



Österreichischer
Städtebund

Local Governments – „Power Houses“ of Austria

Delegation - Republic Of Senegal
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Austrian Association of Cities and Towns

- established in September 1915
- today 249 members
- President: Michael Häupl, Mayor of Vienna
- Vienna office in City Hall: Secretary General plus 20 staff
- 8 branches in provinces (Landesgruppen)
- Representation at provincial, federal and European level (EU and Council of Europe)
- Brussels office in Perm Rep
- Activities: appraisal of bills, legal advice, exchange of information (36 working groups), public relation activities, international contacts, Know How Transfer (also to East and Southeast Europe)

Representation of Local Governments

Two representative bodies:

- **Austrian Association of Cities and Towns** (Österreichischer Städtebund) for larger municipalities (249 members or approx. 55% of the population)
- **Austrian Association of Municipalities** (Österreichischer Gemeindebund) for smaller municipalities (about 2.000 members or approx. 72% of the population)
- safeguarded by Austrian constitution
- partners in financial adjustment negotiations
- represent municipalities at international organisations

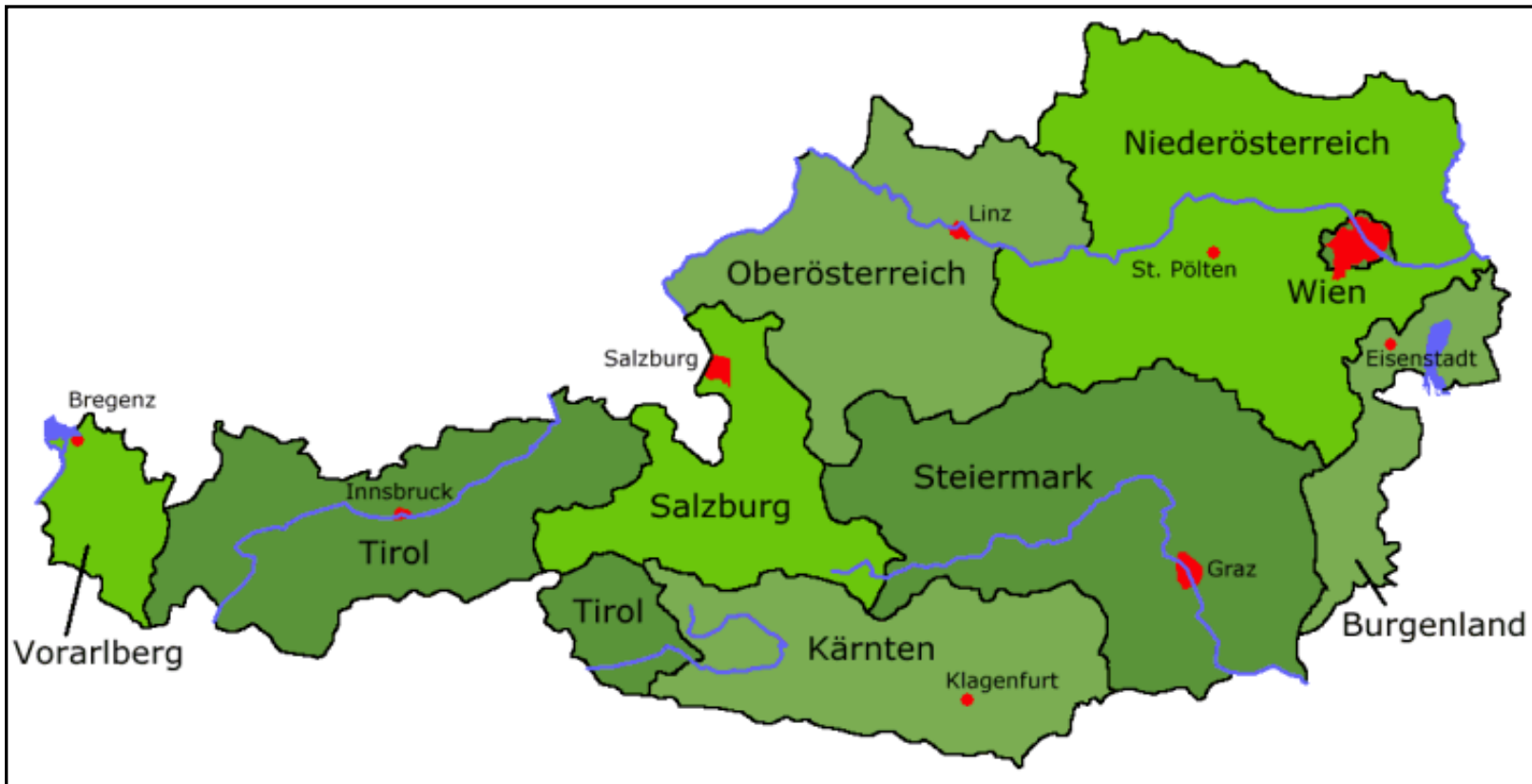
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Austrian Federal System

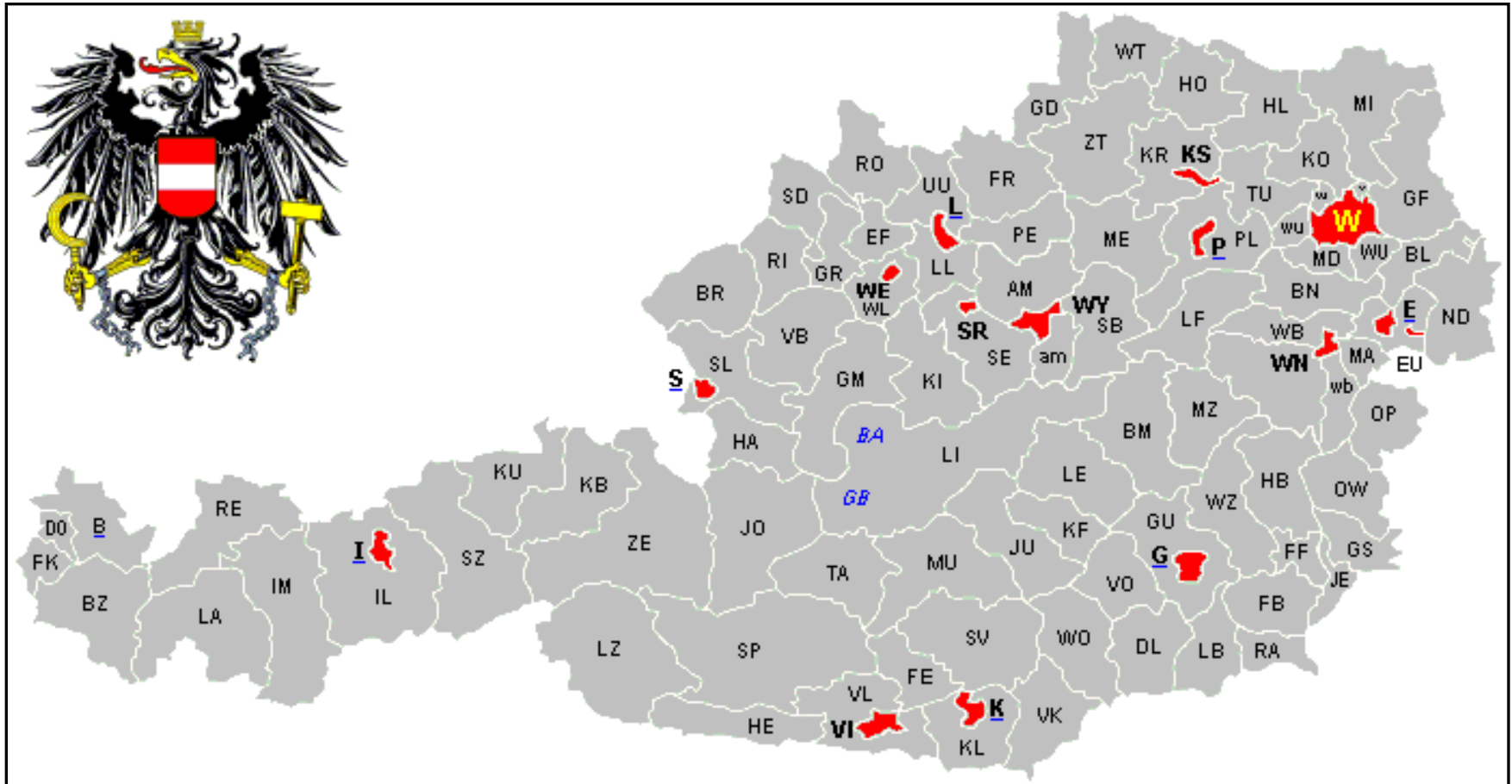
- Austria 83.871 km²
- Approx. 8,5 Mill. inhabitants
- Federation of 9 provinces/regions (Bundesländer)
- **2.102 municipalities** in total
- Vienna: special status in constitution as region (Bundesland) and municipality

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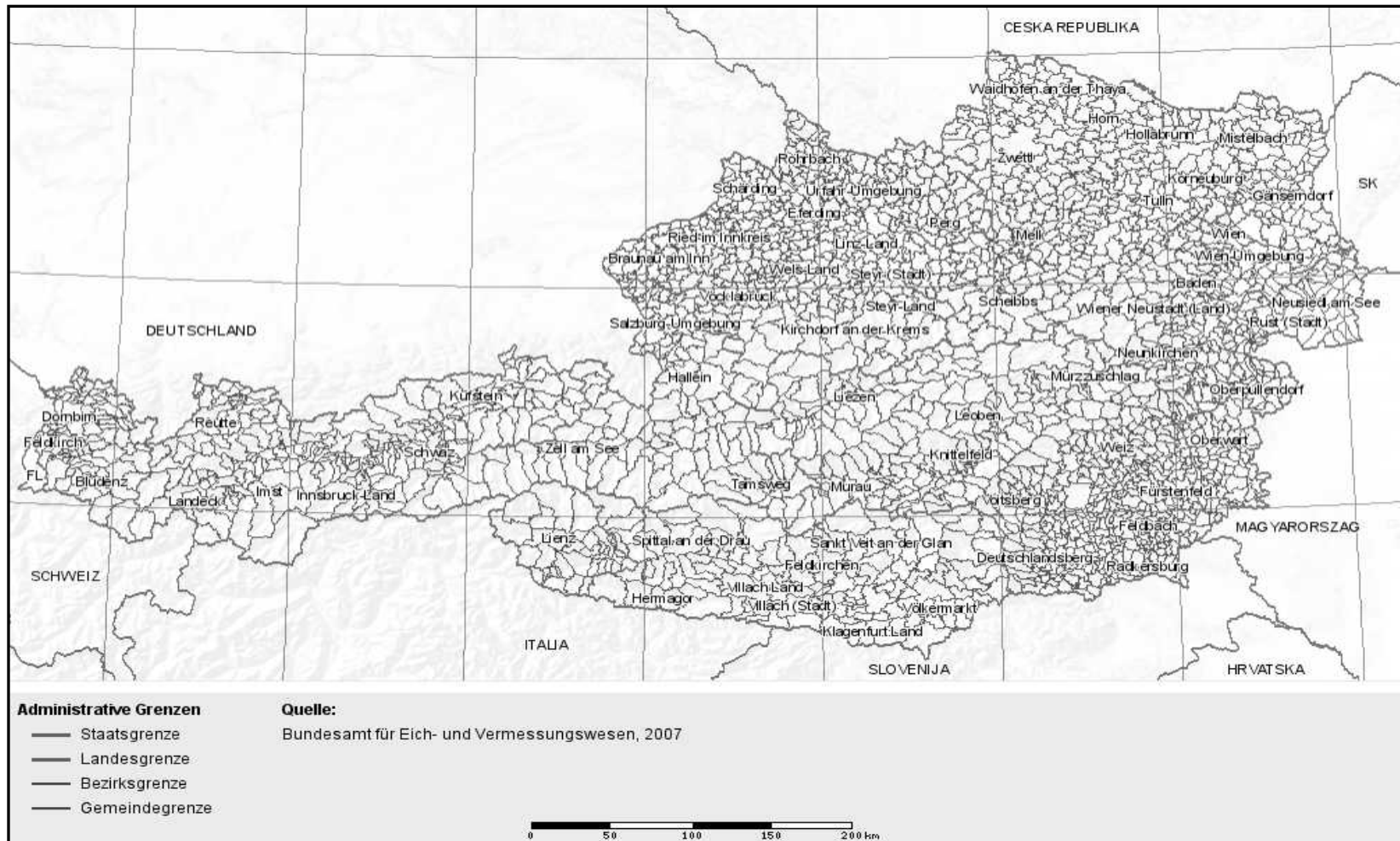
9 regions/provinces (*Bundesländer*)



80 districts – administrative units in Austria („politische Bezirke“)



2.102 Austrian Local Governments



Competences on federal (Bund), regional (Länder), local (Gemeinden) level

- competences are regulated by constitution
- legislative competence lies with federal and regional level
- “General Competence Clause”: areas not included in constitution may be regulated by regions
- each region is responsible for execution and implementation of federal law
- Local self-government is cornerstone in constitution

Structure of Local Authorities

- Population: less than 100 and more than 1,80 Mio. (Vienna)
- Nearly half of 2.102 municipalities have between 1.000 and 2.500 inhabitants; 84 % between 500 and 5.000
- 73 municipalities have more than 10.000 inhabitants, from these 7 have more than 50.000;
- 2nd largest city: Graz, Styria (230.000)

Areas of Municipal Autonomy

important competences

- housing
- Managing administration
- supervisory authority (active in case of unlawful activities of a municipality)
- Activities in own sphere of operation (e. g. Appointment of municipal authority and employees, administration of own traffic space, market authority, building authority and local spatial planning)
- **Economic activities (e. g. waste, water and waste water, energy, municipal housing, leisure facilities, etc.) – Services of General (Economic) Interests**

Services of General Interest

- Services of **general interest** : to guarantee high quality services at affordable prices
- in **EC Treaties** since **1957**: definition as special “Public Service Obligations” (PSO), which every MS will define according to history, tradition and national institutions of its own; competition law is not applicable



Services of General Economic Interest

- *any activity consisting in offering goods and services on a given market*

Services of General Non-Economic Interest

- *financed mainly out of public funds*
- *activities provided directly by the „State“ (e.g. national educational system)*

Services of General Economic Interest

- defined and regulated by **specific common rules** (internal market regulations), e.g. Electric Energy, Mail Service, Telecommunication fall under the special regulations of the EC

- **without definition and regulation by common law** – *Principle of subsidiarity*; MS define these services and lay down how these services are provided (e.g. water disposal, water supply, public/social services, waste management).

Historical Concepts

„**Daseinsvorsorge**“ („*life provision*“): concept since 1938 in Germany and Austria; responsibility for one's life should not rest with a single person but with political authorities („birth to grave“)

„**Service Public**“: concept since end of 19th century in France; „Service Public“ has to satisfy those needs of general public that are of general economic interest; definition of „general interest“ remained vague.

„**Public Utility Concept**“: mainly anglo-saxon tradition; singles out economic areas of public interest of which state should keep control; contrary to French system, anglo-saxon concept provides only control of private activities within the sector but does not see an obligation to make utilities available to general public.

Current Situation in Austria 1

-Local governments organise, finance and provide essential services for their citizens and businesses.

-Different modes of service delivery

- ***directly***
- ***through contracts with private sector***
- ***through variations of PPP***

Current Situation in Austria 2

-intent of European Commission:

- **to create a common market** ; e.g. market competition for production & provision of all services (also SG(E)I)

- Since 1990s clash in **SG(E)I field between local authorities and liberalisation attempts by WTO & EU (with the assistance of MS)**

“Line of defence”

CEMR Charter on Local and Regional Services of General Interest

a.) **Better balance between private and public sector** - local and regional governments have an essential role to play.

b.) includes decision **how to define and evaluate public services,**

c.) **„horizontal“ European law on SG(E)I**



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Thank you for your attention

For more information please visit
www.staedtebund.gv.at

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