremerhaven-Stade-Bremervörde, Unterweser, Oldenburg, Ammerland-Cloppenburg, Wilhelmshaven and Emden-Leer.

Details of area:

Kreisfreie Städte¹

Emden, Oldenburg and Wilhelmshaven;

Landkreise

- Ammerland
- Aurich
- Cloppenburg
Gemeinden: Barßel, Bösel, Cloppenburg, Friesoythe, Garrel, Molbergen, Saterland;
- Cuxhaven
- Emsland
Gemeinden: Bockhorst, Breddenberg, Dersum, Dörpen, Esterwegen, Heede, Hilkenbrook, Kluse, Lehe, Lorup, Neubörger, Neulehe, Papenburg, Rhede, Surwold;
- Friesland
- Leer
- Oldenburg
Gemeinde Hude;
- Osterholz
Gemeinden: Axstedt, Hambergen, Holste, Lübberstedt, Osterholz-Scharmбек, Vollersode, Worpswede;
- Rotenburg
Gemeinden: Alfstedt, Basdahl, Breddorf, Bremervörde, Bülstadt, Ebersdorf, Gnarrenburg, Hepstedt, Hipstedt, Kirchtimke, Oerel, Tarmstedt, Westertimke, Zeven;
- Stade
Gemeinden: Balje, Burweg, Drochtersen, Düdenbüttel, Engelschoff, Estorf,

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

Freiburg, Großenwörden, Hammah, Heinbockel, Himmelpforten, Kranenburg, Krummendeich, Kutenholz, Oederquart, Oldendorf, Stade, Wischhafen;

- Wesermarsch

less Gemeinden Berne and Lemwerder.

- Part: Hamburg-Insel Neuwerk

The Hamburg-Insel Neuwerk part of the Free and Hanseatic City of Hamburg includes the islands of Neuwerk and Scharhöörn and the surrounding shore belt in accordance with the convention of 26 May/4 June 1961 signed between Hamburg and Lower Saxony. In view of its close link with the area of the 'Lower Saxony North Sea Coast' regional development programme, this district is included in the assisted area. It presents the possibility of creating an extensive industrial port area with very deep water. An application will be made for inclusion in the Outline Plan as soon as concrete planning has reached a sufficiently advanced stage.

(2) Programme area

The Landkreise, kreisfreie Städte and Gemeinden falling within the programme area have the following main problems:

- (a) in many parts of the area monostructure (e.g. Cuxhaven: fishing industry) impedes healthy economic development;
- (b) redundancies from agriculture;
- (c) a decline in the demand for labour in the peat and building industries;
- (d) the problems connected with the water supply and drainage in the programme area are extensive and costly;
- (e) unemployment levels in some sections of the labour market are above the Land average;
- (f) the building industry accounts for an excessive proportion of employed industrial labour in the Ostfriesland area.

(3) Important structural data concerning the programme area

- Population (30 June 1977)	1 404 284
- Area (30 June 1977)	10 746 km ²
- Population density (30 June 1977)	131
- Industrial occupation per 1 000 inhabitants (30 September 1976)	69
- GDP per head of population corrected by commuter balance 1974)	DM 12 000

B - Development targets for industry in the planning period

(1) The main aim in the 'Lower Saxony North Sea Coast' programme area is to increase the number of jobs in industry. In view of the high birth-rate and the further redundancies still to be expected in agriculture, the principal

way of improving the region's economic situation is by further settlement of industry. At the same time efforts should be made to improve the quality of existing jobs and to achieve greater diversification. The degree of seasonal employment in some places, coupled with extraordinarily high structural unemployment, needs to be further reduced. As in the past, measures are necessary to improve the conditions for further industrial development. In many places an industrial climate needs to be created in order to encourage the establishment of more small and medium-sized industrial firms in the area. The physical advantages of the coast with harbours capable of extension, and wide areas, some already cleared, available for industry, are favourable factors for development.

Tourism is of great economic importance to the coastal area. In some parts (for instance, the seven islands of East Friesland) it is the population's main source of earnings. Tourism is also, however, an important structural element in other parts of the programme area; the natural features and basic conditions for an increase in tourism are favourable in many parts. There is a need not only for greater publicity, coupled with conservation of beauty spots and improvement of access to them but also, as a basic prerequisite for tourism, for the establishment of new public tourist facilities and the extension of existing ones. Special attention should be paid to facilities capable of lengthening the present brief season in this area.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	25 000
(b) Maintenance of existing jobs in the production industries	5 000

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Aurich (Ostfriesland) (20%)	34 000	100 000
Cloppenburg (20%)	19 900	70 000
Cuxhaven (20%)	60 000	90 000
Emden (20%)	53 400	80 000

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Leer (Ostfriesland) (20%)	32 400	140 000
Papenburg (20%)	27 100	70 000
Wilhelmshaven (20%)	102 500	180 000
<u>Key points</u>		
Brake/Elsfleth (15%)	17 900	40 000
Bremervörde (15%)	17 600	40 000
Friesoythe (15%)	16 000	40 000
Hude (15%)	11 700	50 000
Norden (15%)	24 300	70 000
Nordenham (15%)	31 000	40 000
Oldenburg (Oldenburg) (15%)	134 600	210 000
Osterholz-Scharmbeck (15%)	22 800	40 000
Stade (15%)	42 000	90 000
Westerstede (15%)	16 900	30 000
Wittmund/Jever (15%)	31 200	80 000
Varel (15%)	24 300	50 000
Zeven (15%)	10 100	40 000

¹ Localities belonging to key points: To Leer (Ostfriesland): Moormerland (Ortsteil Neermoor); to Wilhelmshaven: Sande and Schortens (Ortsteil Roffhausen); to Papenburg: Dörpen; to Stade: Drochtersen (Ortsteile Assel and Drochtersen).

(b) Tourist areas

Kreisfreie Städte: Emden and Wilhelmshaven;

Landkreise

- Ammerland

- Aurich

- Cloppenburg

Gemeinden: Barßel, Bösel, Cloppenburg, Friesoythe, Garrel, Molbergen, Saterland;

- Cuxhaven

less Gemeinde Kirchwistedt;

- Emsland

Gemeinden: Bockhorst, Breddenberg, Dersum, Dörpen, Esterwegen, Heede, Hilkenbrook, Kluse, Lehe, Lorup, Neubörger, Neulehe, Papenburg, Surwold;

- Friesland

- Leer

less Gemeinden: Ostrhauderfehn, Rhaderfehn, Westoverledingen;

- Oldenburg

Gemeinde Hude;

- Osterholz

Gemeinden: Axstedt, Hambergen, Holste, Lübberstedt, Osterholz-Scharmbeck, Vollersode, Worpswede;

- Rotenburg

Gemeinden: Alfstedt, Breddorf, Bülstedt, Ebersdorf, Gnarrenburg, Hepstedt, Hipstedt, Kirchtimke, Tarmstedt, Westertimke;

- Stade

Gemeinden: Estorf, Freiburg;

- Wesermarsch

Gemeinden: Butjadingen, Jade, Nordenham, Stadland.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	3 000.0	-	325.1	-	262.6	-	62.5	-
2. Protection of jobs by reconversion and rationalization of production industries	100.0	-	6.7	-	-	-	6.7	-
3. Measures for the tourist industry	130.0	-	20.1	-	11.4	-	8.7	-
TOTAL 1 to 3	3 230.0	-	351.9	-	274.0	-	77.9	-
Yearly average	807.5	-	88.0	-	68.5	-	19.5	-
4. Preparation of industrial areas	31.0	-	11.4	-	-	-	11.4	-
5. Amelioration of local (communal) infrastructures	23.0	-	8.8	-	-	-	8.8	-
6. Public equipment for tourism	19.0	-	5.4	-	-	-	5.4	-
7. Building and extending schools for training, further training and re-training	4.0	-	1.2	-	-	-	1.2	-
TOTAL 4 to 7	77.0	-	26.8	-	-	-	26.8	-
GRAND TOTAL 1 to 7	3 307.0	-	378.7	-	274.0	-	104.7	-
Yearly average	826.8	-	94.7	-	68.5	-	26.2	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	68.5	68.5	68.5	68.5	274.0
2. Common task funds	26.2	26.2	26.2	26.1	104.7
TOTAL	94.7	94.7	94.7	94.6	378.7
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	65.7	65.6	65.7	65.6	262.6
(b) Common task funds	15.6	15.6	15.7	15.6	62.5
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	1.7	1.7	1.6	1.7	6.7
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	2.8	2.9	2.8	2.9	11.4
(b) Common task funds	2.2	2.2	2.2	2.1	8.7
4. Preparation of industrial areas	2.8	2.8	2.9	2.9	11.4
5. Amelioration of local (communal) infrastructures	2.2	2.2	2.2	2.2	8.8
6. Public equipment for tourism	1.4	1.4	1.3	1.3	5.4
7. Building and extending of schools for training, further training and re-training	0.3	0.3	0.3	0.3	1.2
TOTAL	94.7	94.7	94.7	94.6	339.5

BREMERHAVEN

A - Description of programme area

Owing to the commuting which takes place from the surrounding district, Bremerhaven plays the role of a main centre of the regional labour market of Bremerhaven/former Landkreis¹ of Wesermünde. The programme for the town of Bremerhaven (Land Bremen) is therefore included as a key point in the 'Lower Saxony North Sea Coast' Regional Development Programme. The responsibility of Land Bremen for carrying out development measures in Bremerhaven is not affected by this inclusion.

(1) Demarcation

The key point comprises the Stadtgemeinde (municipality) of Bremerhaven and the suburbs associated with it. Assistance to Bremerhaven would appear likely to promote economic development in the neighbouring areas in need of assistance.

(2) Important structural data

- Area	79.61 km ²
- Population (1 February 1978)	140 360
- Population density (1 February 1978)	1 763
- Industrial occupation per 1 000 inhabitants (April 1978) .	98
- GDP per head of population corrected by commuter balance (1974)	DM 14 580

B - Development targets for industry in the planning period

(1) Explanatory note concerning development aid for industry. The unbalanced labour market and economic structure of Bremerhaven is to be improved by selective action for the creation of additional skilled industrial jobs. Bremerhaven and the neighbouring district of Luneplate² offer, in addition to the general advantages of the North Sea coastal area, a number of further favourable factors as a location for large-scale industrial settlement.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

² The key point Bremerhaven thus includes as an attached locality, in addition to Gemeinde Langen, the Gemeinde of Loxstedt (Luneplate).

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	2 200
(b) Maintenance of existing jobs in the production industries	1 200

(3) Financial assistance

Investment costs for establishment and extension in Bremerhaven can be approved for a 20% contribution from public funds.

BREMEN

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ^a	Common task funds	of which in 'ZRG' ^a
1. Creation of new jobs by establishing and extending production industries	264.000	-	28.600	-	22.100	-	6.500	-
2. Protection of jobs by reconversion and rationalization of production industries	(24.000)	-	(2.400)	-	-	-	(Land re-sources)	-
3. Measures for the tourist industry	-	-	-	-	-	-	-	-
TOTAL 1 to 3	264.000	-	28.600	-	22.100	-	6.500	-
Yearly average	66.000	-	7.150	-	5.525	-	1.625	-
4. Preparation of industrial areas	7.500	-	6.000	-	-	-	1.500	-
5. Amelioration of local (communal) infrastructures	-	-	-	-	-	-	-	-
6. Public equipment for tourism	-	-	-	-	-	-	-	-
7. Building and extending schools for training, further training and re-training	-	-	-	-	-	-	-	-
TOTAL 4 to 7	7.500	-	6.000	-	-	-	1.500	-
GRAND TOTAL 1 to 7	271.500	-	34.600	-	22.100	-	8.000	^b
Yearly average	67.875	-	8.650	-	5.525	-	2.000	-

^a 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

^b Rest from resources of the town of Bremerhaven.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	5.525	5.525	5.525	5.525	22.100
2. Common task funds	2.000	2.000	2.000	2.000	8.000
TOTAL	7.525	7.525	7.525	7.525	30.100
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	5.525	5.525	5.525	5.525	22.100
(b) Common task funds	1.625	1.625	1.625	1.625	6.500
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)				(Land resources)	
(b) Common task funds					
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)					
(b) Common task funds					
4. Preparation of industrial areas	0.375	0.375	0.375	0.375	1.500
5. Amelioration of local (communal) infrastructures					
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	7.525	7.525	7.525	7.525	30.100

4. REGIONAL DEVELOPMENT PROGRAMME 'EMS-MITTELWESER'

A - Description of programme area

(1) Demarcation

The programme area extends from southern Emsland to the hilly region along the Weser and consists mainly of the labour market areas Nienburg-Schaumburg, Vechta-Diepholz, Osnabrück, Lingen-Nordhorn and Meppen.

Details of area:

Kreisfreie Stadt: Osnabrück

Landkreise

- Cloppenburg

Gemeinde Lönningen;

- Diepholz

Gemeinden: Barenburg, Brockum, Diepholz, Freistatt, Hude, Kirchdorf, Lembruch, Lemförder, Marl, Quernheim, Stemshorn, Sulingen, Varrel, Wagenfeld, Wehrbleck;

- Emsland

less Gemeinden: Bockhorst, Breddenberg, Dersum, Dörpen, Esterwegen, Heede, Hilkenbrook, Kluse, Lehe, Lorup, Neubörger, Neulehe, Papenburg, Rhede, Surwold;

- Grafschaft Bentheim

- Nienburg

Gemeinden: Binnen, Leese, Liebenau, Nienburg, Pennigsehl, Rehburg-Loccum, Steyerberg, Stolzenau;

- Oldenburg

Gemeinde Wildeshausen;

- Osnabrück

less Gemeinden: Bad Iburg, Bad Rothenfelde, Belm, Bissendorf, Dissen, Hagen, Hasbergen, Hilter, Laer, Melle;

- Schaumburg

the towns of: Bückeburg, Obernkirchen, Rinteln, Stadthagen and the Samtgemeinden (combined local authorities) Eilsen, Niedernwöhren and Nienstedt;

- Vechta

less Gemeinde Bakum.

(2) Programme area

The Landkreise,¹ kreisfreie Städte and Gemeinden which fall within the programme area have the following main problems:

- (a) in many parts of the area monostructure (e.g. Emsland: textile industry) impedes healthy economic development;
- (b) redundancies in agriculture;
- (c) decline in the demand for labour in the textile, clothing, mineral oil, peat and building industries;
- (d) in the longer run additional jobs will also be necessary in view of the relatively high birth-rate in parts of this area;
- (e) unemployment levels in some sections of the labour market are above the Land average.

(3) Important structural data concerning the programme area

- Population (30 June 1977)	944 132
- Area (30 June 1977)	7 217 km ²
- Population density (30 June 1977)	131
- Industrial occupation per 1 000 inhabitants (30 September 1976)	104
- GDP per head of population corrected by commuter balance (1974).	DM 14 100

B - Development targets for industry in the planning period

(1) In the 'Ems-Mittelweser' programme area there is a need not only for creation of additional jobs by the settlement of new firms but also, in particular, for increasing the diversity of industry which is inadequate in some places. This does not apply solely to the southern part of Emsland, where textile and clothing firms dominate the structure to an excessive extent. Not only does the industrial basis need to be enlarged, but the quality of the jobs available must be improved. The labour required to meet the long-term increase in employment capacities will become available not only through redundancies in agriculture but also owing to high birth rates. The lack of non-agricultural jobs is also reflected in the high degree of long-distance commuting. The key points in the programme area offer favourable conditions for positive regional economic development.

Tourism is of great structural importance in some parts of the programme area. The countryside and the basic conditions for expansion of tourism are favour-

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

able in large sections of the programme area. In order to preserve the many scenic beauties and thus promote tourism and recreation, large sections of the area are protected by conservation regulations or designated as nature parks. In addition to the need for greater publicity, preservation and opening-up of beauty spots, a basic prerequisite for the tourist trade is the establishment of new public tourist facilities and the extension of existing ones.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	10 000
(b) Maintenance of existing jobs in the production industries	5 000

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Lingen (Ems) (20%)	43 800	80 000
Nordhorn (20%)	49 300	110 000
<u>Key points</u>		
Bentheim-Schüttorf (15%)	22 900	60 000
Bramsche (15%)	24 000	80 000
Diepholz (15%)	14 000	50 000
Meppen (15%)	27 500	90 000
Nienburg (Weser) (15%)	31 000	110 000
Osnabrück/Georgsmarienhütte. . . . (15%)	190 400	320 000
Quakenbrück. (15%)	10 000	40 000
Rinteln/Bückeburg. (15%)	46 700	60 000
Stadthagen (15%)	22 600	80 000

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Sulingen (15%)	11 600	40 000
Vechta/Lohne (15%)	39 900	70 000
Wildeshausen (15%)	12 400	30 000

¹ Localities belonging to key points: To Nienburg (Weser): Liebenau/Steierberg; to Quakenbrück: Badbergen of Samtgemeinde Artland.

(b) Tourist areas

Landkreise

- Diepholz
Gemeinden: Brockum, Diepholz, Hude, Kirchdorf, Lembruch, Lemförde, Marl, Quernheim, Stemshorn, Wagenfeld;
- Emsland
less Gemeinden: Bockhorst, Breddenberg, Dersum, Dörpen, Esterwegen, Heede, Hilkenbrook, Kluse, Lehe, Lorup, Meppen Neubörger, Neulehe, Niederlangen, Oberlangen, Renkenberge, Rhede, Surwold, Sustrum, Twist, Samtgemeinde Herzlake;
- Grafschaft Bentheim;
- Nienburg
Gemeinden: Nienburg, Rehburg-Loccum;
- Oldenburg
Gemeinde Wildeshausen;
- Osnabrück
Gemeinden: Alfhausen, Ankum, Bad Essen, Berge, Bersenbrück, Bippen, Bohmte, Bramsche, Eggermühlen, Fürstenau, Gehrde, Kettenkamp, Merzen, Neuenkirchen, Ostercappeln, Quakenbrück, Rieste, Voltlage;
- Schaumburg
towns of Bückeburg, Obernkirchen, Rinteln, Stadthagen, Gemeinde Wiedensahl and Samtgemeinde Eilsen;
- Vechta
less Gemeinden Bakum and Dinklage.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 200.0	-	130.0	-	105.0	-	25.0	-
2. Protection of jobs by reconversion and rationalization of production industries	100.0	-	6.7	-	-	-	6.7	-
3. Measures for the tourist industry	75.0	-	11.5	-	6.5	-	5.0	-
TOTAL 1 to 3	1 375.0	-	148.2	-	111.5	-	36.7	-
Yearly average	343.8	-	37.0	-	27.9	-	9.2	-
4. Preparation of industrial areas	27.0	-	10.2	-	-	-	10.2	-
5. Amelioration of local (communal) infrastructures	14.0	-	5.0	-	-	-	5.0	-
6. Public equipment for tourism	13.0	-	3.7	-	-	-	3.7	-
7. Building and extending schools for training, further training and re-training	4.0	-	1.2	-	-	-	1.2	-
TOTAL 4 to 7	58.0	-	20.1	-	-	-	20.1	-
GRAND TOTAL 1 to 7	1 433.0	-	168.3	-	111.5	-	56.8	-
Yearly average	358.3	-	42.1	-	27.9	-	14.2	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	27.9	27.9	27.9	27.8	111.5
2. Common task funds	14.2	14.2	14.2	14.2	56.8
TOTAL	42.1	42.1	42.1	42.0	168.3
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	26.3	26.2	26.3	26.2	105.0
(b) Common task funds	6.3	6.3	6.2	6.2	25.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	1.7	1.6	1.7	1.7	6.7
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.6	1.7	1.6	1.6	6.5
(b) Common task funds	1.2	1.2	1.3	1.3	5.0
4. Preparation of industrial areas	2.6	2.6	2.5	2.5	10.2
5. Amelioration of local (communal) infrastructures	1.2	1.2	1.3	1.3	5.0
6. Public equipment for tourism	0.9	1.0	0.9	0.9	3.7
7. Building and extending of schools for training, further training and re-training	0.3	0.3	0.3	0.3	1.2
TOTAL	42.1	42.1	42.1	42.0	168.3

5. REGIONAL DEVELOPMENT PROGRAMME 'HEIDE-ELBUFER'

A - Description of programme area

(1) Demarcation

The programme area extends from the Aller to the Elbe and consists mainly of the following labour market regions: Fallingbostal, Rottenburg, Soltau, Uelzen, Lüneburg, Lüchow-Dannenberg, Wolfsburg and Helmstedt.

Details of area:

Kreisfreie Stadt Wolfsburg

Landkreise

- Celle
less Gemeinden: Bergen, Bröckel, Eicklingen, Faßberg ohne Ortsteil Müden, Langlingen, Lohheide, Wienhausen, Winsen;
- Gifhorn
less Gemeinden: Adenbüttel, Rötgesbüttel, Meine, Schwülper, Vordorf;
- Harburg
Gemeinden: Tespe, Undeloh and Obermarschacht part of Gemeinde Marschacht;
- Helmstedt
- Lüchow-Dannenberg
- Lüneburg
less Gemeinden: Handorf, Radbruch, Soderstorf;
- Rotenburg
Gemeinden: Bothel, Brockel, Hemsbünde, Hemslingen, Kirchwalsede, Rotenburg, Scheeßel, Visselhövede, Westerwalsede;
- Soltau-Fallingbostal
Gemeinden: Bomlitz, Fallingbostal, Häuslingen, Neuenkirchen, Rethem, Schneverdingen, Soltau, Walsrode, Wietzenhof and Lopau part of Gemeinde Munster;
- Uelzen
- Verden
Gemeinden Kirchlinteln and Verden.

(2) Programme area

The Landkreise,¹ kreisfreie Städte and Gemeinden which fall within the programme area have the following basic problems:

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- (a) in many areas action must be taken to counter the potential threat to healthy economic development presented by monostructure (e.g. Wolfsburg: motor industry; Helmstedt: lignite);
- (b) there are redundancies in agriculture;
- (c) unemployment levels in some labour market areas are above the Land average;
- (d) labour requirements are declining in, for instance, the building sector;
- (e) in Kreis Lüchow-Dannenberg (42 inhabitants per km²) a further population decline needs to be countered.

(3) Important structural data concerning the programme area

- Population (30 June 1977)	904 511
- Area (30 June 1977)	8 917 km ²
- Population density (30 June 1977)	101
- Industrial occupation per 1 000 inhabitants (30 September 1976)	116
- GDP per head of population corrected by commuter balance (1974).	DM 13 000

B - Development targets for industry in the planning period

(1) Industries and manufacturing activities must be promoted in the 'Heide-Elbufer' area in order to prevent outward migration and remedy job shortages. Industrial bases need not only to be enlarged but also diversified. The industrial sector is largely dominated by the motor industry. The area's extraordinary degree of dependence on this one branch of industry presents considerable dangers. On top of this there are the long-standing sectoral problems, mainly in lignite mining. The decline in agricultural employment, especially in the north-eastern part of the programme area, calls for increased settlement of industry, to which the Elbe-Seiten canal can give a considerable stimulus.

Tourism is of great structural importance in the moorland districts of this area, in the picturesque countryside of the Drawehn and in the Elbe hill country of Kreis Lüchow-Dannenberg. The natural prerequisites and basic elements for stepping-up tourist activity are favourable in many districts of the programme area. Adaptation of the supply of amenities for tourists to demand in the traditional tourist areas is just as urgently necessary as are the establishment and extension of tourist activities in other areas, particularly in the vicinity of the zone frontier. There is a need not only for greater publicity and conservation of beauty spots, together with improvement of access to them, but also - an essential requirement - for the establishment of new public tourist facilities and the extension of existing ones.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonen- randgebiet'
(a) Creation of new jobs	10 000	6 000
(b) Maintenance of existing jobs in the production industries	10 000	8 800

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Gifhorn (25%)	32 000	70 000
Lüneburg (25%)	63 600	130 000
Uelzen (25%)	37 400	100 000
<u>Key points</u>		
Celle. (15%)	74 100	170 000
Rotenburg (Wümme). (15%)	19 100	70 000
Soltau (15%)	19 800	50 000
Verden (15%)	24 200	60 000
Walsrode (15%)	23 200	70 000
Wolfsburg. (15%)	126 511	160 000
<u>Key points in extreme zone border position</u>		
Dannenberg (Elbe). (25%)	8 000	60 000
Helmstedt. (25%)	27 600	90 000
Lüchow (25%)	9 300	60 000
Schöningen (25%)	16 000	40 000
Wittingen. (25%)	12 100	30 000

¹ Locality belonging to key point Schöningen: Büddenstedt.

(b) Tourist areas

Kreisfreie Stadt Wolfsburg only Stadtteil Fallersleben

Landkreise

- Celle
Gemeinden: Celle, Eschede, Ortsteil Müden der Gemeinde Faßberg, Hambühren, Hermannsburg, Unterlüß, Wietze;
- Gifhorn
less Gemeinden: Adenbüttel, Meine, Rötgesbüttel, Schwülper, Ummern, Vordorf;
- Harburg
Gemeinden: Tespe, Undeloh;
- Helmstedt
- Lüchow-Dannenberg
- Lüneburg
less Gemeinden: Handorf, Radbruch, Sodersdorf;
- Rotenburg
Gemeinden: Bothel, Brockel, Hemsbünde, Hemslingen, Kirchwalsede, Rotenburg, Scheeßel, Visselhövede, Westerwalsede;
- Soltau-Fallingb.otel
Gemeinden: Fallingb.otel, Häuslingen, Neuenkirchen, Soltau, Schneverdingen, Rethem (Aller), Walsrode, Wietzendorf;
- Uelzen
- Verden
Gemeinden Kirchlinteln and Verden.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 200.0	720.0	138.8	86.8	113.8	71.8	25.0	15.0
2. Protection of jobs by reconversion and rationalization of production industries	200.0	176.0	23.6	22.0	17.6	17.6	6.0	4.4
3. Measures for the tourist industry	80.0	70.0	13.1	11.6	7.8	6.9	5.3	4.7
TOTAL 1 to 3	1 480.0	966.0	175.5	120.4	139.2	96.3	36.3	24.1
Yearly average	370.0	241.5	43.9	30.1	34.8	24.1	9.1	6.0
4. Preparation of industrial areas	78.0	74.0	45.8	44.2	-	-	45.8	44.2
5. Amelioration of local (communal) infrastructures	44.0	42.0	26.0	25.2	-	-	26.0	25.2
6. Public equipment for tourism	31.0	29.0	17.2	16.6	-	-	17.2	16.6
7. Building and extending schools for training, further training and re-training	17.0	16.0	8.8	8.5	-	-	8.8	8.5
TOTAL 4 to 7	170.0	161.0	97.8	94.5	-	-	97.8	94.5
GRAND TOTAL 1 to 7	1 650.0	1 127.0	273.3	214.9	139.2	96.3	134.1	118.6
Yearly average	412.5	281.8	68.3	53.7	34.8	24.1	33.5	29.6

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	34.8	34.8	34.8	34.8	139.2
2. Common task funds	33.5	33.5	33.5	33.6	134.1
TOTAL	68.3	68.3	68.3	68.4	273.3
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	28.4	28.5	28.4	28.5	113.8
(b) Common task funds	6.3	6.3	6.3	6.1	25.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	4.4	4.4	4.4	4.4	17.6
(b) Common task funds	1.5	1.5	1.5	1.5	6.0
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	2.0	1.9	2.0	1.9	7.8
(b) Common task funds	1.3	1.3	1.3	1.4	5.3
4. Preparation of industrial areas	11.4	11.4	11.4	11.6	45.8
5. Amelioration of local (communal) infrastructures	6.5	6.5	6.5	6.5	26.0
6. Public equipment for tourism	4.3	4.3	4.3	4.3	17.2
7. Building and extending of schools for training, further training and re-training	2.2	2.2	2.2	2.2	8.8
TOTAL	68.3	68.3	68.3	68.4	273.3

6. REGIONAL DEVELOPMENT PROGRAMME 'NIEDERSÄCHSISCHES BERGLAND' (LOWER SAXONY HIGHLANDS)

A - Description of programme area

(1) Demarcation

The programme area extends from the highlands reaching along the Weser to the Harz and the foothills of the Harz. It consists mainly of the labour market areas Braunschweig-Salzgitter, Alfeld, Hildesheim, Holzminden-Höxter, Harz and Göttingen.

Details of area:

Kreisfreie Städte¹ Braunschweig and Salzgitter

Landkreise

- Gifhorn
Gemeinden: Adenbüttel, Meine, Rötgesbüttel, Schwülper, Vordorf;
- Göttingen
- Goslar
- Hannover
Localities: Gleidingen, Oesselse, Ingeln (Gemeinde Laatzen), Hämelerwald (Gemeinde Lehrte), Dedenhausen, Eltze (Gemeinde Uetze), Bolzum, Wehmingen, Wirringen (Gemeinde Sehnde);
- Hildesheim
- Holzminden
less Gemeinden: Bodenwerder, Brevörde, Dielmissen, Golmbach, Halle, Hehlen, Heyen, Holenberg, Kirchbrak, Lüerdissen, Negenborn, Ottenstein, Pegestorf, Vahlbruch;
- Northeim
- Osterode
- Peine
- Wolfenbüttel

(2) Programme area

The Landkreise, kreisfreie Städte and Gemeinden falling within the programme area have the following basic problems:

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- (a) in many parts of the area monostructure (e.g. the coal, iron and steel industry at Salzgitter/Peine) is a potential threat to healthy economic development;
- (b) redundancies in agriculture;
- (c) a decline in the demand for labour in the building industry;
- (d) unemployment levels in some labour market areas are above the Land average;
- (e) building accounts for too large a proportion of the number of people employed in the Duderstadt district.

(3) Important structural data concerning the programme area

- Population (30 June 1977)	1 677 732
- Area (30 June 1977)	7 508 km ²
- Population density (30 June 1977)	223
- Industrial occupation per 1 000 inhabitants (30 September 1976)	119
- GDP per head of population corrected by commuter balance (1974).	DM 13 400

B - Development targets for industry in the planning period

(1) The problems to be solved in the 'Lower Saxony Highlands' programme area are primarily structural ones. In many parts of the area the structure of existing industry is largely out of date, on top of which its situation in the Zonenrandgebiet produces special features necessitating assistance for conversion and rationalization measures.

Job shortages - due, for instance, to problems in the mining of iron ore and other ores - need to be remedied. In addition to extension of the existing industrial basis and greater diversification of production structures, there is also a need for settlement of new industry. Assistance to economic key points in the area can enable the basic structure of the economy to be preserved and extended as required. The provision of additional operating units and jobs in this area has become a particularly urgent matter, especially recently. In addition, the relatively high population density in places calls for particularly extensive social welfare measures.

Tourism is of great economic importance for 'Lower Saxony Highlands'. As in the East Friesland Islands, it is the population's main source of earnings in many places, especially in the Harz mountains. It is also, however, a particularly important structural element in the Weser district in the south-west of the programme areas. The natural advantages and basic conditions in the area are favourable for an intensification of tourism. In addition to adaptation of the supply of amenities to demand together with more vigorous publicity, conservation of beauty spots and improvement of access to them, there is a need for the establishment of new public tourist facilities and the extension of existing ones as a basic condition for tourism.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonen- randgebiet'
(a) Creation of new jobs	25 000	22 500
(b) Maintenance of existing jobs in the production industries	30 000	26 200

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priory key points</u>		
Braunschweig (25%)	267 100	340 000
Goslar (25%)	58 800	100 000
Peine. (25%)	48 900	90 000
<u>Key points</u>		
Alfeld (15%)	24 100	90 000
Einbeck. (15%)	29 700	50 000
Göttingen. (15%)	123 900	210 000
Hildesheim (15%)	104 300	210 000
Holzminden (15%)	23 200	80 000
Northeim (15%)	32 700	80 000
Osterode am Harz (15%)	29 400	100 000
Salzgitter (15%)	115 900	150 000
Seesen (15%)	23 400	30 000
Uslar. (15%)	17 100	50 000
Wolfenbüttel (15%)	51 300	100 000

	Number of inhabitants	
	Local	In commuting area
<u>Key points in extreme zone border position</u>		
Duderstadt (25%)	23 000	40 000
Münden (25%)	26 800	40 000

¹ Localities belonging to key points: To Goslar: Bad Harzburg (Ortsteil Harlingerode); to Göttingen: Bovenden and Rosdorf.

(b) Tourist areas

Kreisfreie Städte Braunschweig and Salzgitter

Landkreise

- Gifhorn
Gemeinden: Adenbüttel, Meine, Rötgesbüttel, Schwülper, Vordorf;
- Göttingen
- Goslar
- Hannover
Ortsteile: Gleidingen, Ingeln, Oesselse (town of Laatzen); Hämelerwald (town of Lehrte); Dedenhausen, Eltze (Gemeinde Uetze); Bolzum, Wehmingen, Wirringen (Gemeinde Sehnde);
- Hildesheim
less Gemeinden: Elze, Everode, Freden, Nordstemmen, Samtgemeinde Gronau, Samtgemeinde Lamspringe (except Flecken Lamspringe) and Samtgemeinde Sibbesse;
- Holzminden
less Gemeinden: Bodenwerder, Brevörde, Dielmissen, Golmbach, Halle, Hehlen, Heyen, Holenberg, Hoyershausen, Kirchbrak, Lüerdissen, Negenborn, Ottenstein, Pegestorf, Vahlbruch;
- Northeim
- Osterode
- Peine
- Wolfenbüttel

C. Investment to be aided in the framework of the 'Common Task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	3 000.0	2 700.0	358.2	327.0	295.7	270.0	62.5	57.0
2. Protection of jobs by reconversion and rationalization of production industries	600.0	524.0	70.8	65.8	52.7	52.7	18.1	13.1
3. Measures for the tourist industry	115.0	110.0	19.1	18.3	11.4	11.0	7.7	7.3
TOTAL 1 to 3	3 715.0	3 334.0	448.1	411.1	359.8	333.7	88.3	77.4
Yearly average	928.8	833.5	112.0	102.8	89.9	83.4	22.1	19.4
4. Preparation of industrial areas	64.0	61.0	37.6	36.5	-	-	37.6	36.5
5. Amelioration of local (communal) infrastructures	39.0	38.0	23.2	22.8	-	-	23.2	22.8
6. Public equipment for tourism	47.0	46.0	26.7	26.4	-	-	26.7	26.4
7. Building and extending schools for training, further training and re-training	15.0	14.0	7.8	7.5	-	-	7.8	7.5
TOTAL 4 to 7	165.0	159.0	95.3	93.2	-	-	95.3	93.2
GRAND TOTAL 1 to 7	3 880.0	3 493.0	543.4	504.3	359.8	333.7	183.6	170.6
Yearly average	970.0	873.3	135.8	126.1	89.9	83.4	45.9	42.7

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	90.0	89.9	90.0	89.9	359.8
2. Common task funds	45.9	45.9	45.9	45.9	183.6
TOTAL	135.9	135.8	135.9	135.8	543.4
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	74.0	73.9	73.9	73.9	295.7
(b) Common task funds	15.6	15.6	15.6	15.7	62.5
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	13.1	13.2	13.2	13.2	52.7
(b) Common task funds	4.5	4.5	4.5	4.6	18.1
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	2.9	2.9	2.9	2.7	11.4
(b) Common task funds	2.0	1.9	1.9	1.9	7.7
4. Preparation of industrial areas	9.4	9.4	9.4	9.4	37.6
5. Amelioration of local (communal) infrastructures	5.8	5.8	5.8	5.8	23.2
6. Public equipment for tourism	6.6	6.7	6.7	6.7	26.7
7. Building and extending of schools for training, further training and re-training	2.0	1.9	2.0	1.9	7.8
TOTAL	135.9	135.8	135.9	135.8	543.4

7. REGIONAL DEVELOPMENT PROGRAMME 'NÖRDLICHES RUHRGEBIET-WESTMÜNSTERLAND-KLEVE' (NORTH RUHR/WEST MÜNSTERLAND/KLEVE)

A - Description of programme area

(1) Demarcation

The programme area comprises the labour market regions Ahaus, Coesfeld, Kleve, Lingen-Nordhorn-Rheine, Lüdinghausen-Unna, Recklinghausen-Bottrop, Soest and Steinfurt. It includes the kreisfreie Städte¹ of Bottrop and Herne and the Kreise Borken (of which the Gemeinden Ahaus, Gescher, Gronau, Heek, Legden, Schöppingen, Stadtlohn, Südlohn, Vreden), Coesfeld (of which the Gemeinden Coesfeld, Dülmen, Lüdinghausen, Nordkirchen, Olfen, Rosendahl), Kleve (of which the Gemeinden Bedburg-Hau, Emmerich, Goch, Kalkar, Kleve, Kranenburg, Rees, Uedem), Recklinghausen, Soest (of which the Gemeinden Bad Sassendorf, Lippetal, Möhnensee, Soest, Welver, Werl, Wickede (Ruhr)), Steinfurt (of which the Gemeinden Hörstel, Hopsten, Horstmar, Ibbenbüren, Laer, Metelen, Mettingen, Neuenkirchen, Ochtrup, Recke, Rheine, Steinfurt, Wettringen), Unna (of which the Gemeinden Bergkamen, Kamen, Lünen, Selm, Unna, Werne).

(2) Programme area

The whole programme area includes parts with an unbalanced economic structure and is to some extent agricultural in structure.

The West Münsterland part of the programme area is characterized to a great extent by the textile and clothing industries and the structural changes taking place in them. This has led in the past to a sharp decline in jobs in the textile industry. The effects on the labour market have been further intensified by the equally sharp decline in the number of people employed in agriculture. The economic strength of this region is well below the Federal average. Further assistance measures are necessary.

In the Kreise and kreisfreie Städte of the North Ruhr area the economic structure is still largely influenced by hard-coal mining. In the past there has been a considerable decline in the number of jobs in this industry, on top of which there have been redundancies in agriculture. This, combined with a female activity rate far below the Federal and Land averages, has resulted in a great need for new secure and attractive jobs. The restructuring process which has already begun must be pursued by means of intensive assistance measures.

The Kleve region is mainly agricultural, its overall industrial occupation being below the Land average. The industrial structure of this area is marked

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

by a relatively one-sided concentration on the food, drink and tobacco industry and the textile and clothing industry. There have been severe job losses in both sectors in recent years. Altogether there is a particular structural vulnerability which must be remedied by an improvement in the supply of jobs. Here again, this task is made particularly important owing to the fact that the demand for jobs will increase appreciably as a result of population growth.

(3) Important structural data concerning the programme area

- Population (30 September 1977).	1 971 586
- Area	4 980 km ²
- Population density (30 September 1977).	396
- Industrial occupation per 1 000 inhabitants (1976).	113
- GDP per head of population corrected by commuter balance (1970).	DM 13 520

B - Development targets for industry in the planning period

(1) Further redundancies are possible in agriculture and in the textile and clothing industry, which are the predominant sectors in the still relatively unbalanced economic structure of West Münsterland. The resultant demand for jobs is intensified by the fact that a continuing excess of births over deaths will lead to an above-average increase in the potential working population in this area. This creates a great need for new jobs in this part of the programme area. A particular aim is to continue the remedying of the monostructure, which has already been started, by the settlement of firms belonging to fast-growing industries and the conversion of existing firms to types of production with an assured future.

In the northern part of the Ruhr area, where hard-coal mining predominates, there is still the possibility of a certain number of further redundancies in the future due to the rationalization measures being adopted in this sector. The efforts to increase the female activity rate and further redundancies in other sectors with deficient growth, including agriculture, create a considerable demand for jobs in this part of the programme area, too. The aim of the assistance measures in all parts of the area is to create new jobs in other economic sectors and to safeguard existing jobs by conversion of production and basic rationalization measures. This action is designed to increase the economic strength of these areas and maintain and improve the population's standard of living.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	49 200
(b) Maintenance of existing jobs in the production industries	12 300

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Ahaus (20%)	26 585	50 000 to 100 000
Bottrop/Gladbeck. (20%)	187 855	(Centre of agglomeration)
Gronau (Westf.) (20%)	39 652	50 000 to 100 000
Ibbenbüren. (20%)	41 950	50 000 to 100 000
Werne a.d. Lippe. (20%)	25 317	(Outskirts of agglomeration)
<u>Key points</u>		
Castrop-Rauxel. (15%)	86 953	(Centre of agglomeration)
Coesfeld. (15%)	30 204	50 000 to 100 000
Dülmen. (15%)	35 110	20 000 to 50 000
Herne (15%)	199 891	(Centre of agglomeration)
Kleve (15%)	44 035	100 000 to 150 000
Lüdinghausen. (15%)	17 229	20 000 to 50 000
Lünen (15%)	86 728	(Centre of agglomeration)
Marl. (15%)	94 538	(Outskirts of agglomeration)

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Recklinghausen. (15%)	125 185	(Centre of agglomeration)
Rheine. (15%)	71 171	more than 100 000
Soest (15%)	40 371	50 000 to 100 000
Stadtlohn (15%)	15 913	20 000 to 50 000
Steinfurt (15%)	30 073	50 000 to 100 000
Unna. (15%)	51 659	(Outskirts of agglomeration)
Werl. (15%)	26 042	20 000 to 50 000

¹ Localities belonging to key points: To Bottrop/Gladbeck: Dorsten; to Ibbenbüren: Hörstel, Mettingen and Recke; to Werne a.d. Lippe: Bergkamen and Kamen; to Castrop-Rauxel: Waltrop; to Recklinghausen: Datteln, Herten and Oer-Erkenschwick; to Kleve: Emmerich.

* These localities are only comprised as far as their industrial areas are concerned.

(b) Tourist areas

- of Kreis Soest: Möhnesee, Bad Sassendorf;
- of Kreis Steinfurt: Hörstel (Ortsteile Bevergern, Riesenbeck), Ibbenbüren (Ortsteile Dörenthe, Lehen).

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	5 904.000	-	586.350	-	516.750	-	69.600	-
2. Protection of jobs by reconversion and rationalization of production industries	196.000	-	19.600	-	-	-	19.600	-
3. Measures for the tourist industry								
TOTAL 1 to 3	6 100.000	-	605.950	-	516.750	-	89.200	-
Yearly average	1 525.000	-	151.490	-	129.190	-	22.300	-
4. Preparation of industrial areas								
5. Amelioration of local (communal) infrastructures	8.000	-	4.000	-	-	-	4.000	-
6. Public equipment for tourism								
7. Building and extending schools for training, further training and re-training								
TOTAL 4 to 7	8.000	-	4.000	-	-	-	4.000	-
GRAND TOTAL 1 to 7	6 108.000	-	609.950	-	516.750	-	93.200	-
Yearly average	1 527.000	-	152.490	-	129.190	-	23.300	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	129.190	129.190	129.190	129.180	516.750
2. Common task funds	23.300	23.300	23.300	23.300	93.200
TOTAL	152.490	152.490	152.490	152.480	609.950
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	129.190	129.190	129.190	129.180	516.750
(b) Common task funds	17.400	17.400	17.400	17.400	69.600
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	4.900	4.900	4.900	4.900	19.600
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)					
(b) Common task funds					
4. Preparation of industrial areas					
5. Amelioration of local (communal) infrastructures	1.000	1.000	1.000	1.000	4.000
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	152.490	152.490	152.490	152.490	609.950

8. REGIONAL DEVELOPMENT PROGRAMME 'NORDEIFEL-GRENZRAUM AACHEN' (NORTH EIFEL-AACHEN FRONTIER)

A - Description of programme area

(1) Demarcation

The programme area comprises the labour market regions Aachen and Euskirchen-Schleiden. It includes the kreisfreie Stadt¹ of Aachen and the Kreise Aachen, Düren (of which the Gemeinde Langerwehe), Euskirchen (of which the Gemeinden Bad Münstereifel, Blankenheim, Dahlem, Euskirchen, Hellenthal, Kall, Mechenich, Nettersheim, Schleiden, Zülpich) and Heinsberg (of which the Gemeinden Geilenkirchen, Ubach-Palenberg).

(2) Programme area

The whole programme area includes districts with a relatively unbalanced economic structure. Large parts of this area are used mainly for agriculture and forestry. Its economic strength as a whole is distinctly below the Federal average.

The North Eifel area, partly owing to its geographically isolated position in the frontier area, suffers from serious employment problems. A large proportion of the people in employment are accounted for by sectors such as the predominant building industry or the non-metallic minerals industry and the textile and clothing industry, which are still exposed to structural dangers. In addition, there have been a considerable number of redundancies in agriculture and forestry in this area.

In the Aachen frontier area, manufacturing industry in particular displays signs of economic weakness. There has been a considerable reduction in employment in mining and also in the textile and clothing industry. The still considerable preponderance of these branches of activity largely explains the much below-average development of economic strength in this area. Contrary trends in other branches of industry have not, up to the present, been anything like sufficient to solve the employment problems. There will continue to be a substantial need for jobs, partly due to the increased demand for work owing to the age structure and the present low proportion of the potential working population actually in employment.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

(3) Important structural data concerning the programme area

- Population (30 September 1976).	725 115
- Area.	2 054 km ²
- Population density (30 September 1977).	353
- Industrial occupation per 1 000 inhabitants (1976).	112
- GDP per head of population corrected by commuter balance 1970)	DM 14 220

B - Development targets for industry in the planning period

(1) The main starting point for improving the region's economic power must be the creation of additional jobs in order to provide work for both the present and the likely future potential labour force. This target is particularly important because there are specific structural weaknesses throughout the programme area due to a relatively low degree of industrial development and also because further redundancies are to be expected owing to the high proportion of structurally endangered industries throughout the industrial area.

Improvement of the supply of jobs ought to be promoted particularly in manufacturing industry. Tourism, too, should make a contribution for which the prospects are good precisely in the districts which, while less suitable for the settlement of industry, are attractive from the point of view of landscape and climate. In this connection, more jobs should also be created for women.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	16 400
(b) Maintenance of existing jobs in the production industries	4 100

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key point</u>		
Euskirchen (20%)	43 495	50 000 to 100 000
<u>Key points</u>		
Aachen (15%)	242 399	(Centre of agglomeration)
Monschau (15%)	10 903	20 000 to 50 000
Schleiden. (15%)	11 804	50 000 to 100 000

¹ Localities belonging to key points: To Euskirchen: Zülpich; to Aachen: Würselen (only industrial zone); to Monschau: Simmerath; to Schleiden: Kall.

(b) Tourist areas

City of Aachen (Ortsteile Burtscheid, Kornelimünster, Walheim)

- of Kreis Aachen: Monschau, Roetgen, Simmerath, Stolberg (Ortsteile Schevenhütte, Venwegen, Vicht, Zweifall)
- of Kreis Düren: Langerwehe (Ortsteile Hamich, Heistern, Jüngersdorf, Merode, Wenau)
- of Kreis Euskirchen: Bad Münstereifel, Blankenheim, Dahlem, Hellenthal, Kall, Mechernich, Nettersheim, Schleiden.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 968.000	-	195.000	-	172.200	-	22.800	-
2. Protection of jobs by reconversion and rationalization of production industries	68.000	-	6.800	-	-	-	6.800	-
3. Measures for the tourist industry	160.000	-	22.000	-	14.000	-	8.000	-
TOTAL 1 to 3	2 196.000	-	223.800	-	186.200	-	37.600	-
Yearly average	549.000	-	55.950	-	46.550	-	9.400	-
4. Preparation of industrial areas	8.000	-	4.000	-	-	-	4.000	-
5. Amelioration of local (communal) infrastructures								
6. Public equipment for tourism								
7. Building and extending schools for training, further training and re-training	8.000	-	4.000	-	-	-	4.000	-
TOTAL 4 to 7								
GRAND TOTAL 1 to 7								
Yearly average	551.000	-	56.950	-	46.550	-	10.400	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	46.550	46.550	46.550	46.550	186.200
2. Common task funds	10.400	10.400	10.400	10.400	41.600
TOTAL	56.950	56.950	56.950	56.950	227.800
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	43.050	43.050	43.050	43.050	172.200
(b) Common task funds	5.700	5.700	5.700	5.700	22.800
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	1.700	1.700	1.700	1.700	6.800
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	3.500	3.500	3.500	3.500	14.000
(b) Common task funds	2.000	2.000	2.000	2.000	8.000
4. Preparation of industrial areas					
5. Amelioration of local (communal) infrastructures	1.000	1.000	1.000	1.000	4.000
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	56.950	56.950	56.950	56.950	227.800

9. REGIONAL DEVELOPMENT PROGRAMME 'OSTWESTFALEN-OBERBERGISCHES LAND' (EAST WESTPHALIA)

A - Description of programme area

(1) Demarcation

The programme area comprises the labour market regions Brilon, Detmold-Lemgo, Höxter, Gummersbach, Kassel, Meschede and Wittgenstein. It includes the following Kreise:¹ Höxter (of which the Gemeinden Beverungen, Borgentreich, Höxter, Marienmünster, Nieheim, Steinheim, Warburg), Hochsauerlandkreis (of which the Gemeinden Bestwig, Brilon, Eslohe (Sauerland), Hallenberg, Marsberg, Medebach, Meschede, Olsberg, Schmallenberg, Winterberg), Lippe (of which the Gemeinden Augustdorf, Barntrup, Blomberg, Detmold, Dörentrup, Extertal, Horn-Bad Meinberg, Kalletal, Lage, Lemgo, Lüdge, Schieder-Schwalenberg), Oberbergischer Kreis (of which the Gemeinden Bergneustadt, Engelskirchen, Gummersbach, Lindlar, Marienheide, Morsbach, Nümbrecht, Reichshof, Waldbröl, Wiehl), Siegen (of which the Gemeinden Bad Berleburg, Erndtebrück, Laasphe).

(2) Programme area

The programme area consists mainly of regions where the predominant occupations are agriculture and forestry combined with industry concentrating on the preparation and processing of wood raw materials. This sectoral structure has led to redundancies, especially in agriculture; the foreseeable trend of the potential working population points to a further shortage of employment for the available labour. The economic strength of the area is at present considerably below the Federal average.

The industrial structure of East Westphalia displays a relatively one-sided concentration on wood processing and woodworking industries, and on the textile and clothing industry. The overall prospect is one of longer-term structural problems representing a further threat to the supply of jobs.

The structural vulnerability of the Oberbergischer Kreis is revealed by the marked decline in the volume of industrial employment. The industries primarily determining its structure, such as the motor industry, textiles and clothing and the iron, sheet metal and metal-products industries have in fact made large numbers of workers redundant in some cases. This trend is particularly serious because the extent to which the tertiary sector, a stabilizing element, is represented in this area is far below average.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

(3) Important data concerning the programme area

- Population (30 September 1977).	781 406
- Area.	4 531 km ²
- Population density (30 September 1977).	161
- Industrial occupation per 1 000 inhabitants (1976).	119
- GDP per head of population corrected by commuter balance (1970)	DM 12 910

B - Development targets for industry in the planning period

(1) The trend of the population, the further expected redundancies in agriculture and some branches of industry (including textiles/clothing and timber processing) and the female activity rate, which in some cases is below the Land average, create an additional job requirement of 14 400 within the planning period.

In addition to the settlement of industrial undertakings of a type which is affected as little as possible by cyclical fluctuations, assistance must also be given for the creation of jobs in the tourist sector. The greater part of the programme area is suitable for tourism on account of the beauty of the countryside.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	14 400
(b) Maintenance of existing jobs in the production industries	3 600

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Brilon. (20%)	24 594	20 000 to 50 000
Lemgo (20%)	39 431	50 000 to 100 000

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Bad Berleburg (15%)	20 841	20 000 to 50 000
Gummersbach (15%)	48 695	100 000 to 150 000
Detmold (15%)	65 442	over 100 000
Höxter. (15%)	32 987	50 000 to 100 000
Laasphe (15%)	15 504	20 000 to 50 000
Marsberg. (15%)	22 710	20 000 to 50 000
Meschede. (15%)	32 190	50 000 to 100 000
Schmallenberg (15%)	24 753	20 000 to 50 000
Warburg (15%)	22 619	20 000 to 50 000

¹ Localities belonging to key points: To Lemgo: Kalletal; to Gummersbach: Wiehl (only industrial area).

(b) Tourist areas

- of Kreis Höxter: Beverungen, Borgentreich (Ortsteile Borgholz, Bühne, Manrode, Muddenhagen), Höxter, Marienmünster, Nieheim, Steinheim (Ortsteile Ottenhausen, Vinsebeck, Sandebeck, Grevenhagen), Warburg (less Ortsteile Daseburg, Dössel, Hohenwepel, Menne, Ossendorf);
- of Hochsauerlandkreis: Bestwig, Brilon, Eslohe (Sauerland), Hallenberg, Marsberg, Medebach, Meschede, Olsberg, Schmallenberg, Winterberg;
- of Kreis Lippe: Barntrup, Blomberg, Detmold (less Ortsteile Bentrup, Loßbruch, Klüt, Oettern-Bremke, Niewald, Jerxen-Orbke, Nienhagen, Sporck-Eichholz, Heidenoldendorf), Dörentrup, Extertal, Horn-Bad Meinberg, Kalletal, Lage (Ortsteile Hörste, Pottenhausen), Lemgo (Ortsteile Welstorf, Matorf, Lüerdissen, Voßheide, Wienbeck), Lüdge, Schieder-Schwalenberg;
- of Oberbergischer Kreis: Bergneustadt, Engelskirchen, Gummersbach, Lindlar, Marienheide, Morsbach, Nümbrecht, Reichshof, Waldbröl, Wiehl;
- of Kreis Siegen: Bad Berleburg, Erndtebrück, Laasphe.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 728.000	-	170.800	-	151.200	-	19.600	-
2. Protection of jobs by reconversion and rationalization of production industries	56.000	-	5.600	-	-	-	5.600	-
3. Measures for the tourist industry	240.000	-	33.000	-	21.000	-	12.000	-
TOTAL 1 to 3	2 024.000	-	209.400	-	172.200	-	37.200	-
Yearly average	506.000	-	52.350	-	43.050	-	9.300	-
4. Preparation of industrial areas	8.000	-	4.000	-	-	-	4.000	-
5. Amelioration of local (communal) infrastructures								
6. Public equipment for tourism								
7. Building and extending schools for training, further training and re-training	8.000	-	4.000	-	-	-	4.000	-
TOTAL 4 to 7								
GRAND TOTAL 1 to 7								
Yearly average	508.000	-	53.350	-	43.050	-	10.300	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	43.050	43.050	43.050	43.050	172.200
2. Common task funds	10.300	10.300	10.300	10.300	41.200
TOTAL	53.350	53.350	53.350	53.350	213.400
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	37.800	37.800	37.800	37.800	151.200
(b) Common task funds	4.900	4.900	4.900	4.900	19.600
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	1.400	1.400	1.400	1.400	5.600
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	5.250	5.250	5.250	5.250	21.000
(b) Common task funds	3.000	3.000	3.000	3.000	12.000
4. Preparation of industrial areas					
5. Amelioration of local (communal) infrastructures	1.000	1.000	1.000	1.000	4.000
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	53.350	53.350	53.350	53.350	213.400

10. REGIONAL DEVELOPMENT PROGRAMME 'HESSISCHES FÖRDERGEBIET' (HESSE ASSISTED AREA)

A - Description of programme area

(1) Demarcation

The programme area comprises essentially the labour market areas of Kassel, Korbach, Alsfeld-Ziegenhain, Bad Hersfeld-Rotenburg, Eschwege, Fulda and Gelnhausen-Schlüchtern. This area consists of the kreisfreie Stadt¹ of Kassel, Landkreise Fulda, Hersfeld-Rotenburg, Kassel Waldeck-Frankenberg, the Schwalm-Eder Kreis, the Vogelsbergkreis, the Werra-Meißner Kreis and the towns of Neustadt and Stadtlendorf of the Landkreis Marburg-Biedenkopf, the towns and Gemeinden of Bad Orb, Bad Soden-Salmünster, Biebergemünd, Birstein, Brachtal, Flörsbachtal, Gelnhausen, Gründau, Jossgrund, Linsengericht, Schlüchtern, Sinntal, Steinau an der Strasse, Wächtersbach and the Spessart estate in Kreis Main-Kinzig and also the towns and Gemeinden of Büdingen, Gernern, Hirzenhain, Kefenrod, Nidda and Ortenberg in Kreis Wetterau.

(2) Programme area

Most of the towns and Gemeinden in the programme area are in the Zonenrandgebiet and in some cases still markedly agricultural in structure. The economic strength of the individual Landkreise is well below the Federal average in some cases. The more industrialized area around Kassel is at a pronounced disadvantage owing to its economically peripheral position in relation to the Federal Republic's areas of industrial concentration. There are no major industrial conurbations within a radius of 100 km. Between Kassel and the neighbouring concentration areas of Lower Saxony, North Rhine-Westphalia and Hesse there are mainly sparsely populated areas with below-average industrial development.

(3) Important structural data concerning the programme area

- Population (30 December 1977)	1 502 449
- Area.	11 317 km ²
- Population density.	133
- Industrial occupation per 1 000 inhabitants (1977).	97
- GDP per head of population corrected by commuter balance (1974).	DM 12 610

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

B - Development targets for industry in the planning period

(1) Measures of regional structural policy in the structurally weak areas must be aimed at bringing alive standards closer to those in concentration areas in order to counteract the present population drift away from the area. The priority task of economic and structural policy must therefore be to raise the economic capacity of these areas both qualitatively and quantitatively, thereby creating secure and attractive long-term jobs and thus bringing the at present relatively low income level of the resident population closer to the Federal average.

Priority for assistance should therefore be given to existing undertakings with growth potential, the settlement of efficient new firms and the conversion of low-earning firms to new lines of production. In this connection an effort should be made to improve the sectoral industry structure.

The active structural policy for industry should be supplemented by the expansion of tourism in areas with suitable landscape, particularly since not all parts of the programme area offer an adequate basis for the settlement of industrial firms. Promotion of tourism will also bring extra income to the region and thus help to raise the population's standard of living.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonen- randgebiet'
(a) Creation of new jobs	16 000	10 000
(b) Maintenance of existing jobs in the production industries	23 500	16 000

(3) Territorial key points for assistance

(a) Industrial key points^{1 2}

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Bad Hersfeld (25%)	28 388	85 000
Fulda (25%)	57 865	170 000
Kassel (25%)	199 450	355 000
Alsfeld (20%)	18 082	46 000
Homberg (Efze) (20%)	14 471	88 000

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Bebra. (15%)	15 583	43 000
Büdingen (15%)	16 911	53 000
Frankenberg (Eder) (15%)	15 656	48 000
Fritzlar (15%)	15 030	38 000
Gelnhausen (15%)	18 131	86 000
Hessisch Lichtenau (15%)	13 867	22 000
Hofgeismar (15%)	13 427	34 000
Homberg (Ohm). (15%)	7 490	40 000 (with Stadt- allendorf)
Hünfeld. (15%)	13 881	31 000
Korbach. (15%)	22 852	77 000
Lauterbach (15%)	14 742	34 000
Melsungen. (15%)	13 254	47 000
Schlüchtern. (15%)	13 791	37 000
Schwalmstadt (15%)	17 874	51 000
Stadtallendorf (15%)	20 388	40 000 (with Homberg/ Ohm)
Wolfhagen. (15%)	12 237	33 000
<u>Key points in extreme zone border position</u>		
Eschwege (25%)	24 373	57 000
Sontra (25%)	9 296	20 000
Witzenhausen (25%)	16 955	28 000

¹ Localities belonging to key points: To Fulda: Eichenzell-Welkers; to Kassel: Fuldaabrück-Bergshausen and Lohfelden (Ortsteil Lohfelden); to Bad Hersfeld: Hauneck-Unterhaun and Ludwigsau (Ortsteile Meckbach and Mecklar); to Bebra: Rotenburg-Lispenhausen; to Gelnhausen: Wächtersbach (Stadtteil Wächtersbach); to Schlüchtern: Bad Soden-Salmünster (Stadtteil Salmünster) and Steinau an der Straße (Stadtteil Steinau).

² The key point status of the mentioned key points refers only to the territorial situation at 27 May 1970 (Schlüchtern: 1 December 1969), but also to the Stadtteile Bad Hersfeld-Asbach, Fulda-Besges, -Malkes and -Rodges, Alsfeld-Altenburg, Gelnhausen-Hailer and -Roth, Homberg (Ohm) -Niederofleiden and Schlüchtern-Elm. The key point status of Schwalmstadt is limited to the Stadtteile Treysa, Ziegenhain and Ascherode.

(b) Tourist areas

- of Kreisfreie Stadt Kassel: Stadtteile Habichtswald, Wolfsanger and Wilhelmshöhe; Living areas 'Graue Katze' and 'Roter Kater';
- of Landkreis Fulda: Bad Salzschlirf, Dipperz, Ebersburg, Ehrenberg, Eichenzell, Eiterfeld (Ortsteile Soisdorf and Treischfeld), Fulda, Gersfeld (Rhön), Hilders, Hofbieber, Hosenfeld, Hünfeld (Stadtteile Dammersbach, Grossenbach, Kirchhasel, Mackenzell, Malges, Molzbach, Nüst, Roßbach and Rückers), Kalbach, Künzell, Nüsttal, Petersberg, Poppenhausen (Wasserkuppe), Tann;
- of Landkreis Hersfeld-Rotenburg: Alheim, Bad Hersfeld, Bebra, Breitenbach a. Herzberg, Cornberg, Friedewald, Haunetal (Ortsteile Oberstoppel and Wehrda), Heringen (Werra), Hohenroda, Kirchheim, Ludwigsau, Nentershausen, Neuenstein (Ortsteile Obergeis, Raboldshausen, Salzberg), Niederaula, Philippsthal, Ronshausen, Rotenburg a.d. Fulda, Schenklengsfeld, Wildeck;
- of Landkreis Kassel: Ahnatal, Baunatal (Stadtteile Altenritte und Großenritte), Breuna, Emstal, Espennau (Ortsteil Hohenkirchen), Fuldaabrück (Ortsteile Dennhausen, Dittershausen, Dörnhausen), Fuldata (Ortsteile Knickhagen, Rothwesten, Simmershausen, Wahnhausen, Wilhelmshausen), Grebenstein, Gutsbezirk Reinhardswald, Habichtswald, Helsa, Hofgeismar, Immenhausen, Karlshafen, Kaufungen, Liebenau, Lohfelden (Ortsteil Volkmarshausen), Naumburg, Nieste, Oberweser, Reinhardshagen, Schauenburg, Söhrewald, Trendelburg, Wahlsburg, Wolfhagen, Zierenberg;
- of Main-Kinzig-Kreis: Bad Orb, Bad Soden-Salmünster (Stadtteile Kerbersdorf, Mernes, Salmünster, Bad Soden bei Salm.), Biebergemünd, Birstein, Brachtal, Flörsbachtal, Gelnhausen, Gründau, Gutsbezirk Spessart, Jossgrund, Linsengericht, Schlüchtern (Stadtteile Niederzell, Schlüchtern), Sinntal, (Ortsteile Altengronau, Jossa, Oberzell, Sterbfritz, Züntersbach), Steinau an der Straße, (Stadtteile Hintersteinau, Marjoß, Neustall, Steinau, Ulmbach), Wächtersbach;
- of Schwalm-Eder-Kreis: Borken (Stadtteile Kerstenhausen and Kleinenglis), Frielendorf, Fritzlar (Stadtteile Rothelmshausen, Ungedanken, Züschen), Guxhagen, Homberg (Efze), Jesberg, Knüllwald, Körle, Malsfeld, Melsungen, Morschen, Neuental, Neukirchen, Niedenstein, Oberaula, Ottrau, Schrecksbach, Schwalmstadt, Schwarzenborn, Spangenberg, Willingshausen (Ortsteile Ransbach and Steina), Zwesten;
- of Vogelsbergkreis: less Stadtteile Fraurombach, Hutzdorf, Oberwegfurth, Queck, Rimbach, Sandlofs, Unterschwarz and Unterwegfurth of Stadt Schlitz;
- of Landkreis Waldeck-Frankenberg: Arolsen (Stadtteile Arolsen, Braunsen, Helsen, Kohlgrund, Landau, Massenhausen, Mengeringshausen, Neu-Berich, Schmillinghausen, Wetterburg), Bad Wildungen (Stadtteile Albertshausen, Armsfeld, Bergfreiheit, Braunau, Frebershausen, Hüddingen, Hundsorf, Odershausen, Wildungen), Battenberg (Eder) (Stadtteil Dodenau), Bromskirchen, Diemelsee (Ortsteile Adorf, Deisfeld, Giebringhausen, Heringhausen, Ottlar, Rhenegge, Stormbruch), Diemelstadt (Stadtteile Dehausen, Helmighausen, Neudorf, Orpetal, Rhoden, Wethen, Wrexen), Edertal (Ortsteile Affoldern, Bergheim, Bringhausen, Buhlen, Hemfurth-Edersee, Gellershausen, Kleinern), Frankenau (Stadtteile Allendorf, Altenlotheim, Frankenau), Frankenberg (Eder) (Stadtteile Frankenberg (Eder), Hommershausen, Rengershausen, Viermünden, Wangershausen), Gemünden (Wohra) (Stadtteil Gemünden), Haina (Kloster) (Ortsteile Battenhausen, Dodenhausen, Haddenberg, Haina, Hüttenrode, Löhlbach), Hatzfeld (Eder), Korbach (Stadtteil Rhena), Lichtenfels (Stadt-

teile Dalwigksthäl, Fürstenberg, Münden, Neukirchen, Rhadern, Sachsenberg), Twistetal (Ortsteile Elleringhausen, Twiste), Vöhl (Ortsteile Asel, Basdorf, Buchenberg, Ederbringhausen, Harbshausen, Herzhausen, Kirchlotheim, Marienhagen, Niederorke, Oberorke, Schmittlotheim, Thalitter, Vöhl), Waldeck (Stadtteile Netze, Nieder-Werbe, Ober-Werbe, Oberwerba, Sachsenhausen, Waldeck, Willinlingen (Upland));

- Werra-Meißner-Kreis

- of Wetteraukreis: Büdingen, Gedern, Hirzenhain, Kefenrod, Nidda, Ortenberg.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 800.000	1 200.000	220.100	161.700	160.700	111.700	59.400	50.000
2. Protection of jobs by reconversion and rationalization of production industries	488.000	320.000	56.700	39.900	31.900	31.900	24.800	8.000
3. Measures for the tourist industry	200.000	120.000	25.100	16.600	17.700	11.200	7.400	5.400
TOTAL 1 to 3	2 488.000	1 640.000	301.900	218.200	210.300	154.800	91.600	63.400
Yearly average	622.000	410.000	75.500	54.550	52.600	38.700	22.900	15.850
4. Preparation of industrial areas	52.000	45.000	40.200	36.000	-	-	40.200	36.000
5. Amelioration of local (communal) infrastructures	15.600	12.000	11.200	9.000	-	-	11.200	9.000
6. Public equipment for tourism	43.600	30.000	25.800	18.000	-	-	25.800	18.000
7. Building and extending schools for training, further training and re-training	11.600	8.000	4.000	2.800	-	-	4.000	2.800
TOTAL 4 to 7	122.800	95.000	81.200	65.800	-	-	81.200	65.800
GRAND TOTAL 1 to 7	2 610.800	1 735.000	383.100	284.000	210.300	154.800	172.800	129.200
Yearly average	652.700	433.750	95.800	71.000	52.600	38.700	43.200	32.300

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	52.600	52.600	52.600	52.500	210.300
2. Common task funds	43.350	43.000	43.400	43.050	172.800
TOTAL	95.950	95.600	96.000	95.550	383.100
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	40.200	40.200	40.200	40.100	160.700
(b) Common task funds	15.000	14.800	14.800	14.800	59.400
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	8.000	8.000	8.000	7.900	31.900
(b) Common task funds	6.200	6.200	6.200	6.200	24.800
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	4.400	4.400	4.400	4.500	17.700
(b) Common task funds	1.700	1.900	1.900	1.900	7.400
4. Preparation of industrial areas	10.200	10.000	10.000	10.000	40.200
5. Amelioration of local (communal) infrastructures	2.800	2.800	2.800	2.800	11.200
6. Public equipment for tourism	6.300	6.500	6.500	6.500	25.800
7. Building and extending of schools for training, further training and re-training	1.150	0.800	1.200	0.850	4.000
TOTAL	95.950	95.600	96.000	95.550	383.100

11. REGIONAL DEVELOPMENT PROGRAMME 'MITTEL RheIN-LAHN-SIEG' (CENTRAL RHINE-LAHN-SIEG)

A - Description of programme area

(1) Demarcation

The programme area comprises the following labour market regions: Bad Kreuznach, Cochem-Zell, Idar-Oberstein, Limburg, Westerwald.

It thus includes the following Landkreise:¹ Landkreis Bad Kreuznach, Landkreis Birkenfeld, Landkreis Cochem-Zell, Landkreis Limburg-Weilburg, Landkreis Rhein-Hunsrück.

Of Landkreis Altenkirchen

(a) VG² Altenkirchen

(b) Of VG Flammersfeld the Gemeinden Berzhausen, Burglahr, Eichen, Flammersfeld, Giershausen, Kescheld, Oberlahr, Obernau, Orfgen, Reiferscheid, Rott, Schürdt, Seelbach, Seifen, Walterschen, Ziegenhain.

(c) VG Gebhardshain

Of Landkreis Mainz-Bingen

Of VG Bingen-Land the Gemeinden Bacharach, Breitscheid, Manubach, Niederheimbach, Oberdiebach, Oberheimbach, Trechtingshausen.

Of Landkreis Neuwied

Of VG Puderbach the Gemeinden Niederwampach, Oberdreis, Ratzert, Rodenbach.

Of Landkreis Rheingau-Taunus: Heidenrod

Of Rhein-Lahn-Kreis

(a) Of VG Bad Ems the Gemeinden Bad Ems, Becheln, Dausenau, Fachbach, Frücht, Kemmenau, Miellen, Nievern.

(b) VG Braubach

(c) VG Diez

(d) VG Hahnstätten

(e) VG Katzenelnbogen

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

² VG = Verbandsgemeinde = federation of Gemeinden.

- (f) VG Loreley
- (g) VG Nassau
- (h) VG Nastätten

Of Landkreis Westerwald

- (a) VG Bad Marienburg
- (b) VG Hachenburg
- (c) Of VG Montabaur the Gemeinden Nomborn, Nentershausen, Niedererbach, Gör-
geshausen.
- (d) Of VG Rennerod the Gemeinden Elsoff, Helenhahn-Schellenberg, Homberg,
Hüblingen, Irmtraut, Neunkirchen, Neustadt, Niederroßbach, Oberrod, Ober-
roßbach, Rehe, Rennerod, Salzburg, Seck, Waigandshain, Waldmühlen, We-
sternohe, Willingen, Zehnhausen bei Rennerod.
- (e) VG Wallmerod
- (f) VG Westerburg

(2) Programme area

The economic strength of the programme area within the meaning of Article 1
(2) (1) of the Law on the Common Task 'Improvement of regional economic
structure' is well below the Federal average. The reasons for this are:

- (a) low industrialization,
- (b) topographical and climatic disadvantages,
- (c) farm structure consisting of smallholdings,
- (d) high degree of fragmentation in agriculture.

Starting-points with development potential for industry and trade are to be
found mainly, on the east bank of the Rhine, in several key-point locations
(especially Altenkirchen), Limburg/Diez and Weilburg/Löhnberg and, on the
west bank, in Simmern and the vicinity.

(3) Important structural data concerning the programme area

- Population (31 December 1977)	764 736
<u>of which:</u> part of area in Hesse	155 511
part of area in Rhineland-Palatinate.	609 225
- Area.	5 841 km ²
<u>of which:</u> part of area in Hesse	834 km ²
part of area in Rhineland-Palatinate.	5 007 km ²
- Population density.	131
<u>of which:</u> part of area in Hesse	187
part of area in Rhineland-Palatinate.	122

- Industrial occupation per 1 000 inhabitants (1977).	74
<u>of which</u> : part of area in Hesse	58
part of area in Rhineland-Palatinate.	78
- GDP per head of population corrected by commuter balance (1974 according to 1976 revision)	DM 11 750
<u>of which</u> : part of area in Hesse	DM 11 250
part of area in Rhineland-Palatinate.	DM 12 250

B - Development targets for industry in the planning period

(1) .The object is to increase permanently the economic power of the structurally weak programme area by expanding manufacturing industry, especially through the establishment of new industrial concerns and the extension of existing ones. The natural attractions of the landscape should be more fully utilized for tourism than hitherto, so as to contribute to improving the industrial and economic structure.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	9 000
(in part programme Hessen)	(2 000)
(in part programme Rhineland-Palatinate)	(7 000)
(b) Maintenance of existing jobs in production industries	4 700
(in part programme Hessen)	(1 500)
(in part programme Rhineland-Palatinate)	(3 200)

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Limburg a.d. Lahn ² /Diez (20%)	37 961	180 700
Simmer (20%)	5 779	48 440
<u>Key points</u>		
Altenkirchen (Westerwald) (15%)	4 271	29 400
Birkenfeld (15%)	5 912	28 900
Hachenburg (15%)	4 465	41 100
Idar-Oberstein (15%)	36 478	58 000
Kaisersesch. (15%)	2 072	20 600
Kastellaun (15%)	3 666	23 600
Nastätten. (15%)	3 024	32 000
Sobernheim (15%)	6 581	47 000
Weilburg ² (15%)	12 352	39 000
Westerburg (15%)	5 228	43 700
Zell (Mosel) (15%)	4 833	42 400

¹ Localities belonging to key points: To Birkenfeld: Hoppstädten-Weiersbach; to Nastätten: Miehlern; to Weilburg: Löhnberg (Ortsteil Löhnberg).

² The key point status of the mentioned key points refers only to the respective territorial situation at 1 January 1972, but also to the Stadtteile Limburg-Dietkirchen, Limburg-Offheim and Limburg-Staffel, and Weilburg-Kubach.

(b) Tourist areas

- of Landkreis Altenkirchen (Westerwald): VG³ Altenkirchen (Ww.), aus VG Flammersfeld: Berzhausen, Burglahr, Eichen, Flammersfeld, Giershausen, Kesscheid, Oberlahr, Obernau, Orfgen, Reiferscheid, Rott, Schürdt, Seelbach, Seifen, Walterchen, Ziegenhain, VG Gebhardshain.

³ VG = Verbandsgemeinde (federation of Gemeinden).

- of Landkreis Bad Kreuznach: Stadt Bad Kreuznach, Stadt Kirn, VG Bad Kreuznach, VG Bad Münster am Stein-Ebernburg, VG Kirn-Land, VG Langenlonsheim, VG Meisenheim, VG Rüdesheim, VG Sobernheim, VG Stromberg.
- of Landkreis Birkenfeld: Stadt Idar-Oberstein, VG Baumholder, VG Birkenfeld, VG Herrstein, VG Rhaunen.
- of Landkreis Cochem-Zell: Stadt Cochem, VG Cochem-Land, VG Kaisersesch, VG Treis-Karden, VG Ulmen, VG Zell (Mosel).
- Landkreis Limburg-Weilburg
- of Landkreis Mainz-Bingen: Bacharach, Breitscheid, Manubach, Niederheimbach, Oberdiebach, Oberheimbach, Trechtingshausen.
- of Landkreis Neuwied: Niederwampach, Oberdreis, Ratzert, Rodenbach.
- of Landkreis Rheingau-Taunus: Heidenrod.
- of Landkreis Rhein-Hunsrück: Stadt Boppard, VG Emmelshausen, VG Kastellaun, VG Kirchberg (Hunsrück), VG Rheinböllen, VG St. Goar-Oberwesel, VG Simmern.
- of Landkreis Rhein-Lahn: VG Bad Ems less Arzbach, VG Braubach, VG Diez, VG Hahnstätten, VG Katzenelnbogen, VG Nassau, VG Nastätten, VG Loreley.
- of Landkreis Westerwald: VG Bad Marienberg (Westerwald), VG Hachenburg, aus VG Montabaur: Görgeshausen, Nentershausen, Niedererbach, Nomborn, VG Rennerod less: Bretthausen, Liebenseid, Nister-Möhrendorf, Stein, Neukirch, VG Wallmerod, VG Westerburg.

HESSEN PART PROGRAMME

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	240.000	-	24.400	-	19.600	-	4.800	-
2. Protection of jobs by reconversion and rationalization of production industries	32.000	-	3.200	-	-	-	3.200	-
3. Measures for the tourist industry	12.000	-	1.300	-	0.900	-	0.400	-
TOTAL 1 to 3	284.000	-	28.900	-	20.500	-	8.400	-
Yearly average	71.000	-	7.200	-	5.100	-	2.100	-
4. Preparation of industrial areas	4.000	-	2.400	-	-	-	2.400	-
5. Amelioration of local (communal) infrastructures	1.400	-	0.800	-	-	-	0.800	-
6. Public equipment for tourism	3.400	-	2.000	-	-	-	2.000	-
7. Building and extending schools for training, further training and re-training	2.400	-	0.800	-	-	-	0.800	-
TOTAL 4 to 7	11.200	-	6.000	-	-	-	6.000	-
GRAND TOTAL 1 to 7	295.200	-	34.900	-	20.500	-	14.400	-
Yearly average	73.800	-	8.700	-	5.100	-	3.600	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	5.100	5.100	5.100	5.200	20.500
2. Common task funds	3.450	3.800	3.400	3.750	14.400
TOTAL	8.550	8.900	8.500	8.950	34.900
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	4.900	4.900	4.900	4.900	19.600
(b) Common task funds	1.200	1.200	1.200	1.200	4.800
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	0.800	0.800	0.800	0.800	3.200
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	0.200	0.200	0.200	0.300	0.900
(b) Common task funds	0.100	0.100	0.100	0.100	0.400
4. Preparation of industrial areas	0.600	0.600	0.600	0.600	2.400
5. Amelioration of local (communal) infrastructures	0.200	0.200	0.200	0.200	0.800
6. Public equipment for tourism	0.500	0.500	0.500	0.500	2.000
7. Building and extending of schools for training, further training and re-training	0.050	0.400	-	0.350	0.800
TOTAL	8.550	8.900	8.500	8.950	34.900

RHEINLAND-PFALZ (RHINELAND-PALATINATE) PART PROGRAMME

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided	Requirement	Funds available	
	Total	Total	'Investitions- zulage' Investment aid	Common task funds
1. Creation of new jobs by establishing and extending production industries	812.00	95.72	71.04	24.68
2. Protection of jobs by reconversion and rational- ization of production industries	89.60 ^a	8.96 ^a	-	8.96 ^a
3. Measures for the tourist industry	127.10	14.20	7.28	6.92
TOTAL 1 to 3	1 028.70	118.88	78.32	40.56
Yearly average	257.17	29.72	19.58	10.14
4. Preparation of industrial areas	46.68	28.00	-	11.20 ^b
5. Amelioration of local (communal) infrastructures	1.86	1.12	-	c
6. Public equipment for tourism	14.92	8.96	-	c
7. Building and extending schools for training, further training and re-training	5.60	3.36	-	c
TOTAL 4 to 7	69.06	41.44	-	11.20
GRAND TOTAL 1 to 7	1 097.76	160.32	78.32	51.76
Yearly average	274.44	40.08	19.58	12.94

^a The number of jobs to protect has been doubled in comparison with the 7th Regional Plan.

^b Rest by Land resources.

^c Additional Land resources

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	19.58	19.58	19.58	19.58	78.32
2. Common task funds	12.94 ^a	12.94 ^b	12.94 ^b	12.94 ^b	51.76 ^{ab}
TOTAL	32.52	32.52	32.52	32.52	130.08
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	17.76	17.76	17.76	17.76	71.04
(b) Common task funds	6.17	6.17	6.17	6.17	24.68
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	2.24	2.24	2.24	2.24	8.96
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.82	1.82	1.82	1.82	7.28
(b) Common task funds	1.73	1.73	1.73	1.73	6.92
4. Preparation of industrial areas	2.80	2.80	2.80	2.80	11.20
5. Amelioration of local (communal) infrastructures)				
)				
)				
6. Public equipment for tourism)	Additional Land resources			
)				
)				
7. Building and extending of schools for training, further training and re-training)				
TOTAL	32.52	32.52	32.52	32.52	130.08

^a Plus additional Land grants (budget 1978/79).

^b Plus additional Land grants (medium term finance planning).

12. REGIONAL DEVELOPMENT PROGRAMME 'EIFEL-HUNSRÜCK'

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Bitburg-Prüm, Daun, Trier.

It thus includes the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Trier
- Landkreis Bernkastel-Wittlich
- Landkreis Bitburg-Prüm
- Landkreis Daun
- Landkreis Trier-Saarburg
- of Landkreis Ahrweiler
 - (a) VG² Adenau
 - (b) Of VG Brohlthal the Gemeinden Engeln, Hohenleimbach, Kempenich, Spessart, Weibern.
- of Landkreis Mayen-Koblenz
 - (a) Mayen Stadt
 - (b) VG Mayen-Land
 - (c) Of VG Mendig the Gemeinden Rieden, Volkesfeld.

(2) Programme area

Eifel and Hunsrück are thinly populated areas, relatively poor in industry, with an agricultural structure consisting mainly of smallholdings. Their economic power, within the meaning of Article 1 (2) 1 of the Law on the Common Task 'Improvement of regional economic structure', is considerably below the Federal average. The reasons for this are as follows:

- (a) the fact that these have been frontier areas for many generations;
- (b) the unbalanced development of communications based on considerations of military strategy up to 1945;

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

² VG = Verbandsgemeinde = federation of Gemeinden.

- (c) topographical and climatic problems, particularly in the hilly regions of Eifel and Hunsrück;
- (d) the insecure nature of a large number of jobs with Allied forces stationed in the area;
- (e) impediments due to military installations.

There are opportunities for industrial development, particularly along the line between Trier and Wittlich and in the Mayen area.

(3) Important structural data concerning the programme area

- Population (31 December 1977)	527 513
- Area	5 460 km ²
- Population density	97
- Industrial occupation per 1 000 inhabitants (1977).	63
- GDP per head of population corrected by commuter balance (1974 according to 1976 revision)	DM 12 088

B - Development targets for industry in the planning period

(1) The economic power of the Eifel and Hunsrück areas can be raised substantially by further industrialization. The aim therefore is to introduce new productive undertakings and extend existing ones. Prospects for tourism are good in many parts of the area. Development of the tourist trade with the aid of public funds should help to improve the region's earnings pattern and economic structure.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	6 500
(b) Maintenance of existing jobs in the production industries	3 200

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Hermeskeil/Nonnweiler ² (20%)	13 982	58 200
Mayen (20%)	21 226	41 400
Prüm (20%)	5 166	30 400
Trier. (20%)	97 822	197 000
Wittlich (20%)	15 234	64 900
<u>Key points</u>		
Adenau (15%)	2 781	19 700
Bitburg. (15%)	10 830	59 600
Daun (15%)	6 545	49 000
Morbach ³ (15%)	9 453	46 800

¹ Localities belonging to key points: To Hermeskeil: Reinsfeld; to Prüm: Gondelsheim; to Trier: Konz and Trierweiler; to Daun: Mehren.

² Nonnweiler is situated in the Regional Development Programme 'Saarland-Westpfalz'.

³ The key point status refers to the territorial situation at 2 December 1974.

(b) Tourist areas

- of Landkreis Ahrweiler: VG¹ Adenau, aus VG Brohlthal die Gemeinden Engeln, Hohenleimbach, Kempenich, Spessart, Weibern.
- of Landkreis Bernkastel-Wittlich: Stadt Wittlich, VG Bernkastel-Kues, VG Kröv in Bausendorf, VG Manderscheid, VG Neumagen-Drohn, VG Thalfang, VG Traben-Trarbach, VG Wittlich-Land, Gemeinde Morbach (territorial situation of 1 January 1975).
- of Landkreis Bitburg-Prüm: Stadt Bitburg, VG Arzfeld, VG Bitburg-Land, VG Irrel, VG Kyllburg, VG Neuerburg, VG Prüm, VG Speicher.

¹ VG = Verbandsgemeinde (federation of communes).

- of Landkreis Daun: VG Daun, VG Gerolstein, VG Hillesheim, VG Kelberg, VG Obere Kyll.
- of Landkreis Mayen-Koblenz: Stadt Mayen, VG Mayen-Land and Gemeinden Rieden, Volkesfeld.
- of Landkreis Trier-Saarburg: VG Hermeskeil, VG Kell, VG Konz, VG Ruwer, VG Saarburg, VG Schweich, VG Trier-Land.
- Kreisfreie Stadt Trier

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided	Requirement	Funds available	
	Total	Total	'Investitions- zulage' Investment aid	Common tasks funds
1. Creation of new jobs by establishing and extending production industries	756.00	89.12	66.16	22.96
2. Protection of jobs by reconversion and rational- ization of production industries	89.60 ^a	8.96 ^a	-	8.96 ^a
3. Measures for the tourist industry	116.67	13.00	6.52	6.48
TOTAL 1 to 3	962.27	111.08	72.68	38.40
Yearly average	240.57	27.77	18.17	9.60
4. Preparation of industrial areas	43.32	26.00	-	9.72 ^b
5. Amelioration of local (communal) infrastructures	1.73	1.04	-	^c
6. Public equipment for tourism	13.84	8.30	-	^c
7. Building and extending schools for training, further training and re-training	5.60	3.36	-	^c
TOTAL 4 to 7	64.49	38.70	-	9.72
GRAND TOTAL 1 to 7	1 026.76	149.78	72.68	48.12
Yearly average	256.69	37.45	18.17	12.03

^a The number of jobs to protect has been doubled, in comparison with the 7th Regional Plan.

^b Rest by Land resources.

^c Additional Land resources.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	18.17	18.17	18.17	18.17	72.68
2. Common task funds	12.03 ^a	12.03 ^b	12.03 ^b	12.03 ^b	48.12 ^{ab}
TOTAL	30.20	30.20	30.20	30.20	120.80
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	16.54	16.54	16.54	16.54	66.16
(b) Common task funds	5.74	5.74	5.74	5.74	22.96
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	2.24	2.24	2.24	2.24	8.96
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.63	1.63	1.63	1.63	6.52
(b) Common task funds	1.62	1.62	1.62	1.62	6.48
4. Preparation of industrial areas	2.43	2.43	2.43	2.43	9.72
5. Amelioration of local (communal) infrastructures)				
)				
)				
6. Public equipment for tourism)	Additional Land resources			
)				
)				
)				
7. Building and extending of schools for training, further training and re-training)				
TOTAL	30.20	30.20	30.20	30.20	120.80

^a Plus additional Land grants (budget 1978/79).

^b Plus additional Land grants (medium term finance planning).

13. REGIONAL DEVELOPMENT PROGRAMME 'SAARLAND-WESTPFALZ' (SAAR-WEST PALATINATE)

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions:

- Kaiserslautern, Landau, Pirmasens, Saarbrücken, Zweibrücken.

It thus includes the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Kaiserslautern
- Kreisfreie Stadt Landau
- Kreisfreie Stadt Pirmasens
- Kreisfreie Stadt Zweibrücken
- Stadtverband Saarbrücken
- of Landkreis Alzey-Worms
 - (a) Stadt Alzey
 - (b) VG² Alzey-Land
 - (c) VG Wöllstein
 - (d) VG Wörrstadt
- of Landkreis Bad Dürkheim VG Lambrecht
- of Landkreis Donnersberg
 - (a) VG Alsenz-Obermoschel
 - (b) VG Göllheim
 - (c) VG Kirchheimbolanden
 - (d) VG Rockenhausen
 - (e) VG Winnweiler
- Landkreis Kaiserslautern
- Landkreis Kusel
- Landkreis Merzig-Wadern
- Landkreis Neunkirchen
- Landkreis Pirmasens

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

² VG = Verbandsgemeinde (federation of Gemeinden).

- Landkreis Saarlouis
- Landkreis Saar-Pfalz-Kreis
- Landkreis St. Wendel
- Landkreis Südliche Weinstraße less the Gemeinden Barbelroth, Dierbach, Gomersheim, Hergersweiler, Niederotterbach and Oberhausen.

(2) Programme area

The Saar programme area, with its concentration on the coal and steel industry, is particularly affected by structural changes, the effects of which call for specific structural measures. The development programmes carried out hitherto have proved an effective means of reducing the adverse effects of the structural decline. The progress which has on the whole been made towards putting the economy of the Saar on a sound footing has been impeded by further declines in the traditional economic sectors, so that the measures embarked upon need to be continued and supplemented. The assistance measures must take into account the difficult topographical conditions of the Saar and make provision for the whole territory, bearing in mind the geographical factors affecting settlement.

As a frontier area with France and Luxembourg the Saar is faced, as are other frontier areas, with additional problems that affect economic development.

The Rhineland-Palatinate regions of the programme area, like the Saar, are also faced with major structural problems. In addition, this area is one of the regions of the Federal Republic whose economic strength is, within the meaning of Article 1 (2) 1 of the Law on the Common Task 'Improvement of regional economic structure', well below the Federal average or in danger of falling further below that average. The economic weakness of the programme area is attributable to the following causes:

- (a) the fact that it has been a frontier area for generations;
- (b) the fact that farms consist of smallholdings and the pronounced fragmentation of agricultural ownership;
- (c) the single-industry character of the south-western part of the area, with a marked preponderance of the footwear industry and its suppliers;
- (d) the large number of Germans employed by the Allied armed forces;
- (e) the effects of the changing structure of the Saar coal and steel industry;
- (f) impediments created by widespread military installations.

(3) Important structural data concerning the programme area

- Population.	1 796 871
<u>of which:</u> Rhineland-Palatinate (31 December 1977)	718 428
Saar (31 March 1978).	1 078 443

- Area.	6 766 km ²
<u>of which</u> : Rhineland-Palatinate.	4 196 km ²
Saar.	2 570 km ²
- Population density.	266
<u>of which</u> : Rhineland-Palatinate.	171
Saar.	420
- Industrial occupation per 1 000 inhabitants (1977).	121
<u>of which</u> : Rhineland-Palatinate.	95
Saar.	138
- GDP per head of population corrected by commuter balance. . .	DM 14 490
<u>of which</u> : Rhineland-Palatinate (1974 according to 1976	
revision)	DM 11 945
Saar (1977 estimate).	DM 17 040

B - Development targets for industry in the planning period

(1) The primary aim of the Saar section of the regional development programme is to bridge the gap between the present situation, with its adverse trend, and the desired regeneration of the Saar economy.

The aim of assistance to the tourist trade is particularly to improve living standards in those areas of the Saar which are suitable for tourism.

The objective in the Rhineland-Palatinate part must be to achieve a considerably higher degree of industrialization in the north, and in the south - primarily - to improve the present industrial structure, dominated by a single industry (footwear). Some areas (especially the Palatinate Forest) offer good conditions for tourism, assistance to which should play a supplementary role in improving the industrial and economic structure.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	26 300
(in part programme Rhineland-Palatinate)	(11 300)
(in part programme Saarland)	(15 000)
(b) Maintenance of existing jobs in production industries	20 600
(in part programme Rhineland-Palatinate)	(5 600)
(in part programme Saarland)	(15 000)

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Homburg(20%)	41 334	70 000
Kaiserslautern.(20%)	100 106	154 600
Kusel/Rammelsbach(20%)	7 761	76 000
Landau i.d. Pfalz(20%)	36 765	106 400
Neunkirchen(20%)	53 334	135 000
Nonnweiler/Hermeskeil ²(20%)	13 982	58 200
Pirmasens(20%)	51 844	110 900
Saarbrücken-Völklingen.(20%)	243 487	289 000
Saarlouis(20%)	39 728	100 000
St. Wendel.(20%)	27 154	72 000
Zweibrücken(20%)	35 530	51 100
<u>Key points</u>		
Alzey(15%)	15 246	59 700
Dahn.(15%)	4 671	24 800
Edenkoben(15%)	6 009	38 400
Kirchheimbolanden(15%)	5 873	24 400
Lebach.(15%)	19 900	55 000
Merzig.(15%)	30 301	72 000
Perl.(15%)	6 259	20 000
Ramstein-Miesenbach(15%)	7 831	42 000
Rockenhausen.(15%)	4 614	30 100

¹ Localities belonging to key points: To Homburg: Blieskastel; to Kusel/Rammelsbach: Konken/Schellweiler; to Landau in der Pfalz: Offenbach an der Queich; to Neunkirchen: Bexbach, Friedrichsthal, Illingen, Kirkel and Sulzbach; to Nonnweiler/Hermeskeil: Nohfelden (Ortsteile Eckelhausen and Eisen); to Saarbrücken-Völklingen: Kleinblittersdorf, Püttlingen and Riegelsberg; to Saarlouis: Dillingen, Saarwellingen, Schwalbach and Überherrn; to Lebach: Éppelborn and Schmelz; to Ramstein-Miesenbach: Landstuhl.

² Hermeskeil is situated in the Regional Development Programme 'Eifel-Hunsrück'.

(b) Tourist areas

- of Landkreis Bad Dürkheim: VG¹ Lambrecht
- of Landkreis Donnersberg: Göllheim, VG Alsenz-Obermoschel, VG Kirchheimbollen, VG Rockenhausen, VG Winnweiler
- of Landkreis Kaiserslautern: Bruchmühlbach-Miesau, Otterberg, Ramstein-Miesenbach, VG Enkenbach-Alsenborn, VG Hochspeyer, VG Kaiserslautern-Süd, VG Landstuhl
- of Landkreis Kusel: VG Altenglan, VG Kusel, VG Lauterecken, VG Schönenberg-Kübelberg, VG Waldmohr, VG Wolfstein
- of Landkreis Merzig-Wadern: Losheim, Stadt Merzig, Mettlach, Perl, Wadern, Weiskirchen
- of Landkreis Neunkirchen: Stadtteile Münchwies and Hangard of town of Neunkirchen, Ottweiler
- of Landkreis Pirmasens: Stadt Hornbach, VG Dahn, VG Hauenstein, VG Pirmasens-Land, VG Rodalben, VG Waldfischbach-Burgalben; of VG Wallhalben Gemeinde Herschberg
- of Landkreis Saarlouis: Rehlingen, Überherrn, Wallerfangen, Ortsteil Dieferten of Gemeinde Wadgassen
- of Landkreis Saar-Pfalz-Kreis: Bexbach, Stadt Blieskastel, Gersheim, Stadt Homburg, Kirkel, Mandelbachtal
- of Landkreis St. Wendel: Freisen, Marpingen, Namborn, Nohfelden, Nonnweiler, Oberthal, Stadt St. Wendel, Tholey
- Landkreis Südliche Weinstraße: less VG Offenbach an der Queich, less VG Herxheim, less Gemeinden Gommersheim, Barbelroth, Dierbach, Hergersweiler, Niederotterbach and Oberhausen
- Kreisfreie Stadt Kaiserslautern
- Kreisfreie Stadt Landau
- Kreisfreie Stadt Pirmasens
- Kreisfreie Stadt Zweibrücken
- of Stadtverband ('City federation') Saarbrücken: Großrosseln, Kleinblittersdorf, Stadtteile Lauterbach and Ludweiler/Warndt of town of Völklingen.

¹ VG = Verbandsgemeinde (federation of Gemeinden).

RHEINLAND-PFALZ (RHINELAND-PALATINATE) PART PROGRAMME

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided	Requirement	Funds available	
	Total	Total	'Investitions- zulage' Investment aid	Common task funds
1. Creation of new jobs by establishing and extending production industries	1 316.00	115.12	115.16	39.96
2. Protection of jobs by reconversion and rational- ization of production industries	157.60 ^a	15.76 ^a	-	15.76 ^a
3. Measures for the tourist industry	205.67	22.96	11.56	11.40
TOTAL 1 to 3	1 679.27	193.84	126.72	67.12
Yearly average	419.82	48.46	31.68	16.78
4. Preparation of industrial areas	76.68	46.00	-	17.00 ^b
5. Amelioration of local (communal) infrastructures	3.06	1.84	-	c
6. Public equipment for tourism	24.52	14.72	-	c
7. Building and extending schools for training, further training and re-training	9.20	5.52	-	c
TOTAL 4 to 7	113.46	68.08	-	17.00
GRAND TOTAL 1 to 7	1 792.73	261.92	126.72	84.12
Yearly average	448.18	65.48	31.68	21.03

^a The number of jobs to protect has been doubled, in comparison with the 7th Regional Plan.

^b Rest by Land resources.

^c Additional Land resources.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	31.68	31.68	31.68	31.68	126.72
2. Common task funds	21.03 ^a	21.03 ^b	21.03 ^b	21.03 ^b	84.12 ^{ab}
TOTAL	52.71	52.71	52.71	52.71	210.84
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	28.79	28.79	28.79	28.79	115.16
(b) Common task funds	9.99	9.99	9.99	9.99	39.96
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	3.94	3.94	3.94	3.94	15.76
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	2.89	2.89	2.89	2.89	11.56
(b) Common task funds	2.85	2.85	2.85	2.85	11.40
4. Preparation of industrial areas	4.25	4.25	4.25	4.25	17.00
5. Amelioration of local (communal) infrastructures)))))
6. Public equipment for tourism)	Additional Land resources))
7. Building and extending of schools for training, further training and re-training)))
TOTAL	52.71	52.71	52.71	52.71	210.84

^a Plus additional Land grants (budget 1978/79).

^b Plus additional Land grants (medium term finance planning).

SAARLAND PART PROGRAMME

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	2 250.0	-	261.88	-	196.88	-	65.0	-
2. Protection of jobs by reconversion and rationalization of production industries	2 250.0	-	65.0	-	-	-	65.0	-
3. Measures for the tourist industry	80.0	-	11.0	-	7.0	-	4.0	-
TOTAL 1 to 3	4 580.0	-	337.88	-	203.88	-	134.0	-
Yearly average	1 145.0	-	84.47	-	50.97	-	33.5	-
4. Preparation of industrial areas	42.0	-	33.6	-	-	-	33.6	-
5. Amelioration of local (communal) infrastructures	116.0	-	92.8	-	-	-	92.8	-
6. Public equipment for tourism	36.5	-	29.2	-	-	-	29.2	-
7. Building and extending schools for training, further training and re-training	58.0	-	46.4	-	-	-	46.4	-
TOTAL 4 to 7	252.5	-	202.0	-	-	-	202.0	-
GRAND TOTAL 1 to 7	4 832.5	-	539.88	-	203.88	-	336.0	-
Yearly average	1 208.13	-	134.97	-	50.97	-	84.0	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. Requirement					
1. 'Investitionszulage' (Investment aid)	50.97	50.97	50.97	50.97	203.88
2. Common task funds	84.0	84.0	84.0	84.0	336.0
TOTAL	134.97	134.97	134.97	134.97	539.88
II. Planned expenditure					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	49.22	49.22	49.22	49.22	196.88
(b) Common task funds	16.25	16.25	16.25	16.25	65.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	16.25	16.25	16.25	16.25	65.0
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.75	1.75	1.75	1.75	7.0
(b) Common task funds	1.0	1.0	1.0	1.0	4.0
4. Preparation of industrial areas	8.4	8.4	8.4	8.4	33.6
5. Amelioration of local (communal) infrastructures	23.2	23.2	23.2	23.2	92.8
6. Public equipment for tourism	7.3	7.3	7.3	7.3	29.2
7. Building and extending of schools for training, further training and re-training	11.6	11.6	11.6	11.6	46.4
TOTAL	134.97	134.97	134.97	134.97	539.88

14. REGIONAL DEVELOPMENT PROGRAMME 'ODENWALD - HOHENLOHE - OSTALB'

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Aalen, Buchen, Heidenheim-Dillingen (Baden-Württemberg sector), Schwäbisch Hall and Tauberbischofsheim.

It thus comprises the following Landkreise¹ or parts thereof:

- Heidenheim
- Hohenlohekreis
- Main-Tauber-Kreis
- Neckar-Odenwaldkreis
- Schwäbisch Hall
- of Ostalbkreis the central districts:
 - Aalen (Gemeinden: Aalen, Abtsgmünd, Bopfingen, Essingen, Hüttlingen, Kirchheim, Lauchheim, Neresheim, Oberkochen, Riesbürg, Westhausen) and
 - Ellwangen (Gemeinden: Adelsmannsfelden, Ellenberg, Ellwangen, Jagstzell, Neuler, Rainau, Rosenberg, Stödtlen, Tannhausen, Unterschneidheim, Wört)
- of Rhein-Neckar-Kreis the central districts:
 - Eberbach (Gemeinden: Eberbach and Schönbrunn)
 - Sinsheim (Gemeinden: Angelbachtal, Epfenbach - Reichartshausen, Helmstadt - Barga, Neckarbischofsheim, Neidenstein, Sinsheim, Waibstadt, Zuzenhausen).

(2) Programme area

The programme area is in the north-east and east of the Land. The northern part in particular is still largely agricultural and is faced with the associated structural problems.

The eastern part includes, in addition to the more agricultural districts, some areas which are already more industrially developed but whose economy is still to some extent in a state of structural change.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

(3) Important structural data concerning the programme area

- Population (1 January 1978)	832 158
- Area (1 January 1978)	6 791 km ²
- Population density (1 January 1978)	123
- Industrial occupation per 1 000 inhabitants (1975).	146
- GDP per head of population corrected by commuter balance (1974)	DM 14 700

B - Development targets for industry in the planning period

(1) The aim of regional economic assistance is to create an adequate number of skilled jobs in the less industrialized areas. In those where there is a higher level of industrialization the main objective is to safeguard the existing jobs by assistance for conversion and rationalization and also, in individual cases, to achieve a still higher degree of diversification in the industrial structure.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	4 300
(b) Maintenance of existing jobs in the production industries	1 600

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants (1 January 1978)	
	Local	In commuting area
<u>Priority key points</u>		
Buchen.(20%)	25 152	40 000
Crailsheim.(20%)	28 208	70 000
Heidenheim an der Brenz(20%)	48 927	125 000

	Number of inhabitants (1 January 1978)	
	Local	In commuting area
<u>Key points</u>		
Bad Mergentheim. (15%)	23 646	55 000
Bopfingen. (15%)	11 476	20 000
Ellwangen (Jagst). (15%)	21 580	45 000
Gaildorf (15%)	10 199	20 000
Mosbach. (15%)	23 352	85 000
Öhringen (15%)	20 656	40 000
Osterburken/Adelsheim. (15%)	9 385	20 000
Schrozberg (15%)	5 436	15 000
Schwäbisch Hall. (15%)	34 732	80 000
Tauberbischofsheim (15%)	11 829	40 000

¹ Localities belonging to key points: To Buchen: Walldürn; to Bad Mergentheim: Igersheim; to Öhringen: Neuenstein; to Schwäbisch Hall: Michelbach a.d. Bilz; to Crailsheim: Satteldorf.

(b) Tourist areas

- of Landkreis Heidenheim

Gemeinden: Dischingen, Gerstetten, Giengen/Brenz (only Ortsteil Hürben), Heidenheim (only Ortsteil Großkuchen), Herbrechtingen (less Ortsteile Bohlheim and Hausen), Königsbronn, Nattheim, Niederstotzingen (only Ortsteil Stetten), Steinheim a.A.

- of Hohenlohekreis

Gemeinden Forchtenberg, Ingelfingen, Krautheim, Künzelsau (only Ortsteil Kocherstetten), Kupferzell, Neuenstein, Niedernhall, Öhringen, Pfedelbach (only Ortsteil Untersteinbach), Schöntal, Waldenburg, Zweiflingen.

- of Main-Tauber-Kreis

Gemeinden: Ahorn, Boxberg, Bad Mergentheim, Creglingen, Freudenberg (less Ortsteile Ebenheid and Rauenberg), Igersheim, Lauda-Königshofen (only Ortsteil Beckstein), Tauberbischofsheim, Weikersheim, Werbach, Wertheim.

- of Neckar-Odenwald-Kreis

Gemeinden: Adelsheim, Aglasterhausen (only Ortsteile Breitenbronn and Michelbach), Binau, Buchen (less Ortsteile Bödigheim, Götzingen, Hettingen and Rinschheim), Elztal, Fahrenbach, Hardheim (less Ortsteile Bretzingen, Erfeld and Gerichtstetten), Haßmersheim, Höpfingen (less Ortsteil Waldstetten), Limbach, Mosbach Mudau, Neckargerach, Neckarzimmern, Neunkirchen, Obrigheim (less Ortsteil Asbach), Osterburken (less Ortsteil Bofsheim), Rosenberg (less Ortsteile Bronnacker and Hirschlanden), Schwarzach, Sockach, Waldbrunn, Walldürn (less Ortsteil Altheim), Zwingenberg.

- of Ostalbkreis

Gemeinden: Aalen (less Ortsteile Aalen, Dewangen, Fachsenfeld, Hofen and Wasseralfingen), Abtsgmünd, Adelsmannsfelden, Bopfingen, Ellenberg, Ellwangen, Essingen, Hüttlingen, Jagstzell, Kirchheim, Lauchheim, Neresheim, Neuler, Oberkochen, Rainau, Riesbürg, Rosenberg, Stöttlen, Westhausen (only Ortsteile Lippach and Reichenbach), Wört.

- of Rhein-Neckar-Kreis

Gemeinden: Eberbach, Epfenbach, Helmstadt-Bargen, Reichartshausen, Schönbrenn.

- of Landkreis Schwäbisch Hall

Gemeinden: Braunsbach, Bühlertann, Bühlerzell, Fichtenau, Fichtenberg, Kirchberg/Jagst, Kreßberg, Langenburg, Mainhardt, Michelfeld, Oberrot, Obersontheim, Rot am See, Schwäbisch Hall, Sulzbach-Laufen, Vellberg.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)							
	Investment to be aided		Requirement		Funds available		
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	Investitions-zulage, Investment aid	of which 'ZRG' in	Common task funds of which 'ZRG' in
1. Creation of new jobs by establishing and extending production industries	453.60	-	46.83	-	39.70	-	7.13
2. Protection of jobs by reconversion and rationalization of production industries	41.60	-	4.16	-	-	-	4.16
3. Measures for the tourist industry	50.40	-	5.19	-	4.40	-	0.79
TOTAL 1 to 3	545.60	-	56.18	-	44.10	-	12.08
Yearly average	136.40	-	14.04	-	11.00	-	3.02
4. Preparation of industrial areas	34.60	-	17.30	-	-	-	17.30
5. Amelioration of local (communal) infrastructures	54.95	-	18.32	-	-	-	18.32
6. Public equipment for tourism	7.63	-	3.05	-	-	-	3.05
7. Building and extending schools for training, further training and re-training	13.99	-	4.58	-	-	-	4.58
TOTAL 4 to 7	111.17	-	43.25	-	-	-	43.25
GRAND TOTAL 1 to 7	656.77	-	99.43	-	44.10	-	55.33
Yearly average	164.19	-	24.85	-	11.00	-	13.83

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	11.02	11.03	11.02	11.03	44.10
2. Common task funds	13.83	13.83	13.83	13.83	55.33
TOTAL	24.85	24.86	24.85	24.86	99.43
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	9.92	9.93	9.92	9.93	39.70
(b) Common task funds	1.78	1.78	1.78	1.78	7.13
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	1.04	1.04	1.04	1.04	4.16
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.10	1.10	1.10	1.10	4.40
(b) Common task funds	0.20	0.20	0.20	0.20	0.79
4. Preparation of industrial areas	4.33	4.33	4.33	4.33	17.30
5. Amelioration of local (communal) infrastructures	4.58	4.58	4.58	4.58	18.32
6. Public equipment for tourism	0.76	0.76	0.76	0.76	3.05
7. Building and extending of schools for training, further training and re-training	1.15	1.15	1.15	1.15	4.58
TOTAL	24.85	24.86	24.85	24.86	99.43

15. REGIONAL DEVELOPMENT PROGRAMME 'HOCHSCHWARZWALD - BAAR - HOCHRHEIN'
(BLACK FOREST HIGHLANDS - BAAR - UPPER RHINE)

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Donauschingen and Waldshut.

It thus comprises the following Landkreise¹ or parts thereof:

- of Landkreis Breisgau-Hochschwarzwald
the central district
 - Titisee-Neustadt (Gemeinden: Breitnau, Eisenbach, Feldberg, Friedenweiler, Hinterzarten, Lenzkirch, Löffingen, Schluchsee, Titisee-Neustadt);
- of Landkreis Lörrach
the central district
 - Schopfheim (Gemeinden: Aitern, Böllen, Bürchau, Elbenschwand, Fröhnd, Hög-Ehrsberg, Hasel, Hausen, Maulburg, Neuenweg, Raich, Sallneck, Schönau, Schönenberg, Schopfheim, Tegernau, Todtnau, Tunau, Wembach, Wieden, Wies, Wieslet, Utzenfeld, Zell);
- of Schwarzwald-Baar-Kreis
the central district
 - Donaueschingen (Gemeinden: Blumberg, Bräunlingen, Donaueschingen, Hüfingen);
- of Landkreis Waldshut
the central district
 - Waldshut-Tiengen (Gemeinden: Albbruck, Bernau, Bonndorf, Dachsberg, Dettinghofen, Dogern, Eggingen, Grafenhausen, Häusern, Höchenschwand, Hohenstengen, Ibach, Jestetten, Klettgau, Küssaberg, Lauchringen, Lottstetten, St. Blasien, Stühlingen, Todtmoos, Ühlingen-Birkendorf, Waldshut-Tiengen, Weilheim, Wutach, Wutöschingen).

(2) Programme area

The programme area is in the south-western part of the Land. Its economic development is impeded by the frontier situation and by difficult topographical and climatic conditions. In particular there is a danger of migration away from the Hochschwarzwald (Black Forest Highlands) and parts of the Baar area.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

(3) Important structural data concerning the programme area

- Population (1 January 1978)	208 365
- Area (1 January 1978)	2 068 km ²
- Population density (1 January 1978)	101
- Industrial occupation per 1 000 inhabitants (1975).	132
- GDP per head of population corrected by commuter balance (1974).	DM 12 700

B - Development targets for industry in the planning period

(1) The aim of regional economic policy in the Upper Rhine area is to stimulate economic development, the rate of which is slackening more and more owing to the frontier situation and difficult communications. In the valley of the river Wiese the conversion and rationalization efforts being made by existing industry are above all to be encouraged and a more differentiated industry structure promoted. In areas such as the Black Forest Highlands, where tourism represents an important part of the development potential, the existing facilities need to be extended and, in particular, further improved as regards quality. In the other areas the level of development needs to be raised, primarily by expansion of the industrial sector.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	1 700
(b) Maintenance of existing jobs in the production industries	1 000

(3) Territorial key points for assistance

(a) Industrial key points

	Number of inhabitants (1 January 1978)	
	Local	In commuting area
<u>Priority key points</u>		
Waldshut-Tiengen. (20%)	21 481	90 000
Schopfheim. (20%)	15 588	45 000

	Number of inhabitants (1 January 1978)	
	Local	In commuting area
<u>Key points</u>		
Bonndorf im Schwarzwald (15%)	5 170	10 000
Donaueschingen. (15%)	17 597	40 000
Titisee-Neustadt. (15%)	10 953	35 000

(b) Tourist areas

- of Landkreis Breisgau-Hochschwarzwald
Gemeinden: Breithau, Eisenbach (Hochschwarzwald), Feldberg, Friedenweiler, Hinterzarten, Lenzkirch, Löffingen, Schluchsee, Titisee-Neustadt;
- of Landkreis Lörrach
Gemeinden: Altern, Böllen, Bürchau, Elbenschwand, Fröhnd, Hög-Ehrsberg, Hasel, Neuenweg, Raich, Sallneck, Schönau, Schönenberg, Schopfheim (only Ortsteile Enkenstein, Gersbach and Raitbach), Tegernau, Todtnau, Tunau, Utzenfeld, Wembach, Wieden, Wies, Wieslet, Zell;
- of Schwarzwald-Baar-Kreis
Gemeinden: Blumberg, Bräunlingen, Donaueschingen, Hüfingen (only Ortsteile Hausen v.W. and Mundelfingen);
- of Landkreis Waldshut
Gemeinden: Albbruck (only Ortsteile Birkingen, Birndorf, Buch and Unteralpfen), Bernau, Bonndorf, Dachsberg, Grafenhausen, Häusern, Höchenschwand, Hohentenden, Ibach, Küssaberg, St. Blasien, Stühlingen (less Ortsteile Eberfingen and Grimmelschhofen), Todtmoos, Ühlingen-Birkendorf, Waldshut-Tiengen (only Ortsteile Aichen, Breitenfeld, Detzeln, Indlekofen, Krenkingen, Oberalpffen and Waldkirch), Weilheim, Wutach.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)²

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	Investitions- zulage' (Investment aid)	of which, 1, ZRG, in	Common task funds	of which, 1, ZRG, in
1. Creation of new jobs by establishing and extending production industries	176.40	-	18.21	-	15.44	-	2.77	-
2. Protection of jobs by reconversion and rationalization of production industries	26.00	-	2.60	-	-	-	2.60	-
3. Measures for the tourist industry	19.60	-	2.03	-	1.72	-	0.31	-
TOTAL 1 to 3	222.00	-	22.84	-	17.16	-	5.68	-
Yearly average	55.50	-	5.71	-	4.29	-	1.42	-
4. Preparation of industrial areas	8.38	-	4.19	-	-	-	4.19	-
5. Amelioration of local (communal) infrastructures	13.31	-	4.43	-	-	-	4.43	-
6. Public equipment for tourism	1.85	-	0.74	-	-	-	0.74	-
7. Building and extending schools for training, further training and re-training	3.39	-	1.11	-	-	-	1.11	-
TOTAL 4 to 7	26.93	-	10.47	-	-	-	10.47	-
GRAND TOTAL 1 to 7	248.93	-	33.31	-	17.16	-	16.15	-
Yearly average	62.23	-	8.33	-	4.29	-	4.04	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

² Differences due to rounding.

D. Financing plan

(DM million)¹

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	4.29	4.29	4.29	4.29	17.16
2. Common task funds	4.04	4.04	4.04	4.04	16.15
TOTAL	8.33	8.33	8.33	8.33	33.31
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	3.86	3.86	3.86	3.86	15.44
(b) Common task funds	0.69	0.69	0.69	0.69	2.77
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	0.65	0.65	0.65	0.65	2.60
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	0.43	0.43	0.43	0.43	1.72
(b) Common task funds	0.08	0.08	0.08	0.08	0.31
4. Preparation of industrial areas	1.05	1.05	1.05	1.05	4.19
5. Amelioration of local (communal) infrastructures	1.11	1.11	1.11	1.11	4.43
6. Public equipment for tourism	0.19	0.19	0.19	0.19	0.74
7. Building and extending of schools for training, further training and re-training	0.28	0.28	0.28	0.28	1.11
TOTAL	8.33	8.33	8.33	8.33	33.31

¹ Differences due to rounding.

16. REGIONAL DEVELOPMENT PROGRAMME 'ALB-OBERSCHWABEN' (ALB-UPPER SWABIA)

A - Description of programme area

(1) Demarcation

The programme area comprises the labour market area of Sigmaringen.

It thus includes the following Landkreise¹ or parts thereof:

- of Alb-Donau-Kreis the central district
 - Ehingen (Gemeinden: Allmendingen, Altheim, Ehingen, Emeringen, Emerkingen, Griesingen, Grundsheim, Hausen, Lauterach, Munderkingen, Oberdischingen, Obermarchtal, Oberstadion, Öpfingen, Rechtenstein, Rottenacker, Schelkingen, Untermarchtal, Unterstadion, Unterwachingen)
- and the administrative area
 - Laichingen (Gemeinden: Heroldstatt, Laichingen, Merklingen, Nellingen, Westerheim)
- of Landkreis Biberach the central districts
 - Laupheim (Gemeinden: Achstetten, Burgrieden, Laupheim, Mietingen, Schwendi, Wain)
 - Riedlingen (Gemeinden: Altheim, Dürmentigen, Ertingen, Langenenslingen, Riedlingen, Unlingen, Uttenweiler)
- of Landkreis Konstanz the administrative area
 - Stockach (Gemeinden: Bodman-Ludwigshafen, Eigeltingen, Hohenfels, Mühllingen, Orsingen-Nenzingen, Stockach)
- of Landkreis Ravensburg the administrative area
 - Altshausen (Gemeinden: Altshausen, Boms, Ebenweiler, Ebersbach-Musbach, Eichstegen, Fleischwangen, Guggenhausen, Hoßkirch, Königseggwald, Riedhausen, Unterwaldhausen)
- of Landkreis Reutlingen the central district
 - Münsingen (Gemeinden: Gomadingen, Hayingen, Mehrstetten, Münsingen, Pfronstetten, Zwiefalten and Gutsbezirk Münsingen)
- Landkreis Sigmaringen.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

(2) Programme area

The programme area is in the south-east of the Land. It is a thinly populated, predominantly agricultural area with some incipient industrial settlement mainly in the central and southern part. Unfavourable farming conditions due to climate and soil, coupled with the small size of farms, are likely to lead to further redundancies in agriculture. Textiles play an important part in the region's industry. The region's economic strength is well below the Federal average and some parts are monostructural.

(3) Important structural data concerning the programme area

- Population (1 January 1978)	283 601
- Area (1 January 1978)	3 132 km ²
- Population density (1 January 1978)	91
- Industrial occupation per 1 000 inhabitants (1975).	130
- GDP per head of population corrected by commuter balance (1974).	DM 13 100

B - Development targets for industry in the planning period

(1) The aim of regional economic assistance in this area is to create an adequate number of jobs with high productivity. Because of the structure of industry, special importance also attaches to measures of assistance for conversion and rationalization of manufacturing industry, designed to make it easier for existing firms to adjust themselves to structural improvements in their industries.

The attractiveness of the landscape makes large areas of the region particularly suitable for further development of tourism.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	3 600
(b) Maintenance of existing jobs in the production industries	1 400

(3) Territorial key points for assistance

(a) Industrial key points

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Münsingen. (20%)	11 218	20 000
Sigmaringen. (20%)	15 258	85 000
<u>Key points</u>		
Ehingen (Donau). (15%)	21 681	45 000
Laichingen (15%)	8 336	15 000
Laupheim (15%)	14 655	30 000
Meßkirch (15%)	6 859	15 000
Pfullendorf. (15%)	9 785	15 000
Riedlingen (15%)	8 610	25 000
Saulgau. (15%)	15 150	35 000
Stockach (15%)	12 655	20 000

(b) Tourist areas

- of Alb-Donau-Kreis

Gemeinden: Allmendingen (only Ortsteile Weilersteußlingen, Grötzingen and Ennahofen), Ehingen (Ortsteile Erbstetten, Granheim, Kirchen, Mündingen, Dächingen, Frankenhofen and AltsteuBeingen), Heroldstatt, Laichingen, Lauterach, Merklingen, Obermarchtal, Rechtenstein, Schelklingen (only Ortsteile Gundershofen, Hütten, Sondernach, Ingstetten, Justingen, Schmiechen and Hausen o.U.), Westerheim;

- of Landkreis Konstanz

Gemeinden: Bodman-Ludwigshafen, Eigeltingen, Mühligen (only Ortsteil Gallmannsweil), Stockach (only Ortsteil Espasingen and Raithaslach);

- of Landkreis Reutlingen

Gemeinden: Gomadingen, Hayingen, Mehrstetten, Münsingen, Pfronstetten, Zwiefalten;

- of Landkreis Sigmaringen

Gemeinden: Beuron, Bingen, Gamertingen, Hettingen, Illmensee, Inzigkofen, Leibertingen, Neufra, Scheer, Schwennigen, Sigmaringen, Sigmaringendorf, Stetten a.k.M., Veringenstadt.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)²

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	378.00	-	39.02	-	33.08	-	5.94	-
2. Protection of jobs by reconversion and rationalization of production industries	36.40	-	3.64	-	-	-	3.64	-
3. Measures for the tourist industry	42.00	-	4.34	-	3.68	-	0.66	-
TOTAL 1 to 3	456.40	-	47.00	-	36.76	-	10.24	-
Yearly average	141.00	-	11.75	-	9.19	-	2.56	-
4. Preparation of industrial areas	11.42	-	5.71	-	-	-	5.71	-
5. Amelioration of local (communal) infrastructures	18.14	-	6.05	-	-	-	6.05	-
6. Public equipment for tourism	2.52	-	1.01	-	-	-	1.01	-
7. Building and extending schools for training, further training and re-training	4.62	-	1.51	-	-	-	1.51	-
TOTAL 4 to 7	36.70	-	14.28	-	-	-	14.28	-
GRAND TOTAL 1 to 7	493.10	-	61.28	-	36.76	-	24.52	-
Yearly average	123.28	-	15.32	-	9.19	-	6.13	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

² Differences due to rounding.

D. Financing plan

(DM million)¹

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	9.19	9.19	9.19	9.19	36.76
2. Common task funds	6.13	6.13	6.13	6.13	24.52
TOTAL	15.32	15.32	15.32	15.32	61.28
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	8.27	8.27	8.27	8.27	33.08
(b) Common task funds	1.49	1.49	1.49	1.49	5.94
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	0.91	0.91	0.91	0.91	3.64
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	0.92	0.92	0.92	0.92	3.68
(b) Common task funds	0.17	0.17	0.17	0.17	0.66
4. Preparation of industrial areas	1.43	1.43	1.43	1.43	5.71
5. Amelioration of local (communal) infrastructures	1.51	1.51	1.51	1.51	6.05
6. Public equipment for tourism	0.25	0.25	0.25	0.25	1.01
7. Building and extending of schools for training, further training and re-training	0.38	0.38	0.38	0.38	1.51
TOTAL	15.32	15.32	15.32	15.32	61.28

¹ Differences due to rounding.

17. REGIONAL DEVELOPMENT PROGRAMME 'NORDBAYERISCHES FÖRDERGEBIET' (NORTH BAVARIAN ASSISTED AREA)

A - Description of development programme

(1) Demarcation

The development area includes the following labour market regions: Aschaffenburg, Bad Neustad a.d. Saale, Bamberg, Bayreuth, Coburg, Hof/Wunsiedel, Kulmbach, Lohr a. Main, Schweinfurt, Würzburg.

It thus includes the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Aschaffenburg
- Kreisfreie Stadt Bamberg
- Kreisfreie Stadt Bayreuth
- Kreisfreie Stadt Coburg
- Kreisfreie Stadt Hof
- Kreisfreie Stadt Schweinfurt
- Kreisfreie Stadt Würzburg
- Landkreis Aschaffenburg
Gemeinden: Alzenau i. Ufr., Bessenbach, Blankenbach, Dammbach, Geiselbach, Glattbach, Goldbach, Großostheim, Haibach, Heigenbrücken, Heimbuchenthal, Heinrichsthal, Hösbach, Johannesberg, Kahl a. Main, Karlstein a. Main, Kleinkahl, Kleinostheim, Krombach, Laufach, Mainaschaff, Mespelbrunn, Mömbris, Rothenbuch, Sailauf, Schöllkrippen, Sommerkahl, Stockstadt a. Main, Waldaschaff, Weibersbrunn, Westerngrund, Wiesen.
- Landkreis Bad Kissingen
- Landkreis Bamberg
Gemeinden: Altendorf, Baunach, Bischberg, Breitengüßbach, Burgebrach, Burgwindheim, Buttenheim, Ebrach, Frensdorf, Gerach, Gundelsheim, Hallstadt, Heiligenstadt i. OFr., Hirschaid, Kemmern, Königsfeld, Lauter, Lisberg, Litzendorf, Memmelsdorf, Oberhaid, Pettstadt, Priesendorf, Rattelsdorf, Reckendorf, Schesslitz, Schlüsselfeld, Schönbrunn i. Steigerwald, Stadelhofen, Stegaurach, Strullendorf, Viereth, Walsdorf, Wattendorf, Zapfendorf.
- Landkreis Bayreuth
Gemeinden: Ahorntal, Aufseß, Bad Berneck i. Fichtelgebirge, Bindlach, Bischofsgrün, Creußen, Eckersdorf, Emtmannsberg, Fichtelberg, Gefrees, Gesees, Glashütten, Goldkronach, Haag, Heinersreuth, Hollfeld, Hummeltal, Kirchenpingarten, Mehlmiesel, Mistelbach, Mistelgau, Pegnitz, Plankenfels, Potten-

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

stein, Prebitz, Schnabelwaid, Seybothenreuth, Speichersdorf, Waischenfeld, Warmensteinach, Weidenberg.

- Landkreis Coburg
- Landkreis Forchheim
Gemeinden: Ebermannstadt, Eggolsheim, Gößweinstein, Hallerndorf (only part of the former Gemeinde Trailsdorf), Unterleinleiter, Wiesenttal.
- Landkreis Haßberge
- Landkreis Hof
- Landkreis Kitzingen
- Landkreis Kronach
- Landkreis Kulmbach
- Landkreis Lichtenfels
- Landkreis Main-Spessart
- Landkreis Miltenberg
- Landkreis Rhön-Grabfeld
- Landkreis Schweinfurt
- Landkreis Würzburg
- Landkreis Wunsiedel im Fichtelgebirge

(2) Programme area

The programme area, of which about two-thirds is situated in the Zonenrandgebiet, has a varied economic structure.

(a) Lower Franconia sub-region

Economically weak areas, some of which are still mainly agricultural, predominate in the Lower Franconia sub-region. Farming conditions are relatively favourable in the Franconian lowlands, but less conducive to profitable operation in the Spessart and Rhön districts.

In this part of the programme area industry is extraordinarily strongly concentrated in a few places, namely Aschaffenburg, Schweinfurt, Würzburg, Kitzingen, Lohr and Bad Neustadt a.d. Saale. The industrial potential in these towns is monostructural in some cases. In Schweinfurt, especially, there is a very one-sided concentration of industry in the production of ball and roller bearings. In the Aschaffenburg area, the clothing industry accounts for more than the average proportion of the total of industrial jobs.

Tourism is of economic importance mainly in the spa resorts of Lower Franconia. There is already a considerable amount of tourist activity in the Spessart and Bavarian Rhön districts and the Steigerwald. The prerequisites for promotion of tourism exist in the Franconian wine country, the Tauber- and Gollachgrund, the Hassberge (Hass mountains) and the Grabfeld area.

In Lower Franconia the location is particularly unfavourable in the northern frontier districts owing to bad communications and topography. This applies especially to the Landkreise on the frontier with the German Democratic Republic. The once-important north-south links by rail and road now end at the zone frontier.

The economic strength of this part of the programme area is still as a whole considerably below the Federal average.

(b) Upper Franconia sub-region

Unlike other assisted areas of Bavaria, this part of the North Bavarian programme area consists largely of highly industrialized areas with an industrial density well above the Federal and Land averages. There are just a few interspersed areas of farmland worked mainly in the form of smallholdings. Predominant in the industrial structure are the textile, clothing, leather, ceramics and glass industries, characterized on the one hand by high labour intensity (with a generally high proportion of female labour) and, on the other, by comparatively slow growth in productivity.

The extremely peripheral position at the north-east corner of Bavaria, the separation from the Central German and Bohemian economic regions and the poor links with the inter-regional high-speed communication network of the Federal Republic have rendered local conditions very difficult for industry. The peripheral position in relation to production centres and market outlets is being further accentuated by the large-area economic structure which is coming into being within the framework of the EEC. Owing to restructuring difficulties in industry, parts of which are obsolete and unbalanced, much of the programme area has the character of an industrial problem area as referred to in Article 1 (2) 2 of the Law on the Common Task 'Improvement of regional economic structure'. Favourable conditions for further development of tourism exist in the central hill country of the programme area (Fichtelgebirge, Frankenwald, Fränkische Schweiz). There are possibilities for the promotion of tourism in the Upper Main valley and the Coburg area.

(3) Important structural data concerning the programme area

- Population (30 September 1977)	2 175 082
<u>of which:</u> Lower Franconia	1 189 527
Upper Franconia	985 555
- Area	15 214 km ²
<u>of which:</u> Lower Franconia	8 299 km ²
Upper Franconia	6 915 km ²
- Population density	143
<u>of which:</u> Lower Franconia	143
Upper Franconia	143

- Industrial occupation per 1 000 inhabitants (1976).	136
<u>of which:</u> Lower Franconia	121
Upper Franconia	154
- GDP per head of population corrected by commuter balance (1974).	DM 14 200
<u>of which:</u> Lower Franconia	DM 13 200
Upper Franconia	DM 14 600

B - Development targets for industry in the planning period

(1) The essential task of regional structural policy for the programme area is to continue what has been done up to the present by way of creating new jobs and maintaining existing ones.

- In Lower Franconia the main effort is directed towards creating new jobs, particularly in the country areas. In the already more highly developed industrial localities of Lower Franconia the industrial structure should be diversified as far as possible by new settlement. In the industrial town of Schweinfurt, where 82% of the German ball and roller bearing industry is concentrated, and in the Aschaffenburg area, where the clothing industry is markedly predominant, diversification of the industrial structure by the settlement of new undertakings appears particularly urgent. At the same time, rationalization and conversion measures are required in the development area.

Assistance in this part of the programme area is aimed primarily at bringing about a substantial raising of the population's total income and making an effective contribution towards maintaining and safeguarding the viability of the Zonenrandgebiet. The main prerequisite for this is further extension of the regional and inter-regional infrastructure of this part of the country.

- In Upper Franconia the primary aim of regional policy measures is to maintain and safeguard jobs in industry. The main emphasis is laid therefore on promoting the rationalization and modernization projects of undertakings in order to maintain and improve their capacity to withstand crises and be competitive. At the same time the efforts being made to introduce some diversity into the still existing industrial monostructures by the settlement of undertakings belonging to growth industries are to be intensified and conversion measures by firms facilitated by public financial aid. Owing to the fact that industry is widely scattered, this aid cannot be confined to undertakings in the specified key point areas. This is particularly true, also, of the introduction of substitute industrial undertakings for the purpose of restructuring and diversification of industry.

At the same time, industrialization must be continued in the economically weak country areas.

The measures to improve the structure of the programme area in the field of manufacturing industry must be supplemented by action to promote tourism. In areas which have a considerable amount of tourist trade, the facilities offered by private initiative and the public authorities are to be improved and

increased to meet demand. Areas with incipient tourist trade must be further developed. Above all, the necessary infrastructures must be created or extended.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonen- randgebiet'
(a) Creation of new jobs	18 300	13 000
(b) Maintenance of existing jobs in the production industries	13 000	12 000

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Bad Kissingen(25%)	22 300	60 000
Bad Neustadt a.d. Saale(25%)	11 400	80 000 (with Bad Königshofen i.Gr. and Mellrichstadt)
Ebern(25%)	6 300	80 000 (with Haßfurt and Hof- heim i.UFr.)
Haßfurt(25%)	8 900	80 000 (with Ebern and Hofheim in UFr.)
Hof(25%)	55 000	90 000
Kronach(25%)	11 300	80 000 (with Ludwigsstadt and Tettau)
Kulmbach/Stadtsteinach.(25%)	25 500/ 4 000	80 000

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Marktredwitz/Wunsiedel.(25%)	16 400/ 7 800	80 000
Schweinfurt(25%)	57 000	135 000
Würzburg.(20%)	113 100	240 000
<u>Key points</u>		
Aschaffenburg(15%)	55 000	220 000
Bad Brückenau(15%)	6 200	50 000 (with Hammelburg)
Bad Königshofen i. Grabf.(15%)	4 800	80 000 (with Bad Neustadt a.d. Saale and Mellrichstadt)
Bamberg(15%)	75 400	170 000
Bayreuth.(15%)	66 900	125 000
Coburg.(15%)	44 600	100 000
Ebermannstadt(15%)	4 800	40 000 (with Hollfeld)
Ebrach.(15%)	2 300	170 000 (with Bamberg)
Gerolzhofen(15%)	6 200	35 000
Hammelburg.(15%)	12 300	50 000 (with Bad Brückenau)
Hofheim i. UFr.(15%)	2 300	80 000 (with Ebern and Haßfurt)
Hollfeld(15%)	4 800	40 000 (with Ebermannstadt)
Kitzingen(15%)	18 300	55 000
Marktheidenfeld(15%)	7 700	30 000
Münchberg/Helmbrechts(15%)	11 200/ 10 400	45 000
Pegnitz(15%)	10 400	30 000
Rehau(15%)	10 100	50 000 (with Selb)
Staffelstein/Lichtenfels.(15%)	4 900/ 12 600	80 000
Tettau.(15%)	1 800	80 000 (with Kronach and Ludwigstadt)

	Number of inhabitants	
	Local	In commuting area
<u>Key points in extreme zone border position</u>		
Ludwigsstadt.(25%)	2 600	80 000 (with Kronach and Tettau)
Mellrichstadt(25%)	5 400	80 000 (with Bad Neustadt a.d. Saale and Königshofen i. Grabf.)
Naila(25%)	7 200	40 000
Neustadt b. Coburg.(25%)	12 900	30 000
Selb.(25%)	17 100	50 000 (with Rehau)

¹ Localities belonging to key points: To Bad Neustadt a.d. Saale: Niederlauer and Salz; to Haßfurt: Zeil a. Main; to Hof: Oberkotzau and Schwarzenbach a.d. Saale; to Kulmbach/Stadtsteinach: Mainleus; to Marktreutwitz/Wunsiedel: Waldershof; to Schweinfurt: Gochsheim, Schwebheim and Sennfeld; to Würzburg: Estenfeld, Höchberg, Rottendorf and Veitshöchheim; to Aschaffenburg: Kleinostheim, Mainaschaff and Stockstadt; to Bamberg: Hallstadt and Strullendorf; to Bayreuth: Bindlach and Weidenberg; to Coburg: Dörfles-Esbach and Niederfüllbach; to Staffelstein/Lichtenfels: Michelau i. OFr; to Neustadt b. Coburg: Rödental.

(b) Tourist areas

- Kreisfreie Stadt Aschaffenburg
- Kreisfreie Stadt Bamberg
- Kreisfreie Stadt Bayreuth
- Kreisfreie Stadt Coburg
- Kreisfreie Stadt Hof
- Kreisfreie Stadt Würzburg
- of Landkreis Aschaffenburg: Bessenbach, Blankenbach, Dammbach, Geiselbach, Glattbach, Goldbach, Haibach, Heigenbrücken, Heimbuchenthal, Heinrichsthal, Hösbach, Johannesberg, Kleinkahl, Krombach, Laufach, Mespelbrunn, Mömbris, Rothenbuch, Sailauf, Schöllkrippen, Sommerkahl, Waldaschaff, Weibersbrunn, Westerngrund, Wiesen.
- Landkreis Bad Kissingen
(without military exercise areas of Hammelburg and Wildflecken)

- of Landkreis Bamberg: Baunach, Breitengüßbach, Burgebach, Burgwindheim, Büttenheim, Ebrach, Gerach, Heiligenstadt i. OFr., Hirschaid, Königsfeld, Lauter, Litzendorf, Priesendorf, Rattelsdorf, Reckendorf, Scheßlitz, Schlüsseldorf, Schönbrunn i. Steigerwald, Stadelhofen, Strullendorf, Viereith, Walsdorf, Wattendorf, Zapfendorf.
- of Landkreis Bayreuth: Ahorntal, Aufseß, Bad Berneck i. Fichtelgebirge, Bischofsgrün, Creußen, Eckersdorf, Fichtelberg, Gefrees, Glashütten, Goldkronach, Hollfeld, Hummeltal, Kirchenpingarten, Mehlmeisel, Mistelgau, Pegnitz, Plankenfels, Pottenstein, Speichersdorf, Waischenfeld, Warmensteinach, Weidenberg.
- of Landkreis Coburg: Ahorn, Dörfles-Esbach, Großheirath, Grub a. Forst, Itzgrund, Lautertal, Meeder, Neustadt b. Coburg, Niederfüllbach, Rodach b. Coburg, Rödental, Seßlach, Untersiemau, Weitrandsdorf.
- of Landkreis Forchheim: Ebermannstadt, Gößweinstein, Unterleinleiter, Wiesenttal.
- of Landkreis Haßberge: Aidhausen, Breitbrunn, Bundorf, Burgpreppach, Ebelsbach, Ebern, Eltmann, Haßfurt, Hofheim i. UFr., Kirchlauter, Knetzgau, Königsberg i. Bay., Maroldsweisach, Oberaurach, Pfarrweisach, Rauenebrach, Rentweinsdorf, Riedbach, Sand a. Main, Stettfeld, Untermerzbach, Zeil a. Main.
- of Landkreis Hof: Bad Steben, Berg, Geroldsgrün, Helmbrechts, Issigau, Köditz, Lichtenberg, Naila, Rehau, Schauenstein, Schwarzenbach a.d. Saale, Schwarzenbach a. Wald, Selbitz, Sparneck, Stammbach, Töpen, Zell.
- of Landkreis Kitzingen: Abtswind, Albertshofen, Biebelried, Buchbrunn, Castell, Dettelbach, Markt Einersheim, Geiselwind, Iphofen, Kitzingen, Mainbernheim, Mainstockheim, Marktbreit, Marktstett, Martinsheim, Nordheim a. Main, Obernbreit, Prichsenstadt, Rödelsee, Rüdenhausen, Schwarzach a. Main, Segnitz, Seinsheim, Sommerach, Sulzfeld a. Main, Volkach, Wiesenbronn, Wiesentheid, Willanzheim.
- of Landkreis Kronach: Kronach, Küps, Ludwigsstadt, Marktrodach, Mitwitz, Nordhalben, Pressig, Reichenbach, Steinbach a. Wald, Steinwiesen, Stockheim, Tettau, Teuschnitz, Tschirn, Wallenfels, Weißenbrunn, Wilhelmsthal.
- of Landkreis Kulmbach: Grafengehaig, Guttenberg, Himmelkron, Kasendorf, Kulmbach, Ludwigschorgast, Mainleus, Marktleugast, Marktschorgast, Neudrossenfeld, Neuenmarkt, Presseck, Rugendorf, Stadtsteinach, Thurnau, Trebgast, Wirsberg, Wonsees.
- of Landkreis Lichtenfels: Altenkunstadt, Burgkunstadt, Ebensfeld, Lichtenfels, Staffelstein, Weismain.
- of Landkreis Main-Spessart: Aura i. Sinngrund, Bischbrunn, Burgsinn, Erlenbach b. Marktheidenfeld, Esselbach, Fellen, Frammersbach, Gemünden a. Main, Gössenheim, Gräfendorf, Hafenlohr, Hasloch, Karsbach, Kreuzwertheim, Lohr a. Main, Marktheidenfeld, Mittelsinn, Neuendorf, Neuhütten, Neustadt a. Main, Obersinn, Partenstein, Rechtenbach, Rieneck, Roden, Rothenfels, Schollbrunn, Triefenstein, Wiesthal.
- of Landkreis Miltenberg: Altenbuch, Amorbach, Bürgstadt, Collenberg, Dorfprozelten, Eichenbühl, Elsenfeld, Erlenbach a. Main, Eschau, Faulbach, Großheubach, Hausen, Kirchzell, Kleinheubach, Klingenberg a. Main, Laudenberg, Leidersbach, Miltenberg, Mömlingen, Mönchberg, Neunkirchen, Obernburg a. Main, Röllbach, Rüdenau, Schneeberg, Stadtprozelten, Sulzbach a. Main, Weilbach, Wörth a. Main.

- Landkreis Rhön-Grabfeld:

- of Landkreis Schweinfurt: Gerolzhofen, Kolitzheim, Michelau i. Steigerwald, Oberschwarzach, Röthlein, Stadtlauringen, Waigolshausen, Werneck, Wipfeld.
- of Landkreis Würzburg: Aub, Bieberehren, Bütthard, Eibelstadt, Erlabrunn, Eisenheim, Frickenhausen a. Main, Gaukönigshofen, Gelchsheim, Geroldshausen, Giebelstadt, Kirchheim, Ochsenfurt, Randersacker, Reichenberg, Riedenheim, Röttingen, Sommerhausen, Sonderhofen, Tauberrettersheim, Thüngersheim, Veitshöchheim, Winterhausen.

- Landkreis Wunsiedel i. Fichtelgebirge

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zuflage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 853.8	1 325.4	228.5	173.7	178.6	131.9	49.9	41.8
2. Protection of jobs by reconversion and rationalization of production industries	760.0	736.0	98.4	96.0	73.4	73.4	25.0	22.6
3. Measures for the tourist industry	274.2	186.6	33.2	24.5	26.0	18.6	7.2	5.9
TOTAL 1 to 3	2 888.0	2 248.0	360.1	294.2	278.0	223.9	82.1	70.3
Yearly average	722.0	562.0	90.0	73.6	69.5	56.0	20.5	17.6
4. Preparation of industrial areas	28.0	21.6	20.00	16.08	-	-	20.00	16.08
5. Amelioration of local (communal) infrastructures	74.0	57.2	42.60	34.24	-	-	42.60	34.24
6. Public equipment for tourism	47.6	36.4	34.00	27.36	-	-	34.00	27.36
7. Building and extending schools for training, further training and re-training	17.6	13.2	13.08	10.52	-	-	13.08	10.52
TOTAL 4 to 7	167.2	128.4	109.68	88.20	-	-	109.68	88.20
GRAND TOTAL 1 to 7	3 055.2	2 376.4	469.78	382.40	278.0	223.9	191.78	158.5
Yearly average	763.8	594.1	117.45	95.60	69.5	56.0	47.95	39.63

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	69.50	69.50	69.50	69.50	278.00
2. Common task funds	47.95	47.95	47.95	47.95	191.78
TOTAL	117.45	117.45	117.45	117.45	469.78
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	44.65	44.65	44.65	44.65	178.60
(b) Common task funds	12.48	12.48	12.48	12.48	49.90
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	18.35	18.35	18.35	18.35	73.40
(b) Common task funds	6.25	6.25	6.25	6.25	25.00
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	6.50	6.50	6.50	6.50	26.00
(b) Common task funds	1.80	1.80	1.80	1.80	7.20
4. Preparation of industrial areas	5.00	5.00	5.00	5.00	20.00
5. Amelioration of local (communal) infrastructures	10.65	10.65	10.65	10.65	42.60
6. Public equipment for tourism	8.50	8.50	8.50	8.50	34.00
7. Building and extending of schools for training, further training and re-training	3.27	3.27	3.27	3.27	13.08
TOTAL	117.45	117.45	117.45	117.45	469.78

18. REGIONAL DEVELOPMENT PROGRAMME 'WESTBAYERISCHES FÖRDERGEBIET' (WEST BAVARIA ASSISTED AREA)

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Aichach-Schrobenhausen, Ansbach, Dillingen a.d. Donau, Donauwörth, Nördlingen, Rothenburg o.d. Tauber, Weissenburg i. Bay.

It thus includes the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Ansbach
- Landkreis Aichach-Friedberg
Gemeinden: Aichach, Hollenbach, Inchenhofen, Pöttmes.
- Landkreis Ansbach
Gemeinden: Adelshofen, Arberg, Aurach, Bechhofen, Bruckberg, Buch a. Wald, Burgoberbach, Burk, Colmberg, Dentlein a. Forst, Diebach, Dietenhofen, Dinkelsbühl, Dombühl, Dürrwangen, Ehingen, Feuchtwangen, Flachslanden, Gebsattel, Gerolfingen, Geslau, Heilsbronn, Herrieden, Insingen, Langfurth, Lehrberg, Leutershausen, Lichtenau, Merkendorf, Mitteleschenbach, Mönchsroth, Neuendettelsau, Neusitz, Oberdachstetten, Ohrenbach, Ornbau, Petersaurach, Röckingen, Rothenburg o.d. Tauber, Rügland, Sachsen, Schillingsfürst, Schnellendorf, Schopfloch, Steinsfeld, Unterschwaningen, Wassertrüdingen, Weidenbach, Weihenzell, Weiltingen, Wettringen, Wieseth, Wilburgstetten, Windelsbach, Windsbach, Wittelshofen, Wörnitz, Wolframs-Eschenbach.
- Landkreis Augsburg
Gemeinden: Allmannshofen, Ehingen, Ellgau, Kühltenthal, Meitingen, Norden-dorf, Thierhaupten, Westendorf.
- Landkreis Dillingen a.d. Donau
Gemeinden: Bachhagel, Bächingen a.d. Brenz, Bissingen, Blindheim, Butten-wiesen, Dillingen a.d. Donau, Finningen, Gundelfingen a.d. Donau, Haunsheim, Höchstädt a.d. Donau, Lauingen (Donau), Lutzingen, Medlingen, Mödingen, Schwenningen, Syrgenstein, Wertingen, Wittislingen, Ziertheim, Zöschingen.
- Landkreis Donau-Ries
- Landkreis Eichstätt
Gemeinden: Beilngries, Dollnstein, Eichstätt, Mörnshiem, Schernfeld, Well-heim.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- Landkreis Neuburg-Schrobenhausen

Gemeinden: Berg i. Gau, Bergheim, Burgheim, Ehekirchen, Königsmoos, Langenmosen, Neuburg a.d. Donau, Oberhausen, Rennertshofen, Rohrenfels, Schrobenhausen.

- Landkreis Neustadt a.d. Aisch - Bad Windsheim

Gemeinden: Bad Windsheim, Burgbernheim, Burghaslach, Diespeck, Dietersheim, Emskirchen, Ergersheim, Gallmersgarten, Gollhofen, Hemmersheim, Illesheim, Ippesheim, Ipsheim, Langenfeld, Marktbergel, Markt Bibart, Markt Erlbach, Markt Nordheim, Markt Taschendorf, Neuhof a.d. Zenn, Neustadt a.d. Aisch, Oberickelsheim, Obernzenn, Oberscheinfeld, Scheinfeld, Simmershofen, Sugenheim, Trautskirchen, Uffenheim, Unternesselbach, Weigenheim, Wilhelmsdorf.

- Landkreis Roth

Gemeinden: Greding, Heideck, Hilpoltstein, Thalmässing.

- Landkreis Weißenburg - Gunzenhausen

Gemeinden: Alesheim, Bergen, Burgsalach, Dittenheim, Ellingen, Ettenstatt, Gnotzheim, Gunzenhausen, Heidenheim, Höttingen, Langenaltheim, Markt Be-rolzheim, Meinheim, Muhr a. See, Nennslingen, Pappenheim, Pleinfeld, Pol-singen, Raitenbuch, Solnhofen, Treuchtlingen, Weißenburg i. Bay., Westheim.

(2) Programme area

The countryside of the programme area is varied. It extends from the gently undulating hills of Lower Bavaria in the south, via the Danube valley and the Riesbecken to deep into the Franconian plateaux and almost to the centre of the Main valley in the north. Apart from a few economically active areas, the programme area consists principally of wide tracts of flat country with weak economic structures. Much of the area is still mainly agricultural. Owing to the predominance of smallholdings in many areas - the proportion of farms with less than 10 hectares of useful agricultural land varies between 50 and 65% in the individual districts - and the poor yield conditions, a further decline in the number of people working on the land is to be expected.

The extensive assistance measures carried out in recent years have led in some places to a good standard of industrial equipment, a diversified industrial structure and hence an appreciable improvement in the supply of industrial jobs. The degree of success achieved in industrialization is not, however, sufficient to absorb the whole of the available labour and raise the economic strength of the programme area to the level of Bavaria as a whole or even to the Federal average.

There are good potentialities for development of tourism in the programme area (e.g. Ries, Rangau, Monheimer Alb with the Wörnitz and Danube valleys, Frankenhöhe).

The greater part of the programme area belongs to the regions whose economic power is considerably below the Federal level.

(3) Important structural data concerning the programme area

- Population (30 September 1979).	693 702
- Area.	7 229 km ²
- Population density.	96
- Industrial occupation per 1 000 inhabitants	103
- GDP per head of population corrected by commuter balance (1974).	DM 11 800

B - Development targets for industry in the planning period

(1) The aim of regional structural policy is to continue the process of industrial development, to increase the economic strength of the area, which is appreciably below the average for the Federation and the Land, and thus

- (a) appreciably to improve the standard of living of the population in the area and
- (b) at the same time, by mobilizing labour reserves and transferring them to more productive sectors of activity, to improve overall economic growth.

The creation of new jobs is intended in particular to counter the emigration of ex-agricultural workers and young people reaching working age into the neighbouring industrial centres of Nuremburg/Fürth/Erlangen and thus to contribute to more balanced development of the Land. Where the landscape is suitable, a further contribution to improving the economic structure is being made by the development and promotion of tourism. Especially in the Landkreis of Weißenburg-Gunzenhausen, advantage should be taken of the strong fillip given to tourism by the building of the Brombach reservoir in order to pursue the structural development of this area.

At the same time, further extension of the regional and inter-regional infrastructure must be undertaken in order to create the conditions for a successful policy of industrial settlement and tourism.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	13 900
(b) Maintenance of existing jobs in the production industries	2 500

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Ansbach. (20%)	39 700	85 000
Dinkelsbühl. (20%)	10 000	40 000
Uffenheim. (20%)	5 000	45 000
<u>Key points</u>		
Aichbach (15%)	9 000	25 000
Bad Windsheim. (15%)	10 400	30 000
Beilngries (15%)	5 900	50 000 (with Parsberg in Regional Development Programme 'Ostbayerisches Fördergebiet
Dillingen a.d. Donau/ Lauingen (Donau) (15%)	11 800/ 8 900	60 000
Donauwörth (15%)	17 000	65 000 (with Rain and Wemding)
Eichstätt. (15%)	13 000	30 000
Feuchtwangen (15%)	10 600	40 000
Gunzenhausen (15%)	13 700	45 000
Hilpoltstein (15%)	7 900	25 000
Neuburg a.d. Donau (15%)	19 600	45 000
Neustadt a.d. Aisch. (15%)	10 200	45 000 (with Uffenheim)
Nördlingen (15%)	16 600	50 000
Rain (15%)	5 100	65 000 (with Donauwörth and Wemding)
Rothenburg o.d. Tauber (15%)	11 900	30 000
Schrobenhausen (15%)	11 400	25 000
Weißenburg i. Bay./ Treuchtlingen. (15%)	16 400/ 12 100	50 000

	Number of inhabitants	
	Local	In commuting area
Wemding. (15%)	5 300	65 000 (with Donauwörth and Rain)
Wertingen. (15%)	4 200	35 000

¹ Localities belonging to key points: To Dinkelsbühl: Schopfloch; to Dillingen a.d. Donau/Lauingen (Donau): Gundelfingen; to Feuchtwangen: Schnellldorf; to Nördlingen: Wallerstein.

(b) Tourist areas

- Kreisfreie Stadt Ansbach

- of Landkreis Ansbach: Adelshofen, Arberg, Aurach, Bechhofen, Bruckberg, Buch a. Wald, Burgoberbach, Burk, Colmberg, Dentlein a. Forst, Diebach, Diethenhofen, Dinkelsbühl, Dombühl, Dürrwangen, Ehingen, Feuchtwangen, Flachslanden, Gebsattel, Gerolfingen, Geslau, Heilsbronn, Herrieden, Insingen, Langfurth, Lehrberg, Leutershausen, Lichtenau, Merkendorf, Mittelsachsenbach, Münchsroth, Neuendettelsau, Neusitz, Oberdachstetten, Ohrenbach, Ornbau, Röckingen, Rothenburg o.d. Tauber, Rügland, Schillingsfürst, Schnellldorf, Schopfloch, Steinsfeld, Unterschwaningen, Wassertrüdingen, Weidenbach, Weiltingen, Wettringen, Wieseth, Wilburgstetten, Windelsbach, Windsbach, Wittelshofen, Wörnitz, Wolframs-Eschenbach.

- of Landkreis Dillingen a.d. Donau: Bissingen

- of Landkreis Donau-Ries: Alerheim, Amerdingen, Auhausen, Buchdorf, Daiting, Deinigen, Donauwörth, Ederheim, Ehingen a. Ries, Forheim, Fremdingen, Fünfstetten, Hainsfarth, Harburg (Schwaben), Hohenaltheim, Huisheim, Kaisheim, Maihingen, Marktoffingen, Marxheim, Megesheim, Münchsdeggingen, Möttingen, Monheim, Munningen, Niederschönenfeld, Nördlingen, Oettingen i. Bay., Otting, Rain, Reimlingen, Rögling, Tagmersheim, Tapfheim, Wallerstein, Wechingen, Wemding, Wolferstadt.

- of Landkreis Eichstätt: Beilngries, Dollnstein, Eichstätt, Mörsnsheim, Schernfeld, Wellheim.

- of Landkreis Neuburg-Schrobenhausen: Neuburg a.d. Donau, Rennertshofen.

- of Landkreis Neustadt a.d. Aisch - Bad Windsheim: Bad Windsheim, Burghernheim, Burghaslach, Dietersheim, Emskirchen, Gallmersgarten, Ippesheim, Ipsheim, Marktbergel, Markt Bibart, Markt Erlbach, Markt Nordheim, Markt Taeschendorf, Neuhof a.d. Zenn, Neustadt a.d. Aisch, Oberscheinfeld, Obernzenn, Scheinfeld, Sugenheim, Trautskirchen, Uffenheim, Weigenheim, Wilhelmsdorf.

- of Landkreis Roth: Greding, Heideck, Hilpoltstein, Thalmässing.

- of Landkreis Weißenburg - Gunzenhausen: Alesheim, Bergen, Burgsalach, Dittenheim, Ellingen, Ettenstatt, Gnotzheim, Gunzenhausen, Heidenheim, Höttingen, Langenaltheim, Markt Berolzheim, Meinheim, Muhr a. See, Nennslingen, Pappenheim, Pleinfeld, Polsingen, Raitenbuch, Solnhofen, Treuchtlingen, Weißenburg i. Bay., Westheim.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which, in 'ZRG' ¹	Common task funds	of which, in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 464.2	-	152.4	-	128.4	-	24.0	-
2. Protection of jobs by reconversion and rationalization of production industries	144.0	-	17.3	-	-	-	17.3	-
3. Measures for the tourist industry	145.8	-	15.0	-	12.6	-	2.4	-
TOTAL 1 to 3	1 754.0	-	184.7	-	141.0	-	43.7	-
Yearly average	438.5	-	46.2	-	35.3	-	10.9	-
4. Preparation of industrial areas	21.1	-	12.68	-	-	-	12.68	-
5. Amelioration of local (communal) infrastructures	13.6	-	6.88	-	-	-	6.88	-
6. Public equipment for tourism	9.2	-	5.60	-	-	-	5.60	-
7. Building and extending schools for training, further training and re-training	2.0	-	1.20	-	-	-	1.20	-
TOTAL 4 to 7	46.0	-	26.36	-	-	-	26.36	-
GRAND TOTAL 1 to 7	1 800.0	-	211.06	-	141.0	-	70.06	-
Yearly average	450.0	-	52.77	-	35.3	-	17.52	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	35.25	35.25	35.25	35.25	141.00
2. Common task funds	17.52	17.52	17.52	17.52	70.06
TOTAL	52.77	52.77	52.77	52.77	211.06
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	32.1	32.1	32.1	32.1	128.4
(b) Common task funds	6.0	6.0	6.0	6.0	24.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	4.33	4.33	4.33	4.33	17.3
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	3.15	3.15	3.15	3.15	12.6
(b) Common task funds	0.6	0.6	0.6	0.6	2.4
4. Preparation of industrial areas	3.17	3.17	3.17	3.17	12.68
5. Amelioration of local (communal) infrastructures	1.72	1.72	1.72	1.72	6.88
6. Public equipment for tourism	1.40	1.40	1.40	1.40	5.60
7. Building and extending of schools for training, further training and re-training	0.30	0.30	0.30	0.30	1.20
TOTAL	52.77	52.77	52.77	52.77	211.06

19. REGIONAL DEVELOPMENT PROGRAMME 'OSTBAYERISCHES FÖRDERGEBIET' (EAST BAVARIAN ASSISTED AREA)

A - Description of development area

(1) Demarcation

The development area includes the following labour market regions: Amberg, Cham, Deggendorf, Landshut, Neumarkt i.d. Opf, Passau, Regensburg, Schwandorf, Straubing, Tirschenreuth, Weiden i.d. Opf.

It thus contains the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Amberg
- Kreisfreie Stadt Landshut
- Kreisfreie Stadt Passau
- Kreisfreie Stadt Regensburg
- Kreisfreie Stadt Straubing
- Kreisfreie Stadt Weiden i.d. Opf.
- Landkreis Amberg-Sulzbach
Gemeinden: Ammerthal, Auerbach i.d. Opf., Ebermannsdorf, Edelsfeld, Ensdorf, Freihung, Freudenberg, Gebenbach, Hahnbach, Hirschau, Hohenburg, Illschwang, Kastl, Königstein, Kümmersbruck, Poppenricht, Rieden, Schmidmühlen, Schnaittenbach, Sulzbach-Rosenberg, Ursensollen, Vilseck.
- Landkreis Cham
- Landkreis Deggendorf
- Landkreis Dingolfing-Landau
Gemeinden: Dingolfing, Eichendorf, Frontenhausen, Gottfrieding, Landau a.d. Isar, Loiching, Mamming, Marklkofen, Mengkofen, Moosthenning, Niederviehbach, Pilsting, Reisbach, Simbach, Wallersdorf.
- Landkreis Eichstätt
Gemeinde: Pförring.
- Landkreis Freyung-Grafenau
- Landkreis Kelheim
Gemeinden: Abensberg, Attenhofen, Bad Abbach, Biburg, Essing, Hausen, Herrngiersdorf, Ihrlerstein, Kelheim, Kirchdorf, Langquaid, Mainburg, Neustadt a.d. Donau, Painten, Ratzenhofen, Riedenburg, Rohr i. NB., Saal a.d. Donau, Siegenburg, Teugn, Train, Wildenberg.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- Landkreis Landshut

Gemeinden: Adlkofen, Aham, Altdorf, Altfraunhofen, Baierbach, Bayerbach b. Ergoldsbach, Bodenkirchen, Ergolding, Ergoldsbach, Essenbach, Geisenhausen, Gerzen, Hohenthann, Kröning, Kumhausen, Neufahrn i. NB., Neufraunhofen, Niederaichbach, Pfeffenhausen, Postau, Rottenburg a.d. Laaber, Schalkham, Tiefenbach, Velden, Vilsbiburg, Weihmichl, Weng, Wörth a.d. Isar.

- Landkreis Neumarkt i.d. Opf.

Gemeinden: Berching, Breitenbrunn, Deining, Dietfurt a.d. Altmühl, Freystadt, Hohenfels, Lauterhofen, Lupburg, Mühlhausen, Neumarkt i.d. Opf., Parsberg, Pilsach, Sengenthal, Seubersdorf i.d. Opf., Velburg.

- Landkreis Neustadt a.d. Waldnaab

- Landkreis Nürnberger Land

Gemeinde Neuhaus a.d. Pegnitz.

- Landkreis Passau

- Landkreis Pfaffenhofen a.d. Ilm

Gemeinde Münchsmünster

- Landkreis Regen

- Landkreis Regensburg

- Landkreis Rottal-Inn

Gemeinden: Arnstorf, Bayerbach, Birnbach, Dietersburg, Eggenfelden, Egglham, Ering, Hebertsfelden, Johanniskirchen, Malgersdorf, Massing, Pfarrkirchen, Postmünster, Roßbach, Schönauf, Simbach a. Inn, Stubenberg, Tann, Triftern, Unterdietfurt, Wittibreut.

- Landkreis Schwandorf

- Landkreis Straubing-Bogen

- Landkreis Tirschenreuth.

(2) Programme area

The physical structure of the programme area is broadly as follows:

The east of the area, belonging to the Bavarian and Upper Palatinate forest, is fairly mountainous. The Lower Bavarian hill country south of the Danube in some parts offers good conditions for agricultural production and earnings. The western part of the programme area consists mainly of the Franconian Alb.

The economic structure of the programme area is not homogeneous.

The structure of the assisted area in the Regierungsbezirk Niederbayern (Lower Bavaria administrative district) was still definitely agricultural after World War II. The proportion of the working population accounted for by agriculture declined from over 50% in 1950 to about 26% in 1970, although in some Landkreise it remained in the region of 30 to 40%. In view of the predominance of smallholdings and the unfavourable yield conditions in the Bavarian forest area, this restructuring process will continue.

With the decline in agriculture the proportion of the working population in manufacturing industry rose from about 32% to about 42%. The industrial den-

sity trebled but is still, at about 92, well below the Federal average (120) and the Land average (116). The industrial structure, originally marked by an unbalanced preponderance of the stone and non-metallic minerals, glass, timber and wood-processing industries, has been appreciably diversified. As in the past, however, labour-intensive industries still predominate. Also the proportion of women in employment, at about 41%, is appreciably above the Federal average (approx. 29%) and the Land average (approx. 37%).

The part of the programme area situated in the Regierungsbezirk Oberpfalz (Upper Palatinate administrative district) is characterized by substantial structural differences. Together with rural areas (e.g. in the Oberpfälzer Wald district), whose population is engaged mainly in farming, there are also industrial problem areas, e.g. Burglengenfeld, Amberg, Sulzbach-Rosenberg. The industrial centres in the north of the Upper Palatinate are dominated largely by a single industry (quality ceramics and glass).

Tourism is of considerable structural importance in the area, playing a considerable economic role in the Bayrischer Wald and Oberpfälzer Wald, the Fichtelgebirge and the Lower Altmühltal. There are also good opportunities for tourism in the Bayerischer Vorwald, the tourist areas of 'Lower Bavaria south of the Danube', the Oberpfälzer Jura and the valleys in the southern part of the Upper Palatinate.

The overall situation of the programme area is determined largely by:

- (a) the extreme peripheral situation both in the Federal Republic and in the European Community;
- (b) separation from neighbouring economic regions because of the course taken by the zone frontier;
- (c) inadequate links between the programme area and the Federal Republic's inter-regional communication network;
- (d) structural weaknesses, especially in the hilly areas.

47% of the programme area belongs to the Zonenrandgebiet. The continuing impassability of the zone frontier has led to diversion of economic and traffic flows without any compensation for the area in the form of generally adequate links with the Federal network of trunk roads. The urgently necessary extension of the Federal motorway from Regensburg to Passau and from Amberg via Pfreimd to Waidhaus, the widening of the B 11 between Munich and Deggendorf into a trunk road and the conversion of the B 15 into a Federal motorway, together with further work on the Rhine-Main-Danube canal, will improve the communications situation of the programme area.

The economic strength of the area is still considerably below the Federal and Land average. In the Upper Palatinate the situation is rendered more difficult by the predominance, in certain parts of the region, of branches of activity which are subject to structural change of a nature liable to produce additional adverse local effects.

(3) Important structural data concerning the programme area

- Population (30 September 1979).	1 904 063
<u>of which:</u> Upper Palatinate.	948 012
Lower Bavaria	956 051
- Area.	18 960 km ²
<u>of which:</u> Upper Palatinate.	9 450 km ²
Lower Bavaria	9 510 km ²
- Population density.	100.4
<u>of which:</u> Upper Palatinate.	100.3
Lower Bavaria	100.5
- Industrial occupation per 1 000 inhabitants	97
<u>of which:</u> Upper Palatinate.	100
Lower Bavaria	95
- GDP per head of population corrected by commuter balance (1974).	DM 12 200
<u>of which:</u> Upper Palatinate.	DM 12 600
Lower Bavaria	DM 11 800

B - Development targets for industry in the planning period

(1) The aim of regional structural policy for the programme area is to continue the restructuring which has been successfully embarked upon and to increase the economic strength of the region, which is still distinctly below the Federal and Land average. This action is designed to promote balanced overall development of the area, bringing an improvement in the population's standard of living and working conditions.

It is particularly important to create the most varied supply of jobs possible. The decisive factor from this point of view is not so much the number as the quality of jobs to be created. The aim pursued is to achieve a further lasting improvement in vocational opportunities, thereby also countering the trends towards emigration in some parts of the area.

In the farming areas the objective is to create additional jobs in order to offer suitable employment to offset redundancies in agriculture. In the industrial problem areas, new jobs have to be created for workers made redundant through structural change. The aim is to maintain existing employment in industry while at the same time encouraging the extension of firms and the establishment of new ones. Of special importance is the rationalization, modernization and conversion of firms in the industrial problem areas of the Upper Palatinate.

Development and further improvement of the tourist trade is intended to make a further contribution to enhancing the economic strength of the programme area. In districts with a considerable volume of tourist trade, the facilities provided by the undertakings themselves and by the public authorities are to be improved and extended in accordance with demand. Areas with incipient tourist trade are to be further developed.

The prerequisites for a successful policy of attracting new industry and promoting tourism are to be created by extension of the regional and inter-regional infrastructure.

(2) Creation of new jobs and maintenance of existing ones

	Total	Of which in the 'Zonen- randgebiet'
(a) Creation of new jobs	24 100	17 700
(b) Maintenance of existing jobs in the production industries	8 000	6 500

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Cham (25%)	12 500	75 000 (with Furth i. Wald and Kötzing)
Deggendorf/ Plattling. (25%)	25 300/ 9 500	105 000
Grafenau (25%)	5 000	80 000 (with Freyung and Wald- kirchen)
Tirschenreuth. (25%)	8 500	50 000 (with Waldsassen)

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Weiden i.d. Opf./	43 000/	
Neustadt a.d. Waldnaab (25%)	6 000	95 000
Amberg/	47 400/	
Sulzbach-Rosenberg (20%)	18 800	130 000
Burglengenfeld (20%)	10 100	30 000
Eggenfelden. (20%)	9 200	30 000
Landshut (20%)	56 400	95 000
Regensburg (20%)	133 200	240 000
Schwandorf (20%)	22 600	35 000
Straubing. (20%)	44 300	100 000 (with Bogen)
<u>Key points</u>		
Bogen. (15%)	6 800	100 000 (with Straubing)
Eschenbach i.d. Opf. (15%)	4 000	50 000 (with Kemnath)
Freyung/Waldkirchen. (15%)	6 200/ 6 500	80 000 (with Grafenau)
Furth i. Wald. (15%)	10 000	75 000 (with Cham and Kötzing)
Hauzenberg (15%)	9 200	40 000 (with Wegscheid)
Kelheim. (15%)	13 500	60 000 (with Riedenburg)
Kemnath. (15%)	3 900	50 000 (with Eschenbach i.d. Opf.)
Landau a.d. Isar (15%)	10 100	30 000
Mallersdorf-Pfaffenberg/	4 900/	
Neufahrn i. NB (15%)	2 200	60 000 (with Rottenburg a.d. Laaber)
Nabburg. (15%)	5 100	30 000
Neumarkt i.d. Opf. (15%)	29 700	55 000
Nittenau (15%)	5 900	40 000 (with Roding)

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Parsberg (15%)	4 900	50 000 (with Beilngries)
Passau (15%)	50 700	75 000
Pfarrkirchen (15%)	9 700	50 000 (with Simbach a. Inn)
Pocking. (15%)	9 600	40 000
Regen. (15%)	9 000	40 000 (with Zwiesel)
Riedenburg (15%)	3 800	55 000 (with Kelheim)
Roding (15%)	9 200	40 000 (with Nittenau)
Rottenburg a.d. Laaber (15%)	4 000	60 000 (with Mallersdorf-Pfaffenberg/Neufahrn i. NB)
Simbach a. Inn (15%)	9 400	50 000 (with Pfarrkirchen)
Vilsbiburg (15%)	6 800	30 000
Vilshofen. (15%)	7 700	45 000
Vohenstrauß. (15%)	7 100	25 000
Waldmünchen. (15%)	5 900	55 000 (with Neunburg v. Wald and Oberviechtach)
Waldsassen (15%)	8 900	50 000 (with Tirschenreuth)
Wegscheid. (15%)	4 300	40 000 (with Hauzenberg)
Zwiesel. (15%)	9 100	40 000 (with Regen)
<u>Key points in extreme zone border position</u>		
Kötzting (25%)	6 000	75 000 (with Cham and Furth i. Wald)
Neunburg v. Wald (25%)	7 100	55 000 (with Oberviechtach and Waldmünchen)

	Number of inhabitants	
	Local	In commuting area
<u>Key points in extreme zone border position</u>		
Oberviechtach. (25%)	4 900	55 000 (with Neunburg v. Wald and Waldmünchen)
Viechtach. (25%)	6 400	25 000

¹ Localities belonging to key points: To Deggendorf/Plattling: Hengersberg, Otzing; to Tirschenreuth: Mitterteich and Wiesau; to Weiden i.d. Opf./Neustadt a.d. Waldnaab: Altenstadt a.d. Waldnaab and Weiherhammer; to Amberg/Sulzbach-Rosenberg: Kümmerbruck; to Burglengenfeld: Maxhütte-Haidhof and Teublitz; to Landshut: Altdorf and Ergolding; to Regensburg: Barbing and Neutraubling; to Schwandorf: Wackersdorf (as far as situated outside the Zonenrandgebiet); to Kelheim: Saal a.d. Donau; to Kemnath: Erbendorf; to Landau a.d. Isar: Pilsting; to Mallersdorf-Pfaffenberg/Neufahrn i. NB: Ergoldsbach; to Nabburg: Pfreimd; to Nittenau: Bruck i.d. Opf.; to Pocking: Rothalmünster and Ruhstorf; to Vilsbiburg: Bodenkirchen; to Neunburg v. Wald: Bodenwöhr, Wackersdorf (as far as situated outside the Zonenrandgebiet).

(b) Tourist areas

- Kreisfreie Stadt Amberg
- Kreisfreie Stadt Landshut
- Kreisfreie Stadt Passau
- Kreisfreie Stadt Regensburg
- Kreisfreie Stadt Straubing
- Kreisfreie Stadt Weiden i.d. Opf.
- of Landkreis Amberg-Sulzbach: Ammerthal, Auerbach i.d. Opf., Edelsfeld, Ensdorf, Freihung, Feudenberg, Gebenbach, Hahnbach, Hirschau, Hohenburg, Illschwang, Kastl, Königstein, Rieden, Schmidmühlen, Schnaittenbach, Sulzbach, Sulzbach-Rosenberg, Ursensollen, Vilseck.
- Landkreis Cham
- Landkreis Deggendorf
- Landkreis Dingolfing-Landau
- Landkreis Freyung-Grafenau
- of Landkreis Kelheim: Abensberg, Bad Abbach, Biburg, Essing, Ihrlerstein, Kelheim, Kirchdorf, Neustadt a.d. Donau, Painten, Ratzenhofen, Riedenburg, Rohr i. NB., Siegenburg, Train, Wildenberg.

- of Landkreis Landshut: Adlkofen, Altdorf, Baierbach, Ergolding, Essenbach, Hohenthann, Kumhausen, Neufraunhofen, Niederaichbach, Postau, Tiefenbach, Velden, Weng, Wörth a.d. Isar.
- of Landkreis Neumarkt i.d. Opf.: Berching, Breitenbrunn, Deining, Dietfurt a.d. Altmühl, Freystadt, Hohenfels, Lauterhofen, Lupburg, Mühlhausen, Neumarkt i.d. Opf., Parsberg, Seubersdorf i.d. Opf., Velburg.
- of Landkreis Neustadt a.d. Waldnaab: Altenstadt a.d. Waldnaab, Eschenbach i.d. Opf., Eslarn, Floß, Flossenbürg, Georgenberg, Grafenwöhr, Irchenrieth, Kirchendemenreuth, Kirchenthumbach, Kohlberg, Leuchtenberg, Luhe, Mantel, Moosbach, Neustadt a.d. Waldnaab, Neustadt a. Kulm, Parkstein, Pleystein, Preißach, Pressath, Püchersreuth, Schirmitz, Schlammersdorf, Schwarzenbach, Speinshart, Störnstein, Tannesberg, Theisseil, Vohenstrauß, Vorbach, Waidhaus, Waldthurn, Weiherhammer, Windischeschenbach.
- of Landkreis Nürnberger Land: Neuhaus a.d. Pegnitz.
- Landkreis Passau
- Landkreis Regen
- of Landkreis Regensburg: Altenthann, Bach a.d. Donau, Beratzhausen, Bernhardswald, Brennbach, Brunn, Deuerling, Donaustauf, Duggendorf, Hemau, Holzheim a. Forst, Kallmünz, Laaber, Lappersdorf, Neutraubling, Nittendorf, Obertraubling, Pentling, Pettendorf, Pfatter, Pielenhofen, Regensauf, Sinsing, Tegernheim, Wenzenbach, Wiesent, Wörth a.d. Donau, Wolfsegg, Zeitlarn.
- of Landkreis Rottal-Inn: Arnstorf, Bayerbach, Birnbach, Dietersburg, Eggenfelden, Egglham, Ering, Hebertsfelden, Johanniskirchen, Malgersdorf, Masing, Pfarrkirchen, Postmünster, Roßbach, Schönau, Simbach a. Inn, Stubenberg, Tann, Triftern, Unterdietfurt, Wittibreut.
- of Landkreis Schwandorf: Altendorf, Bodenwöhr, Bruck i.d. Opf., Burglengenfeld, Dieterskirchen, Fensterbach, Gleiritsch, Guteneck, Nabburg, Neukirchen-Balbini, Neunburg vorm Wald, Niedermurach, Nittenau, Oberviechtach, Pfreimd, Schmidgaden, Schönsee, Schwandorf, Schwarzach b. Nabburg, Schwarzenfeld, Schwarzhofen, Stadlern, Stulln, Teublitz, Teunz, Thanstein, Trausnitz, Weiding, Wernberg-Köblitz, Winklarn.
- of Landkreis Straubing-Bogen: Aholting, Asterhofen, Ascha, Atting, Bogen, Falkenfels, Geiselhöring, Haibach, Haselbach, Hundertsdorf, Kirchroth, Konzell, Laberweinting, Leiblfling, Loitzendorf, Mellersdorf-Pfaffenberg, Mariaposching, Mitterfels, Neukirchen, Niederwinkling, Oberschneiding, Parkstetten, Perasdorf, Perkam, Rain, Rattenberg, Rattiszell, St. Englmar, Schwarzach, Stallwang, Steinach, Straßkirchen, Wiesenfelden, Windberg.
- Landkreis Tirschenreuth.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East- ern countries	Total	in border areas with the East- ern countries	'Investitions- zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	2 411.0	1 902.4	301.4	250.7	234.2	189.9	67.2	60.8
2. Protection of jobs by reconversion and rational- ization of production industries	464.0	384.0	59.4	50.3	38.3	38.3	21.1	12.0
3. Measures for the tourist industry	389.0	155.6	44.5	20.3	35.9	15.4	8.6	4.9
TOTAL 1 to 3	3 264.0	2 442.0	405.3	321.3	308.4	243.6	96.9	77.7
Yearly average	816.0	610.5	101.3	80.3	77.1	60.9	24.2	19.4
4. Preparation of industrial areas	43.2	28.0	30.20	21.12	-	-	30.20	21.12
5. Amelioration of local (communal) infrastructures	48.8	32.0	27.56	19.24	-	-	27.56	19.24
6. Public equipment for tourism	94.8	61.6	66.00	46.12	-	-	66.00	46.12
7. Building and extending schools for training, further training and re-training	10.8	6.8	7.60	5.32	-	-	7.60	5.32
TOTAL 4 to 7	197.6	128.4	131.36	91.80	-	-	131.36	91.80
GRAND TOTAL 1 to 7	3 461.6	2 570.4	536.66	413.10	308.4	243.6	228.26	169.50
Yearly average	865.4	642.6	134.17	103.28	77.1	60.9	57.07	42.38

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	77.10	77.10	77.10	77.10	308.40
2. Common task funds	57.07	57.07	57.07	57.07	228.26
TOTAL	134.17	134.17	134.17	134.17	536.66
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	58.55	58.55	58.55	58.55	234.20
(b) Common task funds	16.80	16.80	16.80	16.80	67.20
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	9.58	9.57	9.58	9.57	38.30
(b) Common task funds	5.28	5.28	5.28	5.28	21.10
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	8.97	8.98	8.97	8.98	35.90
(b) Common task funds	2.15	2.15	2.15	2.15	8.60
4. Preparation of industrial areas	7.55	7.55	7.55	7.55	30.20
5. Amelioration of local (communal) infrastructures	6.89	6.89	6.89	6.89	27.56
6. Public equipment for tourism	16.50	16.50	16.50	16.50	66.00
7. Building and extending of schools for training, further training and re-training	1.90	1.90	1.90	1.90	7.60
TOTAL	134.17	134.17	134.17	134.17	536.66

20. REGIONAL DEVELOPMENT PROGRAMME 'SÜDBAYERISCHES FÖRDERGEBIET' (SOUTH BAVARIA ASSISTED AREA)

A - Description of programme area

(1) Demarcation

The programme area includes the following labour market regions: Bad Tölz, Garmisch-Partenkirchen - Weilheim-Schongau, Kaufbeuren, Landsberg am Lech, Mindelheim (Part), Rosenheim, Traunstein - Bad Reichenhall, Wasserburg am Inn.

It thus comprises the following kreisfreie Städte¹ and Landkreise:

- Kreisfreie Stadt Kaufbeuren
- Kreisfreie Stadt Rosenheim
- Landkreis Bad Tölz-Wolfratshausen
Gemeinden: Bad Heilbrunn, Bad Tölz, Benediktbeuern, Bichl, Gaißach, Greiling, Jachenau, Kochel a. See, Lenggries, Reichersbeuern, Sachsenkam, Schlehdorf, Wackersberg.
- Landkreis Berchtesgadener Land
- Landkreis Garmisch-Partenkirchen
- Landkreis Landsberg a. Lech
Gemeinden: Denklingen, Fuchstal, Hofstetten, Kaufering, Kinsau, Landsberg a. Lech, Pürgen, Reichling, Schwifting, Thaining, Unterdießen, Vilgertshofen.
- Landkreis Miesbach
Gemeinden: Bad Wiessee, Bayerischzell, Fischbachau, Gmund a. Tegernsee, Hausham, Kreuth, Miesbach, Rottach-Egern, Schliersee, Tegernsee.
- Landkreis Mühldorf a. Inn
Gemeinden: Gars a. Inn, Haag i. OB., Reichertsheim, Unterreit.
- Landkreis Ostallgäu
Gemeinden: Bidingen, Biessenhofen, Buchloe, Eisenberg, Füssen, Germaringen, Halblech, Hopferau, Jengen, Kaltental, Lechbruck, Marktoberdorf, Mauerstetten, Nesselwang, Oberostendorf, Osterzell, Pfronten, Roßhaupten, Ruderats-hofen, Schwangau, Seeg, Stötten a. Auerberg, Stöttwang, Waal, Westendorf.
- Landkreis Rosenheim
Gemeinden: Amerang, Aschau im Chiemgau, Babensham, Bad Aibling, Bad Feilnbach, Bernau am Chiemsee, Brannenburg, Breitbrunn am Chiemsee, Bruckmühl, Chiemsee, Eggstätt, Eiselfing, Endorf i. OB., Flintsbach am Inn, Frasdorf, Griesstätt, Großkarolinenfeld, Gstadt am Chiemsee, Halfing, Höslwang, Kiefersfelden, Kling, Kolbermoor, Neubeuern, Nußdorf am Inn, Oberaudorf, Prien

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

am Chiemsee, Prutting, Ramerberg, Raubling, Riedering, Rimsting, Rohrdorf, Rott am Inn, Samerberg, Schechen, Schonstett, Söchtenau, Soyen, Stephanskirchen, Tuntenhausen, Vogtareuth, Wasserberg am Inn.

- Landkreis Traunstein

Gemeinden: Altenmarkt a.d. Alz, Bergen, Chieming, Fridolfing, Grabenstätt, Grassau, Inzell, Kienberg, Kirchanschöring, Marquartstein, Nußdorf, Obing, Palling, Petting, Pittenhart, Reit im Winkl, Ruhpolding, Schleching, Seebuck, Seon, Siegsdorf, Staudach-Egerndach, Surberg, Tacherting, Taching am See, Tittmoning, Traunreut, Traunstein, Trostberg, Truchtlaching, Übersee, Unterwössen, Vachendorf, Waging am See, Wonneberg.

- Landkreis Unterallgäu

Gemeinden: Mindelheim, Rammingen, Türkheim, Wiedergeltingen.

- Landkreis Weilheim-Schongau

Gemeinden: Altenstadt, Bernbeuren, Böbing, Burggen, Eglfing, Habach, Hohenfurch, Hohenpeißenberg, Huglfing, Ingenried, Oberhausen, Peißenberg, Peiting, Penzberg, Polling, Prem, Rottenbuch, Schongau, Schwabbruck, Schwabsoien, Sindelsdorf, Steingaden, Weilheim i. OB., Wildsteig.

(2) Programme area

For topographical and scenic reasons the southern part of the programme area with the Landkreis of Garmisch-Partenkirchen, the southern districts of the Landkreise of Bad Tölz-Wolfratshausen, Miesbach, Weilheim-Schongau and Ostallgäu, and sections of the Landkreise of Berchtesgadener Land, Traunstein and Rosenheim are predominantly tourist areas. The lake area of the Schliersee, Tegernsee, Kochelsee and Walchensee, the Isarwinkel, the Werdenfelser Land, the Staffelsee with the Ammer hill country, the Ostallgäu and the Allgäuer Alps, the Berchtesgaden Alps with the Reichenhall district, the Chiemgau Alps and the Chiemsee area are among the best known and most important tourist areas in Germany.

In the north-western part of the programme area a large proportion of the population used to work on the land. In the course of the industrial development of this area, manufacturing industry gained in importance, especially in the towns of Kaufbeuren, Landsberg am Lech, Marktoberdorf, Mindelheim, Schongau and Weilheim. Furthermore, abandonment of pitch-coal mining made it possible to create an industrial basis by the settlement of firms in the mining towns (e.g. Penzberg) and to accelerate considerably the restructuring process which was already taking place.

The north-eastern part of the programme area also used to be primarily agricultural. Owing to the industrialization that has taken place, a mixed agricultural-industrial structure has developed over the past 15 years. The loss of a further small number of agricultural jobs is to be expected. Industry is concentrated in a few locations such as Traunstein, Freilassing, Laufen, Wasserburg am Inn, Trostberg/Altenmarkt and Rosenheim.

(3) Important structural data concerning the programme area

- Population (30 September 1977).	894 100
- Area.	8 100 km ²
- Population density.	110
- Industrial occupation per 1 000 inhabitants	78
- GDP per head of population corrected by commuter balance (1974).	DM 12 600

B - Development targets for industry in the planning period

(1) The aims of regional structural policy for the programme area are determined largely by the structural differences. While the main objectives, especially in the Kaufbeuren, Landsberg, Weilheim, Mindelheim and Wasserburg am Inn areas, and the northern parts of the Landkreise of Rosenheim, Traunstein and Berchtesgadener Land are to continue the process of industrial development and pursue the efforts to safeguard and create jobs, economic policy in the southern part of the programme area is directed towards consolidating the tourist trade and keeping it competitive and also promoting its further growth.

(2) Creation of new jobs and maintenance of existing ones

	Total
(a) Creation of new jobs	4 500
(b) Maintenance of existing jobs in the production industries	1 300

(3) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Freilassing. (15%)	12 200	35 000
Füssen (15%)	10 500	40 000
Kaufbeuren (15%)	42 600	110 000

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Landsberg am Lech. (15%)	15 900	60 000
Rosenheim. (15%)	38 000	220 000
Traunstein (15%)	14 400	115 000
Wasserburg am Inn. (15%)	6 700	45 000
Weilheim in OB. (15%)	15 400	75 000

¹ Localities belonging to key points: To Freilassing: Ainring; to Landsberg am Lech: Kaufering; to Rosenheim: Kolbenmoor; to Trostberg: Altenmarkt a.d. Alz; to Traunstein: Traunreut.

(b) Tourist areas

- Kreisfreie Stadt Rosenheim

- of Landkreis Bad Tölz-Wolfratshausen: Bad Heilbrunn, Bad Tölz, Benediktbeuern, Bichl, Gaißach, Greiling, Jachenau, Kochel am See, Lenggries, Reichersbeuern, Sachsenkam, Schlehdorf, Wackersberg.

- Landkreis Berchtesgadener Land

- Landkreis Garmisch-Partenkirchen

- of Landkreis Landsberg am Lech: Denklingen, Fuchstal, Hofstetten, Kaufering, Kinsau, Landsberg am Lech, Pürgen, Reichling, Schwifling, Thaining, Unterdießen, Vilgertshofen.

- of Landkreis Miesbach: Bad Wiessee, Bayrischzell, Fischbachau, Gmund am Tegernsee, Hausham, Kreuth, Miesbach, Rottach-Egern, Schliersee, Tegernsee.

- of Landkreis Ostallgäu: Bidingen, Biessenhofen, Eisenberg, Füssen, Halblech, Hopferau, Lechbruck, Marktoberdorf, Nesselwang, Pfronten, Roßhaupten, Ruderatshofen, Schwangau, Seeg, Stötten am Auerberg.

- of Landkreis Rosenheim: Amerang, Aschau am Chiemgau, Babensham, Bad Aibling, Bad Feilnbach, Bernau am Chiemsee, Brannenburg, Breitbrunn am Chiemsee, Bruckmühl, Chiemsee, Eggstätt, Eiselfing, Endorf in OB., Flintsbach am Inn, Frasdorf, Griesstätt, Großkarolinenfeld, Gstadt am Chiemsee, Halfing, Höslwang, Kiefersfelden, Kling, Kolbermoor, Neubeuern, Nußdorf am Inn, Oberaudorf, Prien am Chiemsee, Prutting, Ramerberg, Raubling, Riedering, Rimsting, Rohrdorf, Rott am Inn, Samerberg, Schechen, Schonstett, Söchtenau, Soyen, Stephanskirchen, Tuntenhausen, Vogtaureth, Wasserburg am Inn.

- of Landkreis Traunstein: Altenmarkt a.d. Alz, Bergen, Chieming, Fridolfing, Grabenstätt, Grassau, Inzell, Kienberg, Kirchanschöring, Marquartstein, Nußdorf, Obing, Palling, Petting, Pittenhart, Reit im Winkl, Ruhpolding, Schleching, Seebruck, Seon, Siegsdorf, Staudach-Egerndach, Surberg, Tachtering, Taching am See, Tittmoning, Traunreut, Traunstein, Trostberg, Truchtlaching, Übersee, Unterwössen, Vachendorf, Waging am See, Wonneberg.

- of Landkreis Unterallgäu: Mindelheim.
- of Landkreis Weilheim-Schongau: Altenstadt, Bernbeuren, Böbing, Burggen, Eglfing, Habach, Hohenfurch, Hohenpeißenberg, Huglfing, Ingenried, Oberhausen, Peißenberg, Peiting, Penzberg, Polling, Prem, Rottenbuch, Schongau, Schwabbruck, Schwabsoien, Sindelsdorf, Steingaden, Weilheim in OB., Wildsteig.

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	182.0	-	18.7	-	15.8	-	2.9	-
2. Protection of jobs by reconversion and rationalization of production industries	72.0	-	8.6	-	-	-	8.6	-
3. Measures for the tourist industry	350.0	-	36.6	-	30.8	-	5.8	-
TOTAL 1 to 3	604.0	-	63.9	-	46.6	-	17.3	-
Yearly average	151.0	-	16.0	-	11.7	-	4.3	-
4. Preparation of industrial areas	10.8	-	6.48	-	-	-	6.48	-
5. Amelioration of local (communal) infrastructures	4.8	-	2.40	-	-	-	2.40	-
6. Public equipment for tourism	32.8	-	19.72	-	-	-	19.72	-
7. Building and extending schools for training, further training and re-training	-	-	-	-	-	-	-	-
TOTAL 4 to 7	48.4	-	28.6	-	-	-	28.6	-
GRAND TOTAL 1 to 7	652.4	-	92.5	-	46.6	-	45.9	-
Yearly average	163.1	-	23.1	-	11.7	-	11.5	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	11.7	11.6	11.7	11.6	46.6
2. Common task funds	11.5	11.5	11.5	11.5	45.9
TOTAL	23.2	23.1	23.2	23.1	92.5
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	4.0	3.9	4.0	3.9	15.8
(b) Common task funds	0.73	0.73	0.73	0.73	2.9
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	2.15	2.15	2.15	2.15	8.6
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	7.7	7.7	7.7	7.7	30.8
(b) Common task funds	1.45	1.45	1.45	1.45	5.8
4. Preparation of industrial areas	1.62	1.62	1.62	1.62	6.48
5. Amelioration of local (communal) infrastructures	0.60	0.60	0.60	0.60	2.40
6. Public equipment for tourism	4.93	4.93	4.93	4.93	19.72
7. Building and extending of schools for training, further training and re-training	-	-	-	-	-
TOTAL	23.2	23.1	23.2	23.1	92.5

Part IV

SUPPLEMENT TO THE OUTLINE PLAN OF THE COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE'

The Planning Committee of the Common Task 'Improvement of Regional Economic Structure' has, in accordance with Article 1 (2) No 1 of the law on the above-mentioned Common Task, adopted a special programme running until 31 December 1980 for infrastructure measures at key points of the Common Task and for tourism in tourist areas.

(1) Within the framework of the multi-year public investment programme for promotion of growth and preservation of the environment, the Federation and the Lands will grant investment aid during the period 1977-80, subject to confirmation by the budget laws, in order to promote

- (a) pedestrian precincts and parking facilities,
- (b) other infrastructure measures in accordance with Part II, Section 3 of the Sixth Outline Plan, except for the establishment of industrial estates,
- (c) infrastructure for tourism in accordance with Part II, Section 3.1.5. of the Sixth Outline Plan.

The measures mentioned under (a) and (b) may be assisted only at key points of the Common Task, priority over all other measures being assigned to pedestrian precincts and parking facilities. The aim of this is to facilitate access to the retail establishments in the centres of the key points of the Common Task, to counter the outward movement to large-area shopping centres being developed outside the key points and thus to promote the development of small and medium-sized businesses.

(2) For the financing of the above mentioned measures the Federation is making available DM 250 million while the Lands are providing an equal amount; together with an expected provision of funds by the local authorities (Gemeinden) themselves amounting to DM 330 million, the volume of the programme amounts to DM 830 million. The total amount of Federal and Land funds is distributed as follows:

Land	DM million
Baden-Württemberg	20.4
Bavaria	114.0
Bremen	1.8
Hesse	39.8
Lower Saxony	101.8
North Rhine/Westphalia	37.4
Rhineland-Palatinate	39.1
Saar	71.4
Schleswig-Holstein	74.3
TOTAL	500.0

(3) The programme resources will be used for projects which have not yet been started and which, for financial reasons, were it not for this programme, could only have been undertaken later or not at all (additional capital investments). The funds may only be used for projects for which the contracts are placed before 31 December 1980. Individual projects may be assisted up to 80% - or in the Zonenrandgebiet up to 90% - of the investment costs. Assistance in combination with resources from other parts of the programme for future investments or Common Tasks is not possible. In the choice of the projects, priority is to be given to areas with high unemployment. In other respects the rules of the Sixth Outline Plan are to apply mutatis mutandis.

(4) The Federal budget resources are to be allocated to the Lands for management, separately from the other Common Task resources, and are to be accounted for separately. On completion of their administrative check of the documents evidencing the use of the resources, the Lands are to notify the Federal Ministry for Economic Affairs by the submission of a summary report which will also show the extent to which the purpose of the assistance has been achieved.

DM thousands

Regional Development Programmes	Pedestrian precincts and parking facilities	Other infrastructure	Tourist infrastructure	Total
	at key points			
1	2	3	4	5
1. Schleswig-Unterelbe . . .	15.000	2.650	11.220	28.870
2. Holstein	15.000	12.650	17.780	45.430
SCHLESWIG-HOLSTEIN	30.000	15.300	29.000	74.300
3. Lower Saxony North Sea Coast	6.500	9.400	9.400	25.300
- Lower Saxony part - . .	4.700	9.400	9.400	23.500
4. Ems-Mittelweser	3.300	6.500	6.500	16.300
5. Heide-Elbufer	6.500	13.000	13.000	32.500
6. Lower Saxony Highlands .	5.900	11.800	11.800	29.500
LOWER SAXONY	20.400	40.700	40.700	101.800
3. Lower Saxony North Sea Coast	6.500	9.400	9.400	25.300
- Bremen part -	1.800	-	-	1.800
BREMEN	1.800	-	-	1.800
7. Northern Ruhr - Westmünsterland	17.400	-	-	17.400
8. North Eifel	2.800	-	2.400	5.200
9. East Westphalia	6.800	-	8.000	14.800
NORTH RHINE/WESTPHALIA	27.000	-	10.400	37.400
10. Hesse Assisted Area . .	18.400	0.200	20.600	39.200
11. Middle Rhine-Lahn-Sieg .	7.586	0.145	6.069	13.800
- Hesse part -	0.200	-	0.400	0.600
HESSE	18.600	0.200	21.000	39.800
11. Middle Rhine-Lahn-Sieg .	7.586	0.145	6.069	13.800
- Rhineland-Palatinate part -	5.586	0.045	5.369	11.000
12. Eifel-Hunsrück	6.980	0.008	3.252	10.240
13. Saar-Westphalia	29.740	16.200	43.320	89.260
- Rhineland-Palatinate part -	9.740	-	8.120	17.860
RHINELAND PALATINATE	22.306	0.053	16.741	39.100

DM thousands

Regional Development Programmes	Pedestrian precincts and parking facilities	Other infra-structure	Tourist infra-structure	Total
	at key points			
1	2	3	4	5
13. Saar-Western Palatinate	29.740	16.200	43.320	89.260
- Saar part -	20.000	16.200	35.200	71.400
SAAR	20.000	16.200	35.200	71.400
14. Odenwald-Hohenlohe-Ostalb.	8.800	2.000	1.200	12.000
15. Black Forest Highlands-Baar-Upper Rhine	1.800	0.600	1.200	3.600
16. Alb-Oberschwaben	3.000	0.800	1.000	4.800
BADEN-WÜRTTEMBERG	13.600	3.400	3.400	20.400
17. North Bavaria Assisted Area	33.007	1.743	2.360	37.110
18. West Bavaria Assisted Area	4.910	4.700	3.500	13.110
19. East Bavaria Assisted Area	13.150	1.210	35.020	49.380
20. South Bavaria Assisted Area	11.350	-	3.050	14.400
BAVARIA	62.417	7.653	43.930	114.000
TOTAL	221.123	84.106	194.771	500.000

Part V

SUPPLEMENT TO THE OUTLINE PLAN OF THE COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE'

The Planning Committee of the Common Task 'Improvement of Regional Economic Structure' has, in accordance with Article 1 (2) No 2 of the law on the aforementioned Common Task, adopted a special programme running until 31 December 1981.

(1) The aim of this programme is to make possible the creation of 17 300 new jobs outside the iron and steel industry in the area of the Saar-Western Palatinate¹ Regional Development Programme. This figure is the result of the job losses which have taken place since 1977 in the Saar iron and steel industry owing to the steel recession, and of the reorganization as regards ownership and production at the Stahlwerke Röchling-Burbach GmbH and Neunkircher Eisenwerk AG (rationalization measures in labour-intensive sectors, partial closures).

(2) The jobs to be created are distributed as follows:

Saar 15 570

Rhineland-Palatinate 1 730

(3) The Federation is making available a total of DM 100 million of budget resources for the creation of the jobs mentioned under 1 above. The Lands of Saar and Rhineland-Palatinate are likewise providing DM 100 million. The total amount of DM 200 million is divided as follows:

Land	1978 to 1981 DM million
Saar	180
Rhineland-Palatinate	20
TOTAL	200
of which 50% from the Federation .	100

¹ Including any further Gemeinden of the Rhineland-Palatinate in the area of the border with the Saar which are also affected by the steel recession.

The payment commitments of the Federation and the Lands are subject to the giving of all the necessary budgetary authorizations in the Federation and in these Lands.

(4) These resources are available only for assistance in the creation, extension or acquisition of undertakings in manufacturing industry outside the iron and steel industry. The rules laid down in the Outline Plan apply.

(5) The resources for this special programme are to be accounted for separately.

Annexe A

SUMMARY OF PLANNED MEASURES
AND THEIR FINANCING ACCORDING TO LANDS

SCHLESWIG-HOLSTEIN

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	2 400.000	1 560.000	395.840	276.340	255.040	181.540	140.800	94.800
2. Protection of jobs by reconversion and rationalization of production industries	827.800	724.800	132.340	119.640	84.340	84.340	48.000	35.300
3. Measures for the tourist industry	128.000	80.000	21.530	14.310	13.530	9.310	8.000	5.000
TOTAL 1 to 3	3 355.800	2 364.800	549.710	410.290	352.910	275.190	196.800	135.100
Yearly average	838.950	591.200	137.427	102.572	88.227	68.797	49.200	33.775
4. Preparation of industrial areas	66.200	48.500	44.000	29.500	-	-	44.000	29.500
5. Amelioration of local (communal) infrastructures	64.080	60.670	39.800	37.750	-	-	39.800	37.750
6. Public equipment for tourism	72.000	28.000	37.700	15.700	-	-	37.700	15.700
7. Building and extending schools for training, further training and re-training	85.000	66.000	31.300	24.300	-	-	31.300	24.300
TOTAL 4 to 7	287.280	203.170	152.800	107.250	-	-	152.800	107.250
GRAND TOTAL 1 to 7	3 643.080	2 567.970	702.510	517.540	352.910	275.190	349.600	242.350
Yearly average	910.770	641.993	175.627	129.385	88.227	68.797	87.400	60.588

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	88.228	88.227	88.228	88.227	352.910
2. Common task funds	87.400	87.400	87.400	87.400	349.600
TOTAL	175.628	175.627	175.628	175.627	702.510
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	63.760	63.670	63.760	63.760	255.040
(b) Common task funds	33.900	33.900	36.000	37.000	140.800
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	21.085	21.085	21.085	21.085	84.340
(b) Common task funds	12.000	12.000	12.000	12.000	48.000
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	3.382	3.383	3.382	3.382	13.530
(b) Common task funds	2.000	2.000	2.000	2.000	8.000
4. Preparation of industrial areas	11.000	11.000	11.000	11.000	44.000
5. Amelioration of local (communal) infrastructures	9.800	10.000	10.000	10.000	39.800
6. Public equipment for tourism	9.500	9.400	9.400	9.400	37.700
7. Building and extending of schools for training, further training and re-training	9.200	9.100	7.000	6.000	31.300
TOTAL	175.628	175.627	175.628	175.627	702.510

NIEDERSACHSEN (LOWER SAXONY)

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East- ern countries	Total	in border areas with the East- ern countries	'Investitions- zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	8 400.0	3 420.0	952.1	413.8	777.1	341.8	175.0	72.0
2. Protection of jobs by reconversion and rational- ization of production industries	1 000.0	700.0	107.8	87.8	70.3	79.3	37.5	17.5
3. Measures for the tourist industry	400.0	180.0	63.8	29.9	37.1	17.9	26.7	12.0
TOTAL 1 to 3	9 800.0	4 300.0	1 123.7	531.5	884.5	430.0	239.2	101.5
Yearly average	2 450.0	1 075.0	280.9	132.9	221.1	107.5	59.8	25.4
4. Preparation of industrial areas	200.0	135.0	105.0	80.7	-	-	105.0	80.7
5. Amelioration of local (communal) infrastructures	120.0	80.0	63.0	48.0	-	-	63.0	48.0
6. Public equipment for tourism	110.0	75.0	53.0	43.0	-	-	53.0	43.0
7. Building and extending schools for training, further training and re-training	40.0	30.0	19.0	16.0	-	-	19.0	16.0
TOTAL 4 to 7	470.0	320.0	240.0	187.7	-	-	240.0	187.7
GRAND TOTAL 1 to 7	10 270.0	4 620.0	1 363.7	719.2	884.5	430.0	479.2	289.2
Yearly average	2 567.5	1 155.0	340.9	179.8	221.1	107.5	119.8	72.3

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	221.2	221.1	221.1	221.1	884.5
2. Common task funds	119.8	119.8	119.8	119.8	479.2
TOTAL	341.0	340.9	340.9	340.9	1 363.7
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	194.3	194.3	194.3	194.2	777.1
(b) Common task funds	43.8	43.8	43.8	43.6	175.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	17.6	17.6	17.6	17.5	70.3
(b) Common task funds	9.4	9.3	9.3	9.5	37.5
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	9.3	9.3	9.2	9.3	37.1
(b) Common task funds	6.7	6.6	6.7	6.7	26.7
4. Preparation of industrial areas	26.2	26.2	26.2	26.4	105.0
5. Amelioration of local (communal) infrastructures	15.7	15.7	15.8	15.8	63.0
6. Public equipment for tourism	13.2	13.4	13.2	13.2	53.0
7. Building and extending of schools for training, further training and re-training	4.8	4.7	4.8	4.7	19.0
TOTAL	341.0	340.9	340.9	340.9	1 363.7

BREMEN

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	264.000	-	28.600	-	22.100	-	6.500	-
2. Protection of jobs by reconversion and rationalization of production industries	(24.000)	-	(2.400)	-	-	-	(Land resources)	-
3. Measures for the tourist industry	-	-	-	-	-	-	-	-
TOTAL 1 to 3	264.000	-	28.600	-	22.100	-	6.500	-
Yearly average	66.000	-	7.150	-	5.525	-	1.625	-
4. Preparation of industrial areas	7.500	-	6.000	-	-	-	1.500	-
5. Amelioration of local (communal) infrastructures	-	-	-	-	-	-	-	-
6. Public equipment for tourism	-	-	-	-	-	-	-	-
7. Building and extending schools for training, further training and re-training	-	-	-	-	-	-	-	-
TOTAL 4 to 7	7.500	-	6.000	-	-	-	1.500	-
GRAND TOTAL 1 to 7	271.500	-	34.600	-	22.100	-	8.000	-
Yearly average	67.875	-	8.650	-	5.525	-	2.000	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	5.525	5.525	5.525	5.525	22.100
2. Common task funds	2.000	2.000	2.000	2.000	8.000
TOTAL	7.525	7.525	7.525	7.525	30.100
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	5.525	5.525	5.525	5.525	22.100
(b) Common task funds	1.625	1.625	1.625	1.625	6.500
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)					
(b) Common task funds					
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)					
(b) Common task funds					
4. Preparation of industrial areas	0.375	0.375	0.375	0.375	1.500
5. Amelioration of local (communal) infrastructures					
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	7.525	7.525	7.525	7.525	30.100

NORDRHEIN-WESTFALEN (NORTH RHINE-WESTPHALIA)

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East- ern countries	Total	in border areas with the East- ern countries	'Investitions- zulage' (investment aid)	of which 1. 'ZRG', in	Common task funds	of which 1. 'ZRG', in
1. Creation of new jobs by establishing and extending production industries	9 600.000	-	952.150	-	840.150	-	112.000	-
2. Protection of jobs by reconversion and rational- ization of production industries	320.000	-	32.000	-	-	-	32.000	-
3. Measures for the tourist industry	400.000	-	55.000	-	35.000	-	20.000	-
TOTAL 1 to 3	10 320.000	-	1 039.150	-	875.150	-	164.000	-
Yearly average	2 580.000	-	259.790	-	218.790	-	41.000	-
4. Preparation of industrial areas	24.000	-	12.000	-	-	-	12.000	-
5. Amelioration of local (communal) infrastructures								
6. Public equipment for tourism								
7. Building and extending schools for training, further training and re-training	24.000	-	12.000	-	-	-	12.000	-
TOTAL 4 to 7								
GRAND TOTAL 1 to 7								
Yearly average	2 586.000	-	262.790	-	218.790	-	44.000	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	218.790	218.790	218.790	218.780	875.150
2. Common task funds	44.000	44.000	44.000	44.000	176.000
TOTAL	262.790	262.790	262.790	262.780	1 051.150
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	210.040	210.040	210.040	210.030	840.150
(b) Common task funds	28.000	28.000	28.000	28.000	112.000
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	8.000	8.000	8.000	8.000	32.000
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	8.750	8.750	8.750	8.750	35.000
(b) Common task funds	5.000	5.000	5.000	5.000	20.000
4. Preparation of industrial areas					
5. Amelioration of local (communal) infrastructures	3.000	3.000	3.000	3.000	12.000
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	262.790	262.790	262.790	262.780	1 051.150

HESSEN

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which, in 'ZRG' ¹	Common task funds	of which, in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	2 040.000	1 200.000	244.500	161.700	180.300	111.700	64.200	50.000
2. Protection of jobs by reconversion and rationalization of production industries	520.000	320.000	59.900	39.900	31.900	31.900	28.000	8.000
3. Measures for the tourist industry	212.000	120.000	26.400	16.600	18.600	11.200	7.800	5.400
TOTAL 1 to 3	2 772.000	1 640 000	330.800	218.200	230.800	154.800	100.000	63.400
Yearly average	693.000	410.000	82.700	54.550	57.700	38.700	25.000	15.850
4. Preparation of industrial areas	56.000	45.000	42.600	36.000	-	-	42.600	36.000
5. Amelioration of local (communal) infrastructures	17.000	12.000	12.000	9.000	-	-	12.000	9.000
6. Public equipment for tourism	47.000	30.000	27.800	18.000	-	-	27.800	18.000
7. Building and extending schools for training, further training and re-training	14.000	8.000	4.800	2.800	-	-	4.800	2.800
TOTAL 4 to 7	134.000	95.000	87.200	65.800	-	-	87.200	65.800
GRAND TOTAL 1 to 7	2 906.000	1 735.000	418.000	284.000	230.800	154.800	187.200	129.200
Yearly average	726.500	433.750	104.500	71.000	57.700	38.700	46.800	32.300

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	57.700	57.700	57.700	57.700	230.800
2. Common task funds	46.800	46.800	46.800	46.800	187.200
TOTAL	104.500	104.500	104.500	104.500	418.000
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	45.100	45.100	45.100	45.000	180.300
(b) Common task funds	16.200	16.000	16.000	16.000	64.200
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	8.000	8.000	8.000	7.900	31.900
(b) Common task funds	7.000	7.000	7.000	7.000	28.000
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	4.600	4.600	4.600	4.800	18.600
(b) Common task funds	1.800	2.000	2.000	2.000	7.800
4. Preparation of industrial areas	10.800	10.600	10.600	10.600	42.600
5. Amelioration of local (communal) infrastructures	3.000	3.000	3.000	3.000	12.000
6. Public equipment for tourism	6.800	7.000	7.000	7.000	27.800
7. Building and extending of schools for training, further training and re-training	1.200	1.200	1.200	1.200	4.800
TOTAL	104.500	104.500	104.500	104.500	418.000

RHEINLAND-PFALZ (RHINELAND-PALATINATE)

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided	Requirement	Funds available	
	Total	Total	'Investitions- zulage' (Investment aid)	Common task funds
1. Creation of new jobs by establishing and extending production industries	2 884.00	339.96	252.36	87.60
2. Protection of jobs by reconversion and rational- ization of production industries	336.80 ^a	33.68 ^a	-	33.68 ^a
3. Measures for the tourist industry	449.44	50.16	25.36	24.80
TOTAL 1 to 3	3 670.24	423.80	277.72	146.08
Yearly average	917.56	105.95	69.43	36.52
4. Preparation of industrial areas	166.68	100.00	-	37.92 ^{bd}
5. Amelioration of local (communal) infrastructures	6.65	4.00	-	cd
6. Public equipment for tourism	53.28	31.98	-	cd
7. Building and extending schools for training, further training and re-training	20.40	12.24	-	cd
TOTAL 4 to 7	247.01	148.22	-	37.92 ^d
GRAND TOTAL 1 to 7	3 917.25	572.02	277.72	184.00
Yearly average	979.31	143.01	69.43	46.00

¹ The number of jobs to protect has been doubled in comparison with the 7th Regional Plan.

² Rest by Land resources.

³ Additional Land resources.

⁴ Plus additional Land grants (budget 1978/79 and medium term finance planning).

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	69.43	69.43	69.43	69.43	277.72
2. Common task funds	46.00 ^a	46.00 ^b	46.00 ^b	46.00 ^b	184.00 ^{ab}
TOTAL	115.43	115.43	115.43	115.43	461.72
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	63.09	63.09	63.09	63.09	252.36
(b) Common task funds	21.90	21.90	21.90	21.90	87.60
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	8.42	8.42	8.42	8.42	33.68
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	6.34	6.34	6.34	6.34	25.36
(b) Common task funds	6.20	6.20	6.20	6.20	24.80
4. Preparation of industrial areas	9.48	9.48	9.48	9.48	37.92
5. Amelioration of local (communal) infrastructures)))))
6. Public equipment for tourism)	Additional Land resources))
7. Building and extending of schools for training, further training and re-training)))
TOTAL	115.43	115.43	115.43	115.43	461.72

^a Plus additional Land grants (budget 1978/79).

^b Plus additional Land grants (medium term finance planning).

SAARLAND

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which, in 'ZRG'	Common task funds	of which, in 'ZRG'
1. Creation of new jobs by establishing and extending production industries	2 250.0	-	261.88	-	196.88	-	65.0	-
2. Protection of jobs by reconversion and rationalization of production industries	2 250.0	-	65.0	-	-	-	65.0	-
3. Measures for the tourist industry	80.0	-	11.0	-	7.0	-	4.0	-
TOTAL 1 to 3	4 580.0	-	337.88	-	203.88	-	134.0	-
Yearly average	1 145.0	-	84.47	-	50.97	-	33.5	-
4. Preparation of industrial areas	42.0	-	33.6	-	-	-	33.6	-
5. Amelioration of local (communal) infrastructures	116.0	-	92.8	-	-	-	92.8	-
6. Public equipment for tourism	36.5	-	29.2	-	-	-	29.2	-
7. Building and extending schools for training, further training and re-training	58.0	-	46.4	-	-	-	46.4	-
TOTAL 4 to 7	252.5	-	202.0	-	-	-	202.0	-
GRAND TOTAL 1 to 7	4 832.5	-	539.88	-	203.88	-	336.0	-
Yearly average	1 208.13	-	134.97	-	50.97	-	84.0	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
<u>I. Requirement</u>					
1. 'Investitionszulage' (Investment aid)	50.97	50.97	50.97	50.97	203.88
2. Common task funds	84.0	84.0	84.0	84.0	336.0
TOTAL	134.97	134.97	134.97	134.97	539.88
<u>II. Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	49.22	49.22	49.22	49.22	196.88
(b) Common task funds	16.25	16.25	16.25	16.25	65.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	16.25	16.25	16.25	16.25	65.0
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	1.75	1.75	1.75	1.75	7.0
(b) Common task funds	1.0	1.0	1.0	1.0	4.0
4. Preparation of industrial areas	8.4	8.4	8.4	8.4	33.6
5. Amelioration of local (communal) infrastructures	23.2	23.2	23.2	23.2	92.8
6. Public equipment for tourism	7.3	7.3	7.3	7.3	29.2
7. Building and extending of schools for training, further training and re-training	11.6	11.6	11.6	11.6	46.4
TOTAL	134.97	134.97	134.97	134.97	539.88

BADEN-WÜRTTEMBERG

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which, in 'ZRG' ¹	Common task funds	of which, in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	1 008.000	-	104.600	-	88.220	-	15.840	-
2. Protection of jobs by reconversion and rationalization of production industries	104.000	-	10.400	-	-	-	10.400	-
3. Measures for the tourist industry	112.000	-	11.560	-	9.800	-	1.760	-
TOTAL 1 to 3	1 224.000	-	126.020	-	98.020	-	28.000	-
Yearly average	306.000	-	31.500	-	24.500	-	7.000	-
4. Preparation of industrial areas	54.400	-	27.200	-	-	-	27.200	-
5. Amelioration of local (communal) infrastructures	86.400	-	28.800	-	-	-	28.800	-
6. Public equipment for tourism	12.000	-	4.800	-	-	-	4.800	-
7. Building and extending schools for training, further training and re-training	22.000	-	7.200	-	-	-	7.200	-
TOTAL 4 to 7	174.800	-	68.000	-	-	-	68.000	-
GRAND TOTAL 1 to 7	1 398.800	-	194.020	-	98.020	-	96.000	-
Yearly average	349.700	-	48.500	-	24.500	-	24.000	-

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	24.500	24.500	24.500	24.520	98.020
2. Common task funds	24.000	24.000	24.000	24.000	96.000
TOTAL	48.500	48.500	48.500	48.520	194.020
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	22.050	22.050	22.050	22.070	88.220
(b) Common task funds	3.960	3.960	3.960	3.960	15.840
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	2.600	2.600	2.600	2.600	10.400
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	2.450	2.450	2.450	2.450	9.800
(b) Common task funds	0.440	0.440	0.440	0.440	1.760
4. Preparation of industrial areas	6.800	6.800	6.800	6.800	27.200
5. Amelioration of local (communal) infrastructures	7.200	7.200	7.200	7.200	28.800
6. Public equipment for tourism	1.200	1.200	1.200	1.200	4.800
7. Building and extending of schools for training, further training and re-training	1.800	1.800	1.800	1.800	7.200
TOTAL	48.500	48.500	48.500	48.520	194.020

BAYERN (BAVARIA)

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which, in 'ZRG' ¹	Common task funds	of which, in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	5 911.0	3 227.8	701.0	424.4	557.0	321.8	144.0	102.2
2. Protection of jobs by reconversion and rationalization of production industries	1 440.0	1 120.0	183.7	146.3	111.7	111.7	72.0	34.8
3. Measures for the tourist industry	1 159.0	342.2	129.3	44.8	105.3	34.0	24.0	11.0
TOTAL 1 to 3	8 510.0	4 690.0	1 014.0	615.5	774.0	467.5	240.0	148.0
Yearly average	2 127.5	1 172.5	253.5	153.9	193.5	116.9	60.0	37.0
4. Preparation of industrial areas	103.2	49.6	69.36	37.20	-	-	69.36	37.20
5. Amelioration of local (communal) infrastructures	141.2	89.2	79.44	53.48	-	-	79.44	53.48
6. Public equipment for tourism	184.4	98.0	125.32	73.48	-	-	125.32	73.48
7. Building and extending schools for training, further training and re-training	30.4	20.0	21.88	15.84	-	-	21.88	15.84
TOTAL 4 to 7	459.2	256.8	296.00	180.00	-	-	296.0	180.0
GRAND TOTAL 1 to 7	8 969.2	4 946.8	1 310.0	795.5	774.0	467.5	536.0	328.0
Yearly average	2 242.3	1 236.7	327.5	198.9	193.5	116.9	134.0	82.0

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	193.5	193.5	193.5	193.5	774.0
2. Common task funds	134.0	134.0	134.0	134.0	536.0
TOTAL	327.5	327.5	327.5	327.5	1 310.0
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	139.25	139.25	139.25	139.25	557.0
(b) Common task funds	36.0	36.0	36.0	36.0	144.0
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	27.93	27.92	27.93	27.92	111.7
(b) Common task funds	18.0	18.0	18.0	18.0	72.0
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	26.32	26.33	26.32	26.33	105.3
(b) Common task funds	6.0	6.0	6.0	6.0	24.0
4. Preparation of industrial areas	17.34	17.34	17.34	17.34	69.36
5. Amelioration of local (communal) infrastructures	19.86	19.86	19.86	19.86	79.44
6. Public equipment for tourism	31.33	31.33	31.33	31.33	125.32
7. Building and extending of schools for training, further training and re-training	5.47	5.47	5.47	5.47	21.88
TOTAL	327.5	327.5	327.5	327.5	1 310.0

Annex B

SUMMARY OF ALL THE PLANNED MEASURES AND THEIR FINANCING

Total of federal territory

C. Investment to be aided in the framework of the 'common task'
for the period 1979-82, and distribution of funds available

(DM million)

	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	in border areas with the East-ern countries	Common task funds	in border areas with the East-ern countries
1. Creation of new jobs by establishing and extending production industries	34757.000	9407.800	3980.090	1276.240	3169.150	956.840	810.940	319.000
2. Protection of jobs by reconversion and rationalization of production industries	6798.600	2864.800	624.820	393.640	298.240	298.240	326.580	95.600
3. Measures for the tourist industry	2940.440	722.200	368.750	105.610	251.690	72.410	117.060	33.400
TOTAL 1 to 3	44496.040	12994.800	4973.660	1775.490	3719.080	1327.490	1254.580	448.000
Yearly average	11124.010	3248.700	1243.415	443.870 ^a	929.770	331.870 ^a	313.645	112.000
4. Preparation of industrial areas	695.980	278.100	427.760	183.400	-	-	361.180 ^b	183.400
5. Amelioration of local (communal) infrastructures	575.330	241.870	331.840	148.230	-	-	327.840 ^c	148.230
6. Public equipment for tourism	515.180	231.000	309.800	150.180	-	-	277.820 ^d	150.180
7. Building and extending schools for training, further training and re-training	269.800	124.000	142.820	58.940	-	-	130.580 ^e	58.940
TOTAL 4 to 7	2056.290	874.970	1212.220	540.750	-	-	1097.420	540.750
GRAND TOTAL 1 to 7	46552.330	13869.770	6185.880	2316.240	3719.080	1327.490	2352.000	988.750
Yearly average	11638.080 ^a	3467.440 ^a	1546.470	579.060	929.770	331.870 ^a	588.000	247.190

^a Differences due to rounding.

^b This figure will be increased from Land resources by DM 4 500 million (see Annex A for Bremen) and by DM 62 080 million (see Annex A for Rhineland-Palatinate).

^c This figure will be increased from Land resources by DM 4 000 million)

^d This figure will be increased from Land resources by DM 31 980 million) (see Annex A for Rhineland-Palatinate).

^e This figure will be increased from Land resources by DM 12 240 million)

^f See Footnotes (2) to (5).

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	929.840	929.740	929.750	929.750	3719.080
2. Common task funds	588.000	588.000	588.000	588.000	2352.000
TOTAL	1517.840	1517.740	1517.750	1517.750	6071.080 ^a
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	792.335	792.335	792.335	792.145	3169.150 ^a
(b) Common task funds	201.635	201.435	203.535	204.335	810.940
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	74.615	74.605	74.615	74.405	298.240
(b) Common task funds	81.670	81.570	81.570	81.770	326.580
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	62.890	62.900	62.800	63.100	251.690
(b) Common task funds	29.140	29.240	29.340	29.340	117.060
4. Preparation of industrial areas	90.395	90.195	90.195	90.395	361.180
5. Amelioration of local (communal) infrastructures	81.760	81.960	82.060	82.060	327.840
6. Public equipment for tourism	69.330	69.630	69.430	69.430	277.820
7. Building and extending of schools for training, further training and re-training	34.070	33.870	31.870	30.770	130.580
TOTAL	1517.840	1517.740	1517.750	1517.750	6071.080 ^a

^a Differences due to rounding.

Annex C

STRUCTURAL DATA AND TARGETS
OF THE 8TH REGIONAL OUTLINE PLAN

Regional Development Programme	Inhab- itants	Area (km 2)	Popula- tion density	Indus- trial occ. per 1 000 inh.	
1	2	3	4	5	
1. Schleswig-Unterelbe	688 768	6 606	104	47	
2. Holstein	1 642 760	8 428	195	74	
3. Niedersächsische Nordsee- küste ^a	1 544 644	10 826	143	66 ^b	
4. Ems-Mittelweser	944 132	7 217	131	104	
5. Heide-Elbufer	904 511	8 917	101	116	
6. Niedersächsisches Bergland	1 677 732	7 508	223	119	
7. Nördliches Ruhrgebiet-West- münsterland-Kleve	1 971 586	4 980	396	113	
8. Nordeifel-Grenzraum Aachen.	725 115	2 054	353	112	
9. Ostwestfalen-Oberbergisches Land	781 406	4 531	161	119	
10. Hessisches Fördergebiet . .	1 502 449	11 317	133	97	
11. Mittelrhein-Lahn-Sieg . . .	764 736	5 841	131	74	
12. Eifel-Hunsrück	527 513	5 460	97	63	
13. Saarland-Westpfalz	1 796 871	6 766	267	121	
14. Odenwald-Hohenlohe-Ostalb .	832 158	6 791	123	146	
15. Hohenschwarzwald-Baar-Hoch- rhein	208 365	2 068	101	132	
16. Alb-Oberschwaben	283 601	3 132	91	130	
17. Nordbayerisches Förderge- biet	2 175 082	15 214	143	136	
18. Westbayerisches Förderge- biet	693 702	7 229	96	103	
19. Ostbayerisches Fördergebiet	1 904 063	18 960	100	97	
20. Südbayerisches Fördergebiet	894 100	8 100	110	78	
TOTAL	22 463 294	151 945	148	102 ^e	
Federal territory (incl. Ber- lin-West)	61 352 700 ^f	248 577	247	118	

^a Includes Bremerhaven and islands Neuwerk and Scharhöörn (Hamburg).

^b Estimated.

^c GDP/head 1970.

^d Double locality Hermeskeil/Nonnweiler mentioned twice (2 RDPs).

^e Average value.

^f 31 December 1977.

GDP/head (DM) 1974	Number of key points	Targets 1979 - 82				
		New jobs	Jobs to maintain	Investm. forecast (DM million)		
				Industry	Infra- structure	Total
6	7	8	9	10	11	12
13 360	12	8 400	8 400	1 235	98	1 333
14 090	19	12 240	12 600	2 121	189	2 310
12 100	21	27 200	6 200	3 494	85	3 579
14 100	14	10 000	5 000	1 375	58	1 433
13 000	14	10 000	10 000	1 480	170	1 650
13 400	16	25 000	30 000	3 715	165	3 880
13 520 ^c	20	49 200	12 300	6 100	8	6 108
14 220 ^c	4	16 400	4 100	2 196	8	2 204
12 910 ^d	11	14 400	3 600	2 024	8	2 032
12 610	24	16 000	23 500	2 488	123	2 611
11 750	13 ^d	9 000	4 700	1 313	80	1 393
12 088	9 ^d	6 500	3 200	962	64	1 026
14 490	20 ^d	26 300	20 600	6 259	366	6 625
14 700	13	4 300	1 600	546	111	657
12 700	5	1 700	1 000	222	27	249
13 100	10	3 600	1 400	456	37	493
14 200	34	18 300	13 000	2 888	167	3 055
11 800	21	13 900	2 500	1 754	46	1 800
12 200	44	24 100	8 000	3 264	198	3 462
12 600	8	4 500	1 300	604	48	652
	331	301 040	173 000	44 496	2 056	46 552
16 140						

Annex D

GUARANTEE DECLARATION

The Lands Baden-Württemberg, Bavaria, Bremen, Hesse, Lower Saxony, North Rhine/Westphalia, Rhineland-Palatinate, Schleswig-Holstein and Saar (hereinafter called 'the Lands'), acting within the framework of the Common Task 'Improvement of Regional Economic Structure', have given modified deficit guarantees and continue to give such guarantees in respect of loans to industrial and commercial undertakings for the purpose of financing the

- (a) establishment,
- (b) extension,
- (c) conversion,
- (d) basic rationalization

of business enterprises up to the following total amounts:

Baden-Württemberg	DM Million
Bavaria	
Bremen	
Hesse	
Lower Saxony	
North Rhine/Westphalia	
Rhineland-Palatine	
Schleswig-Holstein	
Saar	
Total	DM Million

plus proportionate interest and incidental expenses.

The Federal Republic of Germany (hereinafter called 'the Federation'), acting pursuant to Article of the Law on the Approval of the Federal Budget for the Budget Year (.... Budget Law) of (Federal Law Gazette I p.....), undertakes to guarantee 50% of the deficits to be borne by the Lands under the deficit guarantees up to a total of DM 200 million (in words: two hundred million deutsche mark) plus 50% of the deficits in respect of interest and incidental expenses to be borne by the Lands, but for expenses only up to the total amount of DM 4 million (in words: four million deutsche mark) subject to the following conditions:

I

- (1) The Federation's guarantee shall apply only to deficits in respect of such deficit guarantees,
- (a) where the basic conditions laid down in paragraph 1 of the guarantee declaration are fulfilled;
 - (b) on which the Lands have decided in implementation of the 1972 to 1977 Outline Plans (First Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1972 to 1975; Second Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1973 to 1976; Third Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1974 to 1977; Fourth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1975 to 1978; Fifth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1976 to 1979 and Sixth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1977 to 1980) during the period from 1 January 1972 to 31 December 1977 and within the permissible period in each case;¹
 - (c) where other financing of the assisted projects was not possible;
 - (d) where the Lands have specified in their decision concerning the giving of the guarantee that the guarantees in question fall within the Outline Plan.
- (2) The Federal guarantee shall continue to apply only to deficit guarantees which do not exceed the sum of DM 5 million (main claim) or whose inclusion in the Federal guarantee has been agreed to by the Federal Minister for Economic Affairs and the Federal Minister for Finance in response to a duly substantiated request from the Lands.

II

- (3) The Lands - using a form in accordance with the model attached as Annex 1 - shall inform the Federal Minister for Economic Affairs and the Federal Minister for Finance of the names of the lending institutions and of the borrowers, the amounts of the loans, their periods and interest rates and the amount of the parts of the loans guaranteed by them together with the dates of the loan agreements (loan promises), the date of the decision about the guarantee and the inclusion in the Outline Plan within one month of the issuing of the guarantee document to the lender.
- (4) The Lands shall recredit to the Federation any loans which have not been drawn and have been eliminated from the plans. Loans notified for a calendar year and recredited within the same year shall not be counted against the quota for the year.

¹ The Third Supplementary Document for the guarantees decided upon by the Lands in implementation of the Seventh Outline Plan during the period from 1 January 1978 to 31 December 1978 was already available at the time of printing.

III

(5) The giving, administration and implementation of the guarantees shall be done by the Lands. The Lands shall decide in particular at their own conscientious discretion, whether

- (a) other financing of the project is not possible according to generally valid standards of assessment,
- (b) account being taken of the requirements of the Lands' budget legislation and with due respect for the interests of the Federation and the Lands, loan agreements should be changed, and in particular guaranteed claims should be deferred, redemptions extended, securities changed or released or transfer of the loans agreed to,
- (c) after recourse has been had to the Federation under the guarantee, Land guarantee claims should be deferred, reduced or waived under the provisions of the Lands' budget legislation.

IV

(6) The Federation - represented by the Federal Minister for Economic Affairs - and the Federal Court of Accounts shall be entitled to inspect at any time the relevant records of the Lands relating to the loans guaranteed. The Lands shall supply the Federation with the information requested by it concerning the Federal guarantee.

The Lands shall require the borrowers and - with regard to the loans to be guaranteed - the lenders to allow the Federation or its agents to examine whether there is a possibility of recourse under the deficit guarantees or whether the basic conditions for such recourse exist or have existed. The Lands shall further require the borrowers and lenders to give the Federation such information as it may request in connection with the deficit guarantees.

The Lands shall require the borrowers to bear the cost of the examination.

V

(7) Recourse may only be had to the Federation under its guarantee if the Lands have fulfilled their obligations to the lending institution under the deficit guarantee.

(8) The Lands are authorized, when deficits appear likely to occur, to make advances to reduce the interest deficit. The Federation shall contribute 50% of these advances.

(9) In the event of requests for payment the Lands shall transmit to the Federation a loss report and a list of the payments made by the Lands. When the loss has been dealt with the Lands shall submit a final account. The Federation shall refund the proportion for which it is responsible within two months of receipt of the notifications from the Lands.

(10) 50% of the proceeds from the realization of the securities lodged for the loans guaranteed, and any other funds received back in respect of the loans guaranteed, shall be transferred to the Federation. For this purpose

the Lands shall transmit to the Federation a statement, authenticated with regard to the facts and the accounting details, in accordance with the model provided as Annex 2.

The Lands shall transfer the Federation's share of the proceeds to the Federation within two months of receipt of the amounts by the Lands.

VI

(11) The Lands shall be required to remit to the Federation 20% of the receipts obtained by them and their authorized agencies in respect of current guarantee remuneration.

The Federation's share of the remuneration shall be transferred by 31 March of each year, for each preceding calendar year, to the Bonn Federal Cash Office's Account No 380 01 060, at the Land Central Bank in Bonn.

VII

(12) The Federal guarantee shall be given for

- (a) the guarantees on which the Lands have decided in implementation of the First Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1972 to 1975 during the period from 1 January 1972 to 31 December 1972, up to 31 December 1990,
- (b) the guarantees on which the Lands have decided in implementation of the Second Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1973 to 1976 during the period from 1 January 1973 to 31 December 1973, up to 31 December 1991,
- (c) the guarantees on which the Lands have decided in implementation of the Third Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1974 to 1977 during the period from 1 January 1974 to 31 December 1974, up to 31 December 1992,
- (d) the guarantees on which the Lands have decided in implementation of the Fourth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1975 to 1978 during the period from 1 January 1975 to 31 December 1975, up to 31 December 1993,
- (e) the guarantees on which the Lands have decided in implementation of the Fifth Outline Plan of the Common Task 'Improvement of Regional Economic Structure' for the period 1976 to 1979 during the period from 1 January 1976 to 31 December 1976, up to 31 December 1994, or until the return of this guarantee document, whichever is the earlier. Article 777 (1), sentence 2 of the Civil Code shall apply mutatis mutandis.

VIII

(13) This guarantee declaration shall be applicable as from 1 January 1976 in lieu of the Federation's guarantee declarations of

IX

(14) The place of performance and the place of jurisdiction shall be Bonn.

Annex 1

Land:

Re: Common Task 'Improvement of Regional Economic Structure';

Guarantees given in the month of 197..

Guarantee List No

Serial No	(a) Name of borrower (b) Name of credit institution (c) Designation of industry	Amount DM	Period	Interest rate	(a) Date of decision on giving and inclusion of guarantee in Outline Plan (b) Date of issue of guarantee declaration (c) Date of loan agreement	Extent of guarantee %	Amount of Land guarantee DM	Federal deficit guarantee (50% of column 8) DM
1	2	3	4	5	6	7	8	9

Annex 2

Land:

Re: Common Task 'Improvement of Regional Economic Structure';

List of Repayments No (repayments in the period from to)

Serial No	(a) Name of borrower (b) Name of credit institution	Land Guarantee List number and serial number	Original loan requirement DM	Repayments during report period subdivided according to main claim, interest and expenses	Share of Federation (50% of column 5) DM
1	2	3	4	5	6

Annex E

TWENTY-FIRST LAW AMENDING THE BASIC CONSTITUTIONAL LAW (FINANCE REFORM LAW)

of 12 May 1969, as amended by the Twenty-seventh Law amending the Basic Constitutional Law of 31 July 1970

Extract

The Federal Parliament, with the agreement of the Federal Council, has enacted the following law; Article 79, paragraph 2, of the Basic Constitutional Law is complied with:

Article I

The Basic Constitutional Law of the Federal Republic of Germany of 23 May 1949 (Federal Law Gazette p. 1) is amended and amplified as follows:

1. After Section VIII a new section VIIIa with Articles 91(a) and 91(b) is included:

'VIIIa Common Tasks

Article 91a

(1) The Federation shall cooperate in the following fields in the performance of the tasks of the Lands, if these tasks are of importance for the population as a whole and if the Federation's cooperation is necessary for the improvement of living standards (Common Tasks):

1. extension and construction of universities including university clinics,
2. improvement of regional economic structure,
3. improvement of agrarian structure and coastal protection.

(2) The Common Tasks shall be more closely defined by a Federal Law with the agreement of the Federal Council. The law shall contain general principles for their performance.

(3) The law shall lay down provisions concerning the procedure and arrangements for common outline planning. Inclusion of a project in the outline planning shall require the agreement of the Land in whose territory it is to be carried out.

(4) In the cases covered by paragraphs 1 and 2 the Federation shall bear half the expense in each country. In the cases covered by paragraph 1 No 3 the Federation shall bear at least half; the contribution shall be fixed uniformly for all Lands. The further details shall be specified by the law. Provision of the funds shall remain subject to approval in the budgets of the Federation and the Lands.

(5) The Federal Government and Federal Council shall, on request, be informed about the performance of the Common Tasks.

Article 91b

The Federation and the Land may, on the basis of agreements, cooperate in educational planning and in the giving of assistance to scientific research institutions and projects of supraregional importance. The division of costs shall be specified in the agreement.'

Annex F

LAW ON THE COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE' OF
6 OCTOBER 1969

as last amended by the Law amending the laws on the Common Tasks of 23 December 1971

The Federal Parliament, with the agreement of the Federal Council, has enacted the following law:

Article 1

Common Task

(1) For the improvement of regional economic structure the following measures shall be carried out as a Common Task within the meaning of Article 91a (1) of the Federal Constitutional Law:

1. Assistance to industry in the establishment, extension, conversion or basic rationalization of industrial undertakings.
2. Assistance for the extension of infrastructure, in so far as this is necessary for the development of industry, by
 - (a) the preparation of industrial sites in conjunction with measures under section 1,
 - (b) the extension of communication links, power and water supply systems, drainage and waste disposal systems and public tourist facilities,
 - (c) the establishment or extension of training, further training and re-training centres, provided that there is a direct connection with the regional economy's need for skilled labour.

(2) The assistance measures specified in paragraph 1 shall be carried out in the Zonenrandgebiet and in areas

1. whose economic strength is considerably below the Federal average or in danger of falling considerably below it, or
2. in which there is a predominance of branches of economic activity which are affected or threatened by structural change in such a way that substantial adverse effects on the area have occurred or are to be expected.

(3) Individual structural measures shall also be assisted outside the above-mentioned areas if they are directly connected with assisted projects within neighbouring Assisted Areas.

Article 2

General principles

(1) Assistance for the measures stated in Article 1 (1) must be in accordance with the principles of general economic policy and with the aims and requirements of town and country planning. It must take account of the interests of Germany as a whole and the requirements of the European Communities. Assistance must be concentrated on the geographical and economic key points. It must be coordinated with other public development projects.

(2) Industrial undertakings shall be assisted pursuant to Art 1 (1) No 1 only by starting-up and adjustment aids and only if it is to be expected that they will be able to hold their own in competition. Responsibility for taking the measures for the extension of infrastructure listed in Art 1 (1) No 2 shall rest mainly with the Gemeinden and associations of Gemeinden; assistance shall not be given for measures taken by the Federation and the Lands or by physical and legal persons operating with a view to profit.

(3) Paragraph 2, second half of sentence 2, shall not apply to the tasks of Gemeinden performed in the Lands of Berlin and Hamburg.

(4) Financial aids shall be granted only where an appropriate contribution is made by the recipient.

(4a) Priority treatment shall be given to the Zonenrandgebiet in the provision of assistance for the measures specified in Art 1 (1). The special situation of the Zonenrandgebiet, due to political factors, may necessitate departures from the principles stated above and additions to the measures specified in Art 1 (1).

Article 3

Types of assistance

Financial assistance may consist of the granting of investment subsidies, loans, interest subsidies and guarantees.

Article 4

Common Outline Plan

(1) For the performance of the Common Task a common Outline Plan shall be drawn up.

(2) The Outline Plan shall be drawn up for the period of financial planning, shall be objectively examined each year, adjusted to developments and con-

tinued accordingly. Account shall be taken of the multi-year financial planning of the Federation and the Lands.

Article 5

Content of Outline Plan

The Outline Plan shall contain the following:

1. a demarcation of the areas in accordance with Art 1 (2),
2. a statement of the targets to be attained in these areas,
3. details of the measures in accordance with Art 1 (1), broken down by budget years and Lands, and of the funds to be provided in each case by the Federation and by each Land for the performance of the Common Task in the next year and for the subsequent years of the planning period, and
4. a statement of the basic conditions for and nature and extent of the assistance for the various measures under Art 1 (1).

Article 6

Planning Committee

(1) For the drawing-up of the Outline Plan the Federal Government and the Land Governments shall set up a Planning Committee. Its members shall be the Federal Minister for Economic Affairs, as chairman, and the Federal Minister of Finance and one minister (senator) from each Land; each member may have himself represented. The number of votes of the Federation shall correspond to the total number for all the Lands. Each Land shall have one vote.

(2) The Planning Committee shall take decisions by a majority of three-quarters of the votes.

(3) The Planning Committee shall establish its own Rules of Procedure.

Article 7

Applications for inclusion in the Outline Plan

(1) By 1 March of each year the Lands shall propose to the Federal Minister for Economic Affairs the measures planned by them within the meaning of Art 1 (1) for inclusion in the Outline Plan. The application shall be deemed to signify the agreement of the Land in accordance with Article 91a (3), sentence 2 of the Basic Constitutional Law. The agreement may be revoked at any time prior to the adoption of the decisions concerning the Outline Plan.

(2) The application must contain all the information necessary for the content of the Outline Plan in accordance with Art 5 and an explanation of the measures.

(3) The Federal Minister for Economic Affairs shall submit the applications of the Lands and his own proposals to the Planning Committee for decision.

(4) Sections 1 to 3 shall apply, mutatis, mutandis, to applications for amendment of the Outline Plan.

Article 8

Procedure after the decision on the Outline Plan

The Planning Committee shall pass the Outline Plan to the Federal Government and the Land Governments. The Federal Government and the Land Governments shall include in their budget estimates the appropriations necessary for implementation of the Outline Plan during the next year.

Article 9

Implementation of the Outline Plan

(1) The implementation of the Outline Plan shall be the responsibility of the Lands.

(2) The Land Governments shall, on request, inform the Federal Government and the Federal Council concerning the implementation of the Outline Plan and the general state of progress of the Common Task.

Article 10

Reimbursement

(1) Subject to the provisions of Article 91a (4) of the Basic Constitutional Law, the Federation shall reimburse to each Land, on the basis of the accounts for the projects assisted in accordance with the Outline Plan, half of the expenditure incurred by the Land within the limits of the Outline Plan.

(2) The Federation shall make advance payments to the Land up to the probable level of the sums to be reimbursed by it pursuant to paragraph 1 according to the current position of the measure in question and the budget funds made available. To enable the amount of funds required and the position with regard to the measure in question to be determined, the Lands shall inform the Federal Minister for Economic Affairs of the amount of funds paid out and the present position and probable future development of the projects.

Article 11

Repayment of and interest payments on Federal funds

(1) Appropriate proportions of sums paid by recipients of aid in respect of redemption and interest on loans received or in settlement in respect of def-

icits made good under guarantees given shall be paid over by the Land to the Federation.

(2) The Federation may demand repayment by a Land of Federal funds allocated if the whole or part of the conditions laid down are not fulfilled.

(3) In the event of non-fulfilment of the conditions by the recipient of the aid, the Land shall demand the return of the funds to the extent of the Federation's share and shall repay the amounts received to the Federation.

(4) The sums repayable to the Federation in accordance with the preceding paragraphs shall be subject to payment of interest by the Land at 2% above the current interest rate of the German Federal Bank (Deutsche Bundesbank) for Federal cash advances, from the time when the Federal funds were paid out in the case covered by paragraph 2 and from the beginning of the second month following the receipt of the amount by the Land in the cases covered by paragraphs 1 and 3.

Article 12

Transitional procedure

The principles applicable hitherto may continue to be applied until the entry into force of the First Outline Plan in accordance with Art 6 or until the end of the second calendar year following the entry into force of this law, whichever is the earlier.

Article 13

Berlin clause

This law shall also apply in the Land of Berlin subject to Art 13 (1) of the Third Transitional Law of 4 January 1952 (Federal Law Gazette I, p.1).

Article 14

Entry into force

This law shall enter into force on 1 January 1970.

The above law is hereby promulgated.

Annex G

LAW ON ASSISTANCE TO THE ZONENRANDGEBIET (ZONENRANDGEBIET ASSISTANCE LAW)
OF 5 AUGUST 1971

as last amended by the Tax Regulation Introduction Law (EGAO 1977) - Article
65 - of 14 December 1976

The Federal Parliament, with the agreement of the Federal Council, has enacted
the following law:

Article 1

Purpose

(1) In order to compensate for the effects of the division of Germany, preferential treatment shall be given to the border area with the Eastern countries (Zonenrandgebiet) for the purpose of increasing its economic potential in accordance with Art 2 (1) No 4 of the Town and Country Planning Law (Raumordnungsgesetz) of 8 April 1965 (Federal Law Gazette I, p.306).

(2) Assistance to the Zonenrandgebiet shall be given special priority by the authorities of the Federation, the planning agencies under the immediate authority of the Federation and, within the limits of the tasks for which they are responsible, by the public-law corporations, institutions and foundations under the direct authority of the Federation.

Article 2

Regional Economic Assistance

In order to compensate for disadvantages of location, to maintain and create permanent jobs and to improve the infrastructure, the following measures in particular shall be carried out:

1. Preferential treatment of the Zonenrandgebiet in

- (a) assistance to industry and trade in the establishment, extension, conversion or basic rationalization of business undertakings,

- (b) assistance for extension of the infrastructure in so far as it is necessary for the development of industry and trade, by
 - (aa) preparation of industrial sites in connection with measures in accordance with subparagraph a,
 - (bb) extension of communication links, power and water supply systems, sewage and waste disposal systems and public tourist facilities,
 - (cc) establishment or extension of training, further training and re-training centres, provided that there is a direct connection with the regional economy's need for skilled labour.
2. Measures to compensate for the extra freight costs due to the division of Germany.
3. Preferential treatment in the placing of public contracts.

Article 3

Tax provisions

- (1) In the case of parties liable for tax who undertake investments in an industrial or commercial operating unit in the Zonenrandgebiet, permission may be given on request, in view of economic disadvantages due to the special conditions of this area, for individual bases of assessment for taxes on income, in so far as they reduce the taxes, to be taken into account at an earlier time. Economic disadvantages within the meaning of sentence 1 may include the more difficult market position, the long distance from the raw material base or the unfavourable geographical position.
- (2) Special depreciation allowances granted under paragraph 1 may not exceed, for
- (a) movable goods forming part of fixed assets, a total of 50%,
 - (b) immovable goods forming part of fixed assets, a total of 30%
- of the acquisition or production costs. They may be claimed, in addition to the appropriations for wear and tear under Art 7 (1) or (4) of the Income Tax Law, in the financial year of acquisition or production and in the four subsequent financial years. In the subsequent financial years the appropriations for wear and tear of movable goods shall be determined according to the residual value and the remaining useful life, and those for buildings according to the residual value and the percentage applicable under Art 7 (4) of the Income Tax Law, account being taken of the remaining useful life.
- (3) Measures in accordance with paragraph 1 must not lead to the appearance of or an increase in a loss on the part of the industrial or commercial undertaking to which the operating unit in the Zonenrandgebiet belongs.
- (4) Paragraph 1 shall not be applied to undertakings whose profitability and financial situation are consistently so favourable that a measure in accordance with paragraph 1 does not appear justifiable even when account is taken of the special conditions in the Zonenrandgebiet.

(5) Article 163 (2), sentence 1 and Article 184 (2), sentence 2 of the Tax Regulations shall apply, mutatis mutandis, to measures in accordance with paragraph 1.

(6) Paragraphs 1 and 5 shall apply, mutatis mutandis, to investments undertaken in the Zonenrandgebiet in an agricultural and forestry undertaking or in the work of a self-employed person.

(7) The provisions of paragraphs 1-6 shall be applicable only to goods acquired or produced after 31 December 1974.

Article 4

Transport

Preference shall be given to the provision of assistance for the creation of transport links and the provision of transport facilities in the Zonenrandgebiet within the framework of the extension of Federal Transport routes. This shall also apply to the creation of associations of public transport undertakings.

Article 5

Housing

(1) In order to improve the supply of housing in the Zonenrandgebiet, social house-building and the repair and modernization of the housing stock shall be given preferential treatment with regard to assistance. For this purpose, the Federal Government shall make special earmarked Federal funds available, within the framework of the housing programmes, to the supreme competent Land authorities of the Lands adjoining the borders with the Eastern countries.

(2) The supreme competent Land authority may increase the assistance rates for building projects in the Zonenrandgebiet by up to one-third above the normal rates so as to ensure a rent or burden which is tolerable in view of the special conditions in the Zonenrandgebiet.

(3) The supreme competent Land authority may allow the income limit for publicly assisted social house-building (Art 25 of the Second House-building Law in the version of 1 September 1965 - Federal Law Gazette I, p.1617 - as last amended by the House-building Amendment Law 1968 of 17 July 1968 - Federal Law Gazette I, p.821) to be appropriately exceeded in the Zonenrandgebiet in connection with assistance for the building of dwellings for workers.

Article 6

Social facilities

(1) In the Zonenrandgebiet, the Federation shall, in consultation with the Lands, assist in the creation of social facilities, especially kindergartens, young people's work centres, sports centres, family holiday centres and fa-

cilities for old people, serving several localities by means of appropriations to cover financing shortfalls.

(2) Special assistance shall be given in the Zonenrandgebiet for the establishment, extension, equipping and modernization of facilities for vocational training and of supraregional facilities for rehabilitation. Workshops for the handicapped shall also be eligible for assistance.

(3) Assistance should be concentrated mainly on territorial and social key points.

Article 7

Education and culture

The Federation shall give assistance in the Zonenrandgebiet, in consultation with the Lands, for the building and facilities of schools providing a general education and for other cultural facilities and measures, especially in the field of education for young people and adults, by allocations to meet financing shortfalls. Art 6 (3) shall apply mutatis mutandis.

Article 8

Financing

Implementation of the measures referred to in this law shall take place within the limits of the funds provided for that purpose in the relevant Federal budget.

Article 9

Demarcation of the Zonenrandgebiet

The Zonenrandgebiet shall be deemed to consist of the areas which belong to the Stadtkreise and Landkreise named in the annex hereto on 1 January 1971.

Article 10

General clause

Unless otherwise provided in this law, these provisions are without prejudice to all other legal provisions, guidelines and programmes which also apply to the Zonenrandgebiet.

Article 11

Amendment of the Law on the Common Task 'Improvement of Regional
Economic Structure'

The Law on the Common Task 'Improvement of Regional Economic Structure' of 6 October 1969 (Federal Law Gazette I, p.1861) is amended as follows:

1. In Art 1 (2) the words 'in the Zonenrandgebiet and' are inserted before the words 'in areas'.
2. The following new paragraph 4a is inserted after Art 2 (4):

(4a) Preferential treatment shall be given to the Zonenrandgebiet in the provision of assistance for the measures specified in Art 1 (1). The special situation of the Zonenrandgebiet, due to political factors, may necessitate departures from the principles stated above and additions to the measures specified in Art 1 (1).

Article 12

Berlin clause

This law shall also apply in the Land of Berlin subject to Art 12 (1) and Art 13 (1) of the Third Transitional Law of 4 January 1952 (Federal Law Gazette I, p.1).

Article 13

Entry into force

This law shall enter into force on 1 January 1971.

The above law is hereby promulgated.

Annex to Article 9

The following are Zonenrandgebiet within the meaning of the Law:

(1) in Land Schleswig-Holstein

- Stadtkreise¹ Flensburg, Kiel, Neumünster and Lübeck,
- Landkreise Flensburg, Schleswig, Rendsburg-Eckernförde, Plön, Ost-Holstein, Segeberg, Stormarn and Hsgt. Lauenburg;

(2) in Land Lower Saxony

- Stadtkreise Lüneburg and Wolfsburg,
- Landkreise Lüneburg, Lüchow-Dannenberg, Uelzen and Gifhorn,
- Stadtkreise Braunschweig, Salzgitter and Goslar,
- Landkreise Helmstedt, Braunschweig with the exception of Thedinghausen, Wolfenbüttel, Goslar, Gandersheim and Kreis Blankenburg,
- Stadtkreis Hildesheim,
- Landkreise Osterode, Einbeck, Northeim, Duderstadt, Peine, Hildesheim-Marienburg, Zellerfeld, Göttingen and Münden;

(3) in Land Hesse

- Stadtkreise Kassel and Fulda,
- Landkreise Hofgeismar, Kassel, Witzenhausen, Eschwege, Melsungen, Rotenburg, Hersfeld, Hünfeld, Lauterbach, Fulda and Schlüchtern;

(4) in Land Bavaria

- Stadtkreise Bad Kissingen and Schweinfurt,
- Landkreise Mellrichstadt, Bad Neustadt/Saale, Brückenau, Königshofen/Grabfeld, Bad Kissingen, Hofheim, Ebern, Schweinfurt and Haßfurt,
- Stadtkreise Coburg, Neustadt b. Coburg, Hof, Selb, Kulmbach, Marktredwitz, Bayreuth and Bamberg,
- Landkreise Coburg, Staffelstein, Bamberg, Lichtenfels, Kronach, Stadtsteinach, Kulmbach, Naila, Münchberg, Hof, Rehau, Wunsiedel and Bayreuth,
- Stadtkreis Weiden,
- Landkreise Tirschenreuth, Kemnath, Neustadt a.d. Waldnaab, Vohenstrauß, Nabburg, Oberviechtach, Waldmünchen, Neunburg vorm Wald, Cham and Roding,
- Stadtkreise Deggendorf and Passau

¹ Kreis (plural Kreise) = county, Stadtkreis (plural Stadtkreise) = urban county, Landkreis (plural Landkreise) = rural county, kreisfreie Stadt (plural Städte) = county borough.

- Landkreise Kötzing, Viechtach, Regen, Bogen, Grafenau, Deggendorf, Wolfstein, Wegscheid and Passau.

Note: A list of the Landkreise, Stadtkreise, kreisfreie Städte or parts thereof belonging to the Zonenrandgebiet (1978 position) is given in Annex H.

Annex H

LIST OF THE LANDKREISE,¹ STADTKREISE AND KREISFREIE STÄDTE OR PARTS THEREOF
BELONGING TO THE ZONENRANDGEBIET

(1) in Schleswig-Holstein²:

The kreisfreie Städte Flensburg, Kiel, Neumünster and Lübeck,
Kreise Schleswig-Flensburg, Rendsburg-Eckernförde, Plön, Ostholstein, Sege-
berg, Stormarn and Herzogtum Lauenburg;

(2) in Lower Saxony³:

In Regierungsbezirk Braunschweig

- kreisfreie Stadt Braunschweig
- kreisfreie Stadt Salzgitter
- kreisfreie Stadt Wolfsburg
- Landkreis Gifhorn less Hahnenhorn part of Gemeinde Müden/Aller, Gemeinde Ummern
- Landkreis Göttingen, entire
- Landkreis Goslar, entire
- Landkreis Helmstedt, entire
- Landkreis Northeim, entire
- Landkreis Osterode, entire

¹ Flecken = country town; Forst = forest; Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis (plural Kreise) = county; kreisfreie Stadt (plural kreisfreie Städte) = county borough; Landkreis (plural Landkreise) = rural county; Markt = market, market town; Regierungsbereich = administrative district; Stadtkreis (plural Stadtkreise) = urban county; Zonenrandgebiet = border area with the German Democratic Republic.

² Situation on territorial revision of 25 March 1974.

³ Situation on territorial revision of 1 February 1978.

- Landkreis Peine less Oelerse part of Gemeinde Edemissen,
- Harber part of Gemeinde Hohenhameln, Landwehr and Röhre parts of town of Peine
- Landkreis Wolfenbüttel, entire

In Regierungsbezirk Hannover

- of Landkreis Hannover
- Gleidingen, Ingeln and Oesselse parts of town of Laatzen;
- part Hämeler Wald, forest areas 'Hämeler Wald' of town Lehrte (sections 4-12 of area Hämeler Wald), Bolzum, Wehmingen and Wirringen parts of Gemeinde Sehnde;
- Dedenhausen and Eltze parts of Gemeinde Uetze;
- Landkreis Hildesheim less
- Breinum part of town Bad Salzdetfurth,
- Adensen, Burgstemmen, Hallerburg, Heyersum, Mahlerten, Nordstemmen and Rösing parts of Gemeinde Nordstemmen
- Schliekum part of town Sarstedt,
- town Alfeld, town Elze, SG Freden, SG Gronau, SG Lamspringe, SG Sibbesse;
- of Landkreis Holzminden
- Ammensen, Delligsen (except for Dörshelf), Kaierde and Varrigsen parts of country town Delligsen;
- Silberborn part of town Holzminden,
- Lauenförde part of country town Lauenförde, territory of Wenzen;

In Regierungsbezirk Lüneburg

- of Landkreis Harburg
- Obermarschacht part of Gemeinde Marschacht, Gemeinde Tespe,
- Landkreis Lüchow-Dannenberg, entire
- Landkreis Lüneburg less Gemeinde Handorf, Wetzen part of Gemeinde Oldendorf (Luhe), Gemeinde Radbruch, Gemeinde Soderstorf, Gemeinde Wittorf,
- of Landkreis Soltau-Fallingb. b.
- Lopau part of town Münster
- Landkreis Uelzen, entire

(3) in Hesse¹:

The kreisfreie Stadt Kassel,

- Landkreis Kassel except for

¹ Situation on territorial revision of 1 July 1974.

- (a) the towns of Naumburg, Wolfhagen and Zierenberg,
 - (b) Gemeinden Breuna, Emstal and Habichtswald,
 - (c) the area of the former Gemeinde Martinhagen of Gemeinde Schauenburg,
- Werra-Meißner-Kreis,

of Schwalm-Eder-Kreis

- (a) the towns of Felsberg, Melsungen and Spangenberg,
- (b) Gemeinden Guxhagen, Körle and Morschen,
- (c) the area of the former Gemeinde Deute of the Gudensberg,
- (d) the area of the former Gemeinden Hausen, Lichtenhagen, Nausis, Nenterode and Rengshausen of Gemeinde Knüllwald,
- (e) Gemeinde Malsfeld except for the areas of the former Gemeinden Mosheim and Sipperhausen,
- (f) the areas of former Gemeinden Harle and Niedermöllrich of Gemeinde Wabern,

Landkreis Hersfeld-Rotenburg except for

- (a) Gemeinde Breitenbach a. Herzberg,
- (b) the areas of former Gemeinden Mühlbach, Raboldshausen, Saasen and Salzberg of Gemeinde Neuenstein,

Landkreis Fulda,

of Vogelsbergkreis

- (a) the towns Herbstein, Lauterbach and Schlitz,
- (b) Gemeinden Grebenhain, Lautertal and Wartenberg,
- (c) Gemeinden Freiensteinau except for the area of former Gemeinde Radmühl (formerly Landkreis Gelnhausen),
- (d) the town Ulrichstein except for the areas of former Gemeinden Bobenhäusen II, Helpershain, Ober-Seibertenrod, Unter-Seibertenrod and Wohnfeld,

of Main-Kinzig-Kreis

- (a) the towns Schlüchtern and Steinau,
- (b) Gemeinden Sinntal and Züntersbach,
- (c) the town Bad Soden-Salmünster except for the areas of former Gemeinden Alsberg, Katholisch-Willenroth and Mernes,
- (d) the part of Gutsbezirk Spessart which belonged to Landkreis Schlüchtern;

(4) in Bavaria¹:

In Regierungsbezirk Niederbayern

¹ Situation on territorial revision of 1 May 1978.

- the kreisfreie Stadt Passau except for the area of former Gemeinde Kirchberg;
- Landkreis Deggendorf less Gemeinden Aholming, Buchhofen, Künzing, Moos, Oberpörling, Osterhofen, St. Wallerfing,
- and less the area of former Gemeinde Lailling of Gemeinde Otzing
- and less field plots Nos 604, 605, 606 of the Haunersdorf territory;
- Landkreis Freyung-Grafenau, entire;
- of Landkreis Passau, Gemeinden Aicha vorm Wald except for the parts Neiderham and Wiesing, Breitenberg, Büchlberg, Fürstenstein, Fürstenzell, Hauzenberg, St. Huthurm, M., Neuburg am Inn, Neuhaus am Inn less the area of former Gemeinde Mittich, Neukirchen v. Wald, Obernzell, M.,
- of Markt Ortenburg the area of former Gemeinde Dorfbach and the parts of former Gemeinde Voglarn, Ruderting,
- of Gemeinde Ruhstorf a.d. Rott the areas of the former Gemeinden Eholting and Sulzbach am Inn, Salzweg, Sonnen, Thyrnau, Tiefenbach less the area of former Gemeinde Kirchberg, Tittling, M., Untergriesbach, M., of town Vils-hofen the parts of former Gemeinde Sandbach, Wegscheid, M., Witzmannsberg;
- Landkreis Regen, entire;
- of Landkreis Straubing-Bogen, Gemeinden Ascha, Bogen, St., less the area of former Gemeinde Agendorf, Falkenfels, Haibach, Haselbach, Hunderdorf, of Gemeinde Kirchroth the parts Aufroth, Neumühl and Neuroth of former Gemeinde Saulburg, Konzell, Loitzendorf, Mariaposching, Mitterfels, M., Neukirchen, Niederwinkling, Perasdorf, Rattenberg, Rattiszell, Sankt Englmar, Schwarzach, M., Stallwang, Wiesenfelden less the area of former Gemeinde Höhenberg and the part Heissenzell, Windberg.

In Regierungsbezirk Oberpfalz

- the kreisfreie Stadt Weiden i.d. Opf;
- of Landkreis Amberg-Sulzbach
- of the town Hirschau the field section Forst, from Markt Kohlberg (territory Röthenbach bei Kohlberg) which has been incorporated in former Gemeinde Massenricht,
- of the town Schnaittenbach the areas of former Gemeinden Kemnath a. Buchberg and Holzhammer, the part of former Gemeinde Neudorf b. Luhe situated between the Neudorfer Wald area and the Landkreis boundary, the exclaves of former Gemeinde Neudorf b. Luhe situated in the Neudorfer Wald area, the part of former Gemeinde Neunaigen situated between the Neunaigener Forst area and the Landkreis boundary and the exclaves of former Gemeinde Neunaigen situated in the Neunaigener Forst area,
- the Neudorfer Wald area,
- the Neunaigener Forst area;
- Landkreis Cham less Gemeinde Rettenbach;
- Landkreis Neustadt a.d. Waldnaab less Gemeinden
- Eschenbach i.d. Opf, Grafenwöhr, St., except for the Grub and Hütten parts of the former Gemeinde Hütten, Kirchenthumbach, M.; Neustadt am Kulm, St., except for the area of former Gemeinde Mockersdorf, Preiszach, Pressath,

St., except for the exclaves and parts Hessenreuth, Stocklohe and Tyrol of the former Gemeinde Hessenreuth situated in the Hessenreuther Forst area and the parts Friedersreuth, Herzogspitz, Kohlhütte, Mühlberg, Waldmühle and Ziegelhütte of former Gemeinde Altenparkstein and the Pfaffenreuth part of former Gemeinde Schwand, Schlammersdorf, Speinshart, Vorbach;

- Landkreis Schwandorf less Gemeinden Burglengenfeld, St., Maxhütte-Haidhof, St., Schwandorf, GKSt, Steinberg, Teublitz, St., Wackersdorf except for the Rauberweiherhaus part of former Gemeinde Sonnenried and the Meldau part of former Gemeinde Altenschwand and less the area of former Gemeinde Wulkersdorf of Gemeinde Nittenau and less the part Freihöls transferred from Gemeinde Ebermannsdorf (Lkr. Amberg-Sulzbach) to Gemeinde Fensterbach, and also less the parts transferred from the former area 'Kreither Forst' and from Gemeinde Ebermannsdorf (Lkr. Amberg-Sulzbach) to Markt Schwarzenfeld;
- Landkreis Tirschenreuth, entire.

In Regierungsbezirk Oberfranken

- the kreisfreie Städte Bamberg, Bayreuth, Coburg and Hof;
- Landkreis Bamberg less Gemeinden Heiligenstadt i. OFr., M., except for the areas of the former Gemeinden Herzogenreuth, Kalteneggolsfeld, Lindach, Oberngrub, Teuchatz and Tiefenpöhlz, Königsfeld, Pommersfelden, Schlüsselfeld, St., except for the areas of the former Gemeinden Aschbach, Eckersbach, Reichmannsdorf, Untermelsendorf and Ziegelsambach;
- Landkreis Bayreuth less Gemeinden Ahorntal, Aufsess, Betzenstein, St., Creussen, St., except for the Eimersmühle, Neuenreuth and Ottmannsreuth parts of the former Gemeinde Wolfsbach, Hollfeld, St., Pegnitz, St., Planckenfels, Plech, M., Pottenstein, St., Prebitz Schnabelwaid, M., Waischenfeld, St., and less the Frankenberg part of Gemeinde Speichersdorf and less the area of the former Gemeinde Wohnsgehaig of Gemeinde Mistelgau;
- Landkreis Coburg, entire;
- of Landkreis Forchheim the area of the former Gemeinde Unterstümmig of Markt Eggolsheim and the area of the former Gemeinde Trailsdorf of Gemeinde Hallerndorf;
- Landkreise Hof and Kronach, entire;
- Landkreis Kulmbach except for Markt Wonsees; but the areas of the former Gemeinden Sanspareil and Schirradorf of Markt Wonsees are in the Zonenrandgebiet;
- Landkreise Lichtenfels and Wunsiedel im Fichtelgebirge, entire.

In Regierungsbezirk Unterfranken

- the kreisfreie Stadt Schweinfurt;
- Landkreis Bad Kissingen less Gemeinden Aura a.d. Saale, Elfershausen, M., Euerdorf, M., Fuchsstadt, Hammelburg, St., Oberthulba, M., except for the areas of the former Gemeinden Hassenbach and Schlimpfhof, Ramstahl, Sulzthal, M., Wartmannsroth except for the area of the former Gemeinde Heiligkreuz;
- Landkreis Hassberge less the area of the former Gemeinde Wohnau of Gemeinde Knetzgau and less the areas of the former Gemeinden Geusfeld and Wustviel of Gemeinde Rauhenbrach;

- of Landkreis Kitzingen the area of the former Gemeinde Ilmenau of Markt Geiselwind;
- of Landkreis Rhön-Grabfeld, entire;
- Landkreis Schweinfurt less Gemeinden Dingolshausen, Donnersdorf, Frankenwinheim, Gerolzhofen, St., Kolitzheim, Lülsfeld, Michelau im Steigerwald, Oberschwarzach, M., Sulzheim, Wasserlozen except for the area of the former Gemeinde Brebersdorf,
- and less the area of the former Gemeinde Mühlhausen of Gemeinde Werneck.

The abbreviations after the names have the following meanings:

GKst. = large county town
St. = town
M. = market.

Source: Notice publishing the Guidelines concerning the giving of preferential treatment to persons and undertakings in the Zonenrandgebiet and West Berlin in the placing of public contracts of 11 August 1975 (published in the Federal Advertiser No 152 of 20 August 1975), and the corrections of 17 October 1975 (published in the Federal Advertiser No 200 of 25 October 1975) and 1 March 1977 (published in the Federal Advertiser No 49 of 11 March 1977).

Annex J

LAW ON INVESTMENT AID (INVESTITIONSZULAGENGESETZ - INVZULG) IN THE VERSION OF THE NOTICE OF 2 JANUARY 1979 - FEDERAL LAW GAZETTE (BUNDESGESETZBLATT) I, P. 24

Article 1

Investment aid for investments in the Zonenrandgebiet and in other areas in need of assistance

(1) Parties liable for tax as defined in the Income Tax Law and the Corporation Tax Law who establish, by a certificate in accordance with Article 2, that

1. they are establishing or extending a business operating unit in an area in need of assistance, and
2. the establishment or extension is particularly worthy of assistance from the economic point of view and is in accordance with the aims and principles of town and country planning,

shall, on application, be granted an 'Investitionszulage' (investment aid) for the investments undertaken in connection with the establishment or extension of the operating unit. If an operating unit is established or extended by a company within the meaning of Article 15 (1) No 2 of the Income Tax Law, sentence 1 shall apply provided that the company is granted an 'Investitionszulage' (investment aid).

(2) An 'Investitionszulage' (investment aid) shall also be granted, on application, for investments which are undertaken in connection with the conversion or basic rationalization of a business operating unit located in the Zonenrandgebiet, provided that it is proved by a certificate in accordance with Article 2 that the conversion or basic rationalization is particularly worthy of assistance from the economic point of view and is in accordance with the aims and principles of town and country planning. An 'Investitionszulage' (investment aid) shall not be granted for investments for the purpose of replacement. Sentence 1 shall not apply to undertakings whose profitability and financial situation are consistently so favourable that financial assistance by the granting of the 'Investitionszulage' does not appear to be warranted even when allowance is made for the special circumstances of the Zonenrandgebiet. If the undertaking is a joint-stock company and if another undertaking has, directly or indirectly, so large an interest in it that it

holds the majority of the shares, the earning power and financial situation of the other undertaking shall also be taken into account for the application of sentence 3. In other respects para 1 shall apply mutatis mutandis.

(3) The following are investments within the meaning of paragraphs 1 and 2:

1. the acquisition or production of new movable goods subject to wear and tear and forming part of fixed assets which are not included among goods of little value within the meaning of Article 6 (2) of the Income Tax Law and which remain in the operating unit of the party liable for tax for at least three years after their acquisition or production, and
2. the production of immovable goods subject to wear and tear and forming part of fixed assets and of improvements and extensions to immovable goods subject to wear and tear and forming part of fixed assets which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, if the goods or the improved or newly produced parts are used by the party liable for tax exclusively for the purposes of his own business for at least three years after their production.

A basic condition for the granting of the 'Investitionszulage' (investment aid) is that the goods and the improved or newly produced parts shall have been included in a special list showing the date of acquisition or production and the cost of acquisition or production. The list shall not require to be kept if this information is evident from the undertaking's books.

(4) The 'Investitionszulage' (investment aid) shall amount to:

1. for investments in the Zonenrandgebiet, 10%,
2. for investments in the other areas in need of assistance, 8.75%

of the sum of the acquisition or production costs of the goods acquired or produced during the financial year and the production costs of the improvements and extensions completed during the financial year which are investments within the meaning of paragraph 3.

(5) The 'Investitionszulage' (investment aid) may be granted for down payments made in respect of acquisition costs and for partial production costs incurred during the financial year. In this case the acquisition or production costs for which assistance is given under paragraphs 1-3 may only be taken into account in the financial year of acquisition or production for the establishment of the amount of the 'Investitionszulage' (investment aid) in so far as they exceed the down payments or partial production costs. Article 7a (2), sentences 3-5 of the Income Tax Law shall apply mutatis mutandis.

Article 2

Proof of eligibility for assistance

(1) The certificate stating that the basic conditions stated in Article 1 (1), sentence 1 and (2), sentence 1, last part of sentence, are fulfilled shall be issued by the Federal Minister for Economic Affairs in consultation with the agency appointed by the Land Government. The Federal Minister for Economic Affairs may transfer his powers to the Federal Office for Industry (Bundesamt für gewerbliche Wirtschaft).

(2) The establishment, extension, conversion or basic rationalization of an operating unit (investment project) shall be deemed to be particularly eligible for assistance from the economic point of view within the meaning of this law if:

1. (a) an operating unit is established or extended in a key point shown in the Outline Plan in accordance with the Law on the Common Task 'Improvement of Regional Economic Structure' of 6 October 1979 (Federal Law Gazette I, p. 1861) - Outline Plan; these details of the Outline Plan shall be published in the Federal Advertiser (Bundesanzeiger),
(b) an operating unit in an area in need of assistance which the party liable for tax either established or acquired before 1 January 1977 or established or acquired after 31 December 1976 in a Gemeinde which at the time of establishment or acquisition was shown in the Outline Plan as a key point is extended, or
(c) an operating unit in the Zonenrandgebiet is converted or basically rationalized,
2. an investment project is carried out in an operating unit in the tourist sector which is used for accommodation to a more than minor extent and which is in a tourist area designated by a statutory order in accordance with Article 3 (2); subject to these basic conditions, investments for improving the quality of the facilities offered shall be deemed equivalent to basic rationalization,
3. the goods produced or services rendered in the operating unit are predominantly ones which by their nature are regularly sold supraregionally and the investment project is thus likely to bring about an immediate and lasting improvement in overall income in the economic area in question,
4. the extension of an operating unit or the establishment of an operating unit in connection with a relocation of an undertaking within the areas in need of assistance leads to an increase of at least 15% in the number of permanent jobs in the operating unit to be assisted compared with the number at the time when the investment was started or creates at least 50 additional permanent jobs; for this purpose one training place shall count as two permanent jobs; in the case of tourist operating units within the meaning of subsection 2 an increase of at least 20% in the number of beds shall also be regarded as adequate,
5. in the cases referred to in Article 1 (2) the conversion or basic rationalization is necessary for the continued existence of the operating unit and in order to maintain the existing permanent jobs in it,
6. the investment costs per permanent job created or maintained do not exceed thirty times the average investment costs per job assisted in the areas in need of assistance during the last three calendar years,
7. the subsidy value of the grants, loans or other similar forms of direct financial aid, including the 'Investitionszulagen' (investment aid) applied for, provided from public funds does not exceed the maximum rates laid down in the Outline Plan; these provisions of the Outline Plan must be published in the Federal Advertiser (Bundesanzeiger),
8. there is no danger that
 - (a) the investment project will appreciably increase the dependence of the economic area in question on undertakings belonging to certain branches

of economic activity or have a similar detrimental effect on the economic structure,

- (b) the granting of the 'Investitionszulage' (investment aid) will lead to unfair competitive advantages in relation to other undertakings located in the economic area in question.

If fulfilment of the basic conditions stated in subsections 3, 5 and 8 needs to be established by an assessment of the overall or regional economic situation or trend, this assessment shall be made as conscientiously deemed necessary.

(3) The certificate may be issued only for investment projects whose location, nature and extent are adequately defined. It may be refused if the investment project is connected with relocation of an undertaking from West Berlin. The certificate may be issued conditionally or subject to the meeting of requirements.

(4) If it is found, after the certificate has been issued, that the investment project actually carried out does not correspond to the certificate with regard to its location, nature or extent or that, in the case of the investment project actually carried out, the basic conditions stated in paragraph 2 are not fulfilled, the certificate may be withdrawn.

Article 3

Areas in need of assistance

(1) The following are areas in need of assistance within the meaning of the law:

1. the 'Zonenrandgebiet' as defined in Article 9 of the Zone Border Area Assistance Law (Zonenrandförderungsgesetz) of 5 August 1971 (Federal Law Gazette I, p. 1237),
2. the Saar coal-mining area as defined in Section D of the Annex to the "Law for the adjustment and rehabilitation of the German coal-mining industry and the German coal-mining areas" (Gesetz zur Anpassung und Gesundung des deutschen Steinkohlenbergbaus und der deutschen Steinkohlenbergbaugebiete) of 15 May 1968 (Federal Law Gazette I, p. 365), as amended by the Order of 17 December 1970 (Federal Law Gazette I, p. 1743), and
3. areas
 - (a) whose economic strength is appreciably below, or in danger of falling appreciably below, the Federal average, or
 - (b) in which there is a predominance of branches of economic activity affected or threatened by structural change in such a way that considerable adverse repercussions on the area have occurred or are to be expected.

The Federal Government is authorized to designate the areas which are to benefit under subsection 3 by statutory order with the agreement of the Federal Council and, in the event of lasting changes in the regional economic structure, to adjust this designation to the changed conditions.

(2) Tourist areas within the meaning of Article 2 (2) No 2 are areas in need of assistance which, by their location, climate, landscape, nature of settlement or similar circumstances are particularly suitable for tourism. The Federal Government is authorized to designate the areas which are to benefit under sentence 1 with the agreement of the Federal Council and, in the event of lasting changes in the regional economic structure, to adjust this designation to the changed circumstances.

Article 4

'Investitionszulage' (investment aid) for research and development

(1) Parties which are liable for tax within the meaning of the Income Tax Law and the Corporation Tax Law and which determine their profits in accordance with Article 4 (1) or Article 5 of the Income Tax Law shall, on application, be granted an 'Investitionszulage' (investment aid) for goods subject to wear and tear and forming part of fixed assets and for improvements and extensions to immovable goods subject to wear and tear and forming part of fixed assets which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, if the goods or the parts improved or newly produced are used for research and development. If goods are acquired or produced or improvements or extensions made by a company within the meaning of Article 15 (1) No 2 of the Income Tax Law, sentence 1 shall be applicable provided that the company is granted an 'Investitionszulage' (investment aid). The 'Investitionszulage' shall amount to 20% of the acquisition or production costs of the goods acquired or produced during the financial year and of the production costs of the improvements and extensions completed during the financial year, provided that the acquisition or production costs do not exceed the sum of DM 500 000, and to 7.5% of the acquisition or production costs in excess of this amount. Article 1 (3), sentences 2 and 3 shall apply mutatis mutandis.

(2) Only the following may be taken into account in determining the amount of the 'Investitionszulage' (investment aid):

1. the acquisition or production costs of new movable goods subject to wear and tear and forming part of fixed assets which are not included among the goods of little value within the meaning of Art. 6 (2) of the Income Tax Law and which are used exclusively for research or development within the meaning of Art. 51 (1) No 2, subsection u, sentence 4 of the Income Tax Law in the business of the party liable for tax for at least three years after their acquisition or production,
2. the production costs of immovable goods subject to wear and tear and forming part of fixed assets and of improvements and extensions to immovable goods subject to wear and tear and forming part of fixed assets which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, if the goods or the parts improved or newly produced are used to the extent of more than 66 2/3% for research or development within the meaning of Art. 51 (1) No 2, subsection u, sentence 4 of the Income Tax Law in the business of the party liable for tax for at least three years after their production; if the goods or the parts improved or newly produced are not used for research or development to the extent of over 66 2/3% but to the extent of over 33 1/3%, half of the production costs shall be taken into account in determining the amount of the 'Investitionszulage' (investment aid),

3. the acquisition costs of new expendable intangible goods forming part of fixed assets, in so far as they do not consist of current payments which depend on future turnover or profits or a similar uncertain magnitude, up to the amount of DM 500 000 in the financial year, if the supreme Land authority or the agency specified by it has certified that the goods are intended and suitable to be used exclusively for research or development within the meaning of Art. 51 (1) No 2, subsection u, sentence 4, subsections bb and cc of the Income Tax Law in the business of the party liable for tax and the goods remain in the business of the party liable for tax for at least three years after their acquisition and are not used for any other purposes; a further basic condition is that the vendor of the goods shall not be a person related to the party acquiring them; Art. 1 (2) of the Law on Taxation of Non-residents (Außensteuergesetz) shall apply mutatis mutandis.

(3) The 'Investitionszulage' (investment aid) may be granted for down payments made in respect of acquisition costs and for part production costs incurred during the financial year. In this case the acquisition or production costs for which assistance is given under paragraphs 1 and 2 may be taken into account only in determining the amount of the 'Investitionszulage' (investment aid) in the financial year of acquisition or production in so far as they exceed the down payments or partial production costs. Art. 7a (2) sentences 3 to 5 of the Income Tax Law shall apply mutatis mutandis.

Article 4a

'Investitionszulage' (investment aid) for certain investments in the field of energy production and distribution

(1) Parties liable for tax within the meaning of the Income Tax Law and the Corporation Tax Law shall, on application, be granted an 'Investitionszulage' (investment aid) for movable and immovable goods subject to wear and tear and forming part of fixed assets and for improvements and extensions to immovable goods subject to wear and tear and forming part of fixed assets which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, and to remote heating systems, if the goods, improvements or extensions are acquired or produced in the field of energy production or distribution. A basic condition is that

1. the acquisition or production shall be connected with the establishment or extension of thermal power stations, refuse-burning power stations, refuse-burning heating stations, thermopump systems and systems for the distribution of the heat from the aforementioned power-production plants and also of heating stations which serve, in a remote heating system, as a supplement to thermal power stations, refuse-burning power stations, refuse-burning heating stations and thermopump systems, in order to meet the peak demand for heating,
2. the party liable for tax ordered the goods, improvements and extensions or began to produce them after 30 November 1974, and
3. the Federal Minister for Economic Affairs has confirmed the particular suitability of the goods, improvements and extensions for the saving of energy; the Federal Minister for Economic Affairs may transfer his powers to the Federal Office for Industry (Bundesamt für gewerbliche Wirtschaft).

The start of production shall be deemed to be, for immovable goods which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, and for improvements and extensions to these goods, the time when application is made for the building permit. If the application for a building permit was made before 1 December 1974, the starting of the building work shall be deemed to be the start of production. If goods are acquired or produced or improvements or extensions are made by a company within the meaning of Art. 15 (1) No 2 of the Income Tax Law, sentences 1-4 shall apply provided that the company is granted an 'Investitionszulage' (investment aid). The 'Investitionszulage' shall amount to 7.5% of the acquisition or production cost of the goods acquired or produced during the financial year and of the production cost of the improvements and extensions completed during the financial year.

(2) Only the following may be taken into account in determining the amount of the 'Investitionszulage' (investment aid):

1. the acquisition or production costs of new movable goods subject to wear and tear and forming part of fixed assets which are not included among the goods of little value within the meaning of Art. 6 (2) of the Income Tax Law, and
2. the production cost of immovable goods forming part of fixed assets and of improvements and extensions to immovable goods forming part of fixed assets which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned by it, and to remote heating systems,

if the goods or the improved or newly produced parts remain in the business of the party liable for tax for at least three years after their acquisition or production.

(3) Paragraphs 1 and 2, except for paragraph 1, sentence 2, No 1 shall apply, mutatis mutandis, to solar and wind-power systems serving exclusively for the production of electricity or heat and for systems used exclusively for the recovery of waste heat. This shall also apply if the systems in question do not constitute independent goods.

(4) Art. 1 (3), sentences 2 and 3, and Art. 4 (3) shall apply mutatis mutandis.

Article 4b

Investment aid for reviving economic activity

(1) Parties liable for tax within the meaning of the Income Tax Law and parties liable for tax within the meaning of the Corporation Tax Law, provided that they are not included under Art. 4 (1) Nos 1-10 of the Corporation Tax Law in the version published in the Notice of 18 July 1975 (Federal Law Gazette - BGBl - I, p. 1933), as amended by the Budget Structure Law of 18 December 1975 (Federal Law Gazette I, p. 3091), shall on application be granted an 'Investitionszulage' (investment aid) for eligible investments made by them in a business (an operating unit) within the country. If the investment is made by a company within the meaning of Art. 15 (1) No 2 of the Income Tax Law, sentence 1 shall apply provided that the company is granted an 'Investitionszulage' (investment aid).

(2) Eligible investments within the meaning of paragraph 1 are

1. the acquisition or production of new movable goods subject to wear and tear and forming part of fixed assets which are not included among the goods of little value within the meaning of Art. 6 (2) of the Income Tax Law, and
2. the production of immovable goods subject to wear and tear and forming part of fixed assets,

if the goods can be proved to have been ordered by the party liable for tax after 30 November 1974 and before 1 July 1975, or if the party liable for tax started production during this period. A further basic condition is that the goods must have been delivered or completed before 1 July 1976. For buildings and parts of buildings the date 1 July 1976 shall be replaced by 1 July 1977. For goods which have been acquired or produced in connection with investment projects which are recognized by a certificate of the Federal Minister for Economic Affairs as being major projects in the field of energy production and distribution of special importance from the point of view of energy policy, the date 1 July 1976 shall be replaced by 1 July 1978; major projects in this sense are, in particular, thermal power stations, nuclear power stations, hard-coal-burning power stations, refuse-burning power stations, refuse-burning heating stations, remote heating systems, the opening-up of coalfields of hard coal and lignite, major shaft systems, installations for the nuclear fuel circuit, refineries including conversion and sulphur-removal plants, storage installations above and below ground for petroleum and natural gas and pipelines. For buildings and parts of buildings production shall be deemed to start at the time when the application for the building permit is made. If application for the building permit was made before 1 December 1974, the starting of the building work shall be deemed to be the start of the production. Sentences 1-6 shall apply, *mutatis mutandis*, to subsequent production work on movable goods subject to wear and tear and forming part of fixed assets which are not included among the goods of little economic value within the meaning of Art. 6 (2) of the Income Tax Law and to immovable goods subject to wear and tear and forming part of fixed assets.

(3) The 'Investitionszulage' (investment aid) shall amount to 7.5% of the sum of the acquisition or production costs of the goods acquired or produced during the financial year and the production costs of the subsequent production work completed during the financial year which constitutes eligible investment. It may be granted for the advance payments made during the financial year in respect of acquisition costs and for partial production costs. Art. 1 (5) sentence 2 of this law and Art. 7a (2) sentences 3-5 of the Income Tax Law 1975 shall apply *mutatis mutandis*.

(4) For goods for which the basic conditions of paragraph 2, sentence 1 are fulfilled but which are not goods in the sense of paragraph 2, sentences 3 and 4, and which are delivered or completed after 30 June 1976 and before 1 July 1977, an 'Investitionszulage' (investment aid) shall be granted on application to the extent of 7.5% of the sum of the advance payments made on acquisition costs and partial production costs before 1 July 1976. For buildings and parts of buildings for which the basic conditions of paragraph 2, sentence 1 are fulfilled and which are completed after 30 June 1977 and before 1 July 1978, an 'Investitionszulage' (investment aid) shall be granted on application to the extent of 7.5% of the sum of the partial production costs incurred before 1 July 1977. For goods within the meaning of para-

graph 2, sentence 4 for which the basic conditions of paragraph 2, sentence 1 are fulfilled and which are delivered or completed after 30 June 1978 an 'Investitionszulage' (investment aid) shall be granted on application to the extent of 7.5% of the sum of the advance payments made on acquisition costs and partial production costs incurred before 1 July 1978. Sentences 1-3 shall apply, mutatis mutandis, to subsequent production work on movable goods subject to wear and tear and forming part of fixed assets which are not included among the goods of little value within the meaning of Art. 6 (2) of the Income Tax Law and to immovable goods subject to wear and tear and forming part of fixed assets.

(5) Art. 1 (3), sentences 2 and 3 shall apply mutatis mutandis.

Article 5

Supplementary provisions relating to Articles 1 to 4b

(1) Claiming of one of the 'Investitionszulagen' (investment aids) in accordance with Art. 1 or Art. 4 of this law or in accordance with Art. 19 of the Berlin Aid Law shall preclude claiming of the other 'Investitionszulagen' for the same item of goods, improvement or extension. Claiming of the 'Investitionszulage' in accordance with Art. 4a shall be permissible together with claiming of an 'Investitionszulage' under Arts. 1, 4 or 4b of this law or under Art. 19 of the Berlin Aid Law. This shall apply, mutatis mutandis, to claiming of an 'Investitionszulage' under Art. 4b.

(2) The 'Investitionszulagen' (investment aids) under Articles 1 and 4 to 4b shall not be included under income items within the meaning of the Income Tax Law. They shall not reduce the acquisition or production costs admissible for tax.

(3) The 'Investitionszulage' (investment aid) shall be granted on application after the expiry of the calendar year in which the financial year of acquisition or production or of the advance payments or partial production ends by the Tax Office responsible for taxing the applicant on income out of the revenue from Income Tax or Corporation Tax. Companies within the meaning of Art. 15 (1) No 2 of the Income Tax Law shall be granted the 'Investitionszulage' (investment aid) by the Tax Office responsible for uniform and separate assessment of income items. The application for the granting of an 'Investitionszulage' (investment aid) may be submitted only within nine months after the end of the calendar year. The application must specify the goods, improvements and extensions for which an 'Investitionszulage' (investment aid) is requested sufficiently accurately to enable them to be identified on subsequent checking.

(4) The Tax Office shall give written notification of the decision on the 'Investitionszulage' (investment aid). The 'Investitionszulage' shall be paid out within one month of notification of the decision.

(5) The 'Investitionszulage' (investment aid) shall be subject to the relevant provisions of the Tax Regulations applying to tax refunds, including the provisions concerning remedies without judicial process. This shall not apply as regards Art. 163 of the Tax Regulations nor as regards the provisions relating solely to refunds of customs and excise duty. This shall be without prejudice to contrary provisions of this law.

(6) Entitlement to the 'Investitionszulage' (investment aid) under Arts. 1, 4 and 4a shall cease with retroactive effect in so far as goods or improved or newly produced parts of goods whose acquisition or production costs were taken into account in determining the amount of the 'Investitionszulage' have not, for at least three years since their acquisition or production,

1. in the case referred to in Art. 1

(a) in the case of movable goods, remained in the operating unit of the party liable for tax,

(b) in the case of immovable goods or improved or newly produced parts of immovable goods, been used by the party liable for tax exclusively for the purposes of his own business,

2. in the case referred to in Art. 4,

been used to the required extent for research or development in the business of the party liable for tax,

3. in the case referred to in Art. 4a,

remained in the business of the party liable for tax.

(7) If the 'Investitionszulage' (investment aid) is to be repaid because the decision concerning it has been revoked or changed, interest shall be payable in accordance with Art. 238 of the Tax Regulations on the repayment claim from the time the aid was paid out, or in the cases referred to in paragraph 6 from the time when the basic conditions for revocation or changing of the decision came into existence. The period for charging shall begin on the expiry of the calendar year in which the decision was revoked or changed.

(8) Disputes under public law concerning acts on the part of the financial authorities carried out by virtue of this law shall be subject to appeal in accordance with the procedures of financial law, and refusal of certificates in accordance with Arts. 2, 4 (2) No 3, Art. 4a (1), sentence 2 No 3 and Art. 4b (2), sentence 4 shall be subject to appeal in accordance with the procedures of administrative law.

Article 5a

Prosecution of criminal offences under Art. 264 of the Penal Code

For the prosecution of a criminal offence under Art. 264 of the Penal Code relating to the 'Investitionszulage' (investment aid), and with regard to receipt thereof by a person who has committed such a criminal offence, the provisions of the Tax Regulations concerning the prosecution of criminal tax offences shall apply mutatis mutandis.

Article 6

Authorization

The Federal Minister for Finance is authorized to publish the text of this law in the currently valid version with a new date, under a new title and

with a new paragraph sequence and to remove inconsistencies of wording in doing so.

Article 7

Berlin clause

This law shall apply in the Land of Berlin subject to Art. 12 (1) and Art. 13 (1) of the Third Transitional Law. Statutory orders issued pursuant to this law shall apply in the Land of Berlin in accordance with Art. 14 of the Third Transitional Law.

Article 8

Scope

(1) The period of application of this law shall begin, subject to paragraphs 2-6, with the financial year beginning after 31 December 1977.

(2) Arts. 1 and 2 of the Investment Aid Law (Investitionszulagengesetz) of 18 August 1969 (Federal Law Gazette I, p. 1211) shall continue to be applied to goods, improvements and extensions which can be proved to have been ordered before 19 February 1973 or whose production was begun before that time. Sentence 1 shall apply to financial years ending after 31 December 1974, with the proviso that the proper keeping of the accounts shall not be a basic condition for granting of the 'Investitionszulage' (investment aid). For immovable goods which are buildings, parts of buildings, dwellings owned by the undertaking or accommodation partly owned thereby, and for improvements and extensions to these goods, the time when the application for a building permit was made shall be deemed to be the start of production.

(3) Art. 2 shall only be applied to investment projects started after 31 December 1976.

(4) Art. 4a (1), (2) and (4) shall be applied only to goods acquired or produced after 31 December 1974 and to improvements and extensions completed after 31 December 1974; notwithstanding Art. 5 (3), sentence 3, application for the granting of the 'Investitionszulage' (investment aid) may be made up to 30 September 1979 for improvements and extensions to remote heating systems which were completed in financial years ended before 1 January 1978. Art. 4a (3) shall apply only to systems acquired or produced after 31 December 1977.

(5) Art. 4b shall apply only to goods ordered after 30 November 1974 or whose production was started after 30 November 1974, and to subsequent production work started after 30 November 1974.

(6) Art. 5 (3), sentences 3 and 4 shall be applied only to applications for which the application period ends after 31 December 1978.

FOURTH ORDER CONCERNING THE AREAS IN NEED OF ASSISTANCE AND THE TOURIST AREAS
WITHIN THE MEANING OF THE INVESTMENT AID LAW (INVESTITIONSZULAGENGESETZ)

(Fourth Assisted Area and Tourist Area Order) of 28 December 1978

Federal Law Gazette I 1979, p. 33

Pursuant to Article 3 (1), sentence 2 and Article 3 (2) of the Investment Aid Law in the version of the Notice of 3 May 1977 (Federal Law Gazette I, p. 669), the Federal Government, with the agreement of the Federal Council, orders:

Article 1

(1) Areas in need of assistance within the meaning of Art. 3 (1) No 3 of the Investment Aid Law shall be the areas of the Kreise, kreisfreie Städte, Gemeinden and parts of Gemeinden which, with effect from 1 January 1978, are designated as assisted areas in Section II of the Notice publishing the rules, assisted areas, key points with their maximum assistance rates and tourist areas of the Seventh Outline Plan of the Common Task 'Improvement of Regional Economic Structure' of 14 July 1978 (Federal Advertiser No 179 of 22 September 1978), in so far as they are not areas in need of assistance within the meaning of Art. 3 (1) No 1 or 2 of the Investment Aid Law.

(2) Tourist areas within the meaning of Art. 3 (2) of the Investment Aid Law shall be the areas of the Kreise, kreisfreie Städte, Gemeinden and parts of Gemeinden which are designated as tourist areas with effect from 1 January 1978 in Section IV of the Notice referred to in paragraph 1, in so far as they are areas in need of assistance within the meaning of Art. 3 (1) of the Investment Aid Law.

Article 2

Areas in need of assistance or tourist areas shall also include sections of land which are reclaimed by drainage, damming or other measures and which are incorporated in a territorial unit which is an area in need of assistance or a tourist area.

Article 3

This Order shall also be valid in the Land of Berlin subject to Art. 14 of the Third Transitional Law in conjunction with Art. 7 of the Investment Aid Law.

Article 4

(1) This Order shall enter into force with effect from 1 January 1978. The Third Assisted Area and Tourist Area Order of 19 December 1977 (Federal Law Gazette I, p. 3116) shall cease to have effect from the same date.

(2) In the case of investment projects for which a certificate in accordance with Art. 2 of the Investment Aid Law has been applied for by 31 December 1976,

1. the Assisted Area and Tourist Area Order of 23 January 1976 (Federal Law Gazette I, p. 177) shall continue to be applied to areas which, under the Second Assisted Area and Tourist Area Order, no longer belong to the areas in need of assistance or the tourist areas,
2. the Assisted Area Order of 13 November 1972 (Federal Law Gazette I, p. 2085) and the Tourist Area Order of 14 August 1974 (Federal Law Gazette I, p. 1986) shall continue to be applied to areas which, under the Assisted Area and Tourist Area Order of 23 January 1976, are no longer included among the areas in need of assistance or the tourist areas;

for goods, parts of buildings, improvements and extensions purchased or produced in connection with such an investment project an 'Investitionszulage' (investment aid) shall be granted only if they were delivered or completed before 1 January 1980.

Annex L

GUIDELINES FOR THE 1978 ERP REGIONAL PROGRAMME - GRANTING OF LOANS TO ASSIST SMALL AND MEDIUM-SIZED UNDERTAKINGS IN THE AREAS OF THE COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE'

(1) Purpose

Loans from the ERP Special Fund may be granted to small and medium-sized undertakings engaged, in particular, in trade, handicrafts and restaurant and hotel-keeping and to small-scale industrial undertakings for investments in areas of the Common Task 'Improvement of Regional Economic Structure', for the purpose of the establishment, extension, basic rationalization and conversion of undertakings; this includes, in the case of hotels, lodging houses, etc., the installation of toilet and bathroom facilities and, in particular, investments for the provision of holiday accommodation suitable for families.

(2) Eligible applicants

Small and medium-sized business undertakings, in so far as their projects do not fulfil the basic conditions of Art. 2 (2) No 2 of the Investment Aid Law in the version of the Notice of 3 May 1977 (Federal Law Gazette I, p. 669).¹

(3) Loan conditions

- (a) Interest rate: 5.5% pa,
4.5% pa for projects in the Zonenrandgebiet.
- (b) Duration: Up to 10 years,
up to 15 years for building projects, including
up to 2 years free of redemption payments.

¹ Notwithstanding this, small and medium-sized undertakings may apply for loans under the Reconstruction Loan Corporation's Programmes M I and M II in addition to the 'Investitionszulage' (investment aid) in accordance with Art. 2 (2) No. 2 of the Investment Aid Law.

- (c) Payment: 100%
- (d) Maximum amount: DM 200 000
- (e) Supplementary financing: Application for supplementary financing may be made to the Reconstruction Loan Corporation (Kreditanstalt für Wiederaufbau), Frankfurt a.M.

(4) Application procedure

Applications may be made to any credit institution. ERP loans are made available by the Reconstruction Loan Corporation, Frankfurt.

(5) Further grant conditions

The General Conditions for the Granting of ERP Resources form an integral part of this guideline.

GUIDELINE FOR THE 1978 ERP LOCAL AUTHORITY PROGRAMME (GEMEINDEPROGRAMM) - GRANTING OF LOANS FOR INVESTMENTS FOR IMPROVING THE QUALITY OF LOCATIONS BY ENHANCEMENT OF RESIDENTIAL AND RECREATIONAL ATTRACTIVENESS AT KEY POINTS OF THE COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE'

(1) Purpose

Loans from the ERP Special Fund may be granted for investments for improving the quality of locations through

- (a) enhancement of their residential and recreational attractiveness, for instance by the building or extension of day nurseries or kindergartens, public sports grounds and swimming-baths, multi-purpose halls, local recreational areas, leisure centres;
- (b) installations for water supply, sewage purification and disposal and waste disposal.

The projects must be carried out at key points of the Common Task 'Improvement of Regional Economic Structure'.

Financing of schools, hospitals, communication links including parking facilities and tourist facilities is excluded.

(2) Eligible applicants

Gemeinden and associations of Gemeinden (local authorities) and also, where a preponderant part is played by Gemeinden or associations thereof, also other public-law bodies and institutions and local public business undertakings.

(3) Loan conditions

- (a) Interest rate: 5.0% pa
- (b) Duration: Up to 10 years,
up to 15 years for building projects, including up to 2 years free of redemption.
- (c) Payment: 100%
- (d) Maximum amount: not fixed.

(4) Application procedure

Applications may be made to the competent Land authority. The ERP loans are made available by the Reconstruction Loan Corporation (Kreditanstalt für Wiederaufbau), Frankfurt a.M.

(5) Further grant conditions

The provisional administrative provisions pursuant to Art. 44 BHO (Federal Budget Regulations) shall apply.

Annex N

UPDATED VERSION OF THE TEXT OF COUNCIL REGULATION (EEC) NO 724/75
OF 18 MARCH 1975 ESTABLISHING A EUROPEAN REGIONAL DEVELOPMENT FUND

Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund (OJ No L 73, 21.3.1975, p. 1) and the amendments arising out of Regulation (EEC) No 214/79 (OJ No L 35, 9. 2. 1979, p. 1) are hereby coordinated.

This coordination is without legal status. Hence, the preamble has been omitted.

TITLE I

PRELIMINARY PROVISIONS

Article 1

The European Regional Development Fund, hereinafter referred to as 'the Fund', is intended to correct the principal regional imbalances within the Community resulting in particular from agricultural preponderance, industrial change and structural under-employment.

Article 2

1. As from the financial year 1978, the endowment for the Fund shall be determined annually in the general budget of the European Communities.

2. The annual budget shall indicate for the relevant year under the Fund heading:

(a) commitment appropriations;

(b) payment appropriations.

Save where otherwise provided for in the special provisions laid down in this Regulation, the Financial Regulation applicable to the general budget of the Communities shall apply to the management of the Fund.

3. The following may be financed by the Fund with a view to contributing to the realization of the objectives referred to in Article 1:

(a) Community action in support of regional policy measures taken by the Member States, as provided for in Title II of this Regulation.

The resources of the Fund intended for financing these activities shall be distributed in accordance with the following table:

Belgium	1.39 %
Denmark	1.20 %
Germany	6.0 %
France	16.86 %
Ireland	6.46 %
Italy	39.39 %
Luxembourg	0.09 %
Netherlands	1.58 %
United Kingdom	27.03 %

(b) specific Community regional development measures, as provided for in Title III of this Regulation. The sum allotted to such measures shall amount to 5 % of the Fund's resources. Resources which cannot be used in time for such measures shall be allocated to the supporting action referred to in (a).

The whole of the Fund's resources for financing these measures shall be used having due regard to the relative severity of regional imbalances in the Community.

Article 3

1. Regions and areas which may benefit from the Fund shall be limited to those aided areas established by Member States in applying their systems of regional aids and in which State aids are granted which qualify for Fund assistance.

When aid from the Fund is granted, priority shall be given to investments in national priority areas, taking account of the principles for the coordination at Community level of regional aids.

2. As part of the specific Community regional development measures referred to in Article 2 (3) (b), the Fund may also, where appropriate, give assistance in regions or areas other than those referred to in paragraph 1, for the solution of problems forming the subject of Community action, if the Member State concerned has also given assistance or does so at the same time.

TITLE II

COMMUNITY ACTION IN SUPPORT OF REGIONAL POLICY MEASURES TAKEN BY THE MEMBER STATES

Chapter 1

Field of action

Article 4

1. As part of Community action in support of regional policy measures taken by the Member States, the Fund may contribute to the financing of investments which individually exceed 50 000 European units of account and come under any of the following categories:

- (a) investments in industrial, handicraft or service activities which are economically sound and which benefit from State regional aids, provided that at least 10 new jobs are created or that 10 existing jobs are maintained. In the latter case, the investments should fall within the framework of a conversion or restructuring plan to ensure that the undertaking concerned is competitive. Preference shall, however, be given to operations which both maintain existing jobs and create new jobs.

Service activities qualifying for assistance shall be those concerned with tourism and those which have a choice of location. Such activities should have a direct impact on the development of the region and on the level of employment.

For the purposes of this Article, a group of investments which are related geographically and financially, and which together comply with the criteria provided for in this Article, may be considered as a single investment in the field of handicrafts or tourism;

- (b) investments financed wholly or in part by public authorities or by any other agency responsible, on a similar basis to a public authority, for the creation of infrastructures, and covering, provided that this is justified by regional development programmes, infrastructures which contribute to the development of the region or area in which they are situated, provided that the total share of the overall assistance granted by the Fund for financing the investments referred to in this point does not exceed 70 % of the Fund's assistance.

This percentage must be complied with over a period of three years; however, it may be exceeded by decision of the Council acting on a proposal from the Commission.

In administering the Fund, the Commission shall take account of the particular situation of certain regions on the basis of the programmes referred to above. Member States shall take all steps to enable the provisions of this point to be applied;

- (c) investments in infrastructures covered by Article 3 (2) of the Council Directive on mountain and hill farming and farming in certain less-favoured areas, provided that the less-favoured area in question corresponds to or is located within one of the regions or areas covered by Article 3 of this Regulation.

2. The amount of the Fund's contribution shall be:

- (a) in respect of investments covered by paragraph 1 (a), 20 % of the investment cost without, however, exceeding 50 % of the aid accorded to each investment by public authorities under a system of regional aids, such contributions being limited moreover to that part of the investment which does not exceed 100 000 European units of account per job created and 50 000 European units of account per job maintained.

In the case of services and handicrafts, the Fund's contribution may, by way of derogation from the first subparagraph, exceed 20 % of the investment cost, provided that the amount does not exceed in such case 10 000 European units of account per job created or maintained, or 50 % of the national aid.

The State aid to be taken into consideration shall be grants, interest rebates, or their equivalent where loans at reduced rates of interest are concerned, whether such aid is linked to the investment or to the number of jobs created.

Such aid may include aid granted in respect of an investment in connection with the transfer of plant and workers. The aid equivalent shall be calculated in accordance with an implementing Regulation under the terms of Article 16. Aid granted in the form of rent rebates or exemptions from payments of rent for buildings, including plant, may also be taken into account, provided that the same calculation is possible.

The contribution from the Fund thus defined may, pursuant to a prior decision of the Member State concerned communicated at the same time as the request for this contribution, either supplement aid granted to the relevant investment by public authorities or remain credited to those authorities and considered as a partial repayment of such aid;

- (b) in respect of investments covered by paragraphs 1 (b) and (c), 30 % of the expenditure incurred by public authorities where the investment is less than 10 million European units of account and from 10 to 30 % maximum for investments of 10 million European units of account or more. However, the maximum rate may be 40 % for projects which are of particular importance to the development of the region in which they are situated.

The Fund's assistance may consist wholly or in part of a rebate of three percentage points on loans made by the European Investment Bank, pursuant to Article 130 (a) and (b) of the Treaty, in the regions and areas referred to in Article 3 of this Regulation. In that event, the aid from the Fund shall be paid to the Bank in one instalment, the rebate being a capitalized sum expressed as a percentage of the investment.

Chapter 2

Procedural provisions

Article 5

1. The Fund's assistance shall be decided upon by the Commission according to the relative severity of the economic imbalance of the region where the investment is made and the direct or indirect effect of the investment on employment. The Commission shall examine, in particular, the consistency of the investment with the range of actions undertaken by the relevant Member State in favour of the region concerned, as apparent from information supplied by Member States pursuant to Article 6 and taking special account of:

- (a) the investment's contribution to the economic development of the region;
- (b) the consistency of the investment with the Community's programmes or objectives;
- (c) the situation of the economic sector concerned and the profitability of the investment;
- (d) whether the investment falls within a frontier area, that is to say, within regions adjacent to one or more other Member States;
- (e) other contributions made by Community institutions or by the European Investment Bank, either to the same investment or to other activities within the same region. Thus contributions from the Fund will be coordinated with other Community contributions, in such a way as to favour a range of converging and coordinated actions within a given region and to guarantee, in particular, consistency between regional policy and structural policy for agriculture.

2. (a) In respect of investments of 10 million European units of account or more, the Fund's assistance shall be the subject of a Commission Decision under the procedure provided for in Article 16.

In respect of investments in infrastructure costing 10 million or more European units of account, the Commission shall, before obtaining the opinion of the Fund Committee referred to in Article 15, consult the Regional Policy Committee.

- (b) In respect of investments costing less than 10 million European units of account, the Commission shall provide prior information for the Member States in the form of a simplified list of investments for which requests for assistance have been received. The procedure provided for in Article 16 shall apply in the case of:

- draft negative decisions, where the Member State concerned so requests,
- all other draft decisions in respect of which the Commission or a Member State wishes an opinion to be sought from the Fund Committee.

Article 6

1. Investments may benefit from the Fund's assistance only if they fall within the framework of a regional development programme the implementation of which is such as to contribute to correction of the main regional imbalances within the Community

which may prejudice the proper functioning of the common market and the convergence of the Member States' economies, with a view, in particular, to the attainment of economic and monetary union.

2. Regional development programmes shall be established according to the joint plan prepared by the Regional Policy Committee.

3. Member States shall notify the Commission of regional development programmes and alterations to programmes already notified.

4. The programmes shall be of an indicative nature and specify the objectives of the development of the region concerned and the means to be employed. They shall be the subject of consultation with the Regional Policy Committee. The Commission shall examine these programmes in the light of the criteria referred to in Article 5 (1) (b) in order to enable it to determine the priorities for assistance from the Fund.

5. Before 31 March each year, Member States shall bring the regional development programmes up to date by providing the Commission with all available information for the current year not contained in the programmes on:

- (a) the financial resources allocated to regional development under their programmes;
- (b) the priority measures relating to regional development which they intend to implement;
- (c) the use they intend to make of Community resources, and in particular of resources from the Fund in implementing these priority measures.

Any other relevant information shall be forwarded to the Commission as soon as available.

6. Before 1 October each year, Member States shall provide the Commission with an overall statistical summary indicating by region for the previous year:

- (a) the results achieved in the region in terms of investment and employment;
- (b) the financial means employed;
- (c) the actual use made of the resources of the Fund.

Article 7

1. Member States shall submit requests for assistance from the Fund to the Commission, and

shall indicate any factors which will allow the Commission to assess the value of the investments proposed in the light of Articles 5 and 6.

2. In respect of the investments referred to in Article 4 (1) of less than 10 million European units of account, Member States shall present their global requests at the beginning of each quarter. They shall group these requests by region and shall separate investments referred to in Article 4 (1) (a) from investments in infrastructure.

These requests shall indicate:

(a) in respect of the investments referred to in Article 4 (1) (a), the names of the undertakings concerned, the sector of their activity and the location of each investment, also its character (foundation, extension, conversion or restructuring of the relevant concern), the total amount of investment involved, the predicted overall effect on employment (creation or maintenance), estimates regarding the implementation schedule, total aids granted for which a contribution from the Fund is requested and the schedule laid down for their payment;

(b) in respect of investments in infrastructure, the location of each investment and its character, its contribution to the development of the region, the predicted total costs and the costs borne by public authorities and the schedule laid down for their payment, the name of the responsible authorities, the total contribution requested from the Fund, and estimates regarding the implementation schedule.

3. In respect of investments of 10 million European units of account or more, requests shall be presented separately and shall include the following information:

(a) in respect of the investments referred to in Article 4 (1) (a) the name of the undertaking, the sector of activity, the nature of the investment, its location, the effect on employment, the implementation schedule, the grants, interest rebates or loans at reduced rates of interest and the schedule laid down for the payment of such aids, any other form of aid granted or provided for by public authorities and the financing plan, indicating in particular any other Community aids requested or provided for.

The Member State shall state in its request the total aid which in its opinion should be granted to the undertaking and the contribution it is seeking from the Community:

(b) in respect of investments in infrastructure, the responsible authority, the nature of the investment, its location, its contribution to the development of the region, its cost, its financing plan, its implementation schedule and the schedule laid down for payments.

4. Aid from the Fund shall be determined by the Commission:

(a) in the aggregate for each request covered by paragraph 2;

(b) case by case for requests covered by paragraph 3.

5. Member States shall give priority to the presentation of requests for contributions towards investments of 10 million European units of account or more.

Article 8

1. The amount of the contribution from the Fund defined, where applicable, by calculating the aid equivalent pursuant to the implementing Regulation referred to in Article 4 (2) (a) shall be paid *pari passu* with expenditure upon presentation by the Member State of quarterly statements certifying expenditure and the existence of detailed supporting documents, and containing the following information:

(a) for intermediate payment requests:

- the name of the undertaking concerned, or, for infrastructures, the name of the responsible authority,
- the location of the investment,
- total public expenditure paid after the date referred to in Article 11 and that part of the amount for which payment is requested,
- the amount of the payment requested from the Fund,
- a forecast of future payment requests;

(b) for final payment requests, all the information referred to in (a) except the last indent, together with:

- the sum actually invested and confirmation that the investment made conforms with the initial project,
- the date of completion of the investment,

— the number of jobs created or maintained in being by the investments referred to in Article 4 (1) (a),

— the amounts of public expenditure.

2. In cases where expenditure provided for by the decisions referred to in Article 7 consists of aids granted in the form of interest rebates or loans at reduced rates of interest, the contribution of the Fund relating to these aids and which is still due when the investments are completed shall be settled in a single payment on presentation of the certificates covering completion of the investments.

3. Accelerated payments under a decision to grant aid from the Fund may be granted by the Commission to a Member State at the latter's request. They may not exceed 75 % of the total amount of the aid from the Fund. Such accelerated payments shall be subject to the condition that at least 30 % of the payments constituting the basis for aid from the Fund have been made.

Payments already made pursuant to paragraph 1 (a) under the decision to grant aid shall be deducted from the accelerated payments.

The balance of the aid from the Fund shall be paid in accordance with paragraph 1 as regards payments by the Member States not covered by the accelerated payment.

Grouped applications for accelerated payments shall be submitted on a quarterly basis to the Commission by the Member State concerned.

4. Member States shall designate the authority or the institution authorized to furnish the certification referred to in this Article. The Commission shall make payments to the Member State, to an agency designated by the Member State for this purpose, or if necessary to the European Investment Bank.

Article 9

1. Where an investment which has been the subject of a contribution from the Fund has not been made as planned, or if the conditions of this Regulation are not fulfilled, the contribution from the Fund may be reduced or cancelled, if the Commission so decides after consulting the Fund Committee.

Any sums which have been paid in error shall be repaid to the Community by the Member State concerned or, where applicable, by the European Investment Bank, within 12 months following the date on which the relevant decision has been communicated.

Member States shall repay the Commission the amount of the Fund's assistance wherever national aid used as the basis for calculating the Fund's assistance has been repaid to the Member State by the investor.

2. Member States shall make available to the Commission all information required for the effective operation of the Fund and shall take all steps to facilitate such supervision as the Commission may consider useful in managing the Fund, including on-the-spot checks. They shall notify the Commission of the cases referred to in the first subparagraph of paragraph 1.

3. Notwithstanding verification carried out by Member States in accordance with national laws, regulations and administrative provisions and without prejudice to the provisions of Article 206 of the Treaty or to any inspection arranged on the basis of Article 209 (c) of the Treaty, at the request of the Commission and with the agreement of the Member State, the competent authorities of that Member State shall carry out on-the-spot checks or enquiries about operations financed by the Fund. Officials of the Commission may take part in these proceedings and the Commission may fix a time limit for carrying them out.

4. The objective of these on-the-spot checks or enquiries about operations financed by the Fund shall be to verify:

- (a) the conformity of administrative practices with Community rules;
- (b) the existence of supporting documentary evidence and its conformity with the operations financed by the Fund;
- (c) the conditions under which the operations financed by the Fund are executed and checked;
- (d) the conformity of projects implemented with the operations financed by the Fund.

5. The Commission may suspend payment of aid to a particular operation if an inspection reveals either irregularities or a substantial change in the character or conditions of the project for which the Commission's approval has not been sought.

6. Notwithstanding Article 6 (2) of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities ⁽¹⁾, if a project receiving aid from the Fund is not

completed or is implemented in such a manner as no longer to justify payment of part of the aid from the Fund granted on behalf of that project, the outstanding part of the Fund's contribution shall be granted to another investment located in one of the eligible regions of the same Member State under the conditions laid down in this Regulation.

Article 10

1. The investors concerned shall be informed by agreement with the Member States in question that part of the aid granted to them has been provided by the Community. For infrastructure projects, the Member States, by agreement with the Commission, shall take all necessary steps to ensure that assistance from the Fund is given suitable publicity.

2. The list of projects which have received contributions from the Fund shall be published every six months in the *Official Journal of the European Communities*.

Article 11

The Commission shall take into consideration for Fund assistance payments made by the Member States as from the 12th month before the date on which it receives the request for assistance, in respect of investments not completed by that date. This period shall be increased to 24 months for payments in respect of investments in Greenland.

Article 12

1. The Fund may contribute to the financing of studies which are closely related to Fund operations and are undertaken at the request of a Member State.

2. Such assistance may not exceed 50 % of the cost of the study.

TITLE III

SPECIFIC COMMUNITY REGIONAL DEVELOPMENT MEASURES

Article 13

1. The Fund may participate in financing specific Community regional development measures which

⁽¹⁾ OJ No L 356, 31. 12. 1977, p. 1.

differ in whole or in part from the types of measure referred to in Title II. These shall be measures:

- either linked with Community policies and with measures adopted by the Community in order to take better account of their regional dimension or to reduce their regional consequences,
- or, in exceptional cases, intended to meet the structural consequences of particularly serious occurrences in certain regions or areas with a view to replacing jobs lost and creating the necessary infrastructures for this purpose.

These measures shall not have as their object the internal reorganization of declining sectors but may, by establishing new economic activities, promote the creation of alternative employment in regions or areas in a difficult situation.

These measures shall be financed jointly by the Community and the Member State or States concerned.

2. Member States shall provide the Commission with information on regional problems likely to be the subject of specific measures within the meaning of paragraph 1.

3. Without prejudice to the responsibilities of the Commission with regard to State aid under Articles 92, 93 and 94 of the Treaty, the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, shall determine for each of these measures to be implemented in the form of a special programme:

- (a) the nature of the operations to which the Fund may contribute;
- (b) the areas and regions which the Fund may assist;
- (c) the national public aid taken into consideration in granting Fund assistance;
- (d) the contribution of the Fund;
- (e) the categories of beneficiaries of Fund assistance;
- (f) the detailed rules for financing.

4. Requests for Fund assistance for these special programmes shall be submitted to the Commission by the Member States. The fifth subparagraph of Article 4 (2) (a) and Article 10 shall apply.

Article 14

1. The Fund may bear all or part of the cost of studies which are closely related to the measures referred to in Article 2 (3) and are undertaken at the request of one or more Member States.

2. The Commission shall decide whether to grant assistance from the Fund in accordance with the procedure laid down in Article 16, after consulting the Regional Policy Committee.

TITLE IV

GENERAL AND FINAL PROVISIONS

Article 15

1. A Fund Committee (hereinafter referred to as 'the Committee') is hereby established. It shall be composed of representatives of the Member States and chaired by a representative of the Commission.

2. Within the Committee the votes of the Member States shall be weighted in accordance with Article 148 (2) of the Treaty. The chairman shall not vote.

Article 16

1. Where the procedure laid down in this Article is to be followed, the chairman shall refer the matter to the Committee either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit drafts of decisions to be taken. The Committee shall deliver its opinion on the drafts within the time limit which the chairman may fix according to the urgency of the questions under consideration. An opinion shall be adopted by a majority of 41 votes.

3. The Commission shall adopt decisions which shall apply immediately. However, if these decisions are not in accordance with the opinion of the Committee, they shall forthwith be communicated by the Commission to the Council. In that event the Commission shall defer application of the decisions which it has adopted for not more than two months from the date of such communications. The Council, acting by a qualified majority, may take a different decision within two months.

Article 17

The Committee may consider any other question concerning the Fund's operations referred to it by its chairman either on his own initiative or at the request of the representative of a Member State.

Article 18

The necessary measures for the implementation of this Regulation shall be adopted in accordance with the procedure laid down in Article 16.

Article 19

1. Member States shall adopt the necessary measures to indicate separately, according to the special characteristics of national budget systems, the sums received from the Fund.

2. At the request of the Commission, Member States shall provide it with information on the allocation of the amounts received from the Fund.

Article 20

Assistance from the Fund shall not change the conditions of competition in a way incompatible with the principles contained in the relevant provisions of the Treaty, as elaborated in the principles for the coordination of the general regional aid schemes. In

particular, the provisions of this Regulation shall not prejudice the application of Articles 92, 93 and 94 of the Treaty, particularly as regards establishing and realigning the areas aided for regional purposes referred to in Article 3 and in respect of the amount of the contributions from the Fund.

Article 21

1. Before 1 October each year the Commission shall present a report to the Council, the European Parliament and the Economic and Social Committee on the implementation of this Regulation during the preceding year.

2. This report shall also cover the financial management of the Fund and the conclusions drawn by the Commission from the checks made on the Fund's operations.

Article 22

On a proposal from the Commission, the Council shall re-examine this Regulation before 1 January 1981.

Article 23

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

Annex 0

Application for the granting of public financial aid to industry
and trade within the framework of regional economic assistance

(A separate application should be submitted for each operating unit)¹

Date of receipt by agency authorized
to accept applications

				1	9		
Day		Month		Year			

²

I/We apply³ for

- (a) issue of the certificate in accordance with Art. 2 of the Investment Aid Law⁴.
- (b) granting of an investment grant.
- (c) granting of an interest subsidy.
- (d) granting of a loan
- (e) giving of a State guarantee.
- (f) capitalization of freight aid.
- (g) issue of the certificate in accordance with Art. 1 No 3 of the Site Purchase Subsidy Law (Grundstücksverbilligungsgesetz)

¹ For the definition of 'operating unit', see Art. 12 of the Tax Regulations 1977.

² Not to be completed by applicant.

³ Please mark with a cross as applicable.

⁴ The attention of applicants is drawn to the separate application required for the granting of the 'Investitionszulage' (investment aid) to be submitted to the competent Tax Office in accordance with Art. 5 (3) of the Investment Aid Law within the period likewise specified in that law.

1. Applicant

1.1. Name, company style, legal form

Street and number

--	--	--	--

Postal code

Place

.

Kreis (County).

Telephone No and STD code
 (Name of person completing form and internal extension number)

.

Undertaking number

--	--	--	--

⁵

1.2. Competent Tax Office

--	--	--	--

Postal code

Place

.

Tax number.

1.3. Certificates previously issued under the Investment Aid Law during the last five years for the operating unit indicated under points 2.2. to 2.4.

Year	Date of certificate and reference number				
<table><tr><td></td><td></td><td></td><td></td></tr></table>				
<table><tr><td></td><td></td><td></td><td></td></tr></table>				
<table><tr><td></td><td></td><td></td><td></td></tr></table>				
<table><tr><td></td><td></td><td></td><td></td></tr></table>				

⁵ Not to be completed by applicant.

- 1.4. Other public financial aid in the past five years for the operating unit named under points 2.2. to 2.4. to be taken into account in connection with regional economic assistance (e.g. investment grants, interest subsidies, ERP and Equalization of Burdens loans, loans to small and medium-sized undertakings and to refugees, and credits and grants from the EEC and the EAGGF, stating the programme and year)

Year	Grant or subsidy DM	Loan DM	Programme	Date of au- thorization and refer- ence number
<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>

2. Nature of investment project⁶

- 2.1. Establishment of an operating unit ☐

If a relocation:
Relocation from

.....

Postal code

Place

.....

Street and number

Kreis (County)

- 2.2. Extension of an operating unit. ☐

⁶ Please mark with a cross as applicable.

2.3. Conversion of an operating unit⁷

2.4. Basic rationalization of an operating unit^{7,8}

2.5. When did the applicant establish or acquire the operating unit named under points 2.2. to 2.4.?

--	--	--	--	--	--

Month Year

3. Description of and reasons for the project specified under point 2

The proposed investments and the operating unit's future prospects should be described in an appendix, which should also describe the legal and economic development of the undertaking (e.g. interests held, bankruptcy matters, raw material supplies, subsidiary plants, etc.); in the case of conversion or basic rationalization projects, give a detailed statement of the effect of the conversion or rationalization (see footnote to points 2.3. and 2.4.).

4. Place of investment

--	--	--	--

.

Postal code

Place

.

Street and number

Kreis (County).

Does the applicant have other operating units⁹ at the same investment location?

☐

Yes

☐

No

If so:

Street and number

⁷ The investments planned in this connection must be necessary for the continued existence of the operating unit and in order to maintain the existing jobs in it.

⁸ In the case of tourist undertakings, investments for improving the quality of the facilities offered are deemed to be equivalent to basic rationalization.

⁹ For the definition of 'operating unit', see Art. 12 of the Tax Regulations 1977.

If application is being made for financial aid under the Common Task 'Improvement of Regional Economic Structure', reasons must be given¹⁰ if the operating unit is not to be established at a key point or if an operating unit established or acquired by the applicant since 31 December 1976 outside a key point is to be extended; this does not apply to tourist undertakings.

.....

5. Branch of activity of operating unit to be assisted

.....

5.1. Production range or nature of business activity¹¹

.....

5.2. Details of marketing area (to purchasers) for the products and services made or rendered in the operating unit¹²

.....

6. Investments (to nearest DM)

6.1. Investments in construction DM

6.2. Machinery and equipment DM

6.3. Other investments (excluding site) DM

6.4. Investments in fixed assets subject to wear and tear DM
 (Sum of 6.1. to 6.3.)

6.5. Site (. . . . m²) DM

6.6. Total investment DM

(Sum of 6.4. to 6.5.)

¹⁰ In an appendix if necessary.

¹¹ If the production or business activity relates to several branches of economic activity, or several industry groups, please give further details: e.g. percentage of production and turnover; if necessary in an appendix.

¹² Please give details: e.g. percentage of sales by Kreise (counties), Lands of the Federal Republic and abroad; if necessary in an appendix. These details do not constitute proof that the operating unit predominantly produces goods or renders services which by their nature are regularly sold beyond the region.

6.7. of which in the years¹³

--	--	--	--

DM

--	--	--	--

DM

--	--	--	--

DM

6.8. Chronological implementation of project start¹⁴

Month			Year		

completion

Month			Year		

7. Financing of total investment

7.1. Own resources¹⁵

DM

7.2. Outside resources¹⁶

DM

7.3. Total financing¹⁷

DM

8. Public financial aid

8.1. The total financing (point 7.3.) contains the following items of public financial aid which have been applied for or granted (including 'Investitionszulage' - investment aid).

¹³ Only complete in the case of investments which are to be carried out over several years (maximum 36 months).

¹⁴ If the implementation of a project has already been started, give details an appendix of the present state of the project (as a percentage of the total project); reasons should also be given for the premature starting of the investments.

¹⁵ Including 'Investitionszulage' (investment aid).

¹⁶ Including all other public financial aid.

¹⁷ Proof of financing of the project to completion (if necessary by confirmation from the applicant's bank). The amount given under 7.3. must tally with that given under 6.6.

Origin of funds	Grants DM	Loans				Subsidy value, % (not to be completed by applicant)
		DM	Period in years	Redem- tion free years	Inter- est rate	
'Investitionszulage' (in- vestment aid) under Art. 1 Inv. Aid Law					%
Common Task funds					%
Federal budget funds					%
Land budget funds					%
Funds from ERP Special Fund (with name of programme)					%
Other public financial aid with precise designation (e.g. European Agricul- tural Guidance and Guar- antee Fund)					%
An interest subsidy of% has been applied for or author- ized ¹⁸ for a period of years for a loan in the amount of DM%
						Total%

8.2. A per cent guarantee for a loan in the amount of DM
has been applied for or authorized¹⁸ for the project.

9. Number of permanent jobs and of persons actually employed

9.1. Establishment of an operating unit

Planned permanent jobs upon completion (point 6.8.) of the investments
specified unter point 6.6.

Total permanent jobs

of which permanent jobs for men

¹⁸ Please delete inapplicable entry.

Out of the total of permanent jobs,
the following numbers will be created
in the years stated¹⁹

--	--	--	--

.....

--	--	--	--

.....

--	--	--	--

.....

9.2. Relocation, extension, conversion or basic rationalization²⁰ of an operating unit

Average number (monthly average) of the permanent jobs in the operating unit

in the last-but-one year before the start of the investment

--	--	--	--

year

in the last year before the start of the investment

--	--	--	--

year

immediately before the start of the investment

--	--	--	--	--	--

month | year

persons actually employed

in the last-but-one year before the start of the investment

--	--	--	--

year

in the last year before the start of the investment

--	--	--	--

year

immediately before the start of the investment

--	--	--	--	--	--

month | year

¹⁹ Only complete if the investments in question are to be carried out over several years (maximum 36 months).

²⁰ In the case of tourist undertakings, investments for improving the quality of the facilities offered are deemed to be equivalent to basic rationalization.

9.3. Relocation or extension of an operating unit

Planned additional permanent jobs on completion (point 6.8.) of the investments specified under point 6.6.

Total permanent jobs
of which permanent jobs for men

Out of the total of permanent jobs, the following numbers will be created in the years stated²¹

				
--	--	--	--	--	-----------

				
--	--	--	--	--	-----------

				
--	--	--	--	--	-----------

On completion of the investments (point 6.8.) the total number of permanent jobs will be²²

9.4. Conversion or basic rationalization²³ of an operating unit

Permanent jobs maintained on completion (point 6.8.) of the investments specified under point 6.6.

Total
of which permanent jobs for men

Depreciation allowances earned (to nearest full DM; not including special depreciation allowances under Art. 3 of the Border Area Assistance Law - Zonenrandförderungsgesetz)

					DM
--	--	--	--	--	--------------

					DM
--	--	--	--	--	--------------

					DM
--	--	--	--	--	--------------

Total DM

Hence annual average DM

²¹ Only complete if the investments in question are to be carried out over several years (maximum 36 months).

²² Sum of the permanent jobs existing immediately before the start of the investment plus the planned additional permanent jobs.

²³ In the case of tourist undertakings, investments for improving the quality of the facilities offered are deemed to be equivalent to basic rationalization.

10. Additional information for investments for tourism

10.1. Establishment of an operating unit

Planned beds on completion (point 6.8.) of the investments specified under point 6.6.

Total

of which the following numbers
will be created in the years
stated²⁴

--	--	--	--

--	--	--	--

--	--	--	--

10.2. Relocation or extension of an operating unit

Existing beds before start of
investment

Planned additional beds on
completion (point 6.8.) of
the investments specified
under point 6.6.

Total

of which the following numbers
will be added in the years stated²⁴

--	--	--	--

--	--	--	--

--	--	--	--

On completion of the investments
(6.8.) the total number of beds
will be²⁵

²⁴ Only complete if the investments concerned are to be carried out over several years (maximum 36 months).

²⁵ Sum of the beds existing immediately before the start of the investment and the planned additional beds.

10.3. Conversion or basic rationalization²⁶ of an operating unit

- Existing beds before start of investment
- Beds on completion (point 6.8.) of the investments specified under point 6.6.
11. I/We declare that, in connection with the investments specified under point 6, provision has been made to ensure that the effluents occurring will be properly purified (clarified) and any other waste safely disposed of, and that any atmospheric pollution and noise that may be caused will be kept within permissible limits.
12. I/We declare that the establishment or extension of the undertaking is not connected with a relocation or cutting-down of production in Berlin.
13. I/We are aware that the facts to be stated in this application are of importance with regard to subsidies within the meaning of Art. 264 of the Penal Code. I/We am/are furthermore aware of Art. 4 of the Subsidy Law of 29 July 1976 (Federal Law Gazette I, p. 2037) whereby, in particular, fictitious transactions and fictitious acts are not of importance for the authorization, granting, recovery, further granting or continuance of a subsidy or a subsidy advantage.
14. I/We am/are aware of the notification obligations existing under Art. 3 of the Subsidy Law; in particular, I/we shall notify the authority issuing the authorization/certificate without delay of any deviation from the information given above, this being done via the office to which the application was submitted.
15. I/We am/are aware that the European Regional Development Fund may contribute to the financial aids applied for and that in this case the provisions of Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund (Official Gazette of the European Communities No L 73 of 21 March 1975) are applicable.

. 19
(Signature) (Stamp)

If the undertaking has been split up or if there is an interlocking relationship, the application must also be signed with legally binding effect by the other company:

. 19
(Signature) (Stamp)

²⁶ In the case of tourist undertakings, investments for improving the quality of the facilities offered are deemed to be equivalent to basic rationalization.

LIST FOR ANNEXES P AND Q

KEY POINTS OF COMMON TASK 'IMPROVEMENT OF REGIONAL ECONOMIC STRUCTURE' BY
REGIONAL DEVELOPMENT PROGRAMMES

% figures in brackets show highest level of investment cost contribution from
public funds.

1 Schleswig-Unterelbe

A - Schwerpunkttorte (25%)

1 Flensburg

B - Schwerpunkttorte (20%)

3 Brunsbüttel

C - Schwerpunkttorte (15%)

5 Bredstedt

6 Glückstadt

7 Heide

8 Itzehoe

2 Schleswig

4 Husum

9 Kappeln

10 Meldorf

11 Niebüll

12 Tönning

2 Holstein

A - Schwerpunkttorte (25%)

1 Kiel

2 Neumünster

C - Schwerpunkttorte (15%)

5 Bad Oldesloe

6 Bad Segeberg

7 Burg auf Fehmarn

8 Eckernförde

9 Eutin

10 Geesthacht

E - Schwerpunkttorte (25%)

17 Lauenburg/Elbe

18 Lübeck

3 Oldenburg in Holstein

4 Rendsburg

11 Kaltenkirchen

12 Lütjenburg

13 Neustadt in Holstein

14 Plön

15 Preetz

16 Schwarzenbek

19 Mölln

3 Niedersächsische Nordseeküste

B - Schwerpunkttorte (20%)

1 Aurich

(Ostfriesland)

2 Bremerhaven

5 Emden

6 Leer

(Ostfriesland)

- 3 Cloppenburg
- 4 Cuxhaven
- C - Schwerpunkttorte (15%)
 - 9 Brake/Elsfleth
 - 10 Bremervörde
 - 11 Friesoythe
 - 12 Hude
 - 13 Norden
 - 14 Nordenham
 - 15 Oldenburg
(Oldenburg)

4 Ems-Mittelweser

- B - Schwerpunkttorte (20%)
 - 1 Lingen (Ems)
- C - Schwerpunkttorte (15%)
 - 3 Bentheim-Schüttorf
 - 4 Bramsche
 - 5 Diepholz
 - 6 Meppen
 - 7 Nienburg (Weser)
 - 8 Osnabrück/
Georgsmarienhütte

5 Heide-Elbufer

- A - Schwerpunkttorte (25%)
 - 1 Gifhorn
 - 2 Lüneburg
- C - Schwerpunkttorte (15%)
 - 4 Celle
 - 5 Rotenburg (Wümme)
 - 6 Soltau
- E - Schwerpunkttorte (25%)
 - 10 Dannenberg
(Elbe)
 - 11 Helmstedt

6 Niedersächsisches Bergland

- A - Schwerpunkttorte (25%)
 - 1 Braunschweig
 - 2 Goslar
- C - Schwerpunkttorte (15%)
 - 4 Alfeld
 - 5 Einbeck
 - 6 Göttingen
 - 7 Hildesheim
 - 8 Holzminden
 - 9 Northeim
- E - Schwerpunkttorte (25%)
 - 15 Duderstadt

- 7 Papenburg
- 8 Wilhelmshaven
- 16 Osterholz-
Scharmbeck
- 17 Stade
- 18 Varel
- 19 Westerstede
- 20 Wittmund/Jever
- 21 Zeven

- 2 Nordhorn
- 9 Quakenbrück
- 10 Rinteln/Bückeburg
- 11 Stadthagen
- 12 Sulingen
- 13 Vechta/Lohne
- 15 Wildeshausen

- 3 Uelzen

- 7 Verden
- 8 Walsrode
- 9 Wolfsburg

- 12 Lüchow
- 13 Schöningen
- 14 Wittingen

- 3 Peine

- 10 Osterode am
Harz
- 11 Salzgitter
- 12 Seesen
- 13 Uslar
- 14 Wolfenbüttel

- 16 Münden

7 Nördliches Ruhrgebiet-Westmünsterland-Kleve

B - Schwerpunkttorte (20%)

- | | |
|--------------------|--------------------|
| 1 Ahaus | 4 Ibbenbüren |
| 2 Bottrop/Gladbeck | 5 Werne a.d. Lippe |
| 3 Gronau (Westf.) | |

C - Schwerpunkttorte (15%)

- | | |
|-------------------|-----------------|
| 6 Castrop-Rauxel | 10 Kleve |
| 7 Coesfeld | 11 Lüdinghausen |
| 8 Dülmen | 12 Lünen |
| 9 Herne | 13 Marl |
| 14 Recklinghausen | 18 Steinfurt |
| 15 Rheine | 19 Unna |
| 16 Soest | 20 Werl |
| 17 Stadtlohn | |

8 Nordeifel-Grenzraum Aachen

B - Schwerpunkttorte (20%)

- 1 Euskirchen

C - Schwerpunkttorte (15%)

- | | |
|------------|-------------|
| 2 Aachen | 4 Schleiden |
| 3 Monschau | |

9 Ostwestfalen-Oberbergisches Land

B - Schwerpunkttorte (20%)

- | | |
|----------|---------|
| 1 Brilon | 2 Lemgo |
|----------|---------|

C - Schwerpunkttorte (15%)

- | | |
|-----------------|------------------|
| 3 Bad Berleburg | 8 Marsberg |
| 4 Gummersbach | 9 Meschede |
| 5 Detmold | 10 Schmallenberg |
| 6 Höxter | 11 Warburg |
| 7 Laasphe | |

10 Hessisches Fördergebiet

A - Schwerpunkttorte (25%)

- | | |
|----------------|----------|
| 1 Bad Hersfeld | 3 Kassel |
| 2 Fulda | |

B - Schwerpunkttorte (20%)

- | | |
|-----------|------------------|
| 4 Alsfeld | 5 Homberg (Efze) |
|-----------|------------------|

C - Schwerpunkttorte (15%)

- | | |
|----------------------------|-------------------|
| 6 Bebra | 14 Hünfeld |
| 7 Büdingen | 15 Korbach |
| 8 Frankenberg (Eder) | 16 Lauterbach |
| 9 Fritzlar | 17 Melsungen |
| 10 Gelnhausen | 18 Schlüchtern |
| 11 Hessisch Lichtenau | 19 Schwalmstadt |
| 12 Hofgeismar | 20 Stadtallendorf |
| 13 Homberg (Ohm) | 21 Wolfhagen |
| E - Schwerpunkttorte (25%) | |
| 22 Eschwege | 24 Witzenhausen |
| 23 Sontra | |

11 Mittelrhein-Lahn-Sieg

B - Schwerpunktorte (20%)

- | | |
|----------------|-----------|
| 1 Limburg | 2 Simmern |
| a.d. Lahn/Diez | |

C - Schwerpunktorte (15%)

- | | |
|------------------|-----------------|
| 3 Altenkirchen | 8 Kastellaun |
| (Westerwald) | 9 Nastätten |
| 4 Birkenfeld | 10 Sobernheim |
| 5 Hachenburg | 11 Weilburg |
| 6 Idar-Oberstein | 12 Westerburg |
| 7 Kaisersesch | 13 Zell (Mosel) |

12 Eifel-Hunsrück

B - Schwerpunktorte (20%)

- | | |
|--|------------|
| 1 Hermeskeil/
Nonnweiler ¹ | 3 Prüm |
| 2 Mayen | 4 Trier |
| | 5 Wittlich |

C - Schwerpunktorte (15%)

- | | |
|-----------|-----------|
| 6 Adenau | 8 Daun |
| 7 Bitburg | 9 Morbach |

13 Saarland-Westpfalz

B - Schwerpunktorte (20%)

- | | |
|--|----------------|
| 1 Homburg | 7 Pirmasens |
| 2 Kaiserslautern | 8 Saarbrücken- |
| 3 Kusel/Rammelsbach | Völklingen |
| 4 Landau i.d. Pfalz | 9 Saarlouis |
| 5 Neunkirchen | 10 St. Wendel |
| 6 Nonnweiler/
Hermeskeil ¹ | 11 Zweibrücken |

C - Schwerpunktorte (15%)

- | | |
|----------------------|-----------------|
| 12 Alzey | 17 Merzig |
| 13 Dahn | 18 Perl |
| 14 Edenkoben | 19 Ramstein- |
| 15 Kirchheimbolanden | Miesenbach |
| 16 Lebach | 20 Rockenhausen |

14 Odenwald-Hohenlohe-Ostalb

B - Schwerpunktorte (20%)

- | | |
|--------------|--------------|
| 1 Buchen | 3 Heidenheim |
| 2 Crailsheim | an der Brenz |

C - Schwerpunktorte (15%)

- | | |
|---------------------|------------------------------|
| 4 Bad Mergentheim | 10 Osterburken/
Adelsheim |
| 5 Bopfingen | 11 Schrozberg |
| 6 Ellwangen (Jagst) | 12 Schwäbisch Hall |
| 7 Gaildorf | 13 Tauberbischofsheim |
| 8 Mosbach | |
| 9 Öhringen | |

¹ The two Gemeinden forming this 'double Key point' are situated in two different Regional Development Programmes and figure thus twice in this summary table.

15 Hochschwarzwald-Baar-Hochrhein

B - Schwerpunkttorte (20%)

1 Waldshut-Tiengen

2 Schopfheim

C - Schwerpunkttorte (15%)

3 Bonndorf
im Schwarzwald

4 Donaueschingen
5 Titisee-Neustadt

16 Alb-Oberschwaben

B - Schwerpunkttorte (20%)

1 Münsingen

2 Sigmaringen

C - Schwerpunkttorte (15%)

3 Ehingen (Donau)

7 Pfullendorf

4 Laichingen

8 Riedlingen

5 Laupheim

9 Saulgau

6 Meßkirch

10 Stockach

17 Nordbayerisches Fördergebiet

A - Schwerpunkttorte (25%)

1 Bad Kissingen

6 Kronach

2 Bad Neustadt
a.d. Saale

7 Kulmbach/
Stadtsteinach

3 Ebern

8 Marktredwitz/
Wunsiedel

4 Haßfurt

9 Schweinfurt

5 Hof

B - Schwerpunkttorte (20%)

10 Würzburg

C - Schwerpunkttorte (15%)

11 Aschaffenburg

21 Hammelburg

12 Bad Brückenau

22 Hollfeld

13 Bad Königshofen
i. Grabfeld

23 Kitzingen

14 Bamberg

24 Marktheidenfeld

15 Bayreuth

25 Münchberg/
Helmbrechts

16 Coburg

26 Pegnitz

17 Ebermannstadt

27 Rehau

18 Ebrach

28 Staffelstein/
Lichtenfels

19 Gerolzhofen

29 Tettau

20 Hofheim i. Ufr.

E - Schwerpunkttorte (25%)

30 Ludwigsstadt

33 Neustadt b. Coburg

31 Mellrichstadt

34 Selb

32 Naila

18 Westbayerisches Fördergebiet

B - Schwerpunkttorte (20%)

1 Ansbach

3 Uffenheim

2 Dinkelsbühl

C - Schwerpunkttorte (15%)

4 Aichach

13 Neuburg a.d. Donau

5 Bad Windsheim

14 Neustadt a.d. Aisch

6 Beilngries

15 Nördlingen

7 Dillingen

16 Rain

a.d. Donau/

17 Rothenburg

Lauingen (Donau)

ob der Tauber

- 8 Donauwörth
- 9 Eichstätt
- 10 Feuchtwangen
- 11 Gunzenhausen
- 12 Hilpoltstein

- 18 Schrobenhausen
- 19 Weißenburg
i. Bay./Treuchtlingen
- 20 Wemding
- 21 Wertingen

19 Ostbayerisches Fördergebiet

A - Schwerpunkttorte (25%)

- 1 Cham
- 2 Deggendorf/Plattling
- 3 Grafenau
- 4 Tirschenreuth

B - Schwerpunkttorte (20%)

- 6 Amberg/Sulzbach-
Rosenberg
- 7 Burglengenfeld
- 8 Eggenfelden

C - Schwerpunkttorte (15%)

- 13 Bogen
- 14 Eschenbach i.d. Opf.
- 15 Freyung/Waldkirchen
- 16 Furth i. Wald
- 17 Hauzenberg
- 18 Kelheim/Niederbayern
- 19 Kemnath
- 20 Landau
a.d. Isar
- 21 Mallersdorf-
Pfaffenberg/
Neufahrn i. NB
- 22 Nabburg
- 23 Neumarkt i.d. Opf.
- 24 Nittenau
- 25 Parsberg

E - Schwerpunkttorte (25%)

- 41 Kötzing
- 42 Neunburg
vorm Wald

- 5 Weiden i.d. Opf./
Neustadt
a.d. Waldnaab

- 9 Landshut
- 10 Regensburg
- 11 Schwandorf
- 12 Straubing

- 26 Passau
- 27 Pfarrkirchen
- 28 Pocking
- 29 Regen
- 30 Riedenburg
- 31 Roding
- 32 Rottenburg
a.d. Laaber
- 33 Simbach a. Inn
- 34 Vilsbiburg
- 35 Vilshofen
- 36 Vohenstrauß
- 37 Waldmünchen
- 38 Waldsassen
- 39 Wegscheid
- 40 Zwiesel

- 43 Oberviechtach
- 44 Viechtach

20 Südbayerisches Fördergebiet

C - Schwerpunkttorte (15%)

- 1 Freilassing
- 2 Füssen
- 3 Kaufbeuren
- 4 Landsberg a. Lech

- 5 Rosenheim
- 6 Traunstein
- 7 Wasserburg a. Inn
- 8 Weilheim i. OB

Common Task areas
'Improvement of regional economic structure'

Situation: 1 January 1979



CT areas



RDP boundaries: Numbers



A- and B- key points (25% aid frontier areas, 20% other)*



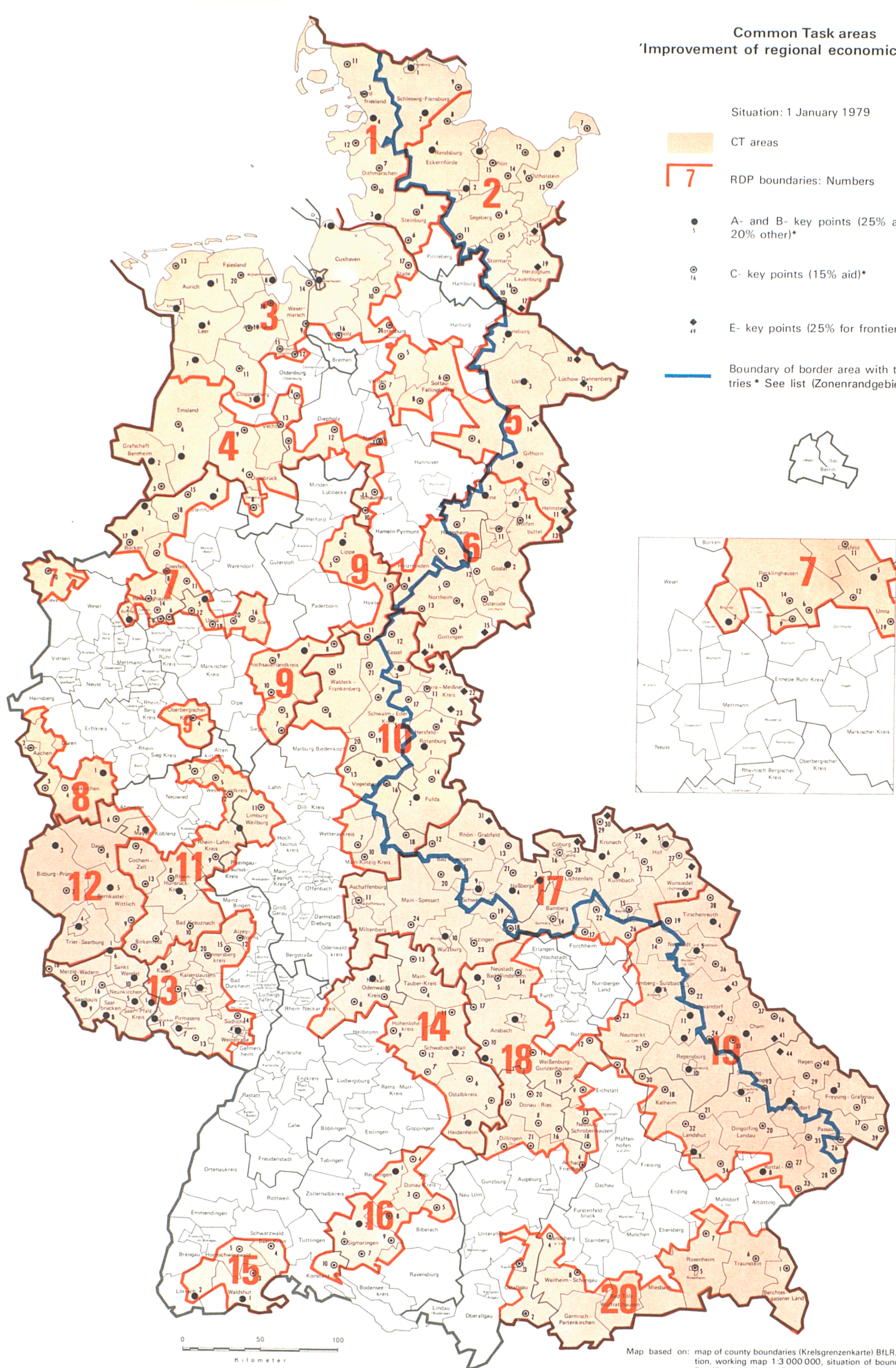
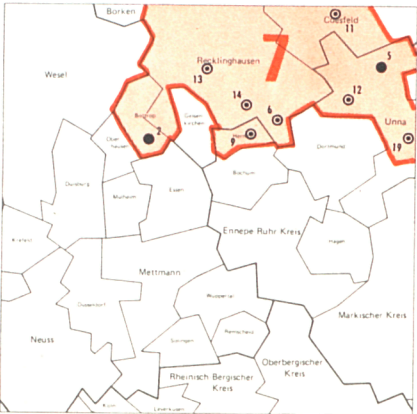
C- key points (15% aid)*



E- key points (25% for frontier area)*



Boundary of border area with the eastern countries * See list (Zonenrandgebiet)



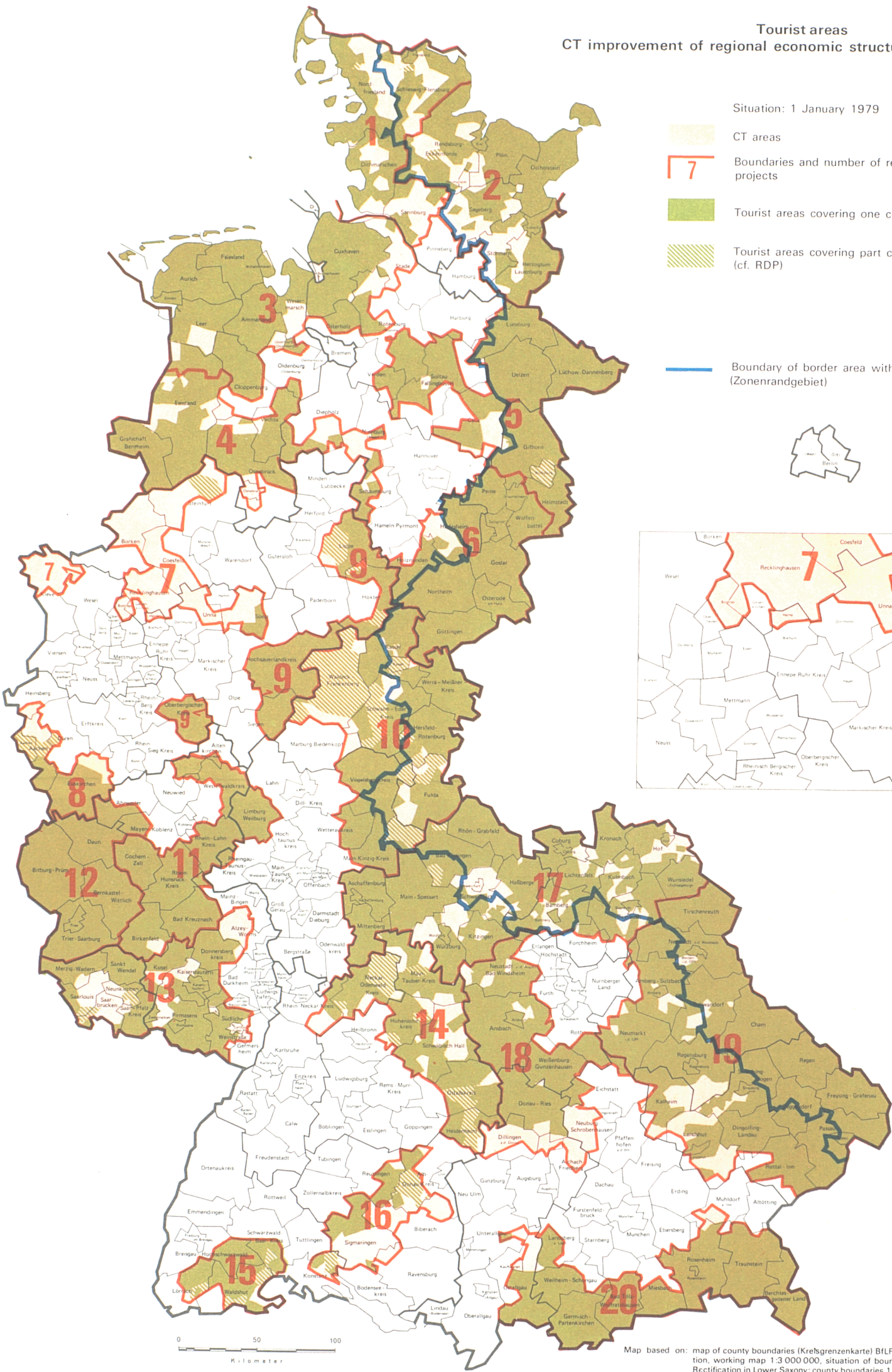
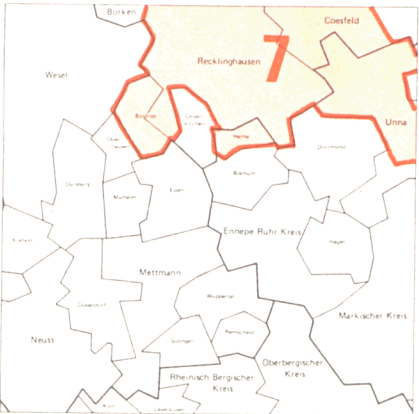
Map based on: map of county boundaries (Kreisgrenzenkarte) BfLR, provisional edition, working map 1:3 000 000, situation of boundaries 1.1.1977
Rectification in Lower Saxony: county boundaries 1.8.1977, boundaries of 'Regierungsbezirke' 1.2.1978
Rectification in Rhineland-Palatinate: situation of boundaries 1.1.1978
Processing and cartography: Bundesforschungsanstalt für Landeskunde und Raumordnung

Tourist areas
CT improvement of regional economic structure: by communes

Situation: 1 January 1979

- CT areas
- Boundaries and number of regional development projects
- Tourist areas covering one commune completely
- Tourist areas covering part commune (cf. RDP)

Boundary of border area with the eastern countries (Zonenrandgebiet)



Map based on: map of county boundaries (Kreisgrenzenkarte) BfLR, provisional edition, working map 1:3 000 000, situation of boundaries 1.1.1977
Rectification in Lower Saxony: county boundaries 1.8.1977, boundaries of 'Regierungsbezirke' 1.2.1978
Rectification in Rhineland-Palatinate: situation of boundaries 1.1.1978

Processing and cartography: Bundesforschungsanstalt für Landeskunde und Raumordnung

Annex R

APPLICATION PROCEDURE

Annex R

Land	Responsible for Regional Development Programmes no	Authorities for receiving applications; these authorities issue also information on aid details
SCHLESWIG-HOLSTEIN	1 + 2	The Minister for Economics and Transport of Land Schleswig-Holstein
LOWER SAXONY	3 - part Lower Saxony -, 4, 5+6	The Lower Saxony Minister for Economics and Transport; the 'Bezirksregierungen'
BREMEN	3 - part Bremen -	The Senator for Economics and External Trade of Free Hansa Town Bremen; the Magistrate - Office for aid to the economy and transport - of Town Bremerhaven
NORTH-RHINE WESTPHALIA	7, 8 + 9	The Minister for Economics, Middle Classes and Transport of Land North-Rhine Westphalia; the 'Regierungspräsidenten'
HESSEN	10 + 11 - part Hessen	The Minister for Economics and Technology of Land Hessen; the 'Regierungspräsidenten'; the 'Hessische Landesentwicklungs- und Treuhandgesellschaft mbH', Wiesbaden
RHINELAND-PALATINATE	11 - part Rhineland-Palatinate -, 12 + 13 - part Rhineland-Palatinate -	The Ministry for Economics and Transport of Land Rhineland-Palatinate; the 'Bezirksregierungen'; the Chambers of Industry and Trade and their district and branch offices; the Chambers of Handicraft
SAARLAND	13 - part Saarland -	The Minister for Economics, Transport and Agriculture of Saarland
BADEN-WÜRTTEMBERG	14, 15 + 16	The Ministry for Economics, the Middle Classes and Transport of Land Baden-Württemberg; the 'Regierungspräsidenten'; the Land Credit Bank of Baden-Württemberg, Head Office Karlsruhe and Branch at Stuttgart
BAVARIA	17, 18, 19 + 20	The Bavarian State Ministry for Economics and Transport; the 'Bezirksregierungen'

Decisions on applications concerning					
Investment grant certificate		Payment	ERP-loans		
Investment projects			Regional Pro-gramme	Gemeinde-programm	
DM 10 million and more	Under DM 10 million				
The Federal Minister for Economics, Bonn	Federal Office for Industry and Trade,) Eschborn/Ts. ('Bundesamt für gewerbliche Wirtschaft'))	On application by the responsible Finance office	Credit Bank for reconstruction,) Frankfurt/Main ('Kreditanstalt für Wiederaufbau'))	The Federal Minister for Economics, Bonn	The Minister for Economics and Transport of Land Schleswig-Holstein
					The Lower Saxony Minister for Economics and Transport
					The Senator for Economics and External Trade of Free Hansa Town Bremen
					Investment projects - DM 2 million and more: The Minister for Economics, Middle Classes and Transport of Land North-Rhine Westphalia; - under DM 2 million: the 'Regierungspräsidenten'
					The Minister for Economics and Technology of Land Hessen
					The Ministry for Economics and Transport of Land Rhineland-Palatinate
					- industry, public and private tourist measures and preparation of industrial estates: the Ministry for Economics, Transport and Agriculture of Saarland; - sewage and waste disposal: the Ministry of the Interior of Saarland; - water supply: the Ministry for the Environment, Regional Planning and Building of Saarland; - premises of vocational training centres, etc.: the Ministry for Culture, Education and Sport of Saarland
					The Ministry for Economics, the Middle Classes and Transport of Land Baden-Württemberg
					Investment projects up to DM 0.5 million (in special cases up to DM 1 million): the respective 'Bezirksregierung'; all other projects: the Bavarian State Ministry for Economics and Transport

B

Regional development programme
Berlin

1. ECONOMIC AND SOCIAL ANALYSIS (DIAGNOSIS)

Description of the Programme area

The Regional Development Programme area 'Berlin' has a surface area of 480 km² and a population of 2 087 837.¹

In view of the special situation of Berlin - absence of connected surroundings - Berlin has to be considered as a single labour market region. Berlin is 170 km from the wider economic area (measured by the shortest land route: Berlin-Hanover motorway) to which it belongs.

(a) Details of previous economic and social development

	1970	1972	1975
Population (at years end)	2 122 815	2 062 615	2 087 837
Population density	4 422	4 297	4 350
Unemployment level (at year's end)	0.8	1.3	4.2
Industrial occupation per 1 000 inhabitants (annual average)	125	117	103
Wages and salaries per employed person in industry	13 800	17 100	23 900 (1974)
GDP per head resident population: DM	12 070	14 490	18 280

¹ Source: Berlin Senate.

	1970	1972	1975
% economic sectors GDP			
Farming, forestry	0.2	0.2	0.2
Industrial goods	54.0	52.1	49.6
Trade, transport	15.9	15.6	15.1
Other service activity	29.8	32.1	35.1
	100.0 ^a	100.0	100.0

^a Round figures.

(b) Principal imbalances within the region and their causes

In view of the special situation of Berlin conditioned by its exceptional political status, local disadvantages due to insularity and lack of connected surrounding, Berlin has essentially the following economic and social problems:

- regional distance from the most important markets for supply and outlet and absence of economic and demographic interconnection with surrounding country are negative local factors in the special situation of Berlin (West).
- the specific shortage for Berlin of productive labour - through ageing population (22.4% of the population are 65 and over) - and of ground necessitates special attention being paid to the level of productivity of these two factors.

The principal concrete economic problem of Berlin at present is the worrying decline in the number of employed in industry, which is as ever the backbone of economic development of the town.

The fall in employment in Berlin over the last ten years is 29.3% of those employed in industry (over Federal territory as a whole it is only 7.8%); this is more than 80 000 employed. This decline in industrial jobs continues in even greater numbers. In 1975 alone the number of persons employed declined by 22 000. At the end of December 188 600 persons were employed in Berlin industry. Further substantial job losses will not fail to occur in 1977.

Especially hit are the clothing and textiles industry, engineering and the electrical industry. There is a threat of 10 000 job losses in coming years in the principal building industry, which is some 30% of present jobs in the Berlin building industry; this will also have an impact on other branches of the economy.

It is feared that this decline is not of a passing nature but that in many branches the number of jobs will decline permanently as will the number of concerns.

(c) Effect of measures of aid hitherto

From the end of September 1969 to the end of December 1975 162 new industrial concerns were settled in Berlin. End 1975/beginning 1976 these concerns employed 16 000 workers. Initial investment in these concerns was more than DM 1 000 million.

Additionally small and medium size concerns were developed and aided; they play a substantial part in Berlin and are important.

In the field of communal investment a number of projects were carried out to improve economic and domestic infrastructure.

These measures contributed to partial correction of imbalances at (b) above-mentioned or at least they became no greater nor more burdensome.

(d) Possibilities and conditions for regional development including bottle-necks

The main economic targets in Berlin are to maintain economic capacity and consolidate employment by means of an attractive wide range of job supply. In view of the special political and geographical framework conditions governing the economic development of Berlin, measures of economic policy are needed aiming at a composition of economic potential in Berlin with as high a level of skills and value as possible.

(e) Non appearance of new contributions: effect on anticipated economic and social development

The danger exists that non appearance or restriction of public measures to aid industrial activity would reduce such activity in Berlin. Principally the present noted decline in the number of employed would become more marked. The climate of economic potential in Berlin would not remain unaffected.

2. DEVELOPMENT TARGETS

(a) Creation of new and maintenance of existing jobs

The tasks in coming years - with increasing efforts to 1980-81 (years of high birth-rate) - is to provide attractive training facilities principally for the youthful intake to correct potential migration Berlin with particularly unfortunate consequences for the town.

(b) Impact sought on the various branches of the economy and on area incomes

Measures of structural policy are designed principally to create and maintain permanently secure jobs in productive industry and to develop small and medium size business and increase its capacity.

The aim of economic policy in Berlin is however not only possibly productive economic structure based on quantity of goods and productivity. Together with sound effective supply, those industrial functions are principally important which are the prerequisite of individual output capacity; planning, organization, research and development.

A further important point of departure for structural policy activity in Berlin is extension of and aid for the services sector. The Berlin economy will derive increasing impetus for growth from this sector. Interregional services are especially important in this connection.

The importance attached to interregional services in Berlin is due mainly to the following reasons:

- interregional services with their manifold communication and interlocking relationships contribute to greater integration of Berlin in national and international economic streams.
- service activity gives increased impetus to other economic branches and improve job quality.
- the bottleneck factor relating to ground plays little part in service activity.

The promotion of fairs, exhibitions and congresses as an element of service activity can play an increasingly important role in Berlin in future years. Aid policy for interregional and international interlocking of the Berlin economy will also in the future have to take account of steady incorporation of the town in the economic system of the Federal Republic of Germany and the European Communities.

(c) Measures of infrastructure

see 3 (b).

3. DEVELOPMENT MEASURES

Berlin has relied especially on an effective aid mechanism to realize the targets of structural policy abovementioned; this is due particularly to its situation. The most important instrument of Berlin economic policy for regional aid is the Berlin Aid Law (Berlin FG).

- a) Law on economic aid to Berlin (Berlin Aid Law - BerlinFG) of 18.2.1976 (BGBl.I; p. 353 - GVBl. p. 399) taking account of the first Law to combat crime in relation to the economy (1. Wi K.G.) of 29.7.1976 (BGBl.I p. 2641, GVBl. p. 2030) the transitional law complementing the Law on corporation tax reform (EG KStRG) of 6.9.1976 (BGBl.I p. 2641, GVBl. 2030) and the transitional law complementing the tax code (EGAO 1977) (BGBl. I p. 3341, GVBl. p. 2836).

Head I

Rebates on turnover tax, on income and profit tax;
Investment grants (Investitionszulage)

Article 1

Rebates on turnover tax

§ 1

Relief open to the Berlin entrepreneur

(1) If a Berlin entrepreneur has delivered goods to a West German entrepreneur he is entitled to relief from liability to turnover tax to the extent of 4.5% of final receipts payable for the goods in question if such goods were manufactured in Berlin (West) and despatched from Berlin (West) to other territory where this law applies.

(2) If a Berlin entrepreneur in despatching goods within the territory where this law applies to a West German entrepreneur uses parts of goods manufactured in Berlin (West), he is entitled to relief from liability to turnover tax to the extent of 4.5% of final receipts payable for the goods in question, provided the goods are charged for separately.

(3) If a Berlin entrepreneur has carried out work for a West German entrepreneur in Berlin (West), he is entitled to relief from liability to turnover tax to the extent of 4.5% of final receipts payable for work carried out provided the goods produced or processed are despatched from Berlin (West) to other territory where this law applies.

(4) If a Berlin entrepreneur hires out or leases goods to a West German entrepreneur, he is entitled to relief from liability to turnover tax to the extent of 4.5% of final receipts payable for the (hiring out or leasing) transfer of the goods in question if the goods were produced by himself in Berlin (West) after 31 December 1961 and were used in other territory where this law applies.

(5) If a Berlin entrepreneur transfers films, sound track negatives or mixer tapes of synchronized form to a West German entrepreneur for use in other territory where this law applies, he is entitled to relief from liability to turnover to the extent of 4.5% of final receipts payable for the transfer of use provided he has produced the goods in Berlin (West) after 31 December 1961. Use within the meaning of the first sentence above is the transfer of the goods to cinemas (film theatres) and their employment for broadcasting by broadcasting establishments.

(6) If a Berlin entrepreneur has carried out any of the services mentioned below for a West German entrepreneur, he is entitled to relief from liability

to turnover tax to the extent of 10%¹ of final receipts payable for these services.

1. Technical and economic consultation and planning for establishments outside Berlin (West)² including the completion of building, calculating and works records and the supervision of works implementation provided the entrepreneur conducts his business wholly or essentially in Berlin (West).
2. Provision of business management, experience and data processing programmes, which have been wholly or essentially developed in Berlin (West).
3. Data procession from premises located in Berlin (West).
4. Transfer of original designs for industrial purposes, model drawings and fashion photographs.
5. Other customary services, inclusive of advertising and publicity, performed by advertisers and advertising agents and corresponding public relations consultants provided the entrepreneur practices wholly or essentially in Berlin (West).
6. Services directly linked with the management of the Berlin Film and Television Studios for the production of picture and sound track in so far as these are intended for use in other territory where this law applies. This does not apply to film and television studios, managed by legal persons under public law or in the form of private companies, shares in which only belong to legal persons under public law and where profits only accrue to these legal persons.
7. Transfer of copyright for printing or reproduction, for broadcasting and screening rights and for use of extracts from works actually published in Berlin (West) and produced in Berlin (West).
8. Use and transfer of information and press cuttings for press cuttings services.

(7) In cases falling within paragraphs 1 to 4 the percentage relief rises from 4.5% to 5% if the goods are manufactured by a Berlin entrepreneur or the services are rendered by a Berlin entrepreneur, added value of whose Berlin output (§ 6a) in the last business year but one was more than 50% of business turnover in Berlin (West). The higher rate of relief will only be granted on special application. The application must be accompanied by accounts of Ber-

¹ The figure of 10% will apply after the entry into force, after 1 April 1976, of Article 1 (1) 2 of the Law amending the Berlin Aid Law and other laws of 19 December (see Federal Statute Book see page 3157 and will replace the existing figure of 6%.

² The words 'outside Berlin (West)' will apply after the entry into force, after 1 April 1976, of Article 1 (1) b of the Law amending the Berlin Aid Law and other laws of 19 December 1975 (see Federal Statute Book page 3157) and will replace the existing words 'in other territory where this law applies'.

lin output value set out in the form prescribed by the Federal Finance Minister.

(8) Reliefs under paragraphs 1 to 7 above are subject to proof (see paragraphs 8 and 9 below) and book evidence (see paragraph 10 below).

§ 1a

Relief for inter-company sales turnover

(1) If an entrepreneur has goods which he has produced on premises in Berlin (West) and brought to West German premises for industrial use and if he receives no relief under § 1 above, he is entitled to relief from liability to turnover tax to the extent of 6% of the clearing account (§ 7 (3)) for the goods despatched. Delivery of the goods to purchasers in other territory where this law applies, who are not West German entrepreneurs within the meaning of paragraph 5 (2) cannot attract relief where the goods are for industrial use but if the goods are produced or processed on West German premises, the text of paragraph 6 (1) applies accordingly.

(2) Relief under (1) above is subject to proof and book evidence.

§ 2

Reliefs for West German entrepreneurs

(1) If a West German entrepreneur has acquired goods from a Berlin entrepreneur, he is entitled to relief from liability for turnover tax to the extent of 4.2% of the clearing payment on the goods if the goods have been manufactured in Berlin (West) and sent from Berlin (West) to other territory where this law applies.

(2) If a Berlin entrepreneur has manufactured goods in Berlin (West) and used parts for delivery within other territory where this law applies, the West German entrepreneur, who gives him the order, is entitled to relief from liability for turnover tax to the extent of 4.2% of the clearing payment on the goods if these goods have been accounted for separately.

(3) If a West German entrepreneur commissions work from a Berlin entrepreneur in Berlin (West), he is entitled to relief from liability for turnover tax to the extent of 4.2% of the clearing payment on the goods produced or processed in Berlin (West) and sent to other territory where this law applies.

(4) If a West German entrepreneur hires or leases goods from a Berlin entrepreneur he is entitled to relief from liability for turnover tax to the extent of 4.2% of the clearing payment if the goods have been produced by the Berlin entrepreneur in Berlin (West) after 31 December 1961 and used in other territory where this law applies.

(5) If a Berlin entrepreneur has transferred films, sound track negatives or mixer bands of synchronized form to a West German entrepreneur for use in other territory where this law applies, the West German entrepreneur is entitled to relief from liability for turnover tax to the extent of 4.2% of his

clearing payment for transfer of the use if the Berlin entrepreneur has produced the goods in Berlin (West) after 31 December 1961. Use within the meaning of the first sentence above is the transfer of the goods to cinemas (film theatres) and broadcasting by broadcasting establishments.

(6) If a Berlin entrepreneur has carried out any of the services referred to in § 1 (6) for a West German entrepreneur, the West German entrepreneur commissioning these services is entitled to relief from liability for turnover tax to the extent of 4.2% of the clearing payment for these services.

(7) Reliefs under paragraphs 1 to 6 above are subject to proof (see §§ 8, 9 below) and book evidence (see § 10 below).

§ 3

Limitation to the field of the undertaking concerned

Reliefs under §§ 1 and 2 will only be permitted if the Berlin entrepreneur has carried out the deliveries and various services within the framework of his undertaking and on behalf of the undertaking of the West German entrepreneur. § 5 (2) 4 is not affected.

§ 4

Exceptions and Limitations

(1) Relief under § 1 (1), § 1a (1) and § 2 (1) will not be granted for delivery, supply or production of the following goods:

1. Original work of plastic art, painting and drawing of artists no longer living;
2. Second hand goods;
3. Antiques;
4. Postage stamps;
5. Precious stones and ornamental stones (half precious stones), synthetic jewellery, objects connected with these stones except diamond tools (tools with industrial diamonds as working instruments);
6. Real pearls, including cultural pearls and objects connected with these pearls;
7. Precious metals and precious metal alloys in the form of raw and semi-raw materials and finished goods made from precious metals or precious metal alloys (but not goods coated with precious metals or precious metal alloys);
8. Pewter, bismuth and cadmium and their alloys with more than 20% pewter or more than a total 3% bismuth or cadmium content in the form of raw or semi-raw material and of finished products except die-cast products;
9. Quicksilver;
10. Non-ferrous metals and non-ferrous metal alloys, in so far as not produced under 8 and 9 half finished or raw material not manufactured by a Berlin entrepreneur by heat refinery or alloy in Berlin (West);

11. Spirituous beverages within the meaning of the Law on Spirits Monopoly of 8 April 1922 (Reich Statute Book IS 335405) in the form applicable at the time and semi-manufactured goods required for the manufacture of these beverages, with the exception of essences, other than those conditioned in casks of 10 litres or less at premises in Berlin (West).
12. Meat and edible offal of adult bovine animals, calves, pigs and sheep, fresh, cooled or frozen excepting:
 - (a) Meat and edible offal from animals slaughtered in Berlin (West) and butchered in customary marketable portions.
 - (b) Meat obtained in Berlin (West) by total bone removal from heads, pigmeat, calvesmeat or sheepmeat halves, quarters of adult bovine animals. Cutlets, pigmeat heads, knuckle and top bone of pigmeat halves and heads, feet and tails of calvesmeat and sheepmeat halves do not require bone removal. Deliveries and intercompany turnover of these non boned goods will not qualify for exemption.
 - (c) Meat from carcasses butchered in Berlin (West) in individual weights of 1 000 grams or less.
13. (a) Roasted coffee (No 09.01 A 11 of the customs tariff) unless all production and processing needed for manufacture (excepting removal of caffein and irritants) and customary packaging for sale and consumption (individual packages of 500 g. or less) take place in Berlin (West).
 - (b) Coffee extracts and essences (No 21.02 A of the customs tariff) unless all production and processing (excepting removal of caffein and irritants) take place in Berlin (West).
14. Cigarettes, pipe tobacco and cigars unless all required production and processing and customary packaging for sale and consumption of these goods have been carried out in Berlin (West).
15. Scrap, rubbish and refuse including processed refuse.
 - (2) Relief under § 2 (1) in so far as not already inapplicable under paragraph 1 above will not be granted for the production of the following goods:
 1. Crude substances (marzipan, persimmon and nougat substances) and nut preparatives (shelled or stripped almonds, hazel-nuts, kaschub-nuts, apricot kernels and peach kernels).
 2. Spirituous beverages within the meaning of the Law on Spirits Monopoly of 8 April 1922 (Reich Statute Book I page 335. 405) in the form applicable at the time and semi-manufactured goods required for the manufacture of spirituous beverages, with the exception of essences, other than those conditioned in casks of 10 litres or less at premises in Berlin (West).
 3. Meat and edible offal and the goods referred to in (1) No 12a, (b) first sentence and (c).
 - (3) In so far as relief is not prohibited under (1) and (2) final or clearing payment is reduced for:
 1. Crude substances and nut preparatives (paragraph 2 (1) in the case of relief under § 1 (1) by 7% and in the case of relief under § 1a (1) by 50%.

2. Copper and copper alloys, raw or semi-finished, if the goods are produced by a Berlin entrepreneur the value of whose Berlin output (§ 6a) in the last business year but one amounted to at least 10% of business turnover in Berlin (West), by 20%, otherwise by 30%.
3. Spirituous beverages and semi-manufactured goods required for the manufacture of spirituous beverages, with the exception of essences, (2 - 2)
 - (a) in the case of relief under § 1 (1) by 14% if the goods are produced by a Berlin entrepreneur the value of whose Berlin output (see 6a) in the previous business year was more than 65% of business turnover in Berlin (West), otherwise by 20%.
 - (b) in the case of relief under § 1a 1 by 56%.
4. Meat and edible offal (2 - 3) in the case of relief under § 1 (1) by 30% and in the case of relief under § 1a (1) by 65%.
5. Roasted coffee (1 - 13a) in the case of reliefs under § 1 (1), § 1a (1) and § 2 (1) by 60%.
6. Coffee extracts and essences (1 - 13b) in the case of reliefs under § 1 (1), § 1a (1) and § 2 (1) by DM 8.30 per kilogram, for goods in liquid form by DM 8.30 per dried kilogram in so far as the tax on coffee is maintained in the basic assessment.
7. Cigarettes in the case of reliefs under § 1 (1) and § 1a (1) by 65% and in the case of relief under § 2 (1) by 58% in so far as the tax on tobacco is maintained in the basic assessment.
8. Pipe tobacco in the case of relief under § 1 (1), § 1a (1) and § 2 (1) by 15% in so far as the tax on tobacco is maintained in the basic assessment.
9. Advertising or publicity work in connection with all services (§ 1 (6) 5) in the case of reliefs under § 1 (6) and § 2 (6) by one-third of the clearing payment for advertising carried out.

The reductions in the final or clearing payments are subject to book evidence. In the cases of 6 and 9 the Berlin entrepreneur must show the amount in his accounts and duplicate of accounts by which the final payment is to be reduced.

(4) The Federal Government may decide by decree with the approval of the Bundesrat that reliefs under § 1 (1), 1a (1) or § 2 (1) with regard to given goods are inapplicable if these reliefs will seriously threaten the existence of those West German entrepreneurs producing goods or services of the same kind.

§ 5

Berlin Entrepreneurs, West German Entrepreneurs

(1) For the purposes of this Law a Berlin entrepreneur means

1. An entrepreneur whose centre of administration is in Berlin (West) or whose factories are located in other territory where this Law applies in so far as the text of paragraph 2-2 does not apply.

2. The owner of a factory or premises in Berlin (West) who has his centre of administration in other territory where this Law applies or abroad.

(2) For the purposes of this Law a West German entrepreneur means

1. An entrepreneur whose centre of administration is in other territory where this Law applies and whose factories are located in other territory where this Law applies.
2. A Berlin entrepreneur owning a factory/premises in other territory where this Law applies provided his business trades with another Berlin entrepreneur in its own name and for its own account.
3. The owner of a factory/premises in other territory where this Law applies whose centre of administration is outside the territory.
4. A corporate body under public law and a political party in the other territory where this Law applies, even if deliveries and other services rendered are not carried out for their own account.

§ 6

Manufacture in Berlin (West)

(1) Manufacture occurs in Berlin (West) if, due to production or processing, a product, marketable otherwise than as the original, results and is traded, unless the product is only the subject of small scale dealing in Berlin (West). Marking, repacking, refilling, sorting, the assembly of goods produced in technical units and bringing together of goods for tax marking are not considered as production or processing.

(2) Further conditions for manufacture in Berlin (West) require the product to be produced or processed by a Berlin entrepreneur the value of whose Berlin output (6a) in the last business year but one amounted to at least 10% of business turnover in Berlin (West). The first sentence does not apply to goods (products) indicated in § 4 (2) 3 and (3) 2.

(3) (2) applies correspondingly to work performed. Work performed by a Berlin entrepreneur also occurs if this entrepreneur commissions another Berlin entrepreneur to do the work in question.

(4) Films are considered as manufactured in Berlin (West) if studio photography takes place entirely in Berlin studios and technical services are performed entirely in Berlin technical film workshops (cutting, musical recording, mixing and mass copying). Soundtrack negatives and mixer tapes of synchronized form are considered as produced in Berlin (West) if technical work is carried out entirely in Berlin (West).

§ 6a

Berlin added-value

(1) Berlin added-value within the meaning of § 1 (7) and § 6 (2) is the difference between business turnover and material economic input in Berlin (West)

carried out by the Berlin entrepreneur in factories (workshops, premises) in Berlin (West). Business turnover is the work carried out by the Berlin entrepreneur in manufacturing goods and in work performance in Berlin (West) on the basis of sales prices before turnover tax. Material economic input is the use in business turnover of raw material, auxiliary material and equipment inclusive of work performance on the basis of prime cost. Taxes on tobacco, spirits and coffee are not included in Berlin output value provided they have been paid by the Berlin entrepreneur.

(2) In assessing material economic input Berlin added-value can be considered as follows:

1. If goods are produced from material economic input which another entrepreneur can prove he has manufactured in Berlin (West), 60% of the value attached to these goods from material economic input can be deducted. This first sentence does not apply to goods for which there is no exemption on delivery, transport or profit according to § 4 (1).
2. If goods are produced from material economic input which another entrepreneur can prove he has manufactured in Berlin (West), the value attached to work performed from the material economic input can be deducted.

(3) The Federal Government may decide by decree with the approval of the Bundesrat to protect equality of taxation, to remove unfair treatment in hard cases or to simplify taxation procedure by defining the range of business turnover and material economic input more closely.

§ 7

Basis of assessment

(1) Turnover tax is not included in final payment within the meaning of this Law. § 10 (1) of the Law on Turnover Tax applies. If the Berlin entrepreneur pays turnover tax according to § 19 of the Law on Turnover Tax, reliefs under §§ 1 and 2 apply to final payment inclusive of turnover tax. The same applies to relief under § 13.

(2) In §§ 1 and 13 payments received replace agreed payments if the entrepreneur calculates turnover tax according to payment received (§§ 19, 20).¹ Instead of the agreed payment the received payment and date of receipt must be shown in the books of the undertaking. If there is a change in the form of taxation, relieved amounts cannot be claimed twice over.

(3) The clearing payment within the meaning of § 1 (1) is the amount, which the entrepreneur has had to spend to obtain the goods from an independent entrepreneur and to bring them to West German business premises (market price before turnover tax). If a clearing payment is not forthcoming in this way, the maximum exemption is 115% of accountable manufacturing (production) costs according to income tax prescriptions.

¹ Turnover tax Law.

§ 8

Certificate of origin

(1) The proof that a product has been manufactured in Berlin (West) or that work has been carried out in Berlin (West) is to be furnished by way of a certificate of origin to be prepared by the Senator for the Economy, Berlin at the request of the Berlin entrepreneur. The application must be accompanied by bills or delivery invoices and with an assurance that the conditions governing manufacture in Berlin (West) have been observed. The certificate of origin will be supplied to the applicant basically in two copies, one of which is for the West German entrepreneur. On application the Senator for the Economy, Berlin may authorize Berlin entrepreneurs to prepare the certificate of origin themselves.

(2) Paragraph 1 also applies to all services within the meaning of § 1 (6) and § 2 (6).

(3) The Senator for the Economy, Berlin, decides on rules of procedure. He is authorized to require information and documentation to establish the facts and the volume of Berlin output value. The financial offices (inland revenue) may supply information.

(4) Finance Law procedure shall apply in public legal disputes over the issue of certificates of origin.

§ 9

Consignment and forwarding certificate

(1) Proof that the goods referred to in § 1 (1) to (3), § 1a (1) and § 2 (1) to (3) have arrived in other territory to which this Law applies must be supplied by a consignment invoice, or in particular by way bill, registered postal receipt, bill of lading or their duplicates, or by other customary trade document, in particular a certificate of the entrepreneurs authorized despatching agent, a delivery confirmation issued by the delivery firm or a receipt from the business premises concerned or the purchaser or commissioning entrepreneur within other territory where this Law applies. The other trade document must give at least the customary trade description and number of goods, the day of despatch or forwarding and means of forwarding used (e.g. Rail or lorry). The document must also contain the assurance of the issuer that the details in the document are given on the basis of business data, which can be verified in the territory where this Law applies.

(2) Proof that the goods referred to in § 1 (4) and (5) will be used or consumed within other territory where this Law applies must be furnished by a certificate of the West German entrepreneur which must also include the time schedule of use or consumption.

(3) The Finance Office may in proper cases ask for further proof.

§ 10

Proof by means of the books of account

(1) Conditions for establishing proof by means of the business account books must be open to clear and easy checking from book entries. The books must be written up within the territory where this Law applies.

(2) As a general rule the books must show

1. in the case of reliefs under § 1:

- (a) the volume and customary trade description of the goods, delivered or worked upon or processed against payment for services rendered;
- (b) the manufacture of the goods or work performance in Berlin (West) with reference to the certificate of origin (§ 8);
- (c) the consignor and the day of delivery to the Berlin entrepreneur or the artisan's name and the day of work delivery to the Berlin entrepreneur provided the Berlin entrepreneur has not manufactured the goods himself or worked upon or processed the goods himself;
- (d) the nature of other services within the meaning of § 1 (6) and reference to the certificate of origin (§ 8);
- (e) the recipient of the delivery or other service in the other territory where this Law applies with name, description of the branch of activity or profession and address;
- (f) the day of despatch or forwarding of the goods delivered or worked upon or processed against payment for services rendered and reference to consignment invoice or other documents (§ 9 (1));
- (g) the time during which the hired or leased goods have been used in other territory where this Law applies or the films, sound track negatives or mixer tapes in synchronized form have been used in other territory where this Law applies and reference to the relevant certificate of the West German entrepreneur (§ 9 (2));
- (h) in cases under § 1 (7) the calculation of Berlin added-value;
- (i) in cases under § 6 (2) the nature of Berlin production with reference to the bill received and the certificate of origin (§ 8);
- (j) the agreed final payment with reference to the duplicate account;
- (k) in cases under § 4 (3) the amount whereby the final payment is to be reduced.

2. in the case of relief under § 1a:

- (a) the volume and customary trade description of the goods brought to the West German premises;
- (b) the manufacture of the goods on premises in Berlin (West) with reference to certificate of origin (§ 8);
- (c) the day on which the goods arrived at the West German premises;
- (d) the use to which goods are put;
- (e) the clearing payment and form of assessment;

(f) in cases under § 4 (3) the amount whereby the clearing payment is to be reduced.

3. in the case of reliefs under § 2:

- (a) the volume and customary trade description of the goods purchased or worked on or processed against payment for services rendered;
- (b) the consignor of goods or the producer;
- (c) the place of manufacture or of work performance with reference to certificate of origin;
- (d) the nature of other services within the meaning of § 2 (6) with reference to certificate of origin § 8;
- (e) the day of receipt of the goods in other territory to which this Law applies with reference to the way bill or other documents;
- (f) the time during which the hired or leased goods have been used in other territory where this Law applies or the films, sound track negatives or mixer tapes in synchronized form have been used in other territory where this Law applies;
- (g) the agreed final payment with reference to the account received.
- (h) in cases under § 4 (3) the amount whereby the final payment is reduced.

(3) The Finance Office can authorize a reliable tax payer to present book proof in another form.

§ 11

Exemption procedure

(1) The amounts of relief under §§ 1, 1a and 2 are deducted from turnover tax for a prior advice period or tax period. § 18 (2) sentences 4 and 5 and (4) sentence 4 of the Law on Turnover Tax are applicable.

(2) If final payments or clearing payments are reduced, the amounts of relief under §§ 1, 1a and 2 are repayable in so far as affected by the payment reduction. The amount repayable is to be calculated for the tax within the prior advice period or the tax period in which the final payment is reduced.

(3) Paragraph 2 applies likewise if agreed payments are not forthcoming. If final payments are received later the entrepreneur can make a new application for relief from turnover tax.

§ 12

Cancellation of entitlement to reliefs

If goods are returned to Berlin (West) for delivery or acquisition for which a claim for relief has been entered in pursuance of § 1a or § 2 without those goods having been worked on or processes in other territory where this Law applies within the meaning of § 6 (1), relief from turnover tax liable cannot proceed. If the West German entrepreneur returns the goods to the Berlin con-

signor, relief under § 1 cannot be claimed. If the relief has been granted already the amount involved must be paid to the Tax Office.

§ 13

Special claim for relief for entrepreneurs in Berlin (West)

(1) Entrepreneurs, for whose taxation on turnover a Finance (Tax) Office in Berlin (West) is responsible (§ 21 of the tax code) and whose total turnover (§ 19 (3) of the Law on Turnover Tax) is no more than DM 200 000 in the current calendar year, are entitled without prejudice to relief under §§ 1, 1a and 2 to reduce turnover tax, for which they are liable for a prior advice period or tax period, by 4% of the final payment accruing to tax liable turnover within the same period. The amount of relief shall not exceed DM 720 within the calendar year. If total turnover consists only of turnover from independent activity within the meaning of § 18 (1) 1 of the Income Tax Law or from agency or broker activity, the amount of relief is a maximum of DM 1 200 in the calendar year. § 18 (2) sentences 4 and 5 and (4) sentence 4 of the Law on Turnover Tax are applicable.

(2) If total turnover includes other factors together with turnover from independent activity or from agency or broker activity, relief can be claimed for turnover from the latter activities up to DM 1 200. If the amount on this turnover is a figure of relief less than DM 1 200, the unused amount of relief up to DM 1 200 can be deducted from other turnover factors liable for turnover tax up to a maximum DM 720.

(3) Entrepreneurs within the meaning of paragraph 1 above, whose total turnover within the calendar year is more than DM 200 000 can deduct an amount from their turnover tax to be calculated as follows.

The amount, which could be deducted if the turnover limit of DM 200 000 were not observed, is limited to 4% of the figure whereby total turnover is more than DM 200 000.

Article II

Reductions for purposes of Income tax and Profits tax

§ 13a

Special provisions for applying § 6a and § 7 (2) of the Income Tax Law

(1) In calculating the part value of a pension liability, in derogation from § 6a last sentence of the Income Tax Law, a rate of interest of at least 3.5% is applicable if the person entitled to a pension

1. with a pension reserve prior to termination of employment in the business year concerned;
2. with a pension reserve after termination of employment and maintaining his pension entitlement or after application for social security benefit;

in the last business year prior to termination of employment or to application for social security benefit;

was employed for at least eight months in business premises located in Berlin (West).

(2) In the case of movable goods, falling within the assets of a business premises located in Berlin (West), and which remain at least three years after procurement or manufacture in those premises, § 7 (2) sentence 2 of the Income Tax Law 1958 (Federal Statute Book I p. 672) applies.

§ 14

Higher deductions for depreciating goods forming part of capital assets

(1) For depreciating goods falling within the capital assets of business premises located in Berlin (West) and where the conditions under paragraph 2 below apply and in the business year of procurement or manufacture and in the four following business years in place of the increased depreciation deductions according to § 7 of the Income Tax Law, a total 75% of the procurement or manufacture costs will be allowed. After the business year in which the increased deductions referred to in the first sentence can no longer apply, at the latest after the fifth business year following procurement or manufacture, the depreciation deductions for movable goods are calculated in similar annual amounts on the basis of residual value and residual use value of buildings and in percentages according to § 7 (4) of the Income Tax Law applicable to remaining value and remaining use value.

(2) The higher deductions referred to in paragraph 1 can be claimed

1. for movable goods:

which have remained for at least three years after their, procurement or manufacture in premises located in Berlin (West).

2. for buildings:

erected in Berlin (West) and which,

(a) within a single business concern are used more than 80%.

(aa) for finishing marketable goods or for producing power or heat or,

(bb) for work on marketable goods or,

(cc) for restoration of marketable goods or,

(dd) for research or development within the meaning of 51% (1), 1 - 2 sentence 4 of the Income Tax Law or

(ee) for management or administration or,

storage of equipment connected with the activities referred to in double letter subparagraphs (aa) to (dd) abovementioned,

or

(b) as accommodation for more than 80% of the personnel of the single business concern abovementioned.

The text of sentence 1 above applies to ships with the proviso that instead of three years a period of eight years will apply; a further condition in the case of the acquisition of a ship for the application of sentence 1 is that the ship is purchased in unused condition from the builder.

(3) The higher deductions under paragraph 1 can also be claimed for outbuildings and extensions to existing buildings if the outbuildings or newly erected building sections fulfill the conditions of paragraph 2 (2). In this case the higher deductions are calculated according to building costs incurred for outbuilding or extension. After the business year in which the higher deductions under sentence 1 can no longer be claimed, residual value is added to procurement or building costs of the building or to the value replacing those costs. Further depreciation deductions are uniform for the whole building and are calculated according to the later resulting amount and to the percentage applying to the building.

(4) The higher deductions under paragraphs 1 and 3 can already be claimed for payments and procurement costs and for part building costs.

(5) § 7a (6) of the Income Tax Law does not apply.

(6) Buildings on which construction started before 1 January 1970 and which will have been completed before 1 January 1975 will be treated according to the provisions of § 14 of the Berlin Aid Law as published on 19 August 1964 (Federal Statute Book I p. 674).

§ 14a

Higher deductions for dwellings and residential property

(1) In the case of buildings and residential private property, built in Berlin (West) which fall within tax-assisted or privately financed housing development, and which for at least three years after completion are more than 80% inhabited, the builder (property owner), in derogation from § 7 (4 and 5) of the Income Tax Law, may in the year during which the building is completed and in the two following years, claim higher deductions up to 50% of building costs. After the year in which the higher deductions can no longer be claimed, and at the latest in the year following the third year after completion, deductions for depreciation are calculated according to residual value and to residual use value according to the percentage allowed under § 7 (4) of the Income Tax Law. If building costs in the case of a single family house or of a private dwelling are more than the limit of DM 150 000 or of a two family house are more than DM 200 000, the provisions of § 7 (4) of the Income Tax Law shall apply to the excess building costs.

(2) The higher deductions under paragraph 1 can also be claimed for outbuildings and extensions to buildings and private dwellings (residential private property) in Berlin (West), if the outbuildings or extensions fall within tax assisted or privately financed housing and the outbuilding or newly constructed sections have been 80% inhabited for at least three years after completion. The higher deductions are calculated in this case according to building costs of outbuilding or extension. 1 (3) applies after the year in which the higher deductions under sentence 1 can no longer be claimed, residual value is added to procurement or building costs of the building or the resi-

dential property or the value replacing them. The further depreciation deductions are uniform for the whole building or the whole residential property and are calculated according to the resulting amount and to the percentage applying to the building or the residential property.

(3) If the property is transferred as a single family house or two-family house or as a private dwelling within the meaning of paragraph 1 within three years from completion to a natural person, the transferee (first purchaser) may claim the higher deductions in so far as the builder (first owner) has not claimed them already. For the first purchaser procurement costs replace building costs. If the builder has claimed no higher deductions, the first year of purchase replaces the year of completion for the purchaser (first purchaser). If the builder has claimed the higher deductions, the first purchaser may claim them from the first year of purchase at the percentage rate and for the period of time which would have been applicable to the builder had he not sold the property.

(4) If ownership in a single family house or two-family house or a private dwelling within the meaning of paragraph (1) is transferred within three years from completion to an interim purchaser and thereafter to a second purchaser, the second purchaser may claim the higher deductions within the meaning of paragraph (1) if neither the builder nor the interim purchaser have claimed them already for the single or two-family house or private dwelling. For the second purchaser, the year of his purchase replaces the year of completion; paragraph (3) sentence two applies correspondingly.

(5) Higher deductions according to paragraphs (1) and (2) can already be claimed for part building costs.

(6) Paragraphs (1) to (4) apply to garages attached to buildings without regard to their actual use. They are treated as residential purposes provided no more than one private vehicle is kept in the building. Spaces for other vehicles are treated as non-residential.

(7) § 7a (6) of the Income Tax Law shall not apply.

§ 15

Special provisions for applying § 7b of the Income Tax Law

(1) For buildings and owner occupied dwellings and additions, outbuildings and conversions thereto, built in Berlin (West) for which an application for building permission was granted after 31 December 1964, the provisions of § 7b of the Income Tax Law as published on 15 August 1961 (Federal Statute Book I p. 1253) apply provided that deductions authorized are 10% of procurement or building costs in the year of completion and the following year and 3% in the following 10 years. After 10 years depreciation deductions can be made at the rate of 2.5% per annum of residual value. § 7 (4) sentence 2 of the Income Tax Law applies correspondingly. The text of 7b (1) last sentence as at present published replaces the text of § 7b (1) last sentence of the Income Tax Law as published 15 August 1961.

(2) For buildings and owner occupied dwellings and additions, outbuildings and conversions thereto, built in Berlin (West) for which an application for

building permission was granted before 1 January 1965, the provisions of § 7b of the Income Tax Law as published at the time apply provided that deductions authorized are 10% of procurement or building costs in the year of completion and the following year and 3% in the following 10 years. (1) sentence 2 applies correspondingly.

(3) If, in cases of § 7b (3) and (4) of the Income Tax Law as published 15 August 1961, the building or the owner occupied dwelling is transferred within 12 years of completion to an interim purchaser and then to a second purchaser, the second purchaser may claim higher deductions according to (1) if he acquired the building or dwelling after 30 November 1974 and if neither the builder (first owner) nor the interim purchaser have claimed higher deductions for the building or dwelling. For the second purchaser, the year of his purchase replaces the year of completion and procurement costs replace building costs.

(4) § 7a (6) of the Income Tax Law shall not apply.

§ 16

Tax allowances for loans for the financing of industrial investments

(1) Persons liable for tax without exemption, who grant loans to the Berliner Industriebank Aktiengesellschaft or to the Berlin subsidiary of the Industriebank Aktiengesellschaft - Deutsche Industriebank may under paragraph (2) below claim allowances for purposes of income tax or corporation tax for the assessment period at the rate of 12% of the loan value. If the loans derive from company funds, the income tax and corporation tax are reduced for the assessment period in which the business year ends and in which the loans were issued.

(2) The conditions of the granting of tax allowances under (1) are that the loans:

1. must be granted after 31 December 1969;
2. must, according to the terms of the agreement, have a currency of at least 8 years and from the end of the fourth year at the earliest must be repaid annually at the rate of one fifth of the loan amount, and
3. must neither directly nor indirectly have a business connection with any opening of credit. This does not affect the opening of current commercial credits.

The tax allowance under (1) will be granted on condition that there is no prior repayment of the loans.

(3) The Berliner Industriebank Aktiengesellschaft and the Berlin branch of the Industriekreditbank Aktiengesellschaft - Deutsche Industriebank must, in conjunction with Berlin credit institutions, reissue the loans to concerns, which will forthwith and directly use them for the procurement or production of usable trade goods as part of the capital assets of business premises located in Berlin (West). The trade goods must

1. in so far as movable capital assets, remain for at least three years after procurement or production on the business premises located in Berlin (West),

2. in so far as fixed capital assets be established in Berlin (West).

Transformation, extension, modernization or restoration of a building in Berlin (West) are treated as equivalent to construction. The Berliner Industriebank Aktiengesellschaft and the Berlin subsidiary of the Industriebank Aktiengesellschaft - Deutsche Industriebank must ensure sole use of loans accordingly. If loan requirement cover is sufficient for the purposes indicated, the Berliner Industriebank Aktiengesellschaft and the Berlin subsidiary of the Industriebank Aktiengesellschaft - Deutsche Industriebank may refuse further loan contracts.

(4) The provisions of (1) and (2) are to be applied correspondingly for loans issued directly to concerns for use for the purposes indicated in (3). In these cases there is a further condition for the granting of allowances for purposes of income tax or corporation tax namely that the loan issuers and the loan recipients agree with the Berliner Industriebank Aktiengesellschaft or the Berlin subsidiary of the Industriebank Aktiengesellschaft - Deutsche Industriebank that these institutions shall supervise loan expenditure for the purposes indicated and the implementation of the loan contract.

(5) Income tax or corporation tax allowance under (1) and the income tax or corporation tax allowance under § 17 shall not exceed 50% of the amount of income tax or corporation tax before the allowance is deducted.

(6) Paragraphs (1) to (5) do not apply to credit institutions within the meaning of the Credit Law of 10 July 1961 (Federal Statute Book 1 p. 881).

§ 17

Tax allowances for loans for the financing of building measures

(1) Persons liable for tax without exemption, who grant interest free loans redeemable in equal annual amounts with a currency of at least 10 years to assist housing conditions in Berlin (West) may under paragraphs (3) to (7) below claim allowances for purposes of income tax or corporation tax for the period of assessment at the rate of 20% of the loans issued. If the loans by persons liable to tax, who profit by § 4 (1) or § 5 of the Income Tax Law, derive from company resources, they are to be balanced against value calculated, after deduction of interim interest, account being taken of compound interest, of the full nominal amount of the loan. In this way the maximum rate of interest will be 5 1/2%; sentences 2 and 3 also apply if the loan is not arranged by the company. If loans derive from company resources, income tax or corporation tax is remitted within the assessment period in which the business year wherein the loan was is used ends.

(2) Persons liable for tax without exemption, who issue interest bearing loans with a currency of at least 25 years to assist building, conversion, modernizing and repair of buildings in Berlin (West) may under paragraphs (3) to (7) claim allowances for purposes of income tax or corporation tax for the assessment period in which the loan is granted at the rate of 20% of loan value. Sentence 1 applies only if the loans, according to the terms of the contract:

1. are redeemable entirely in equal annual amounts, corresponding to the agreed loan currency in the loan contract; or
2. bear interest and are redeemable in equal annual amounts, whereby under the same conditions interest reduces as principal is repaid but the amount of principal redeemable rises correspondingly. Changes in the rate of interest may however be permitted by adjustment with general interest level.

Paragraph (1) last sentence applies correspondingly.

(3) The condition the granting of tax allowances under paragraphs (1) and (2) is that the loans will be issued to a builder and promptly and directly spent by him:

1. as regards (1), in financing the construction of housing within the meaning of § 39 or § 82 of the Second Housing Law (dwellings and family homes construction),
2. as regards (2), in financing the building projects therein indicated.

A further condition for applying (1) is that the loan must be neither directly nor indirectly connected with credit opening. The tax remission according to (1) and (2) will be granted on condition that pre-payment does not take place. However pre-payments made 10 years after the grant of the loan on the basis of six months notice of payment or part payment by the debtor are not so considered.

(4) (1) only applies in so far as loans are no more than DM 10 000 for each assisted dwelling.

(5) (2) and (3) apply correspondingly to loans granted to the Wohnungsbau-Kreditanstalt Berlin (Berlin Housing Credit Bank) or the Berliner-Pfandbrief-Bank (Berlin Mortgage Bank). The Wohnungsbau-Kreditanstalt Berlin and the Berliner Pfandbrief-Bank and Berlin credit institutions must pass the loans on to builders, who must spend them forthwith and directly on financing building projects according to (2). The Wohnungsbau-Kreditanstalt Berlin and the Berliner-Pfandbrief-Bank have to ensure that the loans have been spent solely for these purposes. If loan requirement cover suffices for the purposes indicated, the Wohnungsbau-Kreditanstalt and the Berliner-Pfandbrief-Bank may refuse further loan contracts.

(6) Allowances for purposes of income tax or corporation tax under (1) and (2) and allowances for purposes of income tax or corporation tax under (16) shall not exceed 50% of the amount of income tax or corporation tax before the allowances are deducted.

(7) Proof of conditions indicated in (1) sentence 1, (2), (3) sentence 1 and in (4) and (5) must be shown in a certificate of the Senator for Building and Housing, Berlin or of the office indicated by him.

§ 18

Application of §§ 16 and 17 to employees

If income derives wholly or partly from income of employed labour liable to tax and if the provisions of § 46 (1) and (2) of the Income Tax Law do not

apply, assessment can be made in accordance with §§ 16 and 17. § 46 (2) 8a and (3) and (5) of the Income Tax Law apply correspondingly.

Article III

Investment grant (Investitionszulage)

§ 19

(1) Persons liable for tax within the meaning of the Income Tax Law and the Corporation Tax Law, having a business (business premises) in Berlin (West) may receive an investment grant for depreciating goods forming part of capital assets and for buildings forming part of fixed capital assets. If the goods, outbuildings or extensions are provided or manufactured by a company within the meaning of § 15 (1) 2 of the Income Tax Law, sentence 1 applies with the provision that the company will receive an investment grant. The investment grant is 10% of the procurement or construction costs of the goods, outbuildings or extensions procured or manufactured. For movable depreciating goods forming part of capital assets,

1. which in a business (on business premises),

(a) directly or indirectly assist completion of processing industry with the exception of building,

(b) directly or indirectly assist the production of energy or heat in energy business including district heating,

the grant rises to 25% of procurement or manufacturing costs;

2. which solely assist research or development within the meaning of § 51 (1) 1 - 2u sentence 4 of the Income Tax Law, the grant is 30% of procurement or manufacturing costs.

If profit is calculated in a business year differing from the calendar year, the business year considered is that ending in the calendar year in question.

(2) The investment grant will only be given for new depreciating movable goods, belonging to the capital assets of a business (business premises) in Berlin (West) and which remain for at least three years after procurement or production in such a business (on the premises of such a business); in the case of ships a period of eight years replaces a period of three years. For passenger motor vehicles an investment grant will only be given, within a single business concern, for chauffeur driven hire, for self drive hire or for driving schools. The grant will not be made for goods of small value within the meaning of § 6 (2) of the Income Tax Law. For buildings, outbuildings and extensions to buildings, the grant will only be made if the buildings, outbuildings and extensions are erected in Berlin (West) and comply with the provisions of § 14 (2) 2a.

(3) The investment grant can be made for payments and procurement costs incurred in the calendar year (business year) and for part construction costs of goods, outbuildings and extensions within the meaning of (2). The total amount of the investment grant must also in this case be no more than the

percentages indicated in (1) of the procurement or construction costs. § 7a (2) sentences 3 to 5 of the Income Tax Law applies correspondingly.

(4) The investment grant does not fall within income within the meaning of the Income Tax Law. It does not decrease the tax liability as regards procurement or construction costs.

(5) The investment grant will be made on application following the end of the calendar year in which the goods, outbuildings and extensions were paid for, procured or entirely or partially constructed (in a business year other than the calendar year, at the end of the calendar year in which the business year ends and in which business year the goods, outbuildings and extensions were paid for, procured or entirely or partly constructed) by the applicant to the office responsible for taxing income receipts accruing to income tax or corporation tax. Corporate companies will receive the investment grant from the office responsible for uniform and special assessment of income. The application for the investment grant can only be made within three months from the end of the calendar year.

(6) The tax office (finance office) will confirm the investment grant following receipt of details in writing. The investment grant falls due within one month following receipt of details in writing.

(7) Tax allowances applicable under the relevant instructions of the tax code and rules concerning legal provisions outside Court jurisdiction apply correspondingly to the investment grant. This does not apply to § 163 of the payment order and for rules solely concerning customs remission and consumer tax remission. Exceptional rules under this law are not affected.

(8) The claim for the investment grant ceases to have retroactive effect after business goods - eight years after ships - for which procurement and construction costs have been included in investment grant assessment - have been present for three years following procurement or construction on the business premises concerned in Berlin (West).

(9) If the investment grant is repayable because the details supplied no longer apply or are changed, the claim for repayment is made according to § 238 of the tax payment order from time of payment and, in cases according to (8) from the time at which the conditions for withdrawing or changing the details apply. The assessment period starts with the end of the calendar year in which the details were withdrawn or changed.

(10) In public legal disputes over the administrative acts of the financial authorities according to this article the Finance Law procedure shall apply.

§ 20

Prosecution of offences under § 264 of the Penal Code

Prosecution of offences under § 264 of the Penal Code and with reference to the investment grant and to complicity of a person responsible for the offence is governed by provisions of the tax payment order relating to prosecution of acts punishable in connection with tax evasion.

Section II

Tax reliefs and allowances for employed persons

Article IV

Income tax (tax on wages and salaries) and Corporation tax

§ 21

Relief of assessed income tax and corporation tax

(1) Tax relief may be claimed by individual and corporate persons assessed for income tax who:

1. have a single residence in Berlin (West) at the beginning of the assessment period or establish residence in the assessment period or
2. have several residences but have resided in Berlin (West) during the whole assessment period and have been there assessed or
3. having no residence in the territory to which this law applies stay customarily in Berlin (West).

The relief applies according to the income tax scale (§ 32 (1) and (5) of the Income Tax Law) in so far as income falls within Berlin (West) within the meaning of § 23. The relief is 30%. For married couples within the meaning of § 23 (1) of the Income Tax Law entitlement to relief is justified when one partner fulfils the conditions of the first sentence. Income tax relief deriving from income from non-independent work within the meaning of § 23 (4) a is calculated by taking account of increased payments during the assessment period according to § 28 (1) sentence 1 provided relief is no more than these payments. Increased payments by way of wages upon which the wage tax is levied according to § 40 of the Income Tax Law with a global rate of tax are not involved.

(2) Corporate bodies (companies), associations and trusts managed and located in Berlin (West) receive relief under sentence 2 through the scaled corporation tax (§ 23 (1) to (6) and § 26 (6) of the Corporation Tax Law) in so far as their income derives from Berlin (West) within the meaning of § 23 at a rate of 20% and at 3.2% of earnings derived from Berlin (West) and considered as income within the meaning of § 23. The scaled corporation tax is relieved throughout at the rate of 10% for income within the meaning of § 20 (1) 1 to 3 of the Income Tax Law on shares in corporations or associations, which are fully liable to corporation tax.

(3) Persons liable to tax who do not fulfil the conditions of (1) and (2) but who maintain one or more premises of a business in Berlin (West) in which a total of at least 25 workers are employed on average on a regular basis receive relief according to the scaled income tax at 30% or, under sentence 2, by reference to the scaled corporation tax at 20% in so far as this falls within income from business premises according to § 23 (2). The scaled corporation tax is also relieved at 3.2% for income proceeds in Berlin (West)

within the meaning of § 23 No 2 (3) sentence 2 abovementioned also applies correspondingly. If the person liable to tax is a partner within the meaning of § 15 (1) 2 of the Income Tax Law, it is sufficient if the minimum number of workers indicated in sentence 1 are all employed in business premises located in Berlin (West) and part of the undertaking in which the person liable for tax is a partner or employed. If a person liable for tax maintains premises of several concerns in Berlin (West), tax relief will only be granted if the minimum number of workers referred to in sentence 1 are employed in each of the premises involved.

§ 22

Relief of assessed income tax for workers arriving in Berlin (West)

Employed persons assessed for income tax, who do not fulfil the conditions listed in § 21 (1) but who justify their presence in Berlin (West) and are non-independently employed there for the time required for at least three months may benefit from relief of scaled income tax (§ 32a (1) and (5) of the Income Tax Law) at 30% provided their income from this employment falls within the meaning of § 23 (4) a. § 21 (1) sentences 3 and 4 apply correspondingly.

§ 23

Income from Berlin (West)

Income from Berlin (West) within the meaning of § 21 is

1. Income from cultivated land and forestry in Berlin (West).
2. Income from a business undertaking, managed on premises in Berlin (West). If a business maintains premises (part premises) in Berlin (West) and other places, the profit from premises in Berlin (West) counts as part of total profit deriving from the link between the wages paid to wage earners in premises in Berlin (West) and the sum total of wages paid to workers employed in all business premises of the undertaking. The concept of wages is governed by the provisions of § 31 of the Industrial Tax Law. If profits from sales fall within the meaning of § 16 of the Income Tax Law, division according to the values of participating capital assets will to that extent replace division according to wages and will count towards calculating sales profit.
3. Income from independent employment provided it derives from activity carried on in Berlin (West).
4. Income from non-independent employment (wages and salaries) if
 - (a) paid for employment in Berlin (West) in a current service relationship. If within the framework of such employment payment is made for passing activity outside Berlin (West), income in this meaning applies only if workers have their sole residence in Berlin (West). For married couples, both subject to tax, who do not live permanently apart, it suffices for one partner to have sole residence in Berlin (West). A temporary activity outside Berlin (West) can only be taken into account for 12 months at most if persons employed travel on business or per-

form work limited to a given time or to the time required for a given project outside Berlin (West). Payment for a current service activity within the meaning of this provision also includes payments and benefits from earlier services rendered paid at the same time as other remuneration by the same employer or from the same public account.

- (b) is paid, according to the rules indicated in (a) last sentence, as half pay, retirement pay, widows and orphans pay or from other payments and benefits deriving from earlier services rendered.

5. Income from capital assets

- (a) within the meaning of § 20 (1) 1 to 4 and 6 to 9 of the Income Tax Law if the person liable for tax proves:
 - (aa) that the capital assets debtor has his sole residence or business and headquarters in Berlin (West); or
 - (bb) that income derives from interest on investment and loans, through a credit institute, in premises located in Berlin (West);
- (b) within the meaning of § 20 (1) 5 of the Income Tax Law if capital assets are assured from property in Berlin (West), by rights in Berlin (West) governed by rules on civil rights with regard to property or from ships entered in the shipping register in Berlin (West).

6. Income from hiring and letting within the meaning of § 21 (1) and (2) of the Income Tax Law if deriving from fixed assets, specialized knowledge, business experience or privileges in Berlin (West) or entered in a public record or register in Berlin (West) or evaluated in business premises located in Berlin (West).

7. Income within the meaning of § 22 of the Income Tax Law.

§ 24

Treatment of groups of companies and of associated undertakings

(1) In cases falling within §§ 14, 17 and 18 of the Corporation Tax Law groups of companies are treated as businesses of the owner for purposes of income from business activity in Berlin (West).

(2) If one or more undertakings are associated for management, financial or economic reasons, without the conditions of (1) being present, the finance office may, for purposes of income tax or corporation tax relief, take the profit of the first concern instead of assessed basic profit. The profit selected is then that, which would have resulted from the activities of the undertaking without the associations indicated.

§ 25

Calculation of the relief on assessed income and corporation tax

(1) If income is only calculated from income in Berlin (West) or if total income is no more than DM 3 000, relief will be granted fully in accordance with (3) belowmentioned.

(2) If other income is included in addition to that from Berlin (West), the income tax and corporation tax are distributed for purposes of relief as between:

1. persons liable for tax within the meaning of § 21 (1) and (2) in relation to the sum total of income in Berlin (West) - § 23 - or with reference to total amount of income;
2. persons liable for tax within the meaning of § 22 relating income, calculated for relief under this provision, from non-independent labour in Berlin (West) to total income;
3. persons liable to tax within the meaning of § 21 (3) relating income, considered for relief and deriving from business activity in Berlin (West), to total incomes - § 23 No 2.

If the sum of income not considered for income tax or corporation tax relief is not more than DM 3 000, relief under (3) will be granted in full.

(3) If income from Berlin (West) is wholly income from non-independent labour within the meaning of § 23 No 4, A, the relief will be calculated under (1) and (2) in so far as this is no more than the increases according to § 28 (1) sentences 1 and 2. If income from Berlin (West) is only partly derived from non-independent labour within the meaning of § 23 No 4, a, the relief in relation to the income abovementioned is distributed between total income in cases of (1) and (2) sentence 2 and total income from Berlin (West) in cases of (2) sentence 1. The relief, which is based on income from non-independent labour within the meaning of § 23 No 4, a, will only be granted in so far as it is no more than the increases according to § 28 (1) sentences 1 and 2.

(4) Statutory instruments can decide that income for which the income tax or corporation tax has been satisfied by tax payment shall be unaffected by (2) and that exemptions, losses, non-distributed profits, exemptions on account of foreign income tax or corporation tax shall be withdrawn from income with which they are economically associated or to which they add further potential taxable items for calculation. In the same way statutory instruments can decide that in cases falling within §§ 34 and 34b of the Income Tax Law exceptional income and the tax chargeable thereon shall be exempted from the distribution under (2) or shall be treated exceptionally for calculating relief according to the principles of (2).

§ 26

Relief of tax on wages and salaries

(1) The wages tax for which income in Berlin (West) is liable within the meaning of § 23a No 4, b, is relieved at 30% for employed persons who

- (a) have a single residence in Berlin (West) at the beginning of the calendar year or establish one during the calendar year or
- (b) have a residence in Berlin (West) among other residences and reside there principally or
- (c) have no residence in the territory where this law applies but who stay customarily in Berlin (West).

Married couples, who are both liable to tax without exemption and do not live permanently apart, qualify for relief if one of the two fulfils the conditions abovementioned.

(2) If a wages tax annual compensation is effected for employed persons indicated in (1), according to § 42 (4), § 42a (2) or 42b (2) of the Income Tax Law, the annual wages tax therein indicated for calculating the amount of the refund may be relieved at 30% in so far as it falls within income according to § 23 (4) b.

(3) If employed persons derive other income from non-independent work apart from that in Berlin (West) within the meaning of § 23 (4) b, the provisions of § 25 (2) apply correspondingly in calculating tax relief.

§ 27

Investigation of partial amounts of usable own capital of corporate bodies initially liable to tax in full

For the structure of usable own capital according to § 30 of the Corporation Tax Law, by application of § 21 (2) sentence 1 or (3) sentence 1, the portion of own capital is 10% of profit prior to payment of corporation tax and this is not subject to corporation tax. The scaled rating on the outstanding amount is at the same level.

Article V

Allowances for employed persons in Berlin (West)

§ 28

Allowances by way of additional (supplementary) benefits

(1) Employed persons, who earn an employed wage in Berlin (West) from a present service activity (§ 23 No 4 a) receive unaffected tax relief und §§ 21, 22 and 26 are entitled to benefit from the grant of supplementary benefits. This also applies so long as the wage continues to be paid during an interruption or limitation of employment within the framework of this service activity. If, due to interruption or limitation of employment, the wage is unpaid or no longer paid, supplementary benefits will be further guaranteed per calendar day so long as:

1. the employed person provides proof of sickness, or
2. sickness money from statutory legal insurance,
3. injury money from statutory accident insurance,
4. income compensation according to § 17 of the Federal Social Security Law,
5. shorter hours money or bad weather money,
6. maternity money according to provisions of the Maternity Law or the National Insurance Rules,

7. transitional money during implementation measures for maintaining, improving or restoring work efficiency (safety measures and vocational aid),
8. maintenance money during participation in measures of vocational training or vocational rehabilitation according to the Labour Aid Law,
9. maintenance money during a vocational aid measure according to § 26 of the Federal Social Security Law,
10. indemnity according to the Federal Law on contagious diseases,

is drawn for a maximum of 78 weeks. Supplementary benefit will also be guaranteed to employed persons, who receive liquidation money according to the Labour Aid Law. In this context times have to be taken into account for which employed persons may claim payment for work done, which is their justification for liquidation payment. This does not apply if supplementary benefits have been paid for the times in question. The supplementary benefits are treated neither as income liable to tax within the meaning of the Income Tax Law nor as income, earnings or payment by way of social security, unemployment insurance or unemployment benefit. They do not rate legally as a proportion of wages or salaries.

(2) The basis of calculation for supplementary benefit under (1) sentences 1 and 2 is the relevant wage for a current service activity (§ 23, No 4, a) during the wage calculation period. In cases falling under (1) sentence 3, the basis of calculation for supplementary benefit is the wage falling due on a calendar day of the wage calculation period. A determining factor is the wage calculation period during the interruption or limitation abovementioned. If the service activity only started during the current wage calculation period, the basis of calculation for supplementary benefit is the calculated daily wage, which would have been payable if there had been no interruption nor limitation during the wage calculation period, according to the general ruling working time for the wage calculation period. The wage for the wage calculation period is the current wage payable over the period and all other benefits accruing during that period. Benefits are not affected, from which a global rate of tax is levied for wage tax under §§ 40 and 40b of the Income Tax Law, as is tax free income with the exception of tax free overtime for Sundays, holidays and night shifts (§ 3b of the Income Tax Law).

(3) The basis of calculation for supplementary benefit under (1) sentence 4 is the final payment for labour from an employment in Berlin (West) (§ 23 No 4a), based on the claim for liquidation money (§§ 141b, 141c of the Aid for Labour Law). (2) sentence 5 applies correspondingly.

(4) The basis of calculation for supplementary benefit under (1) sentences 1 and 2 must be an amount divisible by 10 on monthly wage reckoning, 2.5 on weekly reckoning and 0.5 on daily reckoning. For other periods of reckoning the basis of calculation is obtained by multiplying daily payment by the number of days worked and by rounding to a figure exactly divisible by 0.5. To fix the number of working days 2 are subtracted from the 7 calendar days in the wage calculating period. The basis of calculation for supplementary benefit under (1) sentence 3 is an amount exactly divisible by 0.5 and for supplementary benefit under (1) sentence 4 an amount divisible by 10.

(5) Supplementary benefit amounts to 8% of the basis of calculation with a further allowance for each child of the employed person appearing on his wage tax card or corresponding certificate for the current wage calculation period.

For employed persons for whom the wage tax deduction is made according to tax categories II and III, the allowance per child is DM 22 per month, DM 5 per week or DM 1 per day. For other periods of wage calculation outside (4) first half sentence the allowance is DM 1 per working day ((4), sentence 2). If the tax is deducted according to tax category IV, the relief is 50% for child allowances indicated in sentences 2 and 3.

(6) The employer is responsible for calculating supplementary benefits. He must pay them

1. over monthly or longer periods of wage calculation when wages are paid;
2. over periods of wage calculation shorter than one month with all wages within a wage calculation period ending in a calendar month and with the last wage paid in the calendar month in which the wage calculation period ends.

The wage and supplementary benefits are notified separately to employed persons. The employer will retain the amount of the supplementary benefits from the amount of wages tax which he must pay on behalf of his employees and will deduct the lump sum when complying with the next wages tax declaration. If the amount to be retained is more than the total sum treated as wages tax, the surplus will be set against the employer's wage tax return on an application by the finance office to whom wage tax is payable. The amounts retained by the employer (sentence 4), the sums replaced by the finance office (sentence 5) and supplementary benefit paid by the finance office itself reduce the wage tax receipts.

(7) Supplementary benefit under (1) sentence 4 is to be calculated by the labour office responsible and paid together with liquidation compensation; it is to be notified separately to employed persons. The labour office will on application by the finance office to which the employer's wage tax is payable, debit the supplementary benefits to wage tax receipts. (6) last sentence applies correspondingly.

(8) If the labour office has passed the calculation and payment of liquidation money to the liquidator (trustee in bankruptcy) (§ 141 of the Labour Aid Law), the liquidator must also calculate and pay the supplementary benefit. The labour office will make the means of payment available to the liquidator and these will be made good to the labour office on an application by the finance office to whom the employer pays the wage tax.

(9) In so far as benefits indicated in (1) sentence 3 have not been made by the employer, the employee must show proof of his claim to the employer for supplementary benefit according to (1) sentence 3. Proof must be accompanied by documentation on validity of one or other benefit shown in (1) sentence 3. The employer must show in his wage accounts the nature of the benefit and the period over which it has been paid.

(10) Application for supplementary benefit is not transferable.

§ 29

Supplementary rules

(1) The rules governing the tax payment order relating to tax relief also apply to supplementary benefits as do the rules on legal aid outside Court jurisdiction. This does not apply to § 163 of the tax payment order and to rules which only concern customs rebates and consumer tax rebates. Exceptions to rules under this law are unaffected.

(2) The employee may request the finance office to whom the employer must pay the wages tax or in cases falling within § 28 (7) and (8) to fix the supplementary benefit in writing. The request must be made within two months from the end of the period for which the supplementary benefit is payable according to § 28 (6) sentence 2 and, in cases of § 28 (7) and (8), within two months from payment of liquidation money. The time schedule can be extended on application.

(3) If a supplementary benefit is established with legal validity, the employer is obliged to pay the supplementary benefit to the employee as legally indicated if the finance office does not pay the benefit itself. The finance office will send the employee the legal transcript.

(4) The employer is liable for supplementary benefits incorrectly paid. On a request from the employer or, in cases of § 28 (1) sentence 4 on a request from the labour office or the liquidator, the finance office will supply information on the detailed rules for the grant of supplementary benefit in each case.

(5) The employer must enter the supplementary benefits paid in each wage calculation of the employee's wage account or, where there is no wage account, in corresponding separate entries. Only supplementary benefits under § 28 (1) sentences 1 and 2 must be specially certified in the wages tax certificate and in the wages pay sheet.

(6) Amounts payable to the finance office in circumstances connected with payment of supplementary benefits in particular because of a request for repayments by the employee or a claim on the employer within the framework of his liability will increase wage tax receipts.

(7) In public legal disputes over the administrative acts of the finance authorities according to this Article, the Finance Law procedure shall apply.

§ 29a

Application of rules governing penalties and fines in the tax code

(1) Penalties in connection with supplementary benefits are governed by § 370 (1) to (4), §§ 371, 375 (1) and § 376 and fines by §§ 378, 379 (1) 4 and § 384 of the tax code.

(2) Penalty procedure in connection with an offence to which (1) applies and complicity of a person who has been involved with such an act is governed by

§§ 385 to 408 of the tax code; procedure for fines for an offence to which (1) applies is governed correspondingly by §§ 409 to 412 of the tax code.

Article VI

Authorization provisions

§ 30

(1) The Federal Government, after approval by the Federal Council (Bundesrat), is authorized to adopt

1. The legal provisions for implementing this Section in so far as necessary to ensure regularity between taxation and supplementary benefits, to remove unfairness in hard cases or to simplify administration, more particularly in relation to:

- (a) the delimitation of favoured categories of person;
- (b) the ascertainment and delimitation of income from Berlin (West) and the expenditure incurred by the business in question and publicity costs.

2. Rules governing legal procedure concerning:

- (a) procedure for granting supplementary benefits,
- (b) transfer of supplementary benefits to employers if the total of supplementary benefits is more than the amount retainable in wages tax; in this connection balanced accounting may take place with other costs or contributions paid by the employer.

3. The legal provisions abovementioned and promulgated in § 25 (4).

(2) The Federal Finance Minister is authorized to prepare and publish the tables used to calculate reliefs of income tax and tax on wages and salaries from the tables of income tax and annual wages tax. The same round figures will be used for preparing the calculated tables as for the preparation of the source tables. The general rules applicable for preparing the tables for tax on wages and salaries are also applicable for preparing and publishing those tables for monthly, weekly and daily payments of wages and salaries.

(3) The Federal Finance Minister is authorized to prepare and publish tables for calculating supplementary benefits according to § 28 in monthly, weekly and daily wage or salary calculations.

Section III

Final provisions

§ 31

Field of application

(1) The text of the law abovementioned, so far as no other provision occurs in the following paragraphs, is to be applied for the first time in the assessment period for 1975. Sentence 1 applies for tax on wages and salaries with the provision that the text abovementioned of this law will apply for the first time to the current wage or salary payable for the wage or salary payment period after 31 December 1974 and to other payments accruing after 31 December 1974. Sentence 1 applies to the grant of supplementary benefits according to § 28 with the provision that the text abovementioned of this law will apply for the first time to the wage or salary calculation period after 31 December 1974.

(2) The rules governing §§ 1 to 13 are applicable to turnover and intercompany turnover subject to (3) and (5) carried out after 31 December 1975.

(3) As an exception to (2), the rules governing § 4 (1) 10 of the text of the law amending the Berlin Aid Law and other laws of 19 December 1975 (Federal Statute Book I p. 3157) are applicable to turnover and intercompany turnover according to § 4 (1) 15 and (3) No 5 and 6, carried out after 31 December 1977.

(4) In the case of scrap, salvage and waste material including processed material, final or clearing payment will be decreased to take account of reliefs under § 1 (1), § 1a (1) and § 2 (1)

(a) 25 % for turnover and intercompany turnover achieved after 31 December 1976 and before 1 January 1978

(b) at 50% for turnover and intercompany turnover achieved after 31 December 1976 and before 1 January 1978.

The text of § 4 (3) sentences 2 and 3 applies correspondingly.

(5) For roasted coffee (§ 4 (1) No 13 a) the final payment or clearing payment for reliefs under § 1 (1), § 1a (1) and § 2 (1) will be reduced by 50% in the case of turnover and intercompany turnover achieved after 31 December 1975 and before 1 January 1978.

(6) The texts of § 13a and § 15 are applicable for the first time to the 1976 assessment period.

(7) The text of § 14 (1) sentence 1 is applicable for the first time to the business year ending after 31 December 1974.

(8) The text of § 14 (2) sentence 1 No 2a double letters (aa) is applicable for the first time to buildings erected after 31 December 1975.

(9) The texts of § 14 (2) sentence 2 first half sentence and of § 19 (2) sentence 1 and (8) are, in view of the eight year period, applicable for the first time to ships procured or built after 15 May 1973. This does not apply to ships authentically ordered before 16 May 1973 by persons liable to tax as companies within the meaning of § 15 (1) 2 of the Income Tax Law or which the person liable to tax has started to build before 16 May 1973.

(10) The text of § 14 (4) is applicable for the first time to single family houses, two family houses and owner occupied dwellings bought by second purchaser after 30 November 1974.

(11) The text of § 16 is applicable from 6 August 1974 with reference to the words 'Berlin subsidiary of the Industriekreditbank Aktiengesellschaft - Deutsche Industriebank'.

(12) The text of § 19 (1) sentence 4 No 1 is applicable for the first time to depreciating movable economic goods procured or produced after 31 December 1975.

(12a) The texts of § 21 (2) and (3), of § 23 No 5, of § 24 (1) and § 27 are applicable for the first time to the 1977 assessment period.

(13) The texts on the grant of supplementary benefits for payment of liquidation money are applicable for the first time from 20 July 1974.

§ 32

Authorization

The Federal Finance Minister is authorized to publish the text of this law in its present form but with new dates, new headings and new paragraph sequence in order to obviate lack of concordance in the text.

Section IV

Berlin Clause

§ 33

This law shall also apply in Land Berlin in accordance with § 12 (1) and § 13 (1) of the Third Transitional Law of 4 January 1952 (Federal Statute Book I p. 1). Legal provisions adopted on the basis of this Law shall apply in Land Berlin under § 14 of the Third Transitional Law.

(b) Planned investment for economically linked infrastructure

The main task in Berlin is to provide necessary sites for industrial settlement; over the long term an annual requirement of some 30 ha is calculated. Furthermore in view of the lack of surrounding space in the special situation of Berlin, there must be space saving investment for sewage disposal and supply and disposal plant.

(c) Other activities

Together with the main pillar of Berlin aid - the Berlin Aid Law - a second aid mechanism exists in Berlin in the form of the ERP Special programme. This programme is as follows.

- For industrial investment:
ERP means can be used to provide loans for establishing, extending, rationalizing or converting concerns in Berlin.
- For basic promotion:
ERP means can be used to provide loans to finance the following projects:
 - investment in establishing and equipping concerns,
 - acquisition of concerns and active participation,
 - creation of initial storage warehousing.
- For the film industry:
ERP means can be used to provide loans for film producers to finance films or film enterprises established in Berlin.
- For building offices and shops and cultural buildings:
ERP means can be used to provide loans for constructing buildings abovementioned (including Church buildings) in Berlin.
- For contracting:
ERP means can be used to provide loans for financing contracts issued to Berlin concerns by West German firms.
- For individual financing of capital:
The Berliner Industriebank AG takes participations (shares) for improving individual capital structure of concerns in Berlin.

At the beginning of 1977 the Berlin Senate adopted a 14-point programme especially for industry of which the key points are:

- industrial settlement to be intensified by measures of equipment and organization;
- urban development and modernization to be developed with a view to raising living standards in Berlin;
- Berlin to be rendered more attractive to entrepreneurs.

4. FINANCIAL RESOURCES

Financial sources

- Tax free grants (Investitionszulagen); higher amortization; loans at favourable interest rates;
- reductions in turnover tax for Berlin concerns and West German purchasers;
- reductions in income and corporation tax. Tax reductions on loans for investment in industry or building;
- tax free grants for workers employed.

The means for the purposes abovementioned will be furnished by the Federal authority and by Land Berlin.

Forms of outgoing

Precise details cannot be provided on the provision of outgoings for investment to improve infrastructure and for inflow of industrial investment over a time schedule of several years.

- Region
 (see page 303).
- Planning or budget year
 cf. details abovementioned.

5. PROGRAMME IMPLEMENTATION

Application procedure

Decisions on applications for consideration of benefits according to the Berlin Aid Law are taken usually by the responsible Finance Office.

Decisions on applications for loans according to the ERP Special Programme rest with the Berliner Industriebank AG. with the exception of contracting according to the EPR Programme.

C

RDP-ERDF harmonization proposal
for regional development programmes

I - 7TH REGIONAL DEVELOPMENT PROGRAMME 'NORTHERN RUHR-WESTMÜNSTERLAND-KLEVE'

A. ECONOMIC ANALYSIS OF PROGRAMME AREA

(1) Demarcation (position: 1 July 1976)

The programme area comprises the labour market regions Ahaus, Coesfeld, Kleve, Lingen-Nordhorn-Rheine, Lüdinghausen-Unna, Recklinghausen-Bottrop, Soest and Steinfurt. It includes the kreisfreie Städte¹ Bottrop and Herne and the Kreise Borken (Gemeinden Ahaus, Gescher, Gronau, Heek, Legden, Schöppingen, Stadtlohn, Südlohn, Vreden), Coesfeld (Gemeinden Coesfeld, Dülmen, Lüdinghausen, Nordkirchen, Olfen, Rosendahl), Kleve (Gemeinden Bedburg-Hau, Emmerich, Goch, Kalkar, Kleve, Kranenburg, Rees, Uedem), Recklinghausen, Soest (Gemeinden Bad Sassendorf, Lippetal, Möhnesee, Soest, Welver, Werl, Wickede (Ruhr)), Steinfurt (Gemeinden Hörstel, Hopsten, Horstmar, Ibbenbüren, Laer, Metelen, Mettingen, Neuenkirchen, Ochtrup, Recke, Rheine, Steinfurt, Wettringen), Unna (Gemeinden Bergkamen, Kamen, Lünen, Selm, Unna, Werne).

The programme area displays considerable differences as regards population density and settlement structure:

	Area km ²	Population ³	Population density	As % of Federal average ⁴
Programme area	4 981	1 970 412	396	164
of which				
Northern Ruhr ¹	1 281	1 211 534	946	391
Westmünsterland-Kleve ²	3 700	758 878	205	85

¹ Demarcation: labour market regions Lüdinghausen-Unna, Recklinghausen-Bottrop.

² Demarcation: labour market regions Ahaus, Coesfeld, Kleve, Lingen-Nordhorn-Rheine, Soest, Steinfurt.

³ Position: 31 December 1977.

⁴ 242.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

According to the division of the Land area into zones, the labour market regions of the Northern Ruhr belong partly to the periphery of the concentration area and partly to its centre. They thus fall fully within the commuting areas of the principal centres situated in the Hellweg section of the Ruhr.

The population density, at nearly 1 000 inhabitants per square kilometre, is far above the Federal average. The settlement structure of this part of the area is characterized by high concentration due to residential development and industrial and business premises.

The Westmünsterland part of the programme area belongs wholly to the rural part of the Land with a more scattered settlement structure. The population density, at just over 200 inhabitants per square kilometre, is distinctly below the Federal average. Higher concentrations of dwellings and industrial and business premises, combined with appropriate central facilities, are confined mainly in this area to the territory of the Gemeinden.

(2) Characteristic economic data on the programme area

	Programme area	Northern Ruhr	Westmünster- land-Kleve
Potential working population ¹ as percentage of total	64	65	62
as percentage of Federal average	99	102	96
Unemployment rate (September 1978)	5.6	6.1	4.9
as percentage of Federal average	147	160	129
Industrial occupation ²	113	126	95
as percentage of Federal average	91	101	76
Total wages and salaries ³ per person employed in industry, in DM	27 496	29 013	25 599
as percentage of Federal average	98	103	91
Gross Domestic Product ⁴ per inhabitant, in DM	13 926	14 361	13 602
as percentage of Federal average	76	79	74
Contributions of sectors to gross value added, ⁴ as percentage	100	100	100
Agriculture and forestry	4.6	1.0	8.4
as percentage of Federal average	159	35	290
Manufacturing industry	51.7	55.7	47.5
as percentage of Federal average	108	116	99

	Programme area	Northern Ruhr	Westmünster- land-Kleve
Trade and transport as percentage of Federal average	13.1 87	12.0 80	14.3 95
Other services as percentage of Federal average	30.6 90	31.3 92	29.8 87

¹ Proportion of population aged 15-65 to total population, position 1 January 1976.

² People employed in all industrial undertakings per 1 000 inhabitants, position September 1976.

³ Position 1977.

⁴ Position 1976.

(3) Main imbalances or structural problems in the programme area and their causes

The whole programme area includes parts with an unbalanced economic structure and is to some extent agricultural in structure.

The Westmünsterland part of the programme area is characterized largely by the textile and clothing industry and its structural changes. This has led in the past to a pronounced decline in employment in the textile industry. The effects on the labour market have been accentuated by the marked decline which has also taken place in agricultural employment. The economic strength of this area is considerably below the Federal average. Further assistance measures are necessary. Within this part of the area the Kleve region is predominantly agricultural, with overall industrial occupation below the Land average. The industrial structure of this area displays a relatively one-sided concentration on the food, drink and tobacco industry and the textile and clothing industry. There have been sharp falls in employment in both sectors in recent years. Altogether there is a particularly high degree of structural vulnerability which needs to be countered by an improvement in the supply of jobs. The importance of this task is increased by the fact that population growth here will also add substantially to the demand for jobs.

In the Kreise and kreisfreie Städte of the Northern Ruhr the economic structure is still largely influenced by coalmining. The number of jobs in this industry has fallen substantially in the past. There have also been redundancies in agriculture. This, combined with a female activity rate far below the Federal and Land averages, has resulted in a great need for new secure and attractive jobs. The restructuring process which has already begun must be pursued by intensive assistance measures.

(4) Previous assistance measures 1972-77

DM million

(a) Industry and trade	2 935.76
Volume of investment	
of which:	
establishments	718.24
extensions	2 195.44
conversions	15.07
rationalizations	7.01
- Additional permanent jobs	21 076
- Jobs maintained	2 702
- Grants of CT funds approved	72.11
(b) Infrastructure	
- Investment volume	5.86
- CT funds granted	4.39

(5) Possibilities of and conditions for development of the programme area

In Westmünsterland, whose economic structure is still relatively unbalanced, further redundancies are possible both in the dominating sectors of agriculture and in the textile and clothing industry. The resultant demand for jobs is accentuated by the fact that a continuing excess of births over deaths will cause an above-average increase in the potential working population in this area. Further measures of economic assistance are necessary in order to give industry incentives to invest so that the existing economic structure can be improved, the substantial demand for new jobs met and the level of incomes raised. In particular, the aim is to pursue the diversification of the monostructure, which has already been started, by the settlement of new undertakings belonging to growth industries and by the conversion of existing undertakings to lines of production which have an assured future.

In the northern part of the Ruhr, which is mainly a coalmining area, the possibility of some further redundancies cannot be altogether ruled out owing to the further rationalization measures being taken in this industry. Further assistance measures both with regard to infrastructure and in form of incentives for industrial investment are essential if the state of the region's economy, and particularly the labour market situation, is to be improved. The aims to be achieved by the measures include a raising of the female activity rate and provision of work for those becoming redundant in low-growth sectors of the economy. There is therefore an urgent need for the creation of new jobs in sectors with growth potential, but it is also important to maintain existing jobs by changes in the types of goods produced and basic rationalization measures, with a view to increasing the region's economic strength and maintaining and improving the standard of living.

B - DEVELOPMENT TARGETS

(1) Creation of new jobs and the maintenance of existing ones

The aim of the assistance measures for the period 1979 to 1982 is to create 49 200 new jobs and maintain 12 300 existing ones.

(2) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Ahaus (20%)	26 585	50 000 to 100 000
Bottrop/Gladbeck. (20%)	187 855	Centre of concentration area
Gronau (Westphalia) (20%)	39 652	50 000 to 100 000
Ibbenbüren. (20%)	41 950	50 000 to 100 000
Werne a.d. Lippe. (20%)	25 317	Periphery of concentration area
<u>Key points</u>		
Castrop-Rauxel. (15%)	86 953	Centre of concentration area
Coesfeld. (15%)	30 204	50 000 to 100 000
Dülmen. (15%)	35 110	20 000 to 50 000
Herne (15%)	199 891	Centre of concentration area
Kleve (15%)	44 035	100 000 to 150 000
Lüdinghausen. (15%)	17 229	20 000 to 50 000
Lünen (15%)	86 728	Centre of concentration area
Marl. (15%)	94 538	Periphery of concentration area
Recklinghausen. (15%)	125 185	Centre of concentration area
Rheine. (15%)	71 171	Over 100 000

	Number of inhabitants	
	Local	In commuting area
Soest (15%)	40 371	50 000 to 100 000
Stadtlohn (15%)	15 913	20 000 to 50 000
Steinfurt (15%)	30 073	50 000 to 100 000
Unna (15%)	51 659	Periphery of concentration area
Werl (15%)	26 042	20 000 to 50 000

¹ Localities belonging to key points: To Bottrop/Gladbeck: Dorsten; to Ibbenbüren: Hörstel, Mettingen and Recke; to Werne a.d. Lippe: Bergkamen and Kamen; to Castrop-Rauxel: Waltrop; to Recklinghausen: Datteln, Herten and Oer-Erkenschwick; to Kleve: Emmerich (only industrial and business area).

(b) Tourist area

- In Kreis Soest:
Mohnesee, Bad Sassendorf;
- in Kreis Steinfurt:
Hörstel (parts Bevergern, Riesenbeck, Ibbenbüren (parts Dörenthe, Lehen)).

All the key points shown under (a) are development key points under the current Land Development Plan II.

C. Development programmes and financial resources

1. Development programmes and financial resources within the framework of the Common Task

(a) Investments to be assisted in the Common Task from 1979 to 1982 and distribution of the assistance funds available

(DM million)							
	Investment to be aided		Requirement		Funds available		
	Total	in border areas with the Eastern countries	Total	in border areas with the Eastern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds
1. Creation of new jobs by establishing and extending production industries	5 904.000	-	586.350	-	516.750	-	69.600
2. Protection of jobs by reconversion and rationalization of production industries	196.000	-	19.600	-	-	-	19.600
3. Measures for the tourist industry							
TOTAL 1 to 3	6 100.000	-	605.950	-	516.750	-	89.200
Yearly average	1 525.000	-	151.490	-	129.190	-	22.300
4. Preparation of industrial areas							
5. Amelioration of local (communal) infrastructures	8.000	-	4.000	-	-	-	4.000
6. Public equipment for tourism							
7. Building and extending schools for training, further training and re-training							
TOTAL 4 to 7	8.000	-	4.000	-	-	-	4.000
GRAND TOTAL 1 to 7	6 108.000	-	609.950	-	516.750	-	93.200
Yearly average	1 527.000	-	152.490	-	129.190	-	23.300

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

Expenditure on the measures shown under 1 to 7 is eligible for a contribution from the ERDF, account being taken as far as possible of the priorities specified in the Outline Plan.

D. Financing plan

(DM million)

	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	129.190	129.190	129.190	129.180	516.750
2. Common task funds	23.300	23.300	23.300	23.300	93.200
TOTAL	152.490	152.490	152.490	152.480	609.950
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	129.190	129.190	129.190	129.180	516.750
(b) Common task funds	17.400	17.400	17.400	17.400	69.600
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	-	-	-	-	-
(b) Common task funds	4.900	4.900	4.900	4.900	19.600
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)					
(b) Common task funds					
4. Preparation of industrial areas					
5. Amelioration of local (communal) infrastructures	1.000	1.000	1.000	1.000	4.000
6. Public equipment for tourism					
7. Building and extending of schools for training, further training and re-training					
TOTAL	152.490	152.490	152.490	152.480	609.950

(2) Other development programmes in the programme area

- (a) Under the ERP regional programme, loans may be granted to small and medium-sized undertakings, especially in the field of trade, handicrafts and the catering and hotel industry, and also to small industrial undertakings, for investment in the programme area.
- (b) Under the ERP programme for local authorities, Gemeinden and associations of Gemeinden at key points in the programme area, can obtain loans as a rule for investments which improve the quality of the locations by enhancing their residential and recreational attractiveness.
- (c) The Law on Exemption from Real Property Acquisition Tax for Measures to improve the Economic Structure grants exemption from the Real Property Acquisition Tax for acquisitions connected with certain measures which improve the economic structure. Exemption from Real Property Acquisition Tax is possible in respect of real estate in the case of projects eligible for assistance.
- (d) A number of measures are being assisted in the programme area under the future investment programme, programme area 'Infrastructure measures at key points of the Common Task Improvement of regional economic structure'. These relate to the construction of pedestrian precincts and parking facilities at key points and to infrastructure projects for tourism.

II - 19TH REGIONAL DEVELOPMENT PROGRAMME 'EAST BAVARIA ASSISTED AREA'

A - ECONOMIC ANALYSIS OF PROGRAMME AREA

(1) Demarcation (territorial position: 1 May 1978)

The programme area covers the labour market regions Amberg, Cham, Deggendorf, Landshut, Neumarkt i.d. Opf., Passau, Regensburg, Schwandorf, Straubing, Tirschenreuth, Weiden i.d. Opf.

It comprises the following kreisfreie Städte¹ and Landkreise:

Kreisfreie Stadt Amberg

Kreisfreie Stadt Landshut

Kreisfreie Stadt Passau

Kreisfreie Stadt Regensburg

Kreisfreie Stadt Straubing

Kreisfreie Stadt Weiden i.d. Opf.

- of Landkreis Amberg-Sulzbach Gemeinden: Ammerthal, Auerbach i.d. Opf., Ebermannsdorf, Edelsfeld, Ensdorf, Freihung, Freudenberg, Gebenbach, Hahn-
bach, Hirschau, Hohenburg, Illschwang, Kastl, Königstein, Kümmerbruck,
Poppenricht, Rieden, Schmidmühlen, Schnaittenbach, Sulzbach-Rosenberg, Ur-
sensollen, Vilseck.
- Landkreis Cham
- Landkreis Deggendorf
- of Landkreis Dingolfing-Landau Gemeinden: Dingolfing, Eichendorf, Fronten-
hausen, Gottfrieding, Landau a.d. Isar, Loiching, Mamming, Marklkofen,
Mengkofen, Moosthenning, Niederviehbach, Pilsting, Reisbach, Simbach, Wal-
lersdorf.
- of Landkreis Eichstätt Gemeinde: Pförring.

¹ Gemeinde (plural Gemeinden) = smallest administrative unit; Kreis = county; kreisfreie Stadt = county borough; Stadtkreis = urban county; Landkreis = rural county; Zonenrandgebiet = border area with the German Democratic Republic.

- Landkreis Freyung-Grafenau
- of Landkreis Kelheim Gemeinden: Abensberg, Attenhofen, Bad Abbach, Biburg, Essing, Hausen, Herrngiersdorf, Ihrlerstein, Kelheim, Kirchdorf, Langquaid, Mainburg, Neustadt a.d. Donau, Painten, Ratzenhofen, Riedenburg, Rohr i. NB., Saal a.d. Donau, Siegenburg, Teugn, Train, Wildenberg.
- of Landkreis Landshut Gemeinden: Adlkofen, Aham, Altdorf, Altfraunhofen, Baierbach, Bayerbach b. Ergoldsbach, Bodenkirchen, Ergolding, Ergoldsbach, Essenbach, Geisenhausen, Gerzen, Hohenthann, Kröning, Kumhausen, Neufahrn i. NB., Neufraunhofen, Niederaichbach, Pfeffenhausen, Postau, Rottenburg a.d. Laabe, Schalkham, Tiefenbach, Velden, Vilsbiburg, Weihmichl, Weng, Wörth a.d. Isar.
- of Landkreis Neumarkt i.d. Opf. Gemeinden : Berching, Breitenbrunn, Deining, Dietfurt a.d. Altmühl, Freystadt, Hohenfels, Lauterhofen, Lupburg, Mühlhausen, Neumarkt i.d. Opf., Parsberg, Pilsach, Sengenthal, Seubersdorf i.d. Opf., Velburg.
- Landkreis Neustadt a.d. Waldnaab
- of Landkreis Nürnberger Land Gemeinde: Neuhaus a.d. Pegnitz.
- Landkreis Passau
- of Landkreis Pfaffenhofen a.d. Ilm Gemeinde: Münchsmünster.
- Landkreis Regen
- Landkreis Regensburg
- of Landkreis Rottal-Inn Gemeinden: Arnstorf, Bayerbach, Birnbach, Dietersburg, Eggenfelden, Egglham, Ering, Hebertsfelden, Johanniskirchen, Malgersdorf, Massing, Pfarrkirchen, Postmünster, Roßbach, Schöna, Simbach a. Inn, Stubenberg, Tann, Triftern, Unterdietfurt, Wittibreit.
- Landkreis Schwandorf
- Landkreis Straubing-Bogen
- Landkreis Tirschenreuth.

The greater part of the programme area is semi-mountainous (Bavarian Forest, Upper Palatinate Forest) with difficult climatic and topographical conditions. Production conditions are unfavourable for farming, which was originally the population's predominant source of income in East Bavaria and still represents a much more than average proportion of the economic structure of this area. Only the 'Lower Bavarian hill country' south of the Danube offers good earning conditions for farming in some parts.

The programme area is extraordinarily sparsely populated. The population density is less than half the Federal average:

	Area km ²	Population (30 September 1977)	Population density	Percentage of Federal average
Programme area	18 960	1 901 573	100	41
of which				
Lower Bavaria part	9 510	959 324	99	41
Upper Palatinate part	9 450	942 249	102	42

The settlement structure of the programme area is characterized by localities of relatively little importance as centres attracting labour from only small areas. The only concentration area within the meaning of the Bavaria Land Development Programme is the Regensburg area which, however, owing to its low economic strength in comparison with other concentration areas, its unfavourable location and its deficiencies as regards the population's earnings structure, still exercises too little economic attraction.

Some parts of the programme area, for instance the northern part of the Upper Palatinate, are suffering from considerable migration by people of working age. The proportion of working age people to the total population is already distinctly below the Federal and Land averages.

(2) Characteristic economic data on the programme area

	Total programme area	Lower Bavaria part	Upper Palatinate part
Potential working population as percentage of total	64	63	65
as percentage of Federal average	99	98	102
Unemployment rate (Annual average 1977)	7.6%	7.4%	7.8%
as percentage of Federal average	169	164	173
Industrial occupation (1977)	95	92	98
as percentage of Federal average	79	77	82
Total wages and salaries per person employed in industry, in DM (1977)	22 240	21 880	22 600
as percentage of Federal average	79	77	80

	Total programme area	Lower Bavaria part	Upper Palatinate part
Gross Domestic Product per inhabitant in DM (1974)	11 840	11 460	12 070
as percentage of Federal average	74	72	76
Contributions of individual sectors of activity to gross value added, as percent- age (1974)			
Agriculture and forestry	7.5%	9.2%	5.7%
as percentage of Federal average	278	341	211
Manufacturing industry	47.2%	46.8%	47.6%
as percentage of Federal average	95	94	96
Trade and transport	14.2%	13.6%	14.6%
as percentage of Federal average	95	91	97
Other services	31.2%	30.3%	32.0%
as percentage of Federal average	95	92	98

(3) Main imbalances or structural problems in the programme area and their causes

The economic structure of the programme area is unhomogeneous.

The structure of the assisted areas in the Lower Bavaria administrative area was still primarily agricultural after the Second World War. The share of agriculture and forestry in the working population declined from over 50% in 1950 to about 22% in 1975, although it is still over 30% in some Landkreise. In view of the continued predominance of small farms, and the unfavourable earning conditions, especially in the Bavarian Forest area, this restructuring process is continuing and calls for a considerable increase in employment in non-agricultural activities.

With the decline in agriculture, the proportion of people employed in manufacturing industry has risen from about 32% to about 42%. The industrial density has trebled but is still, at 92, considerably below the Land and Federal average. The industrial structure, initially characterized by a predominance of the industry groups - non-metallic minerals, glass, timber and wood processing - has been diversified to some extent, partly owing to the assistance measures already carried out. There is still a preponderance, however, of labour-intensive industries. Furthermore, the female activity rate, at about 41%, is well above the Federal average of about 29% and the Land average of about 37%. Consequently, there is evidence of a pronounced lack of industrial jobs for men. This lack is reflected in, among other things, the extremely high number of long-distance commuters from the programme area to the Munich and Nuremberg conurbations.

The part of the programme area situated in the Upper Palatinate administrative area displays considerable structural differences. Along with parts whose population is still engaged mainly in farming (for instance in the region of the Upper Palatinate Forest) there are industrial problem areas such as those of Burglengenfeld, Amberg, Sulzbach-Rosenberg. The industrial locations in the northern part of the Upper Palatinate are dominated largely by a single industry (high-quality ceramics, glass).

Tourism is of considerable structural importance in the programme area. In the Bavarian Forest and the Upper Palatinate Forest, the southern part of the Fichtelgebirge, the Steinwald and the lower Altmühl valley, tourism is of considerable significance. There is also potential for the development of tourism in other areas, especially along the edge of the Bavarian Forest, in the tourist areas of 'Lower Bavaria south of the Danube', in the Upper Palatinate Jura and in the valleys of the southern part of the Upper Palatinate.

The overall situation and possibilities of development of the area are determined largely by:

- (a) its extreme peripheral position in the Federal Republic and the EEC area,
- (b) its separation from neighbouring economic areas owing to the course taken by the border with East Germany,
- (c) the programme area's inadequate links with the Federal Republic's supra-regional communication network,
- (d) its structural weaknesses, especially in the semi-mountainous areas.

47% of the programme area belongs to the Zonenrandgebiet. The continuing relative impassability of the border with East Germany has led to a reorientation of economic and transport flows without the area yet having acquired adequate links with the Federal Republic's system of expressways and motorways. In order to improve the attractiveness of the area as a location, completion of the Federal motorway sections from Regensburg to Passau and from Amberg via Breimd to Waidhaus and conversion of the B 11 between Munich and Deggen-dorf into a Federal highway and of the B 15 into a trunk road or motorway, together with the continuation of the European waterway the 'Rhine-Main-Danube canal', are urgently necessary. The programme area's economic strength is still appreciably below the Federal and Land average. An aggravating factor in the Upper Palatinate area is the local predominance of branches of activity which are being affected by structural change in a way which is likely to lead to further adverse repercussions on the area.

(4) Previous assistance measures 1972-77

(a) Industry and trade

- Volume of investment	DM thousand
of which establishments	DM thousand
extensions	DM thousand
other measures (rationalization, conversion, etc.)	DM thousand
- Additional permanent jobs	
- CT grants approved	DM million

(b) Infrastructure

Grants approved
(CT and special programmes)

DM thousand

(5) Possibilities of and conditions for development of the programme area

The aim of regional structural policy for the programme area is to continue the successfully initiated restructuring and further to increase the area's economic strength, which is still appreciably below the Federal and Land average. The object is to achieve balanced overall development of the area in order to bring about an appreciable improvement in the population's standard of living and working conditions.

It is particularly important to create as varied a range of jobs as possible. A decisive factor is not only the number of new jobs but also, above all, their quality. With this aim in view it is intended to improve the possibilities of vocational development and the earning situation in the assisted area, while at the same time countering the tendencies towards migration observable in some parts of the area.

In the farming districts, suitable possibilities of employment have to be provided by the creation of additional jobs in industry and the services sector, mainly for redundant ex-farmworkers. In the industrial problem areas, new jobs have to be created for those who have become redundant owing to the structural change in the sector. The aim is both to bring about the settlement of new undertakings and the extension of existing ones and to maintain the jobs in existing undertakings. Rationalization, modernization and conversion of undertakings is of particular importance in the industrial problem areas of the Upper Palatinate.

It is intended that the development and further improvement of tourism shall make an additional contribution to increasing the programme area's economic strength. In areas with a considerable amount of tourist trade, both the sector's own facilities and the public tourist facilities are to be improved and expanded to meet the demand. Areas with potentialities for tourism are to be further developed.

The basic conditions for a successful policy of industrial settlement and tourism are to be created by the extension of the regional and supraregional infrastructure.

B - DEVELOPMENT TARGETS

1. Creation of new jobs and maintenance of existing ones

The assistance measures are intended to contribute to the creation during the period 1979-82 of a total of 40 000 new jobs, including 29 400 in the Zonenrandgebiet, and the maintenance of 13 300 existing jobs, including 10 900 in the Zonenrandgebiet.

(2) Territorial key points for assistance

(a) Industrial key points¹

	Number of inhabitants	
	Local	In commuting area
<u>Priority key points</u>		
Cham. (25%)	12 500	75 000 (with Furth i. Wald and Kötzing)
Deggendorf/ Plattling (25%)	25 300/ 9 500	105 000
Grafenau. (25%)	5 000	80 000 (with Freyung and Waldkirchen)
Tirschenreuth (25%)	8 500	50 000 (with Waldsassen)
Weiden i.d. Opf./ Neustadt a.d. Waldnaab. (25%)	43 000/ 6 000	95 000
Amberg/ Sulzbach-Rosenberg. (20%)	47 400/ 18 800	130 000
Burglengenfeld. (20%)	10 100	30 000
Eggenfelden (20%)	9 200	30 000
Landshut. (20%)	56 400	95 000
Regensburg. (20%)	133 200	240 000
Schwandorf. (20%)	22 600	35 000
Straubing (20%)	44 300	100 000 (with Bogen)
<u>Key points</u>		
Bogen (15%)	6 800	100 000 (with Straubing)
Eschenbach i.d. Opf. (15%)	4 000	50 000 (with Kemnath)
Freyung/Waldkirchen (15%)	6 200/ 6 500	80 000 (with Grafenau)
Furth i. Wald (15%)	10 000	75 000 (with Cham and Kötzing)
Hauzenberg. (15%)	9 200	40 000 (with Wegscheid)

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Kelheim (15%)	13 500	60 000 (with Saal a.d. Donau and Rie- denburg)
Kemnath (15%)	3 900	50 000 (with Eschen- bach i.d. Opf.)
Landau a.d. Isar. (15%)	10 100	30 000
Mallersdorf-Pfaffenberg/ Neufahrn i. NB. (15%)	4 900/ 2 200	60 000 (with Rotten- burg a.d. Laaber)
Nabburg (15%)	5 100	30 000
Neumarkt i.d. Opf. (15%)	29 700	55 000
Nittenau. (15%)	5 900	40 000 (with Roding)
Parsberg. (15%)	4 900	50 000 (with Beilngries)
Passau. (15%)	50 700	75 000
Pfarrkirchen. (15%)	9 700	50 000 (with Simbach a. Inn)
Pocking (15%)	9 600	40 000
Regen (15%)	9 000	40 000 (with Zwiesel)
Riedenburg. (15%)	3 800	55 000 (with Kelheim)
Roding. (15%)	9 200	40 000 (with Nittenau)
Rottenburg a.d. Laaber. (15%)	4 000	60 000 (with Mallers- dorf-Pfaffenberg/Neu- fahrn i. NB)
Simbach a. Inn. (15%)	9 400	50 000 (with Pfarrkirchen)
Vilsbiburg. (15%)	6 800	30 000
Vilshofen (15%)	7 700	45 000
Vohenstrauß (15%)	7 100	25 000
Waldmünchen (15%)	5 900	55 000 (with Neun- burg v. Wald and Oberviechtach)
Waldsassen. (15%)	8 900	50 000 (with Tirschenreuth)

	Number of inhabitants	
	Local	In commuting area
<u>Key points</u>		
Wegscheid (15%)	4 300	40 000 (with Hauzenberg)
Zwiesel (15%)	9 100	40 000 (with Regen)
<u>Key points in extreme zone border position</u>		
Kötzting. (25%)	6 000	75 000 (with Cham and Furth i. Wald)
Neunburg v. Wald. (25%)	7 100	55 000 (with Ober- viechtach and Wald- münchen)
Oberviechtach (25%)	4 900	55 000 (with Neun- burg v. Wald and Waldmünchen)
Viechtach (25%)	6 400	25 000

¹ Localities belonging to key points:
 To Deggendorf/Plattling: Hengersberg and Otzing; to Tirschenreuth: Mitter-
 teich and Wiesau; to Weiden i.d. Opf./Neustadt a.d. Waldnaab: Altenstadt
 a.d. Waldnaab and Weiherhammer; to Amberg Sulzbach-Rosenberg: Kümmersbruck;
 to Burglengenfeld: Maxhütte-Haidhof and Teublitz; to Landshut: Altdorf and
 Ergolding; to Regensburg: Barbing and Neutraubling; to Schwandorf: Wackers-
 dorf; to Kelheim: Saal a.d. Donau; to Kemnath: Erbendorf; to Landau a.d.
 Isar: Pilsting; to Mallersdorf-Pfaffenberg/Neufahrn i. NB: Ergoldsbach; to
 Nabburg: Pfreimd; to Nittenau: Bruck i.d. Opf.; to Pocking: Rotthalmünster
 and Ruhstorf; to Vilsbiburg: Bodenkirchen; to Neunburg v. Wald: Bodenwöhr.

(b) Tourist areas

Kreisfreie Stadt Amberg

Kreisfreie Stadt Landshut

Kreisfreie Stadt Passau

Kreisfreie Stadt Regensburg

Kreisfreie Stadt Straubing

Kreisfreie Stadt Weiden i.d. Opf.

- in Landkreis Amberg-Sulzbach: Ammerthal, Auerbach i.d. Opf., Edelsfeld, Ens-
 dorf, Freihung, Freudenberg, Gebenbach, Hahnbach, Hirschau, Hohenburg, Ill-
 schwang, Kastl, Königstein, Rieden, Schmidmühlen, Schnaittenbach, Sulzbach-
 Rosenberg, Ursensollen, Vilseck.

- Landkreis Cham
- Landkreis Deggendorf
- Landkreis Dingolfing-Landau
- Landkreis Freyung-Grafenau
- in Landkreis Kelheim: Abensberg, Bad Abbach, Biburg, Essing, Ihrlerstein, Kelheim, Kirchdorf, Neustadt a.d. Donau, Painten, Ratzenhofen, Riedenburg, Rohr i. NB., Siegenburg, Train, Wildenberg.
- in Landkreis Landshut: Adlkofen, Altdorf, Baierbach, Ergolding, Essenbach, Hohenthann, Kumhausen, Neufraunhofen, Niederaichbach, Postau, Tiefenbach, Velden, Weng, Wörth a.d. Isar.
- in Landkreis Neumarkt i.d. Opf.: Berching, Breitenbrunn, Deining, Dietfurt a.d. Altmühl, Freystadt, Hohenfels, Lauterhofen, Lupburg, Mühlhausen, Neumarkt i.d. Opf., Parsberg, Seubersdorf i.d. Opf., Velburg.
- in Landkreis Neustadt a.d. Waldnaab: Altenstadt a.d. Waldnaab, Eschenbach i.d. Opf., Eslarn, Floß Flossenbürg, Georgenberg, Grafenwöhr, Irchenrieth, Kirchendemenreuth, Kirchenthumbach, Kohlberg, Leuchtenberg, Luhe, Mantel, Moosbach, Neustadt a.d. Waldnaab, Neustadt a. Kulm, Pleystein, Preißach, Pressath, Püchersreuth, Schirmitz, Schlammersdorf, Schwarzenbach, Speins- hart, Störnstein, Tannesberg, Theisseil, Vohenstrauß, Vorbach, Waidhaus, Waldthurn, Weiherhammer, Windischeschenbach.
- in Landkreis Nürnberger Land: Neuhaus a.d. Pegnitz.
- Landkreis Passau
- Landkreis Regen
- in Landkreis Regensburg: Altenthann, Bach a.d. Donau, Beratzhausen, Bern- hardswald, Brennbach, Brunn, Deuerling, Donaustauf, Duggendorf, Hemau, Holzheim a. Forst, Kallmünz, Laaber, Lappersdorf, Neutraubling, Nittendorf, Obertraubling, Pentling, Pettendorf, Pfatter, Pielenhofen, Regens- tauf, Sin- zing, Tegernheim, Wenzenbach, Wiesent, Wörth a.d. D., Wolfsegg, Zeitlarn.
- in Landkreis Rottal-Inn: Arnstorf, Bayerbach, Birnbach, Dietersburg, Eggen- felden, Egglham, Ering, Hebertsfelden, Johanniskirchen, Malgersdorf, Mas- sing, Pfarrkirchen, Postmünster, Roßbach, Schönau, Simbach a. Inn, Stuben- berg, Tann, Triftern, Unterdietfurt, Wittibreit.
- in Landkreis Schwandorf: Altendorf, Bodenwöhr, Bruck i.d. Opf., Burglengen- feld, Dieterskirchen, Fensterbach, Gleiritsch, Guteneck, Nabburg, Neukir- chen-Balbini, Neunburg vorm Wald, Niedermurach, Nittenau, Oberviechtach, Pfreimd, Schmidgaden, Schönsee, Schwandorf, Schwarzenfeld, Schwarzhofen, Stadlern, Stulln, Teublitz, Teunz, Thanstein, Trausnitz, Weiding, Wernberg- Köblitz, Winklarn.
- in Landkreis Straubing-Bogen: Aholting, Aiterhofen, Ascha, Bogen, Falken- fels, Geiselhöring, Haibach, Haselbach, Hunderdorf, Kirchroth, Konzell, La- berweinting, Leiblitz, Loitzendorf, Mallersdorf-Pfaffenberg, Mariaposching, Mitterfels, Neukirchen, Niederwinkling, Oberschneiding, Parkstetten, Peras- dorf, Perkam, Rain, Rattenberg, Rattiszell, St. Englmar, Schwarzach, Stall- wang, Steinach, Straßkirchen, Wiesenfelden, Windberg.
- Landkreis Tirschenreuth.

C. Development programmes and financial resources

1. Development programmes and financial resources within the framework of the Common Task

(a) Investments to be assisted in the Common Task from 1979 to 1982 and distribution of the assistance funds available

(DM million)								
	Investment to be aided		Requirement		Funds available			
	Total	in border areas with the East-ern countries	Total	in border areas with the East-ern countries	'Investitions-zulage' (Investment aid)	of which in 'ZRG' ¹	Common task funds	of which in 'ZRG' ¹
1. Creation of new jobs by establishing and extending production industries	2 411.0	1 902.4	301.4	250.7	234.2	189.9	67.2	60.8
2. Protection of jobs by reconversion and rationalization of production industries	464.0	384.0	59.4	50.3	38.3	38.3	21.1	12.0
3. Measures for the tourist industry	389.0	155.6	44.5	20.3	35.9	15.4	8.6	4.9
TOTAL 1 to 3	3 264.0	2 442.0	405.3	321.3	308.4	243.6	96.9	77.7
Yearly average	816.0	610.5	101.3	80.3	77.1	60.9	24.2	19.4
4. Preparation of industrial areas	43.2	28.0	30.20	21.12	-	-	30.20	21.12
5. Amelioration of local (communal) infrastructures	48.8	32.0	27.56	19.24	-	-	27.56	19.24
6. Public equipment for tourism	94.8	61.6	66.00	46.12	-	-	66.00	46.12
7. Building and extending schools for training, further training and re-training	10.8	6.8	7.60	5.32	-	-	7.60	5.32
TOTAL 4 to 7	197.6	128.4	131.36	91.80	-	-	131.36	91.80
GRAND TOTAL 1 to 7	3 461.6	2 570.4	536.66	413.10	308.4	243.6	228.26	169.50
Yearly average	865.4	642.6	134.17	103.28	77.1	60.9	57.07	42.38

¹ 'ZRG' (Zonenrandgebiet) = border areas with the Eastern countries.

Expenditure on the measures shown under 1 to 7 is eligible for a contribution from the ERDF, account being taken as far as possible of the priorities specified in the Outline Plan.

D. Financing plan

(DM million)					
	1979	1980	1981	1982	4 years
I. <u>Requirement</u>					
1. 'Investitionszulage' (Investment aid)	77.10	77.10	77.10	77.10	308.40
2. Common task funds	57.07	57.07	57.07	57.07	228.26
TOTAL	134.17	134.17	134.17	134.17	536.66
II. <u>Planned expenditure</u>					
1. Creation of new jobs by establishing and extending production industries					
(a) 'Investitionszulage' (Investment aid)	58.55	58.55	58.55	58.55	234.20
(b) Common task funds	16.80	16.80	16.80	16.80	67.20
2. Protection of jobs by reconversion and rationalization of production industries					
(a) 'Investitionszulage' (Investment aid)	9.58	9.57	9.58	9.57	38.30
(b) Common task funds	5.28	5.28	5.28	5.28	21.10
3. Creation and protection of jobs in the tourist industry					
(a) 'Investitionszulage' (Investment aid)	8.97	8.98	8.97	8.98	35.90
(b) Common task funds	2.15	2.15	2.15	2.15	8.60
4. Preparation of industrial areas	7.55	7.55	7.55	7.55	30.20
5. Amelioration of local (communal) infrastructures	6.89	6.89	6.89	6.89	27.56
6. Public equipment for tourism	16.50	16.50	16.50	16.50	66.00
7. Building and extending of schools for training, further training and re-training	1.90	1.90	1.90	1.90	7.60
TOTAL	134.17	134.17	134.17	134.17	536.66

(2) Other development programmes in the assisted area

- (a) A particularly important objective of the Land authorities' structural policy for the programme area is, in addition to direct access to the Federal Republic of Germany's motorway network, improvement of the energy supply situation in East Bavaria. Starting with the international natural gas pipeline MEGAL, which - within the programme area - runs from Passau via Deggendorf to Schwandorf and will be ready for operation in 1980, natural gas is to be made available to a large proportion of the programme area in the coming year. Budget resources will be provided to assist in the building of the pipeline system, within the limits of the Land's financial possibilities.
- (b) A number of measures in the programme area are being assisted under the future investment programme, programme area 'Infrastructure measures at key points of the Common Task'. These relate to the building of pedestrian precincts, 'park and ride' facilities¹ and public tourist facilities.
- (c) Small and medium-sized enterprises and also Gemeinden and associations of Gemeinden can be assisted with funds under the ERP regional programme and the ERP programme for local authorities, respectively.
- (d) Apart from aid under regional policies, Land resources may also be granted to industrial undertakings for the financing of environment conservation measures.

¹ Translator's note: this rendering is a guess.

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