CCI in Practice—Public Tasks Delegated by the State

5

Monika Hofmann, Gabriele Lüke, Gerd Mischler,
and Eva Müller-Tauber

One important pillar of the practical CCI work is the implementation of public tasks assigned by the state. The following chapter presents some of these tasks. It begins with an interview that explains the idea and practice behind these tasks in an overview. Then individually selected areas are explained: Vocational training is the first step. This is where the CCI plays a key role in the system. In many case studies, the most diverse aspects of vocational education and training are examined in greater depth—from trainer aptitude to higher vocational education and training. This is followed by explanations of other public tasks such as the issuing of trade licences, the point of single contact, foreign trade documents, urban land use planning and tasks in the area of out-of-court dispute resolution.

- Interview with Dr. Beate Ortlepp and Dr. Thomas Kürn: Public tasks delegated by the state can be implemented efficiently and economically
- Vocational training—ensuring the quality of vocational education and training
- The recognition of foreign professional qualifications—paving the way for new entrants to the German job market

M. Hofmann

Das Redaktionsbüro—Journalismus für den Mittelstand, Munich, Germany

e-mail: mail@das-redaktionsbuero.info

G. Lüke (✉)

Konturprogramm—Unternehmenskommunikation, Munich, Germany

e-mail: g.lueke@konturprogramm.de

G. Mischler

Mischler & Partner, Landsberg am Lech, Germany

e-mail: gmischler@mischlerundpartner.de

E. Müller-Tauber

Journalist, Sindelfingen, Germany

e-mail: e.mueller-tauber@web.de

© The Author(s) 2021

E. Sasse and A. Habisch (eds.), *The German Chambers of Commerce and Industry*,
Practical Wisdom for Sustainable Organizations,
https://doi.org/10.1007/978-3-030-70799-6_5

- Commercial licenses—receiving targeted support with the registration process
- Points of single contact—overcoming bureaucratic hurdles across Europe
- Foreign trade documents—facilitating European trade in goods and merchandise
- Urban development planning—creating and preserving the necessary space for the future
- Out-of-court dispute resolution—favouring business-friendly solutions
- Honorary judges—regulating the interests of business in court with the help of voluntary support.

Public Tasks Delegated by the State Can Be Implemented Efficiently and Economically

One pillar of the CCI's work is the assumption of public tasks assigned by the state. In this way, the state ensures a lean, business-oriented administration—above all, it assigns the tasks to institutions that know exactly what the economy needs and therefore implement the assigned services efficiently and in line with requirements. An interview with: Dr. Beate Ortlepp, Head of the Legal and Tax Department, and Dr. Thomas Kürn, Head of the Vocational Training Department of the Chamber of Commerce and Industry for Munich and Upper Bavaria.

Dr. Beate Ortlepp, Dr. Thomas Kürn, Photo Credit: CCI for Munich and Upper Bavaria/Goran Gajanin_Das Kraftbild

CCIs stand for the self-governance of the economy. This also means that they implement public tasks assigned by the state—around 60 in number. Why did the state do well to assign these tasks to the CCIs?

Ortlepp: There are very different tasks that a state has to implement and which it can delegate to institutions like ours, for example. Those public tasks delegated by the state to the CCIs are all economically significant and affect the companies directly. Given that the CCIs are well versed in representing companies in economic matters, they can implement these tasks faster, more efficiently and more economically than a public authority could. This is the argumentation of the legislator—and we see it the same way. The state uses the expertise of the business community to the benefit of the economy. And, last but not least, the public tasks assigned by the state are, alongside the overall representation of interests, the other decisive legitimation for compulsory membership and membership fees.

In this way, the state also ensures a lean administration.

Kürn: Correct. Conversely, this is an advantage for the state. At the same time, it creates better framework conditions for the economy, because the CCIs ensure that the public tasks assigned by the state—within the framework of the legal requirements—are implemented as close to the economy and its interests as possible.

Couldn't the state also have left the tasks to private institutions?

Kürn: We do not want to deny that private providers hold a range of expertise. But such tasks cannot simply be delegated to private institutions. On the other hand, the CCIs—as corporations under public law (and based on the CCI Act)—are predestined to implement public tasks with economic relevance that have been delegated by the state. The structure of legal membership guarantees the independence required for this and provides the legitimation for the autonomous design of such tasks on behalf of the state.

Do the CCIs carry out the public tasks assigned by the state free of charge for their members?

Ortlepp: No, such tasks usually have to be paid for. The general assembly, i.e. the representatives of the regional economy, set fees for this. But these fees would be much higher if the services were not co-financed by the membership fees paid by

the companies. Here we operate on a mixed financing principle based on the CCI principle of solidarity.

What does that mean exactly?

Ortlepp: The companies with higher turnover pay higher fees, but all pay the same low fees for the services transferred from the state, so that no company is disadvantaged by high fees, nor is its success impaired in any way. And by the way: If the state itself carries out such tasks, they must also be paid for.

The CCI carries out a wide variety of public tasks delegated by the state. What do they all have in common or how can the tasks best be categorised?

Ortlepp: First of all, only those public tasks are delegated to the CCIs that affect the members, i.e. the companies—no tasks affecting the general public (or wider society) end up at the CCI.

Kürn: Purely in terms of content, there is actually a wide range of tasks. In vocational training, the CCI is even systemically relevant. Here its tasks begin with the granting of training permits for companies as well as the review and registration of training setups—all the way through to the final examination. But we also issue trade licences or export documents, recognise foreign vocational qualifications, swear in experts, register financial investment and insurance brokers and hold examinations to test a candidate's expertise and technical knowledge.

Does each CCI offer all of these public services?

Kürn: No, sometimes a chamber of commerce and industry takes on a task for a larger catchment area. For example, the CCI for Munich and Upper Bavaria is responsible for the licensing and registration of all insurance brokers in Bavaria, with the exception of the CCI district of Aschaffenburg. Such bundling of tasks creates overarching competence centres, which can bring efficiency advantages vis-a-vis a decentralised approach to completing the task.

How do the honorary office and primary office interact in the public tasks assigned by the state?

Ortlepp: First of all, there is a practical division of tasks. On the one hand, tasks such as trade licences or export documents are the responsibility of the primary office, and on the other hand, examinations, for example, are carried out through voluntary work. In Munich and Upper Bavaria alone, 10,000 people work for us on a voluntary basis as examiners.

Kürn: The primary and honorary office work hand in hand and coordinate their activities. A good example is the organisation of examinations in the field of training and further education, and in the trade-law specific examinations that test both technical and specialist knowledge. The CCI primary office provides the organisational framework, for example by providing examination rooms and coordinating dates. However, the exam itself is conducted by volunteer experts from companies and vocational schools.

Who determines that (and which) public tasks assigned by the state are taken over by the CCIs—the federal government, the states?

Ortlepp: Both, but most tasks are delegated to us by the federal government.

Can the CCIs say no if tasks are to be transferred to them?

Ortlepp: Such tasks are always legally binding, so we have to implement them as soon as they become law and the CCI has been appointed as the executing authority. However, we can use the legislative process to lodge arguments as to why we do not think that a task should be in our hands. This was the case when the consumer dispute settlement bodies were set up. Here we saw the consumer protection bodies, and not ourselves, as being duty-bound here. After all, these bodies were not established as part of a CCI task. In the end, of course, it is always the legislator who decides.

What is the situation in reverse? Do Chambers of Commerce and Industry occasionally position themselves for new tasks to be assigned by the state or even initiate them?

Kürn: When the legislator prepared the registration of insurance brokers by law, we put ourselves forward. The CCIs said that this is a task that belongs to us in terms of content, and which we can handle well and with efficiency. The legislator followed this line of argument.

To what extent is the way in which public tasks assigned by the state are implemented left to the CCIs themselves? How strict are the state guidelines? Where do the CCIs enjoy some leeway?

Ortlepp: In principle, we demand a certain degree of freedom of organisation and, above all, sovereignty over the setting of fees. Among other things, we try to keep the bureaucracy involved within limits for everyone, especially for the small businesses that make up the majority of our members.

Kürn: Ultimately, the scope for design depends on the respective legal basis. In some areas, there is relatively little leeway, such as in trade law. In other areas, we are able to shape the content more. For example, all the chambers of commerce and industry have succeeded in ensuring that final training examinations are uniform nationwide.

How are the CCIs supervised when it comes to the public tasks assigned by the state?

Ortlepp: There is no technical supervision, which means that the content and implementation of the exams are not checked. But there is legal supervision. This is exercised by the ministries of the economics of the federal states.

What happens if a chamber actually fails to implement a public task assigned by the state?

Ortlepp: Those affected can then register their complaint with us—the primary office or the general assembly—as well as with our legal supervisory body, the Ministry of Economics. We, as the chamber of commerce and industry, must then take a position and remedy the complaint. We are liable in the event of demonstrable errors. The complainant can therefore take us to court. That is why all our employees are insured. No matter how carefully and precisely they all work, mistakes can always happen.

And vice versa: What if companies make mistakes? How can the chambers of commerce and industry and institutions acting on behalf of the state then react?

Kürn: If, for example, considerable abuses are revealed in training companies, we can withdraw their training authorisation. The same applies to trade licences: As part of our legal supervision, we can or are even obliged to take away a company's trade licence under certain circumstances. However, the withdrawal of a training authorisation or trade licence should only be applied as a last resort. The principle of proportionality applies. First of all, we try to persuade the companies to put a stop to the abuses.

The public tasks assigned by the state are also implemented by voluntary work. How do you motivate people to take on such tasks?

Ortlepp: Often people who are already involved in voluntary work also take on CCI tasks. They already work in associations or, as is often the case, in local politics and then also for the CCIs.

Kürn: They get a lot in return for their commitment—and that's how we advertise. Through their commitment, they stay up to date with regard to content, exchange knowledge with other companies, share it, expand their expertise, look beyond their own horizons and network.

In other words, involvement in public tasks delegated by the state also makes companies more innovative?

Kürn: Yes, because this commitment promotes a professional exchange and thus the dissemination and further development of practical knowledge. This also especially applies to their involvement in examinations, because it is very much about content-driven tasks.

How do the public tasks that companies support voluntarily have an overall effect on the mindset of the entrepreneurs, on their willingness to get involved?

Ortlepp: If someone has good experiences with voluntary work—for example as an examiner—, then this can often lead to even greater commitment to the economy and ultimately to the common good. What we observe time and again, in particular, is that the committed companies, who for example act as examiners, are willing to accept further honorary positions, for example in the expert committees or in the general assembly, especially in the chamber of commerce and industry itself.

Do you see the delegation of public tasks to the CCIs as a good argument for promoting a CCI system in our readers' countries?

Kürn: If state administration is replaced by self-governance, this leads to a win-win situation for both state and society. The state conserves its own resources and the companies benefit from the fact that such tasks are carried out in a business-oriented, streamlined, flexible and cost-effective manner.

Dr. Ortlepp, Dr. Kürn, thank you very much for the interview.

Vocational Training—Ensuring the Quality of Vocational Education and Training

The state has given the chambers of commerce and industry the task of co-organising vocational training and ensuring that it is of the highest possible standard on a permanent basis. The chambers implement this by registering training companies, organising and conducting initial and further vocational training examinations, aptitude tests for trainers and much more. The chambers of commerce and industry play a key role in the vocational training system.

Whenever the German economy is discussed abroad, the model of dual vocational training as practised in Germany is usually highlighted. Through this model, young people are not only trained in an occupation but also receive thorough practical and theoretical training in companies and at special schools. The training content is regularly adapted to the developments and needs of the sectors. This model has many advantages: With its help, the companies can ensure their individual and sustainable need for competent skilled workers. And, they can expand their innovative and competitive capacity. Last but not least, dual training contributes to achieving the promised level of quality known as “Made in Germany”. This strengthens Germany as a location and the competitiveness of Germany as a whole. The fact that Germany is a country with a very low youth unemployment rate in international comparison is also attributed to the dual training system. In 2017, the youth unemployment rate was just 5.2%. By way of comparison: More than one in two young people in Kosovo is without a job. And even within the European Union (EU) there are states with rates of more than 25%. It is, therefore, understandable that dual training is not only known and famous all over the world, it has also become an export hit. Demand is increasing worldwide, and the federal government is pushing for this accordingly. The iMOVE initiative promoted by the Federal Institute for Vocational Education and Training (BIBB) observes that emerging countries with a rapidly growing population find this model particularly interesting in order to offer their young generation promising prospects for the future, but also to meet their growing demand for skilled labour with well-qualified young people and thus increase their international competitiveness. With the help of the BIBB, the South American countries of Colombia and Paraguay are even developing and implementing their own models for dual vocational training.

A German Speciality: Dual Vocational Training

But what exactly does dual vocational training mean? Dual means that—unlike in most other countries—young people complete their training at two places of learning in tandem and not simply one after the other:

- The practical and predominant part in their respective training company and, at the same time,

- In vocational schools, where students complete the theoretical, accompanying part, in which subject-related and general education skills are taught on the basis of a framework curriculum.

The two dual partners, the company and the vocational school, work closely together. As a rule, training lasts two to three and a half years—depending on the occupation, previous knowledge and performance. What also makes dual training attractive from the trainees’ point of view is that, whereas in the past, the apprentice used to have to pay an apprenticeship fee to his or her master to be trained at all, nowadays it is the other way around. Throughout his or her apprenticeship period, the trainee receives a monthly training allowance from the company, which is staggered according to the occupation and year of training. As the latest evaluation of collectively agreed training allowances by the Federal Institute for Vocational Education and Training (BIBB) has shown, allowances in Germany for 2017 averaged EUR 876 per month. Nevertheless, there are sometimes significant differences. Plant mechanics, for example, already earn around EUR 1,000 in their second year of training, while prospective restaurant specialists generally do not reach this level even in their last year of training. (Look at Fig. 5.1.)

If a person’s training is in the industrial, trade and services sector, the chambers of commerce and industry come into play. They play a decisive role in the organisation and quality assurance of dual vocational training. The regional chambers of commerce and industry register the training contract, organise the respective intermediate and final examinations, and hold the examination and schedule examiners. Similarly, the respective regional Chamber of Trades and Crafts is responsible for the craft trades.

Training	→ in the company	→ at the vocational school
Legal basis:	Vocational Training Act (BBiG - of 14.8.1969, amended on 23.3.2005)	School laws of the federal states
Contractual commitment:	Training contract between company and trainee	Compulsory vocational school attendance, vocational school qualification
Basis:	Training ordinance (regulated uniformly at federal level)	Framework curricula of the federal states (coordinated nationwide)
Duration:	3 to 4 days per week in professional practice	1 to 2 days per week or block teaching in specialised classes

CCI examination

Source DCCI

Figures as of December 31, 2019 | Source: Bavarian Chambers of Commerce and Industry

Fig. 5.1 Almost half (46%) of all active training companies have only one trainee. This means that small companies, in particular, are involved in providing vocational training

Short History of Dual Vocational Training

In the past, young people were trained exclusively in companies. The industrial companies aligned their training efforts with the craft companies. But with time it became clear that apprentices also needed a certain theoretical background, especially when it came to mathematical and scientific subjects. In Bavaria, the vocational training system has its origins in a royal decree on the chambers of commerce and industry dating from 1908 which, as the self-governing bodies of the economy, were assigned responsibility for vocational training. In 1927, the CCI Nuremberg conducted the first examination for skilled workers, one year later the CCI Munich established the first commercial assistant examination in Southern Germany.

In 1969, the German Bundestag finally passed the Vocational Training Act (BBiG). It provided and continues to provide uniform regulations in vocational training throughout Germany—so that trainees in Hamburg learn the same things as those in Munich. In addition to dual vocational training, the law also defines the term vocational training as preparation for vocational training, further vocational training, also known as higher vocational training, and vocational retraining. The law also defines the legal basis of vocational schools and the trainee's entitlement to remuneration. Finally, the law designates vocational education and training in the fields of industry, trade and services to the chambers of commerce and industry (CCIs) as a statutory, sovereign mandate: The CCIs co-organise vocational education and training, they have to ensure its quality and should work towards the further development of the quality underpinning vocational education and training. In doing so, they stand for the equivalence of academic and vocational education and training. The specific role of the CCIs in post-vocational training is described below and in Chap. 6 in the article on the CCI Academies.

Quality Assurance for Dual Vocational Training by the CCIs

The CCIs contribute to the quality assurance of training by

- supervising and advising companies and trainees with their special educational advisers
- determining whether companies are suitable as training companies and certifying them
- checking that the instructors responsible have the required qualifications
- continuously supervising and checking the company training
- registering all training contracts
- organising intermediate and final examinations and issuing certificates
- promoting and qualifying trainers and examiners
- recruiting apprenticeship places
- supporting companies in the search for trainees
- mediating in disputes between the trainee and the company
- providing assistance with the organisation of trainee stays abroad

Cooperation Between Government and Business

In dual vocational training, the state and business are equally involved: Through the Vocational Training Act (BBiG) and the Crafts Code (HwO), the state defines the framework conditions and standards for training—such as the rights and obligations of trainees and their remuneration—and it also defines the suitability of training facilities and training personnel, and it regulates the final examination, and so on. The Federal Institute for Vocational Education and Training (BIBB) prepares training regulations and is responsible for drafting the training regulations in collaboration with experts from day-to-day vocational practice. These are coordinated with the framework curricula of the vocational schools, which in turn are drafted by experts from the federal states (appointed by the Ministries of Education and Cultural Affairs). The involvement of the state in vocational education and training, the clear specifications via the BBiG and the training regulations ensure the nationwide standardisation of training.

The business community is involved in vocational education and training by providing practical training in companies and, among other things, through the chambers of commerce and industry (CCIs), which supervise training as a public task assigned by the state. It should be mentioned here that the CCIs carry out their training-related tasks not just via the primary (full-time) office, but also with the intensive support of the voluntary office. In Munich and Upper Bavaria alone, around 10,000 company representatives are deployed as examiners.

In addition, the industry is also involved in the further development of vocational education and training through the BIBB and other organisations. For example, the Association of German Chambers of Commerce and Industry, the nationwide umbrella organisation for all chambers of commerce and industry, is

represented on the BIBB’s committees alongside other business representatives. The fact that business and industry are involved in vocational education and training, in turn, ensures that knowledge and skills that are actually needed in working life are imparted during training. (Look at Fig. 5.2.)

The Vocational Training Committee

The Vocational Training Committee is an important body within the chambers of commerce and industry that supports the quality assurance and further development of training, but also of vocational training as a whole: In contrast to the other specialist committees of a chamber of commerce and industry, this is a body prescribed by the Vocational Training Act. For every six representatives, the committee consists of the employer—that is CCI members—as well as employees and teachers at vocational schools; the teachers have an advisory vote (cf. also Chap. 4, Articles on vocational training). Each member has a deputy. It must be informed and consulted on all important matters of vocational education and training. In particular, the committee must work towards the steady development of the quality of vocational education and training within the scope of its tasks.

* Disciplines are summarized

Figures as of 31.12.2019 | Source: Bavarian Chambers of Commerce and Industry

Fig. 5.2 Steady popularity for years: the most sought after apprenticeships in Bavaria

Box: Facts and figures of the Bavarian Chambers of Commerce and Industry 2017

- With more than 138,000 registered apprenticeships, the Chambers of Commerce and Industry in Bavaria are responsible for 57% of the apprentices in Bavaria.
- The number of active training companies fell by 0.5% to 30,899 after a decline in 2016.
- The proportion of training contracts with trainees without German citizenship rose steadily, to 9.0% in 2017.
- More than 160,000 people passed a vocational training and further education examination at the Bavarian Chambers of Commerce and Industry in 2017.
- The proportion of trainees with higher school-leaving qualifications remained constant in 2017 at 70% of all training contracts concluded.
- In 2017, more than 14,000 training places remained unfilled. This represents an increase of 19.3% compared to 2016.
- The number of newly concluded CCI training contracts in Bavaria rose by 0.4%.
- Approximately 72% of training contracts that fall to the responsibility of the CCIs in Bavaria are concluded in 20 training occupations.

Case study 1: Shortage of Apprentices—Supporting the Training Companies with Targeted Campaigns

In recent years, the number of higher education students has steadily increased. At the same time, many companies are unable to fill their training positions. At the start of training in 2018, there were still 16,000 vacancies in Bavaria alone. The chambers of commerce and industry, therefore, support their member companies with numerous activities so that the dual vocational training system and the training professions become better known and companies can find suitable applicants. (Look at Fig. 5.3.)

Nationwide Online Apprenticeship Exchange

The joint nationwide online apprenticeship platform of the chambers of commerce and industry was launched in the spring of 2012 with the aim of bringing together young people seeking training and companies looking for apprentices with greater speed and ease. The platform enables young people to search specifically for

apprenticeship vacancies, dual courses of study, combined training and further training, as well as job-oriented internships in specific regions. In addition, there is a lot of interesting information on the respective professions such as job descriptions, videos and photos.

But there are also numerous regional offers from the chambers of commerce and industry, for example in Bavaria as well as in Munich and Upper Bavaria:

- **Parental pride or “Elternstolz”:** Since February 2016, the campaign “Ausbildung macht Elternstolz” (“Vocational apprenticeships make parents proud”) by the Association of Bavarian Chambers of Commerce and Industry has been addressing parents in a targeted manner on the Internet (QR Code), with posters, radio and cinema advertising, to encourage them to take a positive attitude towards vocational training for their children.
- **CCI Vocational Training Scouts:** With this project, the Bavarian CCIs directly address pupils to support them in their choice of career. Since 2016, they have sent over 1,000 trainees to schools to report on their experiences in vocational training.
- **Education partnerships:** With the project entitled “Education Partnerships”, the CCI for Munich and Upper Bavaria supports the expansion, dissemination and ongoing development of cooperation between schools and companies. The purpose of these partnerships is to bring a positive image of vocational training into schools—for example, through company tours, shared projects, teacher and student internships or job application training, which is made possible by the companies.

Source: Federal Employment Agency, training place market, monthly data – analysis data, September 2015 to 2019, each as of September 30 | Bavarian Chambers of Commerce and Industry

Fig. 5.3 Large gap: The willingness to provide vocational training in Bavarian companies is high, but there is a shortage of applicants—partly due to demographical change

- **CCI Education Express:** This is a special offer where pupils from the districts of Mühldorf and Altötting can find out about apprenticeships at companies in the region during a train journey from Mühldorf to Salzburg. The companies present their offers in the train during the journey.
- **Training fairs:** In Munich, Rosenheim and Ingolstadt the “IHKjobfit!”, a cooperation between the chamber of commerce and industry for Munich and Upper Bavaria and Munich’s Employment Agency, takes place at regular intervals. At this training fair, interested young people can find out about current training occupations and dual courses of study. CCI companies from a wide range of sectors present themselves and work to establish initial contacts with potential trainees.

Case Study 2: Vocational Training and Trainer Aptitude— Ensuring Quality in Training

Qualified specialists are in short supply in Germany and will continue to be urgently sought in the future. This year, the Bavarian economy alone lacks roughly 260,000 qualified employees across all sectors. According to the CCI’s specialist employee monitor for Bavaria, the shortage will rise to 450,000 people by 2030. One way to find good personnel despite a highly competitive market is to train them yourself, qualifying them to meet the needs of your own company and retaining them. A positive side-effect: those who train offer young people career prospects and actually do something good for society. Especially when they also offer the chance to those who, at first glance, do not appear to be the optimal candidates for a training position. As of 31 December 2017, there were some 190,670 training companies throughout Germany and 30,900 in Bavaria.

Requirements and Specifications for Training

Training skilled workers in one’s own company therefore offers advantages to every company. However, a training company also assumes a special responsibility towards its trainees. In the interest of all parties involved, a certain minimum quality of training must therefore be guaranteed. This is achieved by providing a legally prescribed uniform framework for all. Thus, a company wanting to provide training must fulfil certain requirements and specifications:

- **Vocational Training Act:** The Vocational Training Act (BBiG) and the vocational training ordinances *for the respective occupations form the basis of inter-company vocational training*. All the skills, knowledge and abilities stipulated therein must be taught during the planned training period. Training must be structured in terms of time and content.

- **Vocational training requirements:** Apprentices may only be recruited and trained if the type and facilities of the training institution are suitable for vocational training and the number of apprentices is proportionate to the number of skilled workers employed there (usually two to three skilled workers per apprentice).
- **Personal and professional aptitude:** Trainees may only be employed if the company's employees are personally suitable. Trainees may only be trained by people who are personally and professionally qualified.

Special Regulation: “Shared Vocational Training”

There is a special regulation for training centres in which the necessary vocational skills, knowledge and abilities cannot be fully imparted. These can still be classified as suitable training companies if their trainees can prove that they can learn the missing skills and knowledge afterwards or before when at another company. This is then referred to as shared vocational training. This is sometimes particularly helpful for small or highly specialised companies that still want to provide in-house vocational training. Take the example of an office management assistant: Here it is legitimate for a small company to send its trainee to the company's own tax adviser so that he or she can acquire additional tax and accounting knowledge.

Registration of Training Companies

Whether or not a company fulfils the above criteria and is suitable as a training company is decided by the respective CCI (Chamber of Commerce and Industry) in the case of CCI member companies. All training companies must also be registered with the CCI. The CCI and its training advisers are generally the point of contact for all training companies among its members, including those that are planning to provide training for the first time. These companies must first fill out a questionnaire from the CCI which asks, among other things, in which occupations training is to be provided and who is to take over training in the company. Then the CCI educational adviser contacts the company. He or she advises the company and informs it of its rights and obligations, for example the special provisions of the Youth Employment Protection Act, which regulate the maximum working hours and the type of work for young people. Then he or she visits the company to gain an idea of the conditions on site. In doing so, the training consultant checks, among other things, whether the company is adequately equipped both technically and spatially to provide training and, above all, whether there are enough qualified training personnel available to take on the task, which can be quite time-consuming at times. If all conditions are met, the CCI officially declares a company to be a training company, certifies it and registers it. In 2017, 3450 companies from Bavaria

successfully passed the aptitude test conducted by the CCIs and thus acquired the right to train young people.

Trainers and Proof of Suitability

The trainers are the key factor in determining aptitude because they teach the training content at the vocational training company. Therefore, anyone who wants to train must meet certain personal and professional requirements. The company willing to provide training must make appropriate provision for this.

- **Personal suitability:** Trainees may only be hired if the company is or the company's employees are personally suitable. This prerequisite is generally met by every entrepreneur, trainer or training officer unless they have repeatedly or seriously violated the Vocational Training Act or are not allowed to employ children and young people. The latter is the case if someone has been sentenced to at least two years' imprisonment for a criminal offence, for a violation of the Narcotics Act or for distributing written material deemed harmful to young people.
- **Professional aptitude:** A further prerequisite for working as an instructor is professional aptitude. Anyone who has the necessary professional, vocational and pedagogical skills is considered to be professionally qualified. These must be documented. As a rule, trainers have passed a final examination in a field corresponding to the occupation for which they are trained and also have professional experience. In addition, however, they have to prove their vocational and work-related pedagogical skills by passing a trainer aptitude test according to the so-called Ordinance on Trainer Aptitude (AEVO). A number of educational institutions offer courses that prepare for this examination. In these courses, participants receive tips on how to organise training and develop a training plan. Other topics include checks on learning, examination preparation and the drafting of certificates. In addition, the trainers teach the legal framework of training courses. Such vocational training for trainers with a final examination is the only recognised and uniform qualification for proof of vocational and work-related pedagogical knowledge nationwide. The CCIs hold the examinations.

In 2019, more than 45,000 individuals were registered as company trainers in Bavaria. (Look at Fig. 5.4.)

Supporting the Trainers Through the Training Officers

The certified instructor can define subtasks and delegate them to so-called training officers. These are committed employees who themselves have not passed an instructor examination, but who would still like to prepare the next generation for

Fig. 5.4 In Bavaria alone, there are more than 45,000 trainers who guide young people towards their profession

*Figures as of December 31, 2019
Source: Bavarian Chambers of Commerce and Industry*

their professional future. However, the trainer is responsible for monitoring their deployment and the progress of the training in question. Training officers must also have the necessary qualifications for teaching training content and must also be personally suitable.

As the guardian of quality in vocational training, the chamber of commerce and industry also carries out spot checks to ensure that training companies and trainees fulfil their obligations. In case of dispute, it can also mediate between the parties. It also makes recommendations on the occasion that companies provide training in certain occupations where there is increased demand and recruits new training companies accordingly.

Case Study 3: Dual Vocational Training at HiPP GmbH & Co. Vertrieb KG in Pfaffenhofen/Ilm—Training Employees from the Very Beginning to Meet the Special Needs of the Company

Over the past five years, the number of active CCI training companies in Bavaria has fluctuated consistently between 31,000 and 32,000, with new ones being added all the time, but companies are also dropping out, for example because their training places remain unfilled. And then there are long-established companies like HiPP GmbH & Co. Vertrieb KG, which have been permanently and continuously involved in dual vocational training for many decades. 60 trainees are currently in training at the company's headquarters in Pfaffenhofen an der Ilm in eight different dual vocational training disciplines and three different fields of study (see box below). What HiPP particularly appreciates about the dual vocational training system is the balanced combination of theory and practice, as well as the opportunity to train employees from the very beginning to meet the special needs of the company: "We often find that university graduates have a very technical-oriented

education and therefore require a longer period of familiarisation” says Josef Hönig, HR Officer in the area of junior staff development at HiPP. “And even though we naturally need academics for the perfect mix of our teams, we believe that dual vocational training is the best way to enter into lifelong learning. Moreover, educational pathways have become very permeable. “Anyone who still wants to become a master craftsman or study after the training can do so,” said Hönig.

Needs-Based Training

One of the first apprenticeships offered by the organic baby food manufacturer, which was founded in 1932, was that of an office clerk. “But, of course, the training at that time cannot be compared to today’s training as the requirements have risen sharply” smiles Hönig, himself a company employee for around 20 years. “Today, we no longer train office clerks at all, but instead industrial clerks with an additional qualification as a foreign language correspondent in English (CCI).” For a company such as HiPP, which on the one hand is very regionally oriented, but on the other hand produces its product range at several locations abroad and whose sales markets are located throughout Europe as well as in South Africa and Asia, this was a target-oriented decision: After all, with a good command of English, employees can be transferred abroad more easily and more readily. And given that HiPP wants to employ as many trainees as possible in its own company, later on, the company takes full advantage of the opportunity to prepare its future specialists for tomorrow’s requirements during their training. “Our hiring rate is 100%” says Hönig, “and after ten years, four out of five of the employees we have qualified are still with us. This also applies to Lisa Kislinger. She completed a dual vocational training programme as an industrial clerk at HiPP. Afterwards, the 23-year-old continued her training as an HR Manager alongside her work. She now works in the HR Department of the Pfaffenhofen-based company. During her training, Kislinger went through numerous departments, looked after the prospective trainees, and was allowed to manage the realisation of a new baby toy—a so-called “Greifling”—from its development through to quality assurance and marketing. “Trainees take on responsibility at HiPP at an early stage. They are divided into groups and then manage their own projects”. The same applies to the Media Team, which is responsible for the company’s own trainee blog, in which trainees report on their everyday lives. “The aim is to ensure that the trainees are given the right amount of tasks and responsibility at an early stage,” says Kislinger.

Trainee Acquisition

The company is still able to fill all its apprenticeship places—even if the shortage of skilled workers has already spread to the apprenticeship sector. Sometimes, however, flexibility is also required. “If, for example, we find four applicants for every two advertised positions in a training occupation who are an ideal match for us, then

it may well be that we take all four of them and train less in this area the following year,” says Hönig. When it comes to trainee acquisition, the company at this location naturally benefits from its name and size. HiPP employs around 1,200 people at its Upper Bavarian headquarters. “But since we fish in the same pool of applicants as other well-known companies, we still have to actively recruit young people” adds Hönig. “This is how we work together with the schools, take part in the CCIjobfit! training fair, offer trial internships and much more. At the so-called “Applicants’ day”, interested parties and training companies then have the opportunity to get to know each other better and to check whether they are a good match. Kislinger also found her way to the organic food producer through a career information evening and an internship, as do many trainees. On its homepage, HiPP also offers a wealth of information on the various training opportunities it has, the trainee blog and a trainee check, which young people can use to find out which job at HiPP might suit them best.

Trainee Check as a Source of Career Orientation

This self-check makes sense, as there are certain professions that are more popular than others, “simply because they are better known” says Hönig. For example, many people can imagine what a mechatronics engineer does, “but very few people know that, for example, training to become a food technology specialist is also very varied and interesting, given that 50% of your work is related to technology and 50% to food. On the one hand, trainees in this vocational apprenticeship learn how to produce food from raw materials using highly technical production facilities. On the other hand, they are instructed in the operation of the production facilities and are given an overview of the control and monitoring of the production process.

Solving Problems Together

Like all other training companies, HiPP also had to have itself recognised as a training company by the Chamber of Commerce and Industry. The company has one full-time trainer per training discipline, in addition to numerous part-time trainers and so-called trainee supervisors. “There is no other way to ensure the quality of training in a company that has 20 different departments alone in the commercial sector to which the apprentices can transfer” explains Hönig. However, the trainers not only take the basic trainer aptitude test, they also receive further training as part of an internal training programme. “We also work closely with the Bavarian Trainers’ Academy. This initiative by the Bavarian Chambers of Commerce and Industry certifies the competencies of the individual trainers in a three-step procedure. In addition, there is an exchange with other companies and the CCI about training topics and, sometimes, even about problems that arise during training.”

Sometimes it can happen that not everything goes smoothly. “For example, we wanted to train a young person as an industrial mechanic as per his request. But within the first four months it became clear that his manual skills were not sufficient” Hönig recalls. “In close cooperation with the Chamber of Commerce and Industry and the vocational school, we then found a mutually satisfactory solution”, says the HR Officer. “After all, as a training company, we have a duty of care towards the young man, as we chose him as a trainee. His current training contract was terminated. Instead, he received a new training contract as a specialist for warehouse logistics and was allowed to change to the corresponding vocational school class in the first year of training without any major issues. “It was a win-win situation,” says Hönig happily, “in the end the boy graduated and we gained a qualified employee.”

Box: An Overview of Training Professions and Courses of Study at HiPP

HiPP currently trains eight dual professions:

- Industrial clerk with additional qualification as foreign language correspondent—English
- Warehouse logistics specialist
- Specialist for food technology
- Mechatronics engineer
- Electronics engineer
- Industrial mechanic (m/f)
- IT specialist in the field of application development
- Laboratory chemist
- Chef.

The company also offers three dual courses of study

- Business Administration in cooperation with the Baden-Württemberg Cooperative State University Mosbach
- Business Information Technology in cooperation with the Technical University of Ingolstadt
- Environmental protection with the Weihenstephan-Triesdorf University of Applied Sciences.

Open for New Job Profiles

The demands of the working world are changing. Business and politics are reacting to this. On the one hand, new job profiles are being created. These include, for example, the e-commerce clerk. E-commerce clerks work in companies that sell goods or services online—not only in wholesale and foreign trade, retail trade or the tourism industry but also with manufacturers and service providers (see also case study 6: Further development of training occupations). Given that digitisation is also an important topic at HiPP, the company may also train apprentices in this occupation in the future. On the

other hand, there are innovative solutions such as the combination of initial and continuous training. The industrial clerk is an example of this with further training to become an English foreign language correspondent (CCI). Since 2016, the CCI has been offering this additional qualification in cooperation with the Pfaffenhofen vocational school for trainees working in the disciplines of office management, banking and industry. HiPP also provides intensive training in this profession. The dual qualification, comprising an apprenticeship and further training, benefits both the trainees and the training companies. In just three years, participants acquire two recognised CCI qualifications, ideally coordinated in terms of content. English language skills such as conversation, modern business correspondence, the translation of business-related texts in the most diverse situations of the professional world, as well as inter-cultural background knowledge make foreign language correspondents an irreplaceable aid for all companies doing business abroad.

Case Study 4: Trainee Portrait Melissa Bauer, ConSol Consulting & Solutions Software GmbH—Combining Vocational Training and University Studies, Increasing Career Opportunities

University studies or a dual vocational education? This is one of the central questions many young people have to deal with today in the course of their career planning. In 2017, around half a million school leavers began studying, and just as many new training contracts—a minimal number—were registered. 20 years ago, twice as many school leavers opted for vocational training instead of university studies. The trend towards academia in Germany is steadily progressing. According to the Bavarian State Office for Statistics, the number of first-year students at universities in Bavaria rose from around 74,200 in 2015 to over 81,100 in 2017. Many of Melissa Bauer's friends and acquaintances also preferred a normal course of study to an apprenticeship. "However, it became clear early on that I wanted more practical relevance," says Bauer from Landau an der Isar. So she seemed to be interested in exactly what a dual vocational training programme offers: Theory in the vocational school, parallel application in the company. Bauer went in search of detailed information about the various training opportunities, took an online test at the Federal Employment Agency to find out which professions would suit her, and finally came across training as an IT specialist in application development.

A High Affinity for IT from an Early Age

In year 6 at school, Melissa Bauer had computer science for the first time, and from year 8 onwards, she dealt independently with the software of her mobile phone. “I was on fire, I really wanted to learn the Java programming language” Bauer recalls. Without any special previous knowledge, she took part in an online course and a computer science camp at the renowned Hasso Plattner Institute at the University of Potsdam. Afterwards, it was clear to her: “Computer science - that’s it.”

For Bauer, who graduated from senior school in 2017, the job as an IT specialist in application development really seemed like it was made for her: strong IT and user orientation with a focus on software, practical training, acquiring technical and social skills in the company and earning money at the same time. “But should I forgo studying?” she thought again. “Why? I can and want so much more.” So she did some more research, discovered the dual study option and finally decided on it with a view to further career opportunities. A dual course of study means that the trainee studies as part of their vocational training. Via the Hochschule Dual website, she searched for companies that offer so-called compound study (see below) involving computer science in combination with training as an IT specialist in the field of application development. ConSol Consulting & Solutions Software GmbH in Munich, a CCI-approved training company for 20 years and recognised as particularly family-friendly, immediately met with her approval. Since 1984, the medium-sized company, which currently employs around 260 people, has established itself on the market as an IT service provider. Bauer’s online application was promptly followed by a call from the company. She and ConSol quickly found good common ground, even though the general conditions for her studies did not fit at first. The company, which usually trains exclusively for its own needs, has traditionally cooperated with the Cooperative State University in Heidenheim. In contrast, their new apprentice and computer scientist in the making wanted to work and study in Munich, “not least because the Munich University of Applied Sciences has a very good reputation in this course of study” says Bauer. ConSol agreed.

Two Career Paths, Two Qualifications

In September 2017, the new trainee started her dual training programme. As early as October, there were two weeks of theory in a row at the Municipal Vocational School for Information Technology (BFS) in Munich. At the company, Bauer was soon able to work on the company’s own trainee network, learn about different access authorisations and how to programme them. She and the seven other current trainee colleagues—including prospective IT specialists in system integration and commercial trainees such as office administrators—are supervised by specially trained colleagues. Bauer’s training in the company follows a detailed training plan.

At the beginning of her second year of training, the prospective IT specialist for application development began her studies in computer science at the University of

Applied Sciences in Munich. Once she has completed her training, Bauer will remain with the company for at least another year as part of her studies.

Working Independently at ConSol Even as a Trainee

Working in a company today, vocational school tomorrow and learning for your studies at the same time, all this over a period of several years, is quite a challenge. This is why the young woman often got to hear from her family and circle of friends: “It’ll all be very tiring. Do you really want to do this?” Melissa Bauer decided to do it in spite of everything. In her view, the arguments in favour of combining dual training and studies were too convincing: two recognised vocational qualifications, a course of study that she can finance in part through her training allowance, theory and practice in combination, earning her own money and very promising career prospects. “IT specialists with practical experience are in demand, they can choose their job”. Not to mention the relatively free, self-determining project work like at ConSol. Like many small to medium-sized IT companies, the Munich-based company works according to the principle of “Management by Objectives”. In other words, employees are given a goal to be achieved and a time window in which to reach it, but not the way to get there. Which software they use, how they allocate their time is left to each individual in consultation with their colleagues. This also applies to the trainees. For example, Bauer and her IT trainee colleagues were given the task early on of revising the employee portal with very limited time—namely within three months—including setting up certain new search functions and features. In doing so, they had to organise themselves. In addition, they are permanently and independently responsible for their trainee network.

In the meantime, Melissa Bauer has given up vocational school in order to have more time for studying and working in the company. As a high school graduate, she is entitled to attend vocational school, but is not required to attend vocational school. All in all, after 4.5 years she will have finished everything, will have a dual vocational training qualification and a bachelor’s degree in her pocket. Whether or not she would do a dual vocational programme training again is out of the question for the IT specialist in the making. She is already planning one step further: “Maybe I’ll even go on to do the next higher qualification and become a technician.”

Box 1: At a glance—IT specialist in the field of application development

The IT specialist in the field of application development is a recognised training occupation (dual vocational training) in commerce and industry as well as in the skilled trades (regulated by the Training Ordinance). The training period is three years. IT specialists in the field of application development develop and programme customer-specific software applications. They create new individual software or test existing applications, adapt them and develop application-oriented user interfaces. For their work, they

use programming languages and tools such as developer tools. They also take on tasks in project planning and control. They also correct errors with the help of experts and diagnostic systems and advise or train users.

Sample training allowance per month:

- First year of vocational training: EUR 550 to EUR 750 (trades and crafts*), EUR 976 to EUR 1,053 (industry*)
- Second year of vocational training: EUR 600 to EUR 810 (trades and crafts*), EUR 1,029 to EUR 1,102 (industry*) - -
- Third year of vocational training: EUR 700 to EUR 900 (trades and crafts*), EUR 1,102 to EUR 1,199 (industry*)

* Varies according to the federal state. Source: Federal Employment Agency

Box 2: Excursus: Dual study

Nowadays the education system in Germany is much more permeable than it used to be and offers numerous ways to develop professionally. One of these ways is to study within the framework of vocational training. There are different options throughout Germany, for example the two options in Bavaria that are listed below. Two-thirds of dual vocational students in Bavaria have opted for combined studies. That is currently around 4,850 young people. (Look at Fig. 5.5)

- **Combined studies:** This stands for the combination of university studies and parallel vocational training in a company. The vocational training is fully recognised by the CCI or the Chamber of Trades and Crafts. The combined study programme includes a regular bachelor's at the university (culminating in a degree), vocational training in the company (with a vocational qualification) and qualified practical activities that prepare students for their future tasks in the company. The bachelor thesis is largely written in the company. A combined study programme usually lasts 3 to 3.5 years with training lasting 4.5 years.
- **Studies with in-depth practical experience:** This is the combination of intensive practical experience in the company and studies at a university. Students gain practical experience in the company parallel to their regular bachelor or master studies at university. However, vocational training—as in the case of a combined study programme—is not a component. The

Fig. 5.5 In Bavaria, the focus of the dual courses of study is on the combined study, where graduates obtain a vocational training qualification and a degree

students complete a regular bachelor's degree at the university (with a degree), intensive practical experience in the company with their own projects and preparation for their later field of activity in the company, as well as a bachelor's thesis (completed partly in the company). The course of study lasts 3.5 years—including the practical part.

Box 3: Not Yet Ready for An Apprenticeship? Help for Companies and Trainees

Not all trainees are as tough as Melissa Bauer. Companies in Germany, for example, complain time and again that school leavers lack the intellectual maturity needed for vocational training. Surveys in Munich and Upper Bavaria also confirm this assessment. The German state helps with programmes that support young people, but also the trainers in the companies. In one of these programmes—the company entry-level qualification process—the chambers of commerce and industry are also on board. They issue a certificate upon request.

- Company entry-level qualification:** For young people who are not yet ready for conventional training or who have so far been unsuccessful in finding a training place, an entry-level qualification (known as an “EQ”) culminating in a CCI certificate can be the door opener to company training. In turn, the EQ gives companies the opportunity to discover new talents in young people that only become apparent in the practical work environment. An EQ is a company-based long-term internship that lasts between six and twelve months. The Federal Employment Agency contributes to the remuneration paid by the employer with a financial subsidy. Once the participant has successfully completed the internship, he or she

receives a certificate from the company and a certificate from the chamber of commerce and industry upon request.

The CCI umbrella organisation, the Association of German Chambers of Commerce and Industry, has developed EQ examples derived from existing training occupations. Each of these examples contains the contents that are to be taught during the EQ, as well as a model company certificate and a model CCI certificate. For example, there are EQs in the fields of trade, business and administration, the hotel and catering industry, security services, recycling/disposal services, electrical engineering, printing, construction, information technology or in the processing of wood, metal and stone.

- **Assisted vocational training:** Young people without or with only a low-level qualification are often capable of more than first appearances would have you think. One way of demonstrating their skills is with assisted vocational training (AsA): While the company provides training for these disadvantaged young people, it receives intensive and ongoing support from a training provider commissioned by the Federal Employment Agency. The costs for this are borne by the agency. Both the company and the trainee receive support, which is individually tailored to their needs. For example, the company receives assistance with the administration, organisation and implementation of the training or the stabilisation of the vocational training relationship, with the latter also entailing personal accompaniment in the day-to-day operations of the company. The trainee receives support in the form of comprehensive knowledge transfer in general education or specialist theory, language instruction or helps with problems stemming from their social environment.

Case Study 5: Voluntary Examiners—Working Hand in Hand with the Chamber of Commerce and Industry to Improve the Quality of Vocational Training

The organisation and implementation of examinations in vocational training and further education, as well as technical and specialist knowledge, is one of the core tasks of a chamber of commerce and industry. Each year, the CCI for Munich and Upper Bavaria alone holds around 60,000 examinations in more than 230 training

occupations, as well as 70 further education courses and 20 specialist disciplines. In 2017, 24,059 apprentices took part in their final examinations. They passed with a rate of 93.47%. There were also 8,747 intermediate examination participants. A total of 11,551 people took part in further training examinations, 68% of which were successful. 12,560 people took part in so-called specialist examinations, with 65% passing overall.

It is not possible to achieve so many examinations with only full-time employees. The CCIs are dependent on the cooperation of expert practitioners from the companies—among other things - in order to guarantee the prescribed high quality of examinations in the long term. After all, every form of vocational training and further education as well as any technical and professional qualification with the “CCI-certified” stamp is also a seal of quality that proves the competence of the person sitting the exam in the respective profession. Around 10,000 honorary examiners are currently working for the CCI for Munich and Upper Bavaria. They work on the examination boards. These usually consist of representatives of employers, employees and teachers.

Fundamental Tasks of the CCI Examiners

CCI examiners are responsible for

- evaluating solutions to the tasks, which the candidate has completed in writing,
- conducting examination interviews,
- observing practical examinations, and
- determining whether the candidate has acquired the necessary professional competence.

Other Duties of Examiners

In addition to the written, verbal and/or practical examination, examiners’ duties may also include the following:

- Verifying exam admissions,
- Designing tasks,
- Deciding on examining tasks,
- Participating in meetings of the Examinations Committee for the preparation and coordination of exams,
- Supervising written tests,
- Preparing statements in cases of complaints or appeals.

Tasks of the CCI Primary Office

The primary office examination coordinators are responsible for the scheduling of examinations and the overall organisation. At the Chamber of Commerce and Industry for Munich and Upper Bavaria, there are between 50 and 60 employees. Among other things, they also take care of the

- admission or registration of participants, all the way through to the issuing of certificates,
- classification of examiners and examinees,
- consideration of the necessary compensation effect for disadvantages experienced by people with disabilities,
- initial advice for instructors/trainees,
- booking of the examination rooms/examiner catering,
- appointment and preparation of exam tasks,
- workshop scheduling and coordination,
- coordination with companies/vocational schools for practical examinations (material, assembly/disassembly/cleaning and so on),
- examiners' training,
- preparation of new examination documents and information material (e.g. for new professions)
- implementation of information events,
- adaptation and updating of existing documents,
- processing of inspections and appeals,
- selection and training of new examiners,
- provision of examiner support (e.g. scheduling of invigilating, marking and the verbal/practical examination; contact person for technical questions regarding the examination)
- examiners (the exam coordinator is the main contact person for examiners)

How to Become an Examiner

Many of the examiners have a highly intrinsic sense of motivation. They want to use their extensive knowledge, do something for their industry and their profession. And they also want to expand their network, exchange ideas with colleagues on specialist topics. In order to become involved in the Examination Committee, an employee from a company must not only be willing to work on a voluntary basis, it is also very important that he or she is always up to date with the latest developments in his or her industry, is very well prepared for the respective examinations and works cooperatively and constructively with the CCI. Furthermore, some other fundamental requirements must also be met:

- Appropriate professional competence (training in the examination profession or in a comparable qualification),
- Several years of professional experience, professional activity in the field of the exam to be taken,
- Methodological and vocational-pedagogical skills (e.g. the completion of an examination according to the Ordinance on Trainer Aptitude [AEVO]),
- Accuracy, reliability, a sense of responsibility, discretion, loyalty and adherence to scheduled dates
- Personal aptitude to hold examinations for (young) people (Sect. 29 Vocational Training Act).

Anyone interested in volunteering as an examiner should apply to their respective chamber of commerce and industry with the relevant documents. The chamber of commerce and industry reviews the documents and checks whether examiners are needed in this sector/role. After an introductory discussion, the prospective examiner will receive all the essential information and training required for his or her work. He or she first takes part in an examination as an observer, in order to familiarise themselves with the procedures. Once they have become familiar with the basics and procedures, they are officially appointed as a CCI examiner. For this purpose, the respective examination coordinator notifies them of the possible examination dates and plans their assignments with them. Each CCI examiner decides how much time they can and will invest in this honorary position. This depends on how often he or she can take the time for it and, if necessary, how often he or she is released from work by his or her employer. Most examiners work four or five days a year.

Being an Examiner: It's a Give and Take

The solidarity principle of the economy also applies in the area of training in particular: this means that the more trainees a company has, the more voluntary examiners it should provide. Unfortunately, this is not always successful. There is often a lack of examiners, especially in professions that are in great demand. This means that the existing ones have to show more commitment so that sometimes delays in the examination process can occur. Suitable examiners are therefore constantly sought after. They receive an expense allowance from their chamber of commerce and industry for their voluntary work, but no remuneration.

But Even Beyond This, It Is Worth Getting Involved, Because Voluntary CCI Examiners

- ensure the availability of skilled workers trained according to industry needs,
- enjoy a high social standing through their commitment,
- establish valuable contacts and networks,

- gain experience, especially in connection with young people and skilled workers who are willing to undergo further training, which they can use both as trainers and in personnel management,
- enable economic, business- and company-related examinations and
- strengthen in no small way the self-governance of the regional economy.

Practical Insight: Erni Salzinger-Nuener Explains What Makes a Good Examiner

Respect! For almost 25 years now, Erni Salzinger-Nuener has been committed to Munich and Upper Bavaria as an examiner of the CCI. Twice a year, she accompanies the Florist Assistant trainees from morning to night for four days through their intermediate and final examinations, testing their theoretical and practical knowledge both verbally and in writing. And that's not all: As a member of a nationwide Commission, she compiles the uniform questions for these exams throughout Germany; in a Committee of the Munich Chamber of Commerce and Industry, she also works on compiling tasks for the practical part of the exam for the chamber district. She is also a member of the Examination Commission for master florists at the CCI in Nuremberg. Other examiners do not necessarily fulfil the last three tasks. She is not paid for this work—it is her voluntary and honorary contribution to the dual vocational training programme, which she does in addition to her work as an entrepreneur.

However, Erni Salzinger-Nuener, who is herself a master florist, runs a flower shop in Perach, Upper Bavaria. She has won many prizes for her work and chairs the Bavarian chapter of the florists' association—the “Fachverband Deutscher Floristen (FDF)” —and she is very happy to invest her time and energy in these tasks. “In the truest sense of the word, it is an honour for me to be able to help young people on their way into one of the most beautiful professions—especially as I am also securing the future of my industry with this”, she says. She also gets a lot in return: “The joy the apprentices show after having passed their exam or through their good, creative ideas, which they come up with during the practical part of the exam—this is a source of real inspiration for me. After all, with their ideas, the candidates also provide a breath of fresh air in our industry”. What always impresses her most: “When young people start their training, they are often still very shy, clumsy and insecure. And then the spark ignites, they realise that they are passionate about their profession and make a huge leap forward both professionally and personally: after three years of training, they are grown-ups and self-confident. It's wonderful to see that transformation.”

In spite of all the enthusiasm, Salzinger-Nuener still considers it very helpful that all potential examiners receive an introduction to the examiner system from the Chamber of Commerce and Industry for Munich and Upper Bavaria and can initially gain some experience as guest examiners by being present at exams without having to take part in the exams themselves: “In this way, I too was able to learn in

practice what it means to examine, and what it takes to do so”. For florists, this is botany, design and colour theory and plant protection. In addition, it is about merchandise management, social studies and creativity. “The latter is very important for our profession: In a complex examination task, the candidates must therefore also design room, table, wedding or mourning decorations”.

And then there is the human factor that it takes to be a good examiner: “Joy working with people, goodwill and generosity, empathy and tact are also important—perhaps even the most important aspect” says Salzinger-Nuener. It also means looking to see if the examinee feels comfortable, for example, if they have something to drink. “Some trainees have worked well for three years, then they run at full speed in the exams, but are also excited and get tangled up. If I support them as an examiner in a sympathetic and encouraging way, if I show them respect for what they have achieved so far, that they have come this far, then I will be able to lift them out of such lows—and they will pass the exam adequately”. Salzinger-Nuener emphasises that it is always a question of attitude. “I treat the examinee with respect and talk to them at eye level—after all, they are no longer the learner, but almost a colleague.

And because the promotion of young people is so close to her heart, the entrepreneur and examiner will now export the idea of dual vocational training for her field to South Korea via the German florists’ association (FDF). She has been training florists there for a long time and now there will also be a dual vocational training course.

Box: Facts and Figures on CCI Examinations Nationwide

- Since 1991, the chambers of commerce and industry have conducted a good 18 million examinations.
- Each year, the CCIs conduct over 600,000 examinations in the field of education and training.
- The CCIs coordinate more than 30,000 examination committees in education and training.
- More than 170,000 examiners work voluntarily for the CCIs.
- The CCI organisation coordinates the development of approximately 60,000 examination tasks for around 230 training professions and over 80 qualifications in higher vocational training every year.
- CCI examinations are held simultaneously using examination tasks that are uniform throughout Germany.

Source: DCCI

Case Study 6: Further Development of Training Occupations—Keeping up with the Times and the Needs of the Economy

In the 1950s and 1960s, a secretary's duties consisted mainly of taking shorthand notes of letters dictated by the boss, then typing them on the typewriter, putting through telephone calls, making appointments for her boss and making coffee. In the meantime, the range of tasks of a secretary has expanded and changed considerably. Confident use of common office computer programmes and sound business knowledge, for example, is a must in this job these days—apart from organisational talent and knowledge of business processes. Professions change over time—because technology continues to develop, but also because the needs of companies change. Thus, training courses must also be regularly adapted to the requirements and needs so that employees are also sufficiently qualified in the future.

It is true that there has never been a direct training occupation of secretary in western Germany. Nevertheless, this occupational field is a good example to trace the development of dual vocational training. For these corresponding activities, candidates mostly completed a commercial apprenticeship or the two-year apprenticeship as an office assistant, which was replaced in 1991 by the three-year recognised apprenticeship as an office clerk. At the same time, the training occupations of office communications clerk and, especially for the public sector, office communications specialist—all popular training variants for coping with the tasks of a secretariat—were subsequently created. In 2014, these three professions were finally merged into one: the office management clerk. It was argued at the time that the three professions had converged in terms of content over time. In addition, a joint office profession would offer more opportunities in different sectors. It is easier to switch from administration to business and vice versa. Today, office management clerk is always among the top three most popular training occupations in Germany. In 2017, for example, 4,059 new training contracts were concluded in this training occupation in the scope of responsibility maintained by the Bavarian Chambers of Commerce and Industry. Only the occupation of retail sales clerk was even more popular.

Reorganisation of Occupations

The example shows: Training occupations are either reorganised or modified. However, they can also be newly created. This also explains why the number of state-recognised training occupations in Germany sometimes fluctuates considerably. In 2009, there were 349 training occupations, but by 2018 there will be only 326. These stakeholders are involved in the planning and preparation of new occupations or occupations that are to be modernised:

- associations (as representatives of the companies in a particular sector) and the chambers
- the trade unions (representing employees),
- the federal states and
- the federal government as well as
- the Federal Institute for Vocational Education and Training (BIBB).

The occupations are modified or newly developed under the direction of BIBB in collaboration with experts from day-to-day company practice who are appointed by the umbrella organisations of employers and trade unions respectively—including the umbrella organisation of the Association of German Chambers of Commerce and Industry—as well as experts from the federal and state governments. The prerequisite for the creation of a new training occupation is in each case a demonstrable need for qualification in the economy. This means that knowledge is required in the occupational field that has not yet been imparted or has not been imparted sufficiently in the existing training occupations.

The impetus for new training regulations is often provided by industry associations such as the trade association. They formulate the requirements in an application and forward it to the relevant bodies—usually the Federal Ministry of Economics (BMWi). After hearing all parties involved, the Federal Ministry then decides in consultation with the federal states whether a particular occupational profile is to be modernised or newly created. The Federal Institute for Vocational Education and Training (BIBB) often issues an expert opinion on the matter beforehand or conducts a research project—particularly in the case of major reform projects. In connection with this point, the vote by practitioners plays a particularly important role in the Ministry's decision.

Role of the CCI Vocational Training Committees: Specialist Practitioner Training

On a regional level, the above-mentioned Vocational Training Committee of a Chamber of Commerce and Industry can also issue many so-called “Fachpraktikerausbildungen” or “Specialist practitioner trainings,” which enable people with disabilities to complete vocational training, even without the official process outlined above. If, due to the nature and severity of a disability, training in a recognised apprenticeship occupation is not possible, such specialist practitioner trainings may be considered. This includes, for example, tasks in the kitchen, in sales, in the office, in printing works or in vehicle maintenance. The Vocational Training Committee must be informed and consulted on all important matters of vocational education and training. In particular, the committee must work towards the steady development of the quality of vocational education and training within the scope of its tasks (see also: Vocational training—ensuring the quality of vocational education and training).

Complex Process with Many Stakeholders

If it is decided that training occupations are to be modified or newly created, this is always done in a multi-stage procedure that takes several years. First of all, the parameters for the new training regulations are determined. These include, for example, the occupational title, the duration of the training and the structure of the training. In the next step, the stakeholders involved developing the draft training regulations. Finally, the draft training regulations are passed on to the federal government as a recommendation. If the Federal Government approves the draft, the Ordinance is issued. As a rule, it comes into force on August 1 of each year. If a new occupation is created or modernised, it is the task of the chambers of commerce and industry to communicate this to the companies concerned at an early stage, to advise them and to encourage them to offer corresponding training places.

Example: E-commerce Commercial Clerk-First 4.0 Training Occupation

Since 1945, new training occupations have been created or existing training occupations have been modernised on an ongoing basis. For example, in response to the increasing electronic control of mechanical processes and the impetus provided by the chambers of commerce and industry, the new occupational profile of the automotive mechatronics engineer was created. This combines the occupations of automotive mechanic and electronics engineer. In September 2003, the first automotive mechatronics engineers began their training. As early as 2013, the training regulations for this occupation were adapted to existing technical developments.

A recently created occupational profile is that of a commercial clerk in e-commerce. The first “training occupation 4.0” was created on August 1, 2018. It takes into account the growth and trends in Internet trade and new media. Here, too, the impetus came from the business community, or more precisely from trade associations, a few years ago. E-commerce clerks work in companies that sell goods or services online—not only in wholesale and foreign trade, retail trade or the tourism industry but also with manufacturers and service providers. Although the retail clerk also deals with content from the field of e-commerce, the new cross-industry training occupation goes into greater depth in terms of content and, in the steadily growing online business, opens up the opportunity to systematically introduce trainees to the new requirements that go hand in hand with digitisation and changing customer behaviour. Since project-related work is a key feature of e-commerce, trainees are familiarised with project-oriented working methods from the very beginning. They also learn to deal with the changes in the distribution channels and structures of e-commerce on a constant basis. Their knowledge and

experience are particularly in demand at the external and internal interfaces—for example, when it comes to advertising, logistics, IT, legal and controlling aspects. In addition to selecting and using online sales channels and helping to design and manage the range of goods and services on offer, their tasks also include initiating and processing contracts in online sales and providing support in procurement. Other important tasks include customer communication, the development and implementation of online marketing as well as commercial management and control. In order to enable e-commerce business people to pursue further career paths in future, a further training scheme is to be developed in the near future.

Box: Federal Institute for Vocational Education and Training—Researching and Updating the World of Work

The Federal Institute for Vocational Education and Training (BIBB) was founded in 1970 on the basis of the Vocational Training Act (BBiG). Its current legal basis is the Vocational Training Reform Act (BerBiRefG) dating from 23 March 2005 which describes the Institute's tasks in detail. According to this Act, BIBB's task is to "contribute to vocational education and training research through academic research". The research programme is coordinated with the Federal Ministry of Education and Research. The results of BIBB's work are primarily aimed at

- stakeholders in the vocational education and training field, such as the key organisations of employers and trade unions, trade associations, chambers and ministries at federal and state level,
- teaching staff involved in vocational apprenticeship and further training, trainees and participants in further training, plant and company management, works and staff councils, vocational school teachers,
- the scientific community, for example universities and other institutions of vocational training research.

Other statutory tasks of the BIBB—upon the instruction of the relevant Federal Ministry—include collaborating in the preparation of training regulations and other statutory ordinances under the Vocational Training Act and the Crafts Code, tasks under the Distance Learning Protection Act (Fernunterrichtsschutzgesetz), and collaborating in the preparation of the Report on Vocational Education and Training and Vocational Training Statistics. The BIBB also has the task of funding pilot projects and inter-company vocational training facilities, and of conducting European education programmes and other activities.

Employers, employees, the federal government and the states are equally represented on the BIBB Board—known as the "Parliament of Vocational Education and Training"—including the umbrella organisation of the Association of German Chambers of Commerce and Industry. The Board advises the federal government on fundamental issues of vocational education and

training. As an institution directly funded by the federal government, the BIBB is financed from federal budget funds and is subject to the legal supervision of the Federal Ministry of Education and Research. The Federal Institute for Vocational Education and Training has maintained its headquarters in Bonn since September 1999.

Case Study 7: Intra-company Ongoing Vocational Education and Training—Making Lifelong Learning Possible

Anyone undertaking a dual vocational training programme or has already completed it is far from reaching the end of their career ladder. Nowadays, Germany offers a wide range of opportunities for those interested in gaining further qualifications. They can take advantage of general further training opportunities, such as language courses or courses on topics such as media skills, teamwork and leadership or similar, to acquire new key skills that are particularly important for their profession and working environment. Or they can gain initial work experience and then specifically enhance their occupation-specific qualifications within the framework of the tiered further training system in accordance with the Vocational Training Act, culminating in CCI final examinations, i.e. they take a higher vocational training course. Here it should be remembered that the legislator has assigned sovereign tasks to the CCIs not only in training but also in terms of further vocational training as per the Vocational Training Act. The stages of further vocational training can be completed via a commercial or an industrial-technical branch. The system is not closed, but also offers numerous opportunities for career changers. In addition, interested parties can now also study by either taking up a dual course of study parallel to an apprenticeship or after completion of such a course—sometimes even if they have not previously graduated from high school. The possibilities in detail:

General Further Vocational Training

Anyone who is professionally qualified and decides to take part in further vocational training is offered a broad spectrum: The offers in business management, HR management, law, languages, sales, marketing, purchasing, logistics or soft skills are as diverse as technical or IT training. The seminars and workshops often last only a few days. However, some courses, such as the “Crowdfunding Manager

CCI”, also run over a longer period—in this case, eight days—and culminate in a CCI certificate, which is a clear proof of quality.

There are many providers of continuing vocational training, so it is not always easy to find the right organisation. However, roughly 640 training providers are listed along with their courses in the Continuing Education Information System (WIS): www.wis.ihk.de. The initiator of this database is the Association of German Chambers of Commerce and Industry Service GmbH, a wholly owned subsidiary of the Association of German Chambers of Commerce and Industry. WIS is accompanied operationally by the Association of German Chambers of Commerce and Industry, Department of Vocational Education and Training and Education Policy, and is supported by the corresponding responsible divisions of the 79 German Chambers of Commerce and Industry. If a company wants to determine its further training needs within the company, it can turn to the responsible CCI for support. The local further training advisers or educational consultants there can provide further assistance.

Even though the CCIs play an important role in general further vocational education and training and their academies offer many courses, general further vocational education and training is not one of the public tasks of the CCIs delegated by the state.

Higher Vocational Training

The WIS also lists the providers whose courses qualify for higher vocational education and training. These providers are geared to key structural elements of dual vocational training: Intra-company learning and experiential learning play a major role, and theory and practice are closely interlinked. In addition, employability is always at the forefront of further training. On the basis of the qualifications earned in initial vocational training, the system of higher vocational education and training, which like vocational education and training is regulated by the Vocational Training Act, distinguishes between three staggered qualification levels. Each of these levels builds on previously acquired skills and vocational experience. For example, a health care clerk can become a specialist (“Fachwirt”) in this field after gaining further professional experience, before progressing to become a business economist (“Betriebswirt”). The acquisition of competencies is based on the requirement to enable future specialists and managers to perform certain work functions in the future.

This is where the public tasks of the chambers of commerce and industry delegated by the state come into play again: A higher vocational training programme concludes with an examination stipulated under public law and in accordance with the Vocational Training Act. It builds on a completed vocational training programme and qualifies for higher tasks and higher remuneration. The second level—and with it the qualification as a specialist, master craftsman, technician, business administrator or operative professional (IT)—corresponds to the academic level of competence of a Bachelor’s degree. The top-level—qualification in Business

PROFESSIONS AND FIELDS OF STUDY	NUMBER OF PASSED EXAMS	PERCENTAGE
Bachelor professional of business	1,992	17 %
Bachelor professional of metal production and management	1,651	14 %
Bachelor professional of trade and commerce	812	7 %
Bachelor professional of accounting	699	6 %
Master professional of business management	594	5 %
Bachelor professional of management for industry	566	5 %
Bachelor professional of electrical technology and management	521	4 %
Master professional of technical management	511	4 %
Bachelor professional of health and social services	403	3 %
Bachelor professional of technical management	402	3 %
Total	8,151	69 %

Source: Bavarian Chambers of Commerce and Industry, 2019

Fig. 5.6 At a glance: the most popular advanced training degrees with the most graduates in Bavaria

Administration, Technical Business Administration or Strategic Professional (IT)—is even comparable to an academic Master’s degree. The regional chamber of commerce and industry responsible in each case holds the examinations stipulated under public law of higher vocational education.

There are always admission requirements for the individual levels of higher vocational education and training, which serve to maintain a defined level of qualification. At the same time, however, they are kept so open that even lateral entrants have a chance, i.e. experienced professionals who have acquired their competence in a different way than the classical path.

In view of the fact that there is supposed to be a corresponding form of higher vocational education and training for each dual vocational training occupation, these are updated on an ongoing basis. And so the responsible individuals are already working on developing the contents for the qualification as a specialist in e-commerce for the recently created training occupation of “E-commerce clerk”. (Look at Fig. 5.6.)

Studies/Dual Studies

Studies are also open to professionally qualified people. Anyone who has the general or—depending on the course of study—the subject-related higher education entrance qualification, and is not afraid of the effort involved and is keen to study early, can complete a dual course of study parallel to the dual vocational training programme. This enables the individual to acquire two vocational qualifications. Even those who do not have A’ Level qualifications, but who have successfully completed a recognised vocational training and further education course, can study under certain conditions. In 2009, Bavaria in particular opened its universities to people with vocational qualifications.

Students who have completed at least two years of vocational training and can demonstrate three years of work experience are eligible for subject-restricted university admission—but only at universities with entrance examinations or

opportunities for trial studies. After a further education examination, it is even possible to obtain a general university entrance qualification. The Chambers of Commerce and Industry in Bavaria have various cooperation agreements with colleges and universities, which make it easier for professionally qualified people to take up studies.

Box: Promotion of Further Vocational Training

Those who are undergoing further vocational training may be able to take advantage of financial support from the state, for example.

Student financial support called “Aufstiegs-Bafög” (as per the Federal Training Assistance Act)

- The “Aufstiegs-Bafög” is a mix of grants that do not have to be repaid and a low-interest loan from the Kreditanstalt für Wiederaufbau (KfW).
- The subsidy shares vary depending on the subject of the subsidy (costs, of course, maintenance requirements and so on.)
- 40% of the subsidy is available as a grant if the exam is passed successfully. For the remainder of the subsidy amount, the applicant receives an offer from the KfW for a low-interest bank loan.
- In order to be able to finance their course and examination fees, the participant receives a contribution, independent of income and assets, in the amount of the fees actually incurred up to a maximum of EUR 15,000.
- Participants receive a contribution to the costs of the further training independent of their income and, in the case of full-time measures, an additional contribution to their living expenses depending on their income.
- Material costs for a master craftsman’s examination can be subsidised by up to half of the costs involved (maximum EUR 2,000) and with a subsidy share of 40%.

Master Craftsman Bonus

- In Bavaria, every successful graduate of a further vocational training programme to become a master craftsman or to pass an equivalent qualification receives the master craftsman bonus from the Bavarian government. This was increased to EUR 1,500 as of 1 January 2018.
- The guidelines for awarding the master craftsman bonus and the master craftsman prize by the Bavarian state government as of 3 July 2013 regulate the details for master craftsman examinations or equivalent further training examinations in industrial and commercial professions under public law, in the public service sector, in the professions of agriculture

and home economics as well as state further training examinations in these fields at technical schools and technical colleges.

- It is not necessary to submit an application; the individuals entitled are determined by the competent authorities.
- The prerequisite is that the examination must have been passed at the relevant authority in the Free State of Bavaria—in this case, a Bavarian Chamber of Commerce and Industry—and that the certificate has been issued by this authority. The main residence or place of employment must be in Bavaria.

Continuing Education Grant from the Federal Ministry of Education and Research (BMBF)

- The funding amount is up to EUR 7,200 and is spread over three years.
- Up to EUR 2,400 will be paid out each year with a 10% contribution.
- In addition to the course fees, there is also a subsidy for travel, working materials and accommodation.
- Funding is provided for subject-related vocational further training or interdisciplinary qualifications such as language, presentation or IT courses.
- Under certain conditions, part-time studies are also eligible.
- Qualified professionals under 25 years of age are eligible: employees, the unemployed and self-employed people.

The Recognition of Foreign Professional Qualifications— Paving the Way for New Entrants to the German Job Market

The self-governance of the economy by the Chambers of Commerce and Industry has proven itself for more than two centuries. The legislator therefore constantly assigns new tasks to the CCIs. Since 2012, they have also been responsible for the recognition of foreign professional qualifications.

Germany has in effect been a country of immigration for quite some time, even though an official law on the immigration of skilled workers has only been in place since 2019. One point is very important here: many immigrants have already obtained a professional qualification in their home country and would like to have it recognised in Germany. The CCIs help them with this. They check to what extent a foreign qualification or a professional qualification is comparable or at least similar

to one of the approximately 270 officially recognised training occupations and the approximately 85 further training qualifications spanning industry, trade and services (so-called CCI occupations) in Germany. The legal basis for this is the Vocational Qualification Assessment Act (BQFG) which came into force on 1 April 2012 and which regulates precisely when a foreign vocational qualification—regardless of whether it comes from a third country or a member state of the European Union—is equivalent to that in Germany. Only state qualifications can be recognised. For so-called “regulated professions”, recognition or the determination of equivalence is even mandatory. In Germany, regulated professions are, for example, professions in the medical field, legal professions, numerous master craftsman’s diplomas—the Chamber of Commerce and Industry is often affected here—or teachers and a large number of other pedagogical professions.

CCI Consultation Before Recognition

The demand for an appropriate consultation is high. Every day one to four interested people with a foreign background approach the Munich Chamber of Commerce and Industry (CCI).

The CCI registers visitors from well over 100 countries with more than 140 job descriptions. Many of them have completed training in their home country as office clerks, electricians, industrial mechanics, electronic technicians or chefs and have a good chance of finding permanent employment in Germany after receiving CCI recognition. This is the procedure:

- **Preliminary examination:** In a detailed discussion, the CCI employees determine what the person has learned. On the basis of the documents that the immigrants present, they check how the certificates and other documents are to be classified and to what extent the vocational training and further education contents comply with the requirements of CCI professions.
- **Recommendation:** The CCI advisers then make a recommendation as to whether or not the individuals should apply for official recognition. An application only has a chance of success if the applicant’s country of origin has officially granted or recognised the vocational qualification (see above). It is also essential that certificates, references and other documents are submitted, in part as officially certified copies. Not all copies have to be certified.

Opportunities—Even Without Proof

However, even people who can no longer prove their professional qualifications by means of certificates can work out the opportunities available to them. If they can prove that they have obtained a state-recognised vocational qualification in their home country, they can prove the vocational competence they have acquired by

means of so-called qualification analyses. The results of these analyses are then incorporated into the recognition procedure. Many refugees have also benefited from this regulation put in place by the legislator.

Partial or Full Equivalence

On the basis of the BQFG, the Chambers of Commerce and Industry can, in addition to the foreign professional qualification, also include the professional experience that an immigrant has gained during his or her working life in the recognition procedure. If there are no major differences between the foreign vocational qualification and the German reference occupation, “full equivalence” is awarded directly. If, however, differences are identified, “partial equivalence” is initially granted. Applicants can then gain practical experience on a job or attend further training courses in order to make up for what is missing. This increases the chances of achieving “full equivalence”.

Official Recognition by CCI FOSA in Nuremberg

The official recognition of the qualification is then carried out by the central recognition office known as the CCI FOSA (Foreign Skills Approval) in Nuremberg for a fee. Their decisions apply nationwide. The immigrant whose qualification has been recognised can then apply for any job in Germany that requires a state-recognised vocational qualification. Given that the local chambers of commerce and industry prepare the documents for each applicant thoroughly, the CCI FOSA staff can decide quickly. Provided that the relevant requirements are met, the applicant will receive the decision from Nuremberg within three months, at the latest. (Look at Fig. 5.7.)

Sources: Migration Report of the Federal Government; WifOR GmbH | Bavarian Chambers of Commerce and Industry, 2019

Fig. 5.7 The recognition of foreign qualifications also helps combat the shortage of skilled workers: If it were possible to increase the proportion of foreign skilled workers in Bavaria by 20% annually, this would mean 6,400 additional immigrants in gainful employment

Commercial Licenses—Receiving Targeted Support with the Registration Process

The public tasks of a chamber of commerce and industry as delegated by the state also include the granting of trade licences in certain areas and the entry of licence holders in public online registers. The CCI for Munich and Upper Bavaria provides its member companies with comprehensive information on the procedures, and it processes the permit and registration applications quickly, efficiently and with minimal bureaucracy.

The granting of trade licences and the registration of the approved companies is also one of the public tasks of the chambers that have been delegated by the state. The CCI for Munich and Upper Bavaria can look back on an impressive success story here. Since 2007, it has been responsible throughout Bavaria—with the exception of the CCI district of Aschaffenburg—as a licensing and registration office for insurance brokers and advisers, since 2013 for financial investment brokers and fee-based financial investment advisers and, since 2016, for real estate loan brokers. Since 2018, it has also been the responsible licensing office for residential property managers. From 2020, it will also take care of the permits for real estate agents, loan brokers, property developers and construction supervisors. The CCI has already issued 30,000 permits to date.

Efficient Licensing Procedure: From Application to Issuance

Implementing and fulfilling public tasks with as little bureaucracy as possible is always the aim of the CCI for Munich and Upper Bavaria. It supports the applicants in the corresponding procedures with comprehensive information on the homepage and other communication channels. In addition, it processes the applications quickly and efficiently.

The CCI is not only responsible for granting permits. It also enters data in the online registers provided for this purpose if this is stipulated by law. Above all, the CCI also monitors the licence holders: if there are any doubts, it checks whether the requirements for the licence still exist. And it investigates complaints made by industry colleagues or former customers. If, after an inspection, it is established that the requirements for the licence are no longer met by a company, the CCI withdraws the licence. However, in accordance with the principle of proportionality, this is the last resort.

Procedure Using the Example of the Real Estate Loan Broker

Using the example of a real estate loan broker, the procedure can be briefly explained. Anyone who arranges consumer loans or paid financial assistance for the purchase of real estate and advises on this requires a corresponding permit. In addition, these brokers must be registered in a public online register of the chamber of commerce and industry.

In order to obtain the permit and be registered, the agent or consultant must submit the corresponding applications to the CCI. All the forms for the application for permission and registration are on the CCI homepage. As of this year, applications for permit procedures and the corresponding sources of verification can also be submitted using an upload tool. The CCI also provides checklists and information sheets on its website. If all requirements are met and all documents are available, the CCI will decide quickly on the applications.

Requirements to Be Fulfilled by the Applicant

Real estate loan brokers must meet high standards in order to obtain the licence. The following criteria have to be met:

- **Reliability:** The police clearance certificate and the information from the central trade register (Gewerbezentralregister) serve as proof of this. Anyone who has been convicted of a relevant criminal offence (for example, fraud or theft) in the past five years is considered unreliable.
- **Financial circumstances:** They must be fundamentally sound. This means that no insolvency proceedings should have been opened against the applicant's assets and he or she should not be listed in one of the debtors' registers kept by the courts. The applicant must provide corresponding confirmations from the competent courts.
- **Expert knowledge:** The applicant must also provide evidence of his or her expert knowledge. This applies to each managing partner and to all employees involved. Anyone who successfully completes a corresponding examination of expertise at the chamber of commerce and industry or proves an equivalent professional qualification fulfils this criterion.
- **Professional liability insurance:** Applicants must also prove that they have professional liability insurance for financial losses that may result from the advisory and mediation activities—or indeed an equivalent guarantee. The insurance must come from an insurer that is licensed to sell insurance in Germany. The insurance must also have a certain minimum insurance sum.
- **Headquarters:** A further requirement for authorisation as a real estate loan broker is that the applicant must have its head office or headquarters in Germany. For this reason, it is not possible to obtain a licence for companies with the legal form of a British private company limited by shares (Ltd.).

The legislator often imposes similarly demanding conditions for other permits.

The significance of the obligation to provide further training for insurance brokers and residential property managers

The legislator has now introduced the obligation for regular further training as a criterion for holders of such permits. They and the employees involved in placement, advisory or administration tasks in these areas must now document and, if necessary, prove that they are continuously engaged in further training.

Despite increasing professional duties and higher requirements, the CCI for Munich and Upper Bavaria continues to enjoy a great response for these professions. It has recorded 14,000 licenses for insurance brokers alone, 8,000 for financial investment brokers and 8,000 for real estate loan brokers since the start of these licensing requirements. The CCI regularly receives positive feedback for its advisory services and information.

Points of Single Contact—Overcoming Bureaucratic Hurdles Across Europe

With the active support and a wide range of information, the Chamber of Commerce and Industry for Munich and Upper Bavaria acts as a so-called point of single contact (PSC)—as a universal point of contact—for company founders from the European Union and the European Economic Area (EEA). This is also part of its portfolio of public tasks assigned by the state.

The European Commission in Brussels had a convincing idea at the beginning of 2000 when it launched the so-called point of single contact and, just a few years later, established its tasks within the framework of a directive. The aim was to reduce the bureaucratic hurdles for founders and companies in the service sector throughout the European Union. Any EU service provider wishing to establish a branch in its own country or in the other Member States or to provide services across borders should have only one point of single contact, where it can obtain information on all the necessary formalities as well as assistance with administrative procedures. It is part of the self-image of the Chamber of Commerce and Industry for Munich and Upper Bavaria to support new and young, but also existing companies with a special sense of commitment. This is why it has also taken on this new task, which in Bavaria has been entrusted to the CCIs, among others. Since 2010, the CCI for Munich and Upper Bavaria has been acting as a point of single contact (PSC).

EU Services Directive as a basis

With the Services Directive, which was given the green light by the European Parliament and the Council in 2006, the European Union got the ball rolling. The main purpose of the Directive is to simplify and speed up administrative procedures

for business start-ups and cross-border service providers. The Directive aims to strengthen the internal market, i.e. the free movement of services and the freedom of establishment. The Directive applies to a wide range of services. These include the construction sector, wholesale and retail trade, business-related services such as consultancy work, and numerous regulated professions such as architects and tax consultants. Providers from the tourism and leisure sectors can also use the PSC. By the end of 2009, all EU Member States had to integrate the requirements into national law.

Implementation of the Directive in Bavaria

In the course of its implementation, the Bavarian legislator—like many other federal states—assigned the task of the point of single contact to, among others, the Chambers of Commerce and Industry as well as the Chambers of Trades and Crafts, the Chambers of Law and Taxation as well as the Bavarian Chamber of Architects, the Bavarian Chamber of Engineers for Construction and the Bavarian State Veterinary Association.

Initially, Bavaria limited the PSC service to service providers from the EU and to cross-border issues. This was later amended. Since July 2012, domestic service providers can also contact the PSC. In addition, the Bavarian government set up the “Service Portal Bavaria” (“Dienstleistungsportal Bayern”) as a specific internet portal to support companies.

The Point of Single Contact for Entrepreneurs from Abroad (EU and EEA)

Companies and founders from the following EU countries can benefit from the point of single contact: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom. This also applies to service providers from equivalent states such as Iceland, Liechtenstein and Norway—in this respect for the entire European Economic Area (EEA).

The Point of Single Contact for Entrepreneurs from Germany

However, the point of single contact is not only available for service providers from these countries, but also for purely domestic cases in Germany.

Scope of the Regulation

The planned business activity must always fall within the scope of the Directive. In principle, it applies to all services that can be “traded” in commercial transactions, e.g. retail, catering, crafts, IT, research and development, business and technical services, consultancy and the construction industry. However, there are also some exceptions. For example, services relating to labour, civil and criminal law issues are not covered by the Directive, nor are highly regulated services such as health, social, transport and financial services.

These and many other aspects can be clarified in advance via the “Service Portal Bavaria” (“Dienstleistungsportal Bayern”), but also by directly contacting the PSC.

The Service Provided by the Point of Single Contact in Detail

The tasks of the point of single contact are wide-ranging: he or she supports the service providers not only before, during and after the start-up phase, but also in numerous other service-related approvals and procedures.

- **Fundamental information:** First of all, the PSC clarifies which regulations service providers or company founders have to observe in this country and which procedures they have to go through in order to start their planned business activities. This person also checks whether the activity falls within the scope of the Services Directive and whether the founders or entrepreneurs can therefore complete the necessary formalities through that PSC at all. This person also informs companies about the competent authorities, supporting associations and organisations and, if necessary, in the event of a dispute, possible remedial solutions.
- **Procedural mediation:** For service providers or the founders of a company covered by the Directive, the PSC can take over the procedural correspondence between businesses and public authorities if they so wish.

In this function, it forwards the documents to the competent authorities—and back to the companies and founders. It supports them in handling all the necessary formalities within the framework of the respective procedure.

To date, a large number of founders and service providers from Germany and abroad have used the service of the point of single contact.

Foreign Trade Documents—Facilitating European Trade in Goods and Merchandise

A CCI must also fulfil public tasks assigned by the state in the field of foreign trade: It issues foreign trade documents. The three main contenders are the A.T.A. carnet, certificates of origin and invoice certificates.

Working in a chamber of commerce and industry can be as dry as working in a public authority. But it can also be as exciting as a backstage visit. For example, this is a story that is often told: the employees of the foreign trade department of the Chamber of Commerce and Industry for Munich and Upper Bavaria were amazed when one day national soccer player and FC Bayern star Thomas Müller walked in the door. Wearing a polo shirt, shorts and flip flops and with a boyishly mischievous smile on his face, the football world champion applied for an A.T.A. carnet for his wife Lisa. As a show jumper, she needed the document to be able to temporarily export one of her horses duty-free to Switzerland. The footballer filled out the necessary forms in tiny letters. Then he took receipt of his carnet and left again.

In the field of foreign trade, issuing carnets is one of the three most important public tasks of chambers of commerce and industry assigned by the state, alongside certificates of origin and invoice certificates. The example demonstrated by Munich shows how it works.

Customs Facilitation Through a.T.a. Carnets

Every year, the Chamber of Commerce and Industry for Munich and Upper Bavaria issues more than 3000 A.T.A. carnets. Entrepreneurs who want to temporarily export goods for a trade fair or expensive professional equipment to a country outside the EU would normally have to deposit the amount the customs authorities would charge if the goods were to remain in the country permanently with the foreign customs authorities. With an A.T.A. carnet, entrepreneurs can save this deposit fee. With the carnet, the chambers of commerce and industry guarantee the foreign customs authorities that the goods will leave the foreign customs territory again. To avoid having to bear the costs in cases where this does not happen, contrary to expectations, the carnets are insured with the credit insurer Euler Hermes. A.T.A. carnets document a civil law guarantee relationship between a chamber of commerce and industry and the holder of the document. In Germany, the actual customs guarantor and issuing institution for the A.T.A. carnet is the Association of German Chambers of Commerce and Industry, the umbrella organisation of the chambers of commerce and industry. For the practical implementation of the A.T.A. procedure, however, the Association of German Chambers of Commerce and Industry has authorised the chambers of commerce and industry to issue the carnets in its name.

Issue of Certificates of Origin

However, in the field of foreign trade, the chambers also fulfil sovereign tasks in the even narrower sense. According to Sect. 1, Para. III of the Chamber of Commerce and Industry Act, they are responsible for “issuing certificates of origin”. The certificate of origin is a clear proof of the commercial origin of goods, which must be issued by an independent body—the chamber of commerce and industry. The CCI for Munich and Upper Bavaria alone issues around 67,000 of these customs documents every year for companies. In fulfilling this task, it acts more or less as a customs authority.

Companies need certificates of origin in order to export their goods to certain countries. In a total of around 60 countries, including all Arab countries, many successor states of the former USSR and numerous developing countries, nothing is possible in export without a certificate of origin.

Roughly every second certificate of origin is also issued to companies because banks require it. When processing letters of credit, importers and exporters often agree that payment is not triggered until certain contractually agreed documents are available—including a certificate of origin for the goods to be paid for.

Certification of Invoices

It is not uncommon for a foreign customer to require a confirmation from the authorities in his own country that the invoice from his German supplier is authentic. In this way, the states want to prevent companies from circumventing foreign exchange control regulations and spending foreign currency abroad for the alleged payment of what is actually a fake invoice. In order to combat money laundering, authorities abroad often require an invoice certificate.

German companies can obtain this from their chambers of commerce and industry. In order to be able to issue the certificates, the signatures of authorised signatories of more than 1000 companies are deposited with the Chamber of Commerce and Industry for Munich and Upper Bavaria alone. With their help, the Chamber’s clerks can verify the authenticity of the signature on an invoice, certify this and stamp the document. But while a customs officer in Asia or Africa usually knows Bavarian footballer Thomas Müller, but not the stamp of the Chamber of Commerce for Munich and Upper Bavaria, the certificates of authenticity go to the diplomatic representation of the importing country in Germany for a further processing step. The embassies and consulates then confirm that the certificate issued by the CCI is authentic. For this purpose, the signatures of the responsible employees are again deposited with the representatives in the chambers.

Urban Development Planning—Creating and Preserving the Necessary Space for the Future

A chamber of commerce and industry represents the overall interests of the regional economy in public urban land use planning—above all to avoid planning errors and locational disadvantages for companies from the outset. In the increasingly scarce spaces in conurbations and in view of dwindling options for generally acceptable developments, the CCI assumes a special responsibility in this case.

Urban land use planning is the most important planning instrument for the urban development of communities. First and foremost, urban land-use planning includes the legal regulations on land use and the development of individual sub-areas of municipalities. The two planning stages—the land use plan and the development plan—play an essential role in this process. The CCI is also involved in this process.

Statements on Land Use and Development Plans by the CCI

Based on the public tasks assigned to them by the state, the chambers of commerce and industry also remain responsible for public affairs within their business area. Whether they are involved by the cities and municipalities in procedures for land use and development plans depends on the specific planning. If they are involved, they represent the overall interests of the regional economy vis-à-vis the cities and municipalities respectively. To this end, they issue well-founded statements and thus help to avoid planning errors and locational disadvantages for companies from the outset. Public concerns here also include the perspective-related development of residential and commercial space—and an appropriate, balanced relationship between the two. Whereby not only pure “land consumption” or land use is at issue, but also the resulting infrastructure needs—from transport routes to schools and kindergartens to municipal supply facilities. Every year, the Chamber of Commerce and Industry for Munich and Upper Bavaria issues around 1,400 statements on 231 land use plans and 839 development plans.

In these steps, urban land-use planning is usually carried out in Germany:

- Decision to draw up a development plan/land use plan
- Publication in the Official Gazette
- Early participation of the public, authorities and public interest groups
- Definition of the scope of the environmental report
- Approval and interpretation decision
- Participation of authorities and public interest groups
- Publication of interpretation and formal public participation
- Review of the proposals after the participation of all stakeholders and preparation of the balanced assessment

- Decision by the city/municipality (in exceptional cases, review by the higher administrative authority)
- Notification in accordance with local practice/in the Official Gazette/entry into force of the development plan/land use plan.

Taking Account of Business Needs in the Statements of Opinion

The combination of specialist knowledge, practical experience and a precise understanding of the company's needs plays a key role in the opinions of the chamber of commerce and industry on urban land use planning. Thus, the statements also incorporate the latest findings from the member companies, which are obtained via technical and regional committees and the general assembly. The spectrum of factors that are taken into account in the CCI's input on urban land use planning thus extends far beyond purely constructional aspects—from the growing shortage of skilled workers, digitalisation or changes in people's mobility behaviour to the question of how to persuade future generations to stay at a location or in a specific region. For this reason, CCI experts always take indirect effects into account in their statements of opinion, for example the upgrading of a location through environmental protection measures, the impact on the quality of living through increased traffic volumes or the availability of (and access to) educational and leisure facilities. Regularly, it is also important to identify potential conflicts and to prevent them in the long term. For example, where an industrial estate is designated today, it will not be possible to create a residential area in the immediate vicinity tomorrow, without further ado. Setting the course early on within the framework of the preparatory (urban) land use planning helps to avoid problems later on which could block important development.

Involving an Increasingly Critical Population

The fact that statements on urban land-use planning are becoming increasingly complex and have to take more and more aspects into account is also due to various regional and social developments:

- **Reduced leeway:** In a densely populated region such as Munich and Upper Bavaria, it is becoming increasingly difficult to find sufficient planning leeway for future developments. In many cases, theoretical options are already blocked by the current situation.
- **Greater effort:** The growing complexity of legal regulations, political plans and neighbourhood interests leads to higher and higher effort for well-founded urban land use planning. As a result, the responsible authorities are reaching the limits of efficient planning management in terms of available personnel.

- **New stakeholders:** At the level of prosperity currently achieved by society, certain growth fatigue is developing. There is a tendency to perceive the interests or needs of the economy as impairing the individual quality of life. In Bavaria, too, the “Not-in-my-Backyard” syndrome is spreading. The willingness to cut back on one’s own comfort zone for the benefit of the general public is thus dwindling. At the same time, those affected perceive—and claim—their right to have a say in matters differently. Social resistance to so-called “land consumption” is increasing.

In addition to their statements on urban land use planning, the employees of the CCI are therefore increasingly in demand as mediators when different interests collide.

Case Study: Planning Region 10—Moderating Conflicts of Interest

How a conflict in the present, which could negatively influence the future development of an economic area, was moderated by the CCI, is shown by the case of the planning region 10. Even if this did not involve (urban) land use planning, it is an excellent illustration of the fact that the role of the CCI today goes beyond the mere submission of sovereign statements.

- **What was at stake?** In “Planning Region 10”—consisting of the districts of Ingolstadt, Eichstätt, Neuburg-Schrobenhausen and the independent city of Ingolstadt—the extraction of sand and gravel has traditionally been a strong economic sector. The geological conditions make these raw materials, which are important for the construction industry, easily accessible. At the same time, the sand and gravel deposits there are of a special quality and therefore not substitutable. However, many of the previous mining areas are exhausted or nearing their useful life. The industry must therefore develop new mining areas. Resistance to this has been voiced by the responsible local and regional politicians. Among other things, the issue was landscape protection and the avoidance of further environmental pollution caused by mining.
- **What was the risk if the conflict had not been resolved?** The companies saw their existence threatened in the medium and long term if they were not given permission to open new mining areas. However, it was not just a question of the individual industry: if the existing structures and the associated supply of raw materials were damaged, the entire construction industry—and ultimately all downstream industries and their construction projects as well as location development in general, especially in a boom region like Ingolstadt and its surroundings—would ultimately suffer. In addition, a prolonged and ultimately aggressive conflict would have a negative impact on the mood in society against

the economy, with possible negative consequences for cooperation with politics and administration in other sectors as well.

- **Why was the CCI called upon?** It was no longer just a question of the interests of an individual industry, but of the economy as a whole. In view of the far-reaching consequences of the case at hand, the CCI's task was to represent the interests of the economy on the one hand and to advise politicians and administration on various issues on the other. The companies were also involved in the future development of raw material security in Region 10 and the necessary planning.
- **What was the aim pursued by the CCI?** Representatives of the regional gravel and construction companies, the association of stone and earth as well as the regional councils of the surrounding districts and stakeholders from planning and administration were to find a level of discussion that would make it possible to shape the further progress of regional planning in dialogue. Ultimately, all concerns should be weighed up and included in the further planning process, in order to secure company locations.
- **What did the solution look like?** The CCI invited all those involved to a workshop, which also included external experts and representatives of the CCI. In order to be able to talk about questions concerning the future development of raw materials for gravel and sand, a good data foundation was important, as well as information and knowledge about process workflows. The CCI also supported the companies in this respect with the new guideline for securing raw materials.
- **What was the aim of the workshop?** The aim of the workshop was first and foremost to resolve the current conflict. But it was also necessary to overcome the reluctance of companies to provide usage data—which they want to protect for competitive reasons. Building on this, the aim was then to develop resilient and long-term foundations for constructive cooperation that would give companies planning security and provide justifiable approaches for politicians and administrators to develop balanced decisions.
- **Which result was achieved?** Misunderstandings were cleared up and the debate on the topic was rendered more objective. The sensitization of those involved to the concerns and needs of the respective other side created a better understanding and differentiated approaches for a constructive basis for discussion—as well as the willingness for such discussions. From the moderator's point of view, the workshop had shown: "All sides are open to (re)entering into dialogue with each other and to contributing to finding an optimal solution in regional planning in the interests of the region, its citizens, its landscape and its economy. It is undisputed that, due to the expected demographic and economic development in Ingolstadt, the demand for gravel and sand will continue to be high in the future". One of the proposed solutions led to a "positive view" of securing raw materials: areas were identified that were particularly suitable for raw material extraction. There, possible conflicts with opposing uses were then weighed up on a case-by-case basis.

Out-of-Court Dispute Resolution—Favouring Business-Friendly Solutions

Not every dispute has to end in a state court. The Chamber of Commerce and Industry for Munich and Upper Bavaria offers a wide variety of out-of-court settlement options: These include the Arbitration Board for Competition Disputes and the expert appraisal system, as well as two variants delegated by the legislator.

Dispute occurs in the best families, as an old German proverb goes. The same applies to disputes within and between the best companies. Disputes can be settled before a state court or out of court. The Chamber of Commerce and Industry for Munich and Upper Bavaria advises its members to always think about out-of-court conflict resolution first. As a rule, this is quicker, more cost-effective, more in line with shared economic interests and gentler on business relations.

The out-of-court dispute resolution offered by the Chambers of Commerce and Industry falls within the scope of the public tasks assigned by the state, which the Chambers of Commerce and Industry have been assigned by the legislator. On the other hand, the CCI for Munich in particular has also built up a broad range of services not delegated as a task by the state. In this book, out-of-court dispute resolution, therefore, appears in two areas of CCI work. This chapter focuses on two variants of out-of-court dispute resolution delegated by the state: the Arbitration Board for Competition Disputes as well as the public appointment and swearing in/allocation of experts. Further offers such as mediation or arbitration can be found in the chapter on the honourable merchant.

Case Study 1: Arbitration Board for Competition Disputes at the CCI—Reaching Out at the Round Table

A company comes across unreasonable discount action by a competitor. Another company thinks that the competitor has seen misleading and even aggressive advertising on its homepage. Another company receives a letter from a lawyer and is sent a warning for giving incorrect price information. Of course, such questions, which are regulated in competition law in Germany and many other countries, can also be heard before a state court. However, the contracting parties can also try to reach an out-of-court settlement first. For more than 60 years now, the Arbitration Boards for Competition Disputes at the chambers of commerce and industry in Germany have been available to them for this purpose. These are based on Sect. 15 of the Unfair Competition Act (UWG). On these arbitration boards, the parties to the dispute as well as a chairman and two assessors meet to discuss the facts of the case together in a solution-oriented manner and, in the best case, reach an agreement. The CCIs manage the offices of the arbitration boards, including the CCI for Munich and Upper Bavaria. The arbitration boards are formally independent of the CCI. At the CCI Munich, roughly 50 proceedings per year are conducted before the arbitration board.

Practical work of the Arbitration Boards for Competition Disputes at a Glance

- **Target group:** Companies, interest groups or Chambers of Trade and Crafts that wish to take action against a competition violation or have received a warning notice for such a violation can contact the arbitration boards.
- **Parties involved:** The arbitration board's business is managed by the administrative office. The chairpersons of the arbitration board are lawyers, while entrepreneurs and executives are also involved in the meetings as assessors and contribute their entrepreneurial expertise where needed. The assessors work on an honorary basis and therefore receive no remuneration. At present, a total of four lawyers are available in Munich as chairmen and more than 45 entrepreneurs as assessors. Every five years they are appointed or confirmed in office. What remains decisive for their appointment is a previously expressed interest, expertise in competition law and the good reputation of the individuals involved. The CCI actively approaches people it considers suitable and invites them to become a chairman or assessor.
- **Motivation of the chairmen and the assessors:** The chairmen and assessors are convinced that businesses are better served by first resolving their conflicts among themselves and not in court. They are prepared to invest their time in this. Pacified adversaries and the feeling that they have committed themselves to a good cause is what drives them.
- **Activation of the arbitration office:** Given that the arbitration board only acts upon application, one of the parties to the dispute must submit a written application to the administrative office. This then initiates and begins the proceedings.
- **Preparation of the proceedings:** The office invites the parties to a joint meeting, which is chaired by the chairman together with two assessors.
- **Conduct of the proceedings:** The parties sit together at a round table and thus also meet symbolically on an equal footing when discussing the facts. Chairmen and assessors are experienced in recognising, resolving and balancing deadlocked positions. The chairman analyses the legal side, while the assessors look at the matter from a commercial and economic perspective.
- **Solution/settlement:** If the chairman and assessors are convinced that a competition violation has occurred, they propose a settlement to the parties involved. This is equivalent to a court decision. If no agreement is reached, the chairman and assessors determine that the proceedings have failed. The applicant can then pursue his claim before a state court.
- **Costs:** The proceedings at the arbitration board are free of charge. If a competition violation has actually been committed, the person being warned must pay the costs incurred by the applicant. Anyone who fails to appear at the hearing without excuse is liable to an administrative fine of up to EUR 1,000.
- **Advantages:** The proceedings at the arbitration board usually enable a speedy, amicable, out-of-court solution. In most cases, one hearing date is sufficient.

Many proceedings are completed within an hour. The procedure is also inexpensive and always non-public.

Currently, the legal situation in Germany is such that companies that have been warned or have issued warnings can also go directly to court instead of having to call the arbitration board. The Chamber of Commerce and Industry for Munich and Upper Bavaria has long suggested that the arbitration boards for competition disputes at the chambers of commerce and industry should be prescribed by the legislator as the first body for arbitration proceedings.

Case Study 2: Expertise—Using the Competence of Experts

A new company headquarters has a number of defects in its construction, a freshly delivered machine experiences breakdowns, the residual value of a car involved in an accident is unclear. These are typical cases for experts. They examine the object in dispute and prepare independent expert opinions.

In Germany, the expert's profession is regulated in Sect. 36 of the Trade Regulation Act (*Gewerbeordnung*) and is primarily transferred by the legislator to the Chambers of Commerce and Industry, the Chambers of Crafts, and in some cases to other professional chambers. These may publicly appoint and swear in experts and, if necessary, nominate them. Whoever wants to be publicly appointed as an expert must undergo a dual aptitude test—both professional and personal—and only then will he be sworn in. Through this strict examination and subsequent swearing in, the legislator guarantees the special integrity and quality of the experts.

Appointment of the Experts at a Glance

- **Personal aptitude:** In the first round of the examination, the personal aptitude of the candidate is assessed. Does he or she have a good reputation, is he or she a person of integrity, is he or she considered reliable, of strong character, level-headed, objective, impartial, independent?
- **Professional aptitude:** The second round of the examination focuses on the professional competence of the future expert. The candidate should have well above-average knowledge, skills and practical experience in his or her field. Exercising a corresponding profession alone is not sufficient proof of special expertise; continuous further training and professional experience must also be documented. In order to prove his or her professional competence, the candidate must also submit samples of work in the form of expert opinions he or she has prepared himself or herself, take a written examination and undergo an expert discussion with a specialist committee (see below).
- **Assessment of aptitude:** The Expert Committee that assesses a candidate's professional aptitude usually consists of a university lecturer and two experts

who are publicly appointed in the same subject area. The Committee is put together by the CCI. The examination itself also takes place at the CCI. The personal aptitude is determined, among other things, by the full-time employees of the CCI by conducting suitable investigations and obtaining evidence, in particular through official information channels and the hearing of trustworthy personalities.

- **Swearing-in:** If the assessment is successful, the expert is sworn in at the CCI, he or she receives a certificate of appointment, they may bear an expert stamp and the designation “publicly appointed and sworn expert”.
- **Duties:** An expert always fulfils his or her duties impartially, independently, free of instruction and conscientiously, and is subject to the duty of confidentiality. He or she may demand an appropriate remuneration for his or her expert opinions. They must also regularly attend further training courses and exchange information with other experts.
- **Supervision of the experts by the CCI:** The CCI supervises the experts in professional and personal matters. The full-time employees of the CCI invite the experts to exchange experiences with other experts and ensure regular further training. Every five years, two expert reports are requested and reviewed by the CCI. If there are complaints, the CCI has to investigate them. It can order the expert to attend further training courses or withdraw his or her approval as an expert.
- **Nationwide list of experts:** If the expert has been sworn in by the CCI, he or she is included in a nationwide pool of experts in which about 7500 experts are listed (www.svv.CCI.de).
- **Expert opinions as dispute resolution proceedings:** If there is a dispute and the parties turn to the CCI, the CCI advises which solution could be the best for the case in question. If an expert opinion proves to be the recommended way, the CCI appoints suitable experts and assists in the calculation of costs. The parties can also agree that they will accept the result of the expert opinion as binding for themselves.
- **Advantages:** The fact that this public task assigned by the state is rooted in the CCIs offers many advantages to a self-governing economy. Fast and competent solutions can be found for all parties involved. If the parties to the dispute accept the expert’s report or have agreed that the result should be binding for them, the dispute no longer ends up in court.

In Germany, a generational change is currently taking place among experts. Young experts are sought above all within the technical disciplines.

Honorary Judges—Regulating the Interests of Business in Court with the Help of Voluntary Support

There are various ways in which CCI members can volunteer in the public sector assigned by the state. The examiners in training or the assessors in the Arbitration Board for Competition Disputes have already been mentioned. Commercial and financial judges are a third option.

Practical experience from the business world, in addition to legal expertise, is an important instrument for reaching a fair decision in a legal dispute between companies. This is why the courts in Germany can draw on voluntary support from the business community. This is possible by law. This is shown by the example of those honorary commercial and financial judges.

Case Study 1: Volunteer Commercial Judges—Solving Commercial Disputes More Effectively

In Germany, the fact that justice and business tackle disputes together is implemented, among other things, by the special chambers dedicated to commercial matters, which are assigned to the regional courts. In addition to full-time judges, these chambers also have honorary commercial judges. In accordance with Sect. 108 of the Judicature Act (GVG), the chambers of commerce and industry have to suggest these honorary judges: that is, the chamber of commerce and industry contacts particularly suitable members and proposes them. If they are willing to take on the job, they are appointed by the regional courts for a period of five years. The office of a commercial judge is an honorary position that is not remunerated.

The chambers of commerce deal with legal complaints among businesses. Causes can be disagreements resulting from commercial transactions, disputes under company law or industrial property rights. A dispute is only heard and decided before a chamber of commerce if expressly requested by the plaintiff or the defendant. At a glance:

- **Judges:** The chambers dedicated to commercial matters sit in session with one full-time judge who is a fully qualified lawyer (presiding judge) and two honorary commercial judges who come from the commercial community. These do not need to be lawyers.
- **Distribution of voting rights:** All three judges have the same voting rights in the decision. The honorary judges are independent in the decision-making process and are obliged to be absolutely neutral.
- **Conditions of appointment:** Anyone can be appointed as an honorary judge if
 - he or she
 - has German citizenship,
 - has reached the age of thirty,

- is or was registered in the Commercial Register or the Register of Cooperatives as a businessman, member of the Management Board or Managing Director of a legal entity or as an authorised signatory,
- does not need to be registered as a member of the Board of Directors of a legal entity under public law due to a special legal regulation for this legal entity,
- resides in the district of the chamber of commerce and industry in question, operates a commercial establishment in that district or belongs to an enterprise with its seat or branch in that district

Due to the high reputation of the chambers of commerce and of their honorary judges, the possibility of referring to them for disputes with an economic background is often used. The special commercial expertise of the honorary judges often replaces the involvement of an expert. This leads to quick and well-founded decisions which the opposing parties are willing to accept.

Case Study 2: Honorary Financial Judges—Ensuring a Factual Financial and Tax Jurisdiction

The fact that lay judges are also included in the jurisdictional process in addition to full-time judges is a principle that also exists in fiscal jurisdiction. The regulations for this are to be found in Sect. 16 et seq. Financial Court Regulations (FGO). The fiscal courts are responsible for disputes in the area of income tax, corporation tax, trade tax, value-added tax or the German Fiscal Code. Special issues such as customs duties, excise duties and monopoly matters are also on their agenda.

Practitioners from the Business World

The senates at the Finance Court are each generally composed of three full-time judges and two honorary judges with equal participation in the verbal proceedings. Honorary financial judges do not have to have comprehensive tax expertise. Rather, as practitioners from the business world, they are expected to participate in the decision-making process in financial disputes and to support the expertise of the full-time judges. The final legal review and tax analysis of the facts are then carried out by full-time judges. Honorary financial judges thus contribute to the maintenance of a factual, objective and continuous financial and tax judicial system that serves the overall interest of the economy.

Proposals by the CCI

For a term of five years, the chamber of commerce and industry proposes suitable personalities for election as honorary financial judges at the Finance Court. The CCI

has no influence on the election procedure itself. The following requirements for honorary office are mandatory: German citizenship, having reached 25 years of age and having a residence or commercial or professional establishment within the judicial district.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License (<http://creativecommons.org/licenses/by-nc-nd/4.0/>), which permits any noncommercial use, sharing, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if you modified the licensed material. You do not have permission under this license to share adapted material derived from this chapter or parts of it.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.