Doing Business in the European Union 2021: Austria, Belgium and the Netherlands



Comparing Business Regulation for Domestic Firms in 24 Cities in Austria, Belgium and the Netherlands with Other European Union Member States









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Virtual Launch – AUSTRIA

Tommaso Rooms, Subnational Doing Business, World Bank Group June 28, 2021



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AGENDA

- Scope of the study
- Main findings
- Findings per topic
- Potential for improvement by adopting local good practices





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"Global" and "Subnational" Doing Business: what are the differences?

- Demand driven
- Go beyond the largest city
- Selected indicators
- Local good practices
- City stories





Global Doing Business

- WBG flagship
- Largest business city used as proxy
- 10 indicators
- International good practices
- Country stories

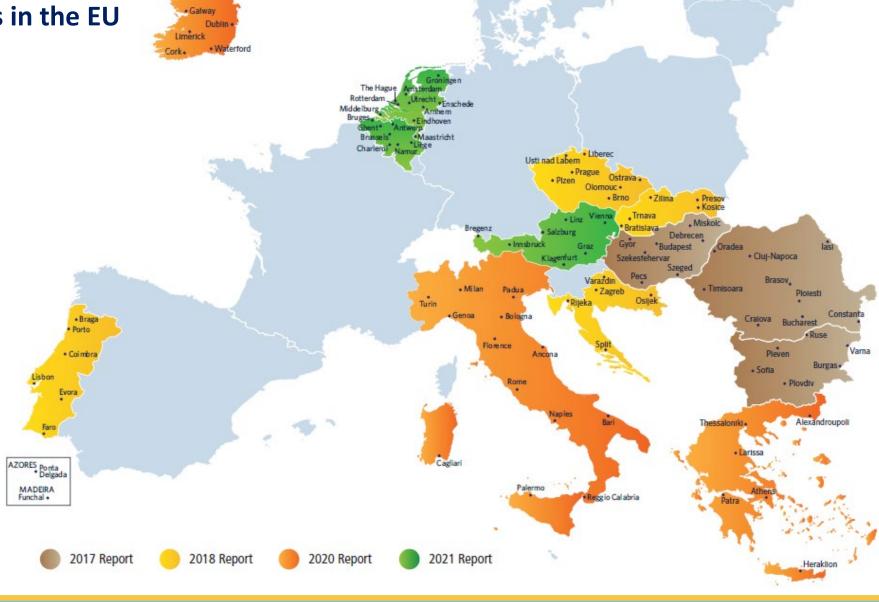






Subnational Doing Business in the EU

- Three studies published, covering 71 cities across
 10 EU member states.
- Current study includes
 24 cities from 3 EU
 member states.
- Next study will cover cities in Denmark,
 Finland and Sweden.









Five areas and seven cities measured across Austria



Starting a business

Procedures, time, cost and paid-in minimum capital to open a business



Procedures, time and cost to comply with formalities to build a warehouse + Quality of building regulation



Procedures, time and cost to obtain an electricity connection + Reliability of supply and transparency of tariffs



Registering property

Procedures, time and cost to transfer property between two local companies + Quality of land administration



Enforcing contracts

Time and cost to resolve a commercial dispute + Quality of judicial processes

THE CITIES

- Bregenz
- Graz
- Innsbruck
- Klagenfurt
- Linz
- Salzburg
- Vienna







How we collected the data



Private sector experts



WBG Team



Public officials



Local experts on each area covered as primary source of information

For example:

- Lawyers, notaries
- Accountants, auditors
- Architects, engineers, developers
- Electrical contractors

Data collected for quality cross-check purposes

For example:

- Municipal and utility officials
- Judges and judicial officers
- Representatives of local tax offices, regional economic chambers, regulatory authority for energy







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Scope of the study

Main findings

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Main findings

- Four of the seven cities lead in at least one of the measured areas.
- Cities that score well in one area are at the bottom of the ranking for others.
- Austrian cities score above the EU average in most areas, but not in starting a business.
- Subnational score variations are most significant in the ease of dealing with construction permits, enforcing contracts, and getting electricity.
- Time is the dimension that varies the most across the five indicators.





Four different cities at the top in the five areas measured

Linz is the only Austrian city that scores highest in two indicator areas

	Starting a business		Dealing with construction permits		Getting electricity		Registering property		Enforcing contracts	
City	Rank (1–7)	Score (0–100)	Rank (1–7)	Score (0–100)	Rank (1–7)	Score (0–100)	Rank (1–7)	Score (0–100)	Rank (1–7)	Score (0–100)
Bregenz	2	82.21	1	83.64	7	86.38	5	77.74	2	71.00
Graz	7	80.95	3	77.16	6	86.62	3	80.18	7	67.04
Innsbruck	2	82.21	2	80.52	2	90.38	4	77.98	4	68.48
Klagenfurt	4	81.96	7	71.09	3	89.34	6	77.38	6	68.18
Linz	4	81.96	6	73.02	1	91.68	1	80.54	3	69.36
Salzburg	1	82.96	4	77.10	4	88.83	7	76.66	5	68.23
Vienna	6	81.71	5	75.31	5	88.43	2	80.30	1	72.73







Variation in regulatory performance shows that Austrian cities have opportunities to learn from each other

Austrian cities outperform their EU peers in most areas, but not in starting a business



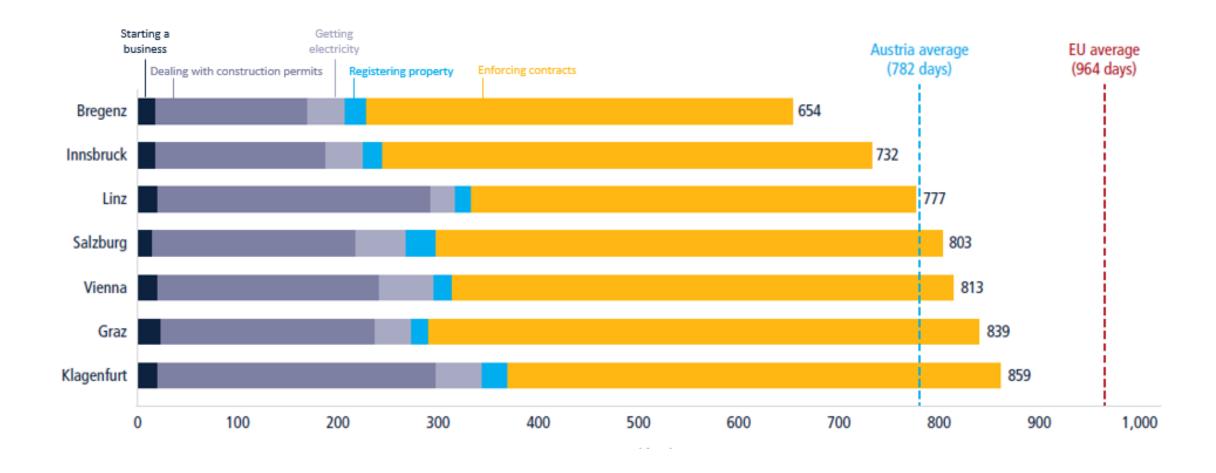






Bregenz registers the fastest turnaround times overall

SUBNATIONAL DOING BUSINESS







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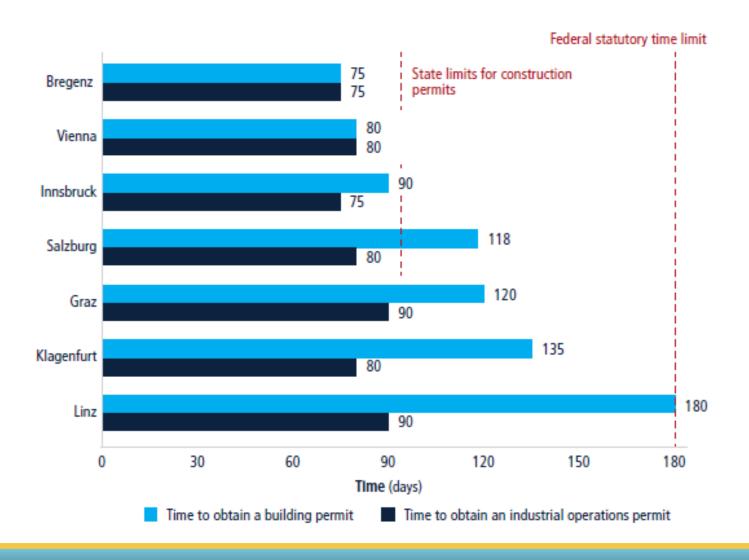
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Bregenz has the best performance on construction permitting among 95 EU cities...

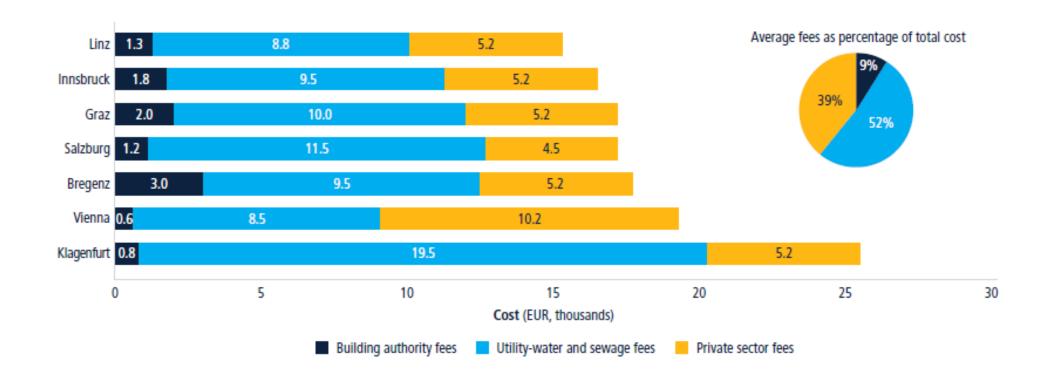








...but Linz is the city where construction permitting is cheapest

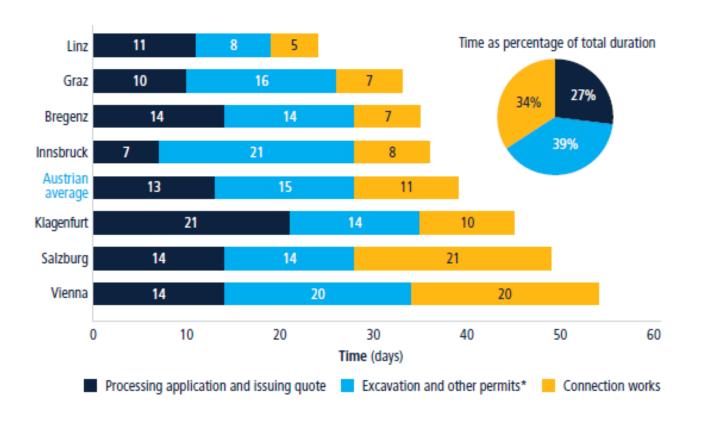








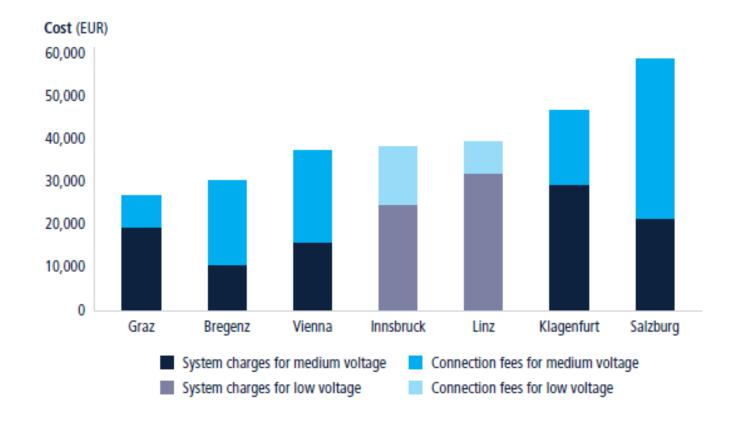
Getting electricity takes 25 days in Linz, less than half the time needed in Vienna







Connecting to the electrical grid costs half as much in Graz than in Salzburg

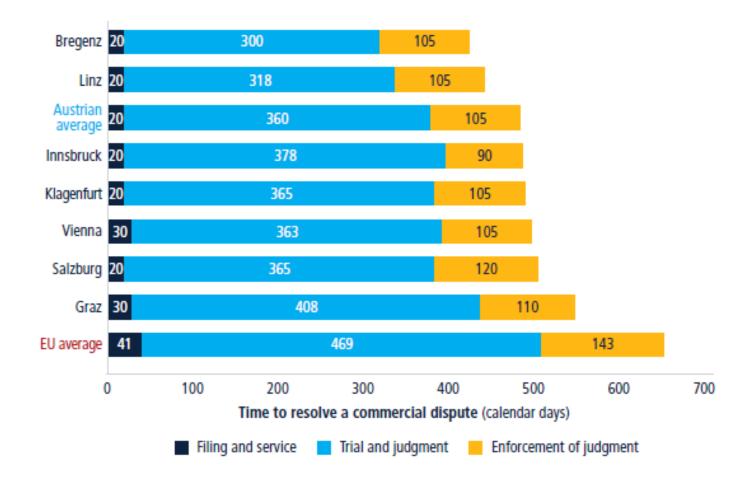








Resolving a commercial dispute takes 18 months in Graz, 4 months longer than in Bregenz

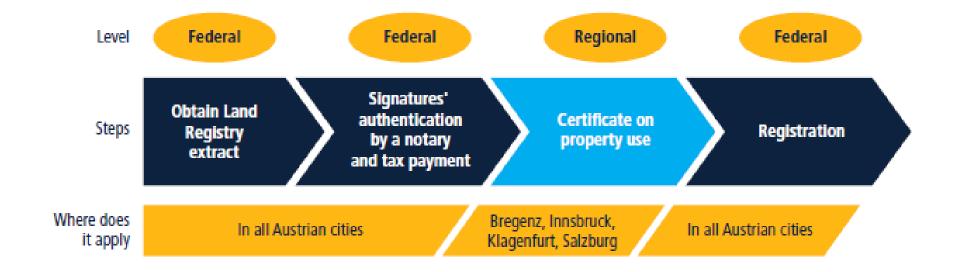








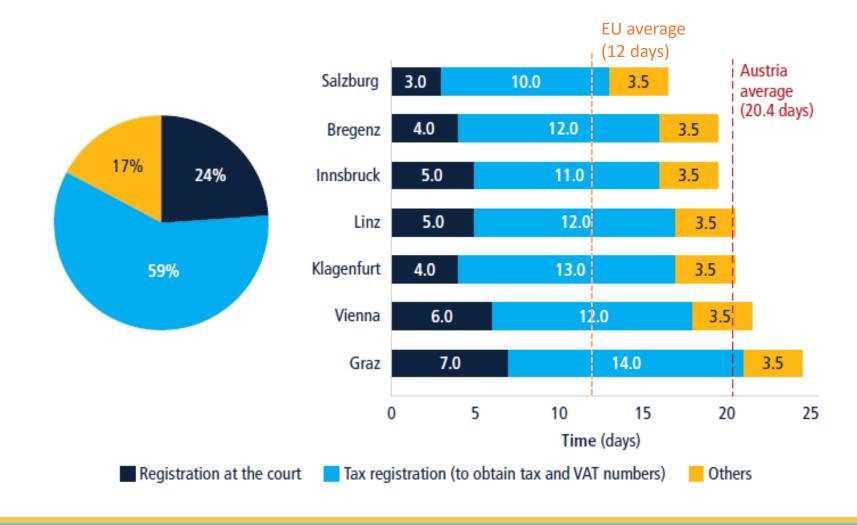
Registering property in Austria is mainly centrally regulated, but regional requirements apply







Starting a business in Austria is relatively cumbersome and time consuming

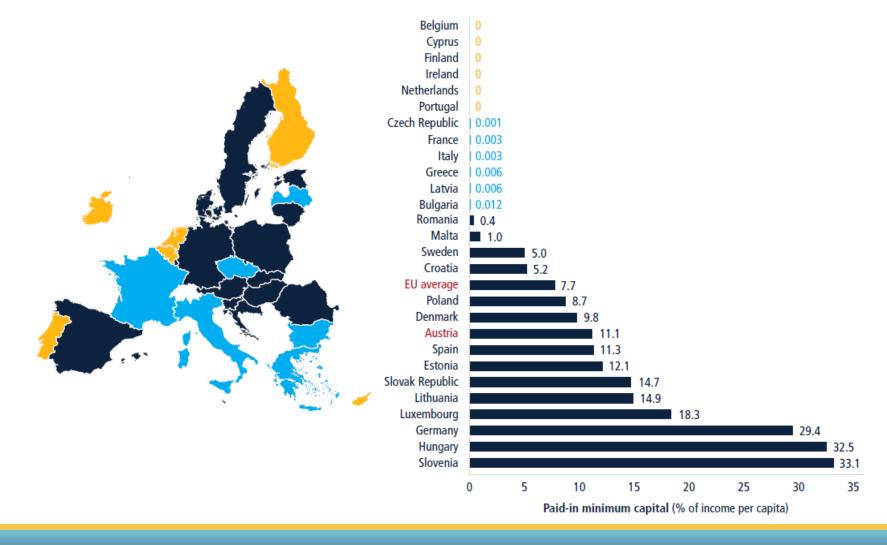








Austrians face a higher paid-in minimum capital requirement to open a business than the EU average







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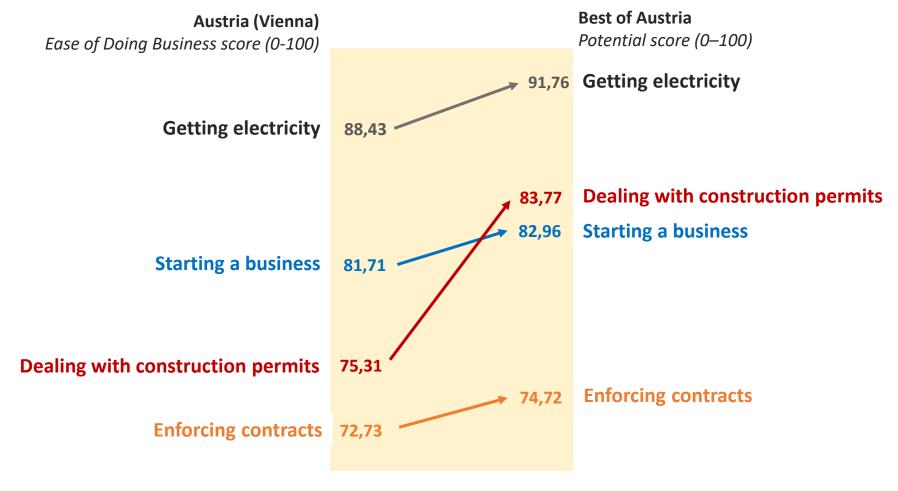
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Improving the *Doing Business* score by learning from each other



Note: Data for Vienna are not considered official until published in the Doing Business 2021 report.







THANK YOU!

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