



Case study Brandenburg

Joint investment support in a
multi-level-governance
environment



European Entrepreneurial Region 2011

Paris 21 June 2012



Brandenburg in Europe

Brandenburg facts:

Established in 1990

Area: 30,000 km²

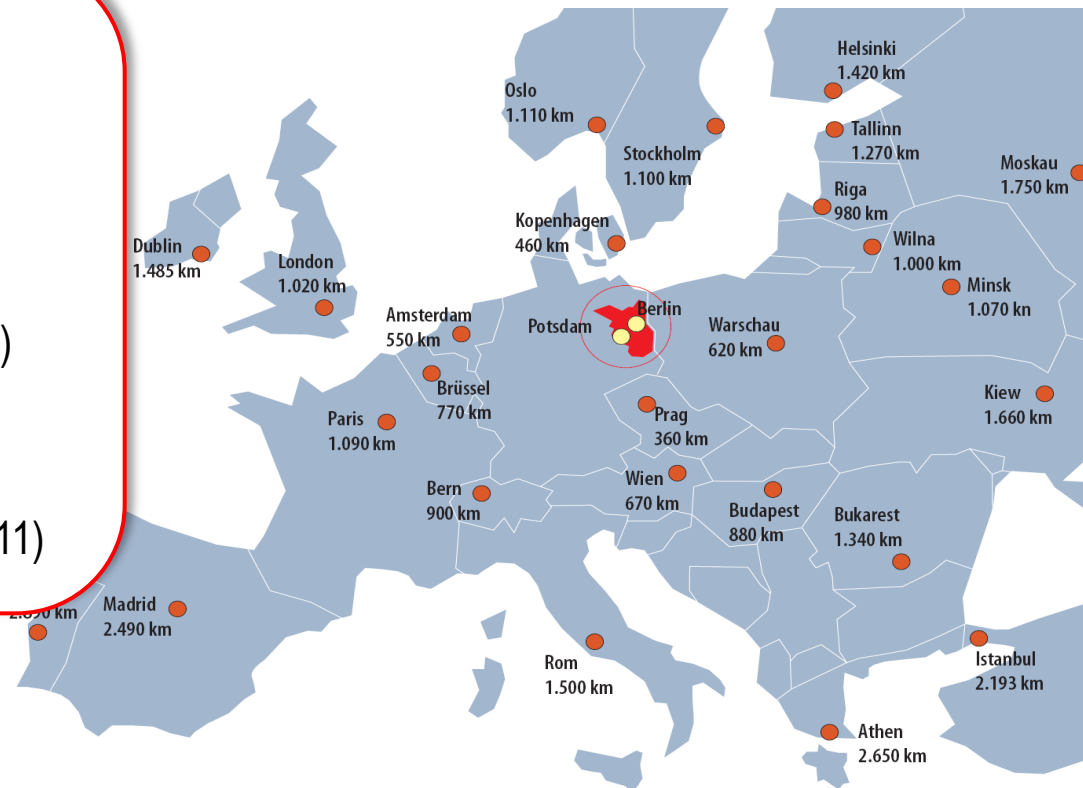
Total Population: 2.5m (2010)

Population Density: 85/km² (2010)

GDP per capita: €22,500 (2011)

Unemployment rate: 11% (2011)

Self-employment rate: 12.3% (2011)



Merging EU, National and Regional funds for Regional Development Investment

- **European Fund for Regional Development (ERDF)**
- **Joint Task for the Improvement of Regional Economic Structure (GRW)**
- **Regional Budget**

ERDF – Operational Programme

- **Promoting investment and enterprise innovation processes (660 million EUR)**
- **Development of innovation, technology and education-oriented infrastructure (256 million EUR)**
- **Business-related tourism, and transport infrastructure (330 million EUR)**
- **Environment and Urban Development (223 million EUR)**

GRW : Objectives

- **Compensation for existing disadvantages**
- **Strengthening of overall economic growth through job creation**
- **Facilitating structural change**

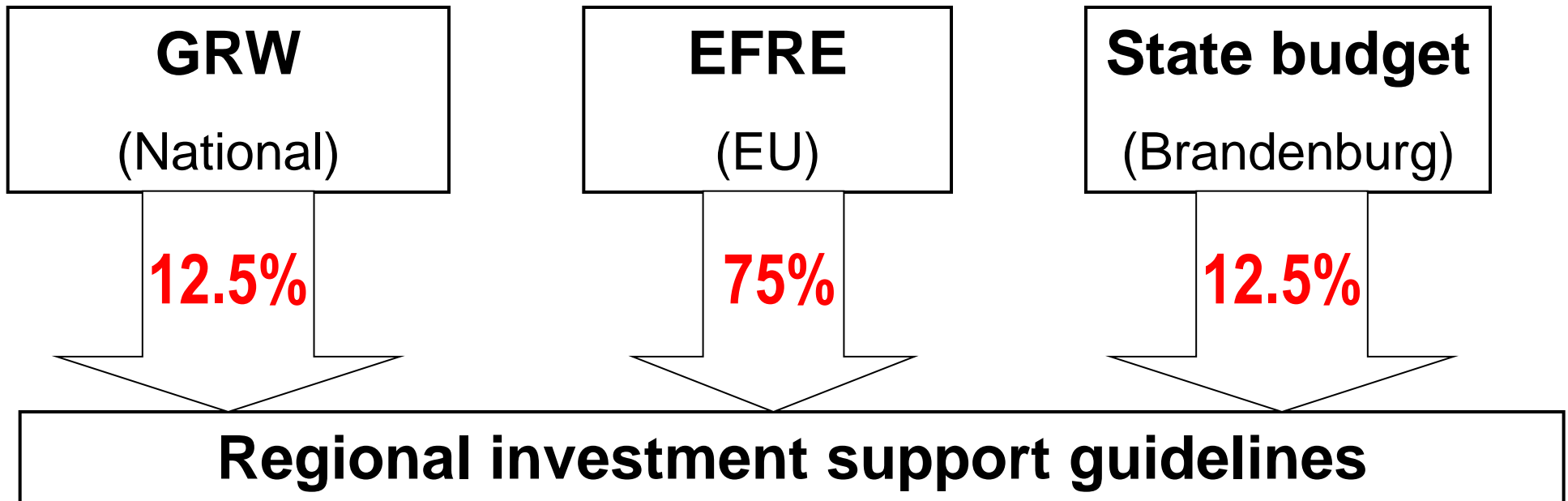
GRW : Legal Framework

- **1969 Amendment to the Federal Constitution (Art. 91a) and ensuing legislation**
- **Coordination framework**
negotiated between federal and state governments at regular intervals

GRW : Key measures

- **Promotion of business investments**
- **Promotion of investments in the economic infrastructure**
- **Non-investment measures strengthening business competitiveness and which are directly necessary for the development of regional economy**
- **Evaluation of regional policy measures and accompanying research**

Co-Funding Structure in Brandenburg



Regional Guidelines - Examples

- **Investment support to small enterprises (i.e. with fewer than 50 employees) for investment volumes of less than € 1.5 million**
- **Investment support to companies with more than 50 employees and investment volumes of € 1.5 million, funding rate based on the achievement of structural effects**
- **Innovation vouchers (€ 3.000 or 15.000) for first contacts between SMEs and research institutions (without ERDF)**

Challenges

- **Fiscal consolidation efforts and expiry of national „Solidarity Pact“**
- **Reduction of EU funds as of 2014 (transition region)**
- **Inconsistent funding requirements GRW/ERDF (e.g. no revolving financial instruments in GRW)**

Thank you for your attention!

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