



# Austria\*

\* Headquarters-Location  
in the Heart of Europe

# Austria - Location in the Heart of Europe

The success factors: stability, CEE know-how,  
and a prosperous market in the heart of Europe

## **Central location**

- Ideal base for business in Eastern and South Eastern Europe
- Extensive experience derived from 16,000 joint ventures between Austrian and Eastern European companies
- Eastern European coordination center (headquarters) for around 1,000 foreign companies
- Service providers with extensive East European know-how
- The best-performing airport in respect to flight connections to the CEE region

## **Attractive business environment**

- Austria is the fourth most prosperous country in the EU
- Above-average purchasing power of Austrian consumers
- Highly developed infrastructure
- Efficient public administration

## **Stability and security**

- Political and social stability
- Good relations between labor and management
- Low strike rate
- High level of personal security
- Security of energy supply

## **Tax advantages**

- Low corporate tax rate of 25 percent
- Attractive group taxation scheme
- Austrian tax laws allow further reduction of the tax burden
- No wealth or trade tax

## **Productivity**

- A top ranking in terms of hourly output per employee

## **Business-oriented education**

- Practice-oriented learning in technical and business fields
- High educational expenditures confirm the value placed on education and training
- Close cooperation between academic and business communities

## Austria: East-West business interface



## Central location: All of Europe by air in 3 hours

Due to its unique geographical position, Austria is an ideal business location – whether as an East-West interface or as headquarters for a company’s Central and Eastern European business activities.

The geographical proximity to all major CEE cities is an important competitive advantage: the distance from Vienna to Prague is 299 kilometers, whereas Budapest is only 266 km away.

Austria offers a top-notch, high-quality network of highways and expressways spanning more than 2,000 km, as well as six international airports. Vienna International Airport is the most important East-West transportation hub, providing flight service to 43 destinations in the CEE region.

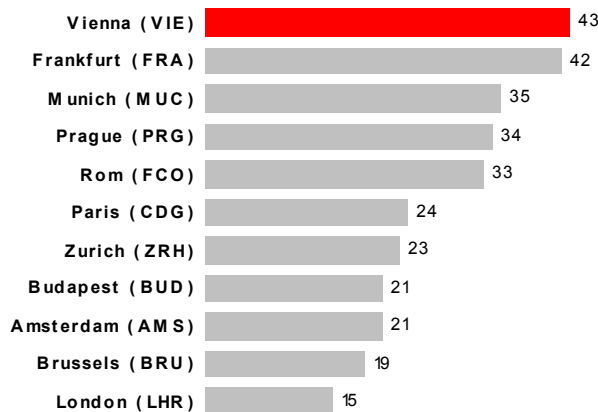
From Vienna to	Distance	Flight time
Berlin	634 km	1:15 hours
Brussels	1,121 km	1:30 hours
Budapest	266 km	0:45 hours
Frankfurt	720 km	1:50 hours
London	1,570 km	2:00 hours
Moscow	1,950 km	2:50 hours
Prague	299 km	1:00 hours
Rome	1,130 km	1:45 hours
Zurich	757 km	1:25 hours

## Vienna International Airport: The leading hub to CEE and SEE

Vienna International Airport, the largest of Austria's six airports, is the European leader for CEE destinations. With its flight connections featuring 43 cities in 22 Eastern European countries, and 625 weekly flights to the region, Vienna Airport has further expanded its top position as an East-West hub in European air traffic, and even ranks ahead of the considerably larger Frankfurt Airport.

### Vienna Takes Off

#### Number of destinations in Central and Eastern Europe



Source: Vienna International Airport, Jan 2011

#### Number of weekly departures

Airport	Eastern Europe
Vienna	625
Frankfurt	584
Munich	565
Paris	417
Prague	411
Rome	285
London Heathrow	274
Zurich	269
Budapest	255
Amsterdam	245
Brussels	188

Source: Vienna International Airport, Jan 2011

## Unrivaled specialist for Eastern Europe

With the enlargement of the European Union to 27 nations, Austria has shifted to the heart of Europe not just geographically, but in a political and economic sense as well. Austria is considered the ideal springboard to ensure lucrative business activities in Eastern and South Eastern Europe.

Austria's long tradition with its neighbors to the East has led to a common mindset and many years of experience in doing business together. The historical ties and the intense level of ongoing involvement today make Austria the EU's undisputed specialist for the CEE region.

Future-oriented Eastern European companies are increasingly choosing Austria as their EU foothold. They are looking for a reliable partner – with the required know-how and competent service providers. Austria is the pre-eminent choice in this regard.

### **Austria offers an ideal business environment:**

- **Proximity to the target market:** Austria's geographical proximity to the emerging markets of Eastern and South Eastern Europe can't be matched by any other Western industrial nation. Four new Member States of the EU are direct neighbours, and Prague, Budapest and Warsaw are at most an hour away by plane.
- **Infrastructure:** Austria offers top quality road, rail and air links. Excellent logistical and telecommunications infrastructure ensure the fastest possible movement of goods and information.
- **Competence and contacts:** Eastern European companies highly value the outstanding CEE know-how of Austrian service providers such as banks, tax advisors and business consultants.
- **Stability and security:** The economic, social and political stability as well as the high level of legal certainty are particularly attractive to companies.
- **Productivity and motivation:** Austria is among the most productive nations in the world. A high share of well-educated and loyal employees with Eastern European language skills is widely available, based on the fact that three-quarters of all immigrants in Austria come from Central and Eastern Europe.
- **Tax advantages:** The Austrian group taxation scheme is extremely attractive for multinational companies.
- **Quality of life:** Austria's quality of life is unsurpassed in the world. Vienna is the world's most popular business destination for managers.

## Austria is attractive for CEE headquarters

Austria is internationally recognized as the leading business location for building up business ties to Eastern and South East Europe.

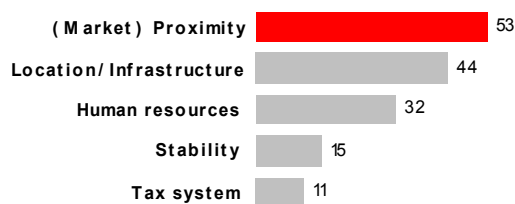
Prominent companies spanning all business sectors, ranging from Beiersdorf, Boehringer Ingelheim, Eli Lilly, Heineken, Henkel, Lukoil and Siemens, have expressed their confidence in Austria as a business location targeting the CEE region.

Some 300 multinationals, including 28 Fortune 500 firms (Boston Consulting Group), have set up their Eastern European headquarters in Austria to carry out cross-border corporate activities. All in all, 1,000 international companies coordinate their Eastern European business operations from Austria.

### **Austria scores high on proximity and know-how:**

The study “Headquarters in Austria” confirms that Austria’s predominant strengths are its cultural and geographical proximity to Central and Eastern Europe, its excellent infrastructure, qualified employees and stability of the country. The favorable tax provisions already comprise an important incentive for international companies to establish their regional headquarters in Austria.

### **Multinationals select Austria for the following reasons, in percent:**



Source: Headquarters Austria, 2009

## Multinationals select Austria for their headquarters location

For example:

Aastra Technologies	Knauf
Agfa	Knorr Bremse
Air Liquide	Logwin Logistics
Alcatel	Lukoil
Allianz Versicherung	Magna
Alstom	MAN
Beiersdorf	Mars
BenQ	Mazda
Berner Direktvertrieb	Metro Cash & Carry
Boehringer Ingelheim	Neckermann Versand
Borealis	Nestlé Nespresso
Business Logic Systems	Nokia ASE
C&A	Panasonic
Canon	Peek & Cloppenburg
Compuware	Quintiles
Deka Bank	Rehau
DHL Global Forwarding	Rewe
EgyptAir	Rittal-Gruppe
Electrolux	Robert Bosch AG
Eli Lilly	Rohde & Schwarz
ERGO	Samsung
Ericsson	Schenker
Essilor	Schindler Holding
Flextronics	Sharp
Fujitsu	Siemens
Gefco	SIG Combibloc
Global Refund International	Sunpor
Heineken	Thales
Henkel CEE	Transearch International
Hitachi Data Systems	UGI Corp./Flaga
IPICO	UniCredit Group
Infineon	USU AG
Iveco	Vestas Wind Systems A/S
Jeld-Wen/Dana	Volvo
JVC International	Western Union
Kärcher	Zürich Versicherung

Source: Headquarters Austria, 02/2011



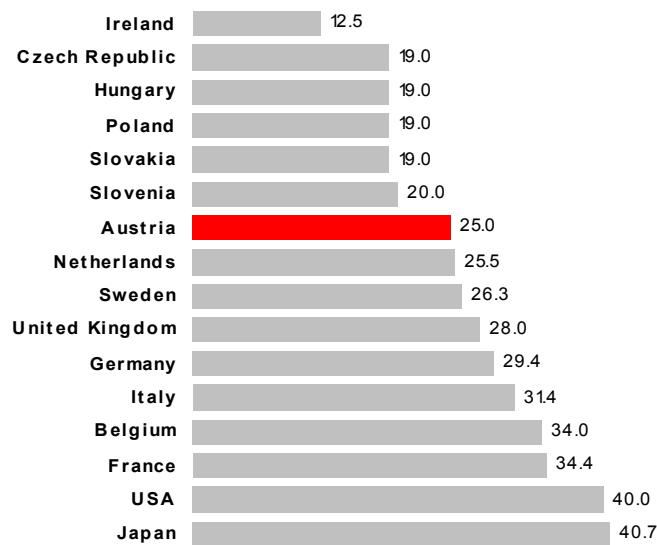
## 25 percent corporate tax – and that’s all

Austrian companies are subject to a unified corporate tax rate of just 25 percent, and levies such as trade or net worth taxes – the norm in many other countries – simply do not exist in Austria.

The reduction of the corporate tax rate from 34 to 25 percent as of January 1, 2005 elevated Austria into a position among Europe’s most business-friendly nations.

Among the EU-15, only Ireland offers more favorable tax provisions. But Austria also makes a strong showing in comparison to the new EU member states, that are attracting investors through major tax rate reductions.

### Corporate Income Tax Rates \*) 2010 Maximum taxation on profits, in percent



Source: KPM G Corporate Tax Survey 20 10

\*) The given percentage includes all income taxes dependant on profits.

## Austria as a holding location

Austria has traditionally served as one of the most attractive holding locations in Europe. The country has emerged as a popular location to set up holding companies, not only due to a variety of tax privileges, but also as a result of its high quality of life, top-notch education offered to employees and the beautiful countryside.

The tax reform package of 2005 further improved the tax situation for establishing holding companies. In addition to a reduction of the corporate income tax to 25 percent, the most important feature is the introduction of a group taxation scheme, which makes Austria even more attractive as a holding location than in the past.

### **Group taxation - a major competitive advantage to corporate headquarters**

The modern, highly favorable group taxation scheme is a role model for the rest of Europe. The immediate offsetting of profits and losses within a corporate group – the main feature of a future-oriented group taxation system – is very important for a globalized economy.

The fundamental idea underlying the new group taxation model is the consolidation of the taxable business results of all financially affiliated companies within a tax group, without requiring an economic or organizational integration.

International companies as well as smaller foreign firms with subsidiaries can benefit from enormous bottom-line advantages arising from transferring their business operations to Austria. As a consequence of the new tax provisions, Austria represents an outstanding location for setting up corporate headquarters, in particular for the Eastern European region.

The group taxation offsets the profits and losses of domestic group members and the losses of foreign subsidiaries within the tax group. Subsequently, the assessment base for calculating the corporate income tax is lower.

A tax group can be established with a qualifying participation of at least 50 percent and one share.

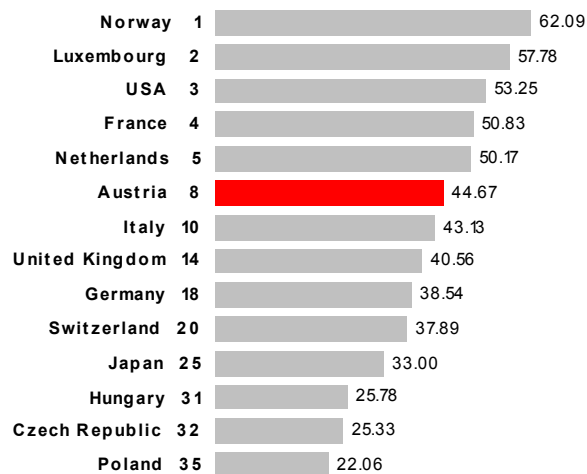
In the case of acquisitions, the capitalized goodwill can be depreciated over a period of 15 years, which is not possible in other countries at the present time.

## High productivity: Austria ranks among Europe's best performers

The level of industrial productivity in Austria is traditionally high. In recent years, Austrian industry achieved disproportionately high productivity gains, which more than compensated for the rise in labor costs. The main reasons are good capacity utilization to strongly exploit market opportunities, for example in Eastern and South East Europe, and a highly motivated and educated workforce.

Austria is rated among the best in respect to productivity as measured by purchasing power. In the latest assessment of the World Competitiveness Yearbook 2010, Austria is ranked 8<sup>th</sup> with an hourly output of USD 44.67 per employee. Thus Austria is not only ahead of Great Britain (14<sup>th</sup>) and Germany (18<sup>th</sup>), but also outranks Switzerland (20<sup>th</sup>) and Japan (25<sup>th</sup>).

### Output per Man-Hour in Manufacturing Industry GDP per person employed per hour, in US\$



Source: World Competitiveness Yearbook, 2010

## Moderate unit labor cost development

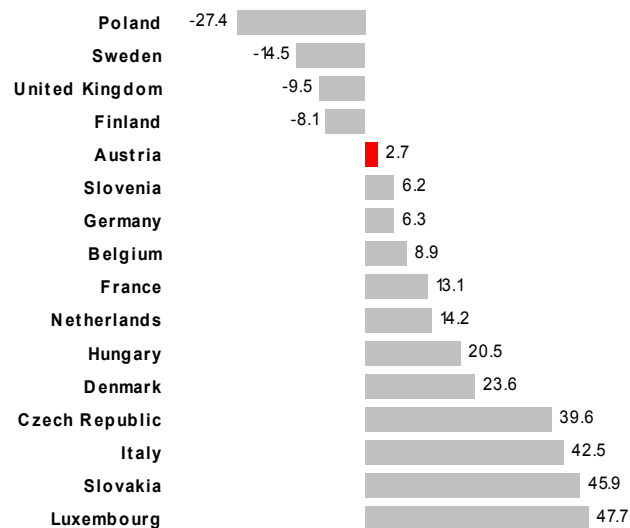
### **Austrian remains competitive thanks to the low increase in unit labor costs**

In recent years, unit labor costs in Austria have developed very moderately due to modest wage increases and productivity increases.

An EU-wide comparison carried out by the European Commission shows that the nominal unit labor costs in Austria only climbed by 2.7% annually during the period 1999 – 2009. Thus the rise in unit labor costs is far below the EU average. Luxembourg, Slovakia and Italy posted particularly high increases averaging over 40%.

The biggest decrease in unit labor costs over the past ten years took place in Poland. The decline in Sweden, Great Britain and Finland was also way above average.

**Unit Labor Costs in the Manufacturing Industry**  
**EU-comparison**  
**Average percentage changes 1999–2009**



Sources: European Commission,  
 Austrian Institute of Economic Research, 09/2010

## Unsurpassed in the world: Austria's quality of life

Today Austria is a prosperous, stable and thriving country, looking back at a long and eventful history. Across the globe, Austria is valued as a nation with a rich cultural heritage, a popular travel destination and business partner, thanks to its broad spectrum of cultural offerings, marvelous landscape and a dynamic and innovative economy.

The selection of a business location is primarily driven by economic considerations. However, the underlying basis for excellence and top-rate performance of employees is a feeling of well-being and feeling good in the environment in which they live and work. This represents a decisive competitive advantage for Austria. There is hardly any country in the world which offers a comparable quality of life.

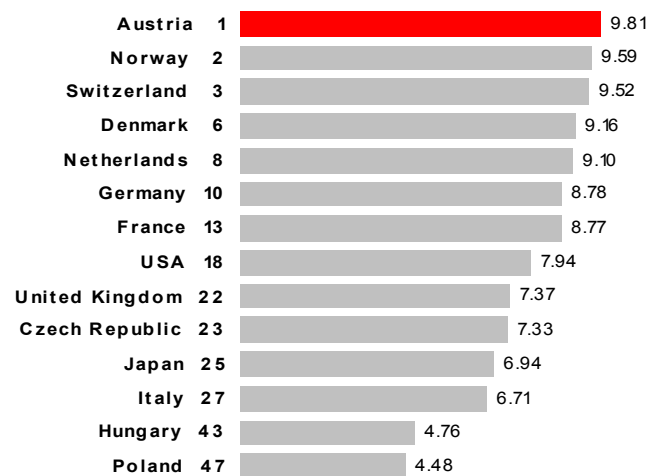
The high quality of life is reflected in the low crime rate, the high level of social security and an attractive shopping and recreational infrastructure.

Austria is a country boasting a diverse range of cultural, sporting and recreational activities. There is something suitable for every taste, fancy and age, whether a person's preference is opera, operetta, musicals, plays, concerts, exhibitions and much more.

Austria's health care system is considered to be one of the best in the world. Excellent health care is provided by specialists and top medical institutes along with a dense network of public and private hospitals.

### Unmatched Quality of Life

10 = The nation's quality of life is very high



Source: World Competitiveness Yearbook, 2010

## Vienna: World's most popular city for managers

The quality of life in Vienna has been rated number one in the world. Austria's capital city offers precisely those business location factors which managers highly value about business hubs, such as stability, security, education and health care.

According to the latest "Quality of Living Survey 2010" published by the internationally operating company Mercer Consulting Group, Vienna is the world's most livable capital, ahead of the Swiss cities of Zurich and Geneva. Thus Vienna has been ranked as the top business destination for employees of foreign institutions and corporate groups for the second consecutive year.

Major cities such as Paris (34), London (39) and New York (49) were left far behind.

On balance, the Mercer Consulting Group evaluated the quality of life in 221 large cities according to 39 criteria which are of relevance to expatriates. The study took social, political, economic and environmental aspects into consideration as well as personal safety and the range of health care, education and transportation services. New York was considered as the basis for the analysis, with a value of 100 points. Vienna achieved a level of 108.6 points.

This study concluded that there is still a huge difference between Eastern Europe and Western Europe. However, the standard of living has improved in many Eastern European cities due to EU membership and the favorable economic development. Prague and Budapest were rated as the cities in Eastern Europe with the highest quality of life, ranked 70<sup>th</sup> and 73<sup>rd</sup> respectively.

Rank	City	Country
1	Vienna	Austria
2	Zurich	Switzerland
3	Geneva	Switzerland
4	Vancouver	Canada
7	Frankfurt	Germany
11	Copenhagen	Denmark
13	Amsterdam	Netherlands
15	Brussels	Belgium
17	Berlin	Germany
19	Luxembourg	Luxembourg
20	Stockholm	Sweden
34	Paris	France
39	London	United Kingdom
40	Tokyo	Japan
41	Milan	Italy
49	New York	USA
70	Prague	Czech Republic
73	Budapest	Hungary
84	Warsaw	Poland
87	Bratislava	Slovakia

Source: Mercer Consulting – Worldwide Quality of Living Survey 2010

## Attractive price level

Due to its cultural offerings, Austria is considered one of the most enjoyable countries in the world, but not one of the most expensive.

According to the “Cost-of-Living Survey 2010”, a comparative global study carried out by the renowned consulting company Mercer, Vienna is rated 28<sup>th</sup> in the world. The study evaluates the living costs of expatriate employees in 214 large cities, including housing, transport, food, clothing, household goods and entertainment.

In 2010, Luanda in Angola is ranked the world’s most expensive city for expatriates, followed by Tokyo, which had the highest living costs in the previous year. In Europe, Moscow is at the top of the rankings of the most expensive cities, with higher costs than the Swiss cities of Geneva and Zurich.

For the first time, the ranking of the world’s top ten most expensive cities includes three African urban centers. The top ten also comprises four European and three Asian cities.

Rank	City	Country
1	Luanda	Angola
2	Tokyo	Japan
3	Ndjamena	Chad
4	Moscow	Russia
5	Geneva	Switzerland
6	Osaka	Japan
7	Libreville	Gabon
8	Zurich	Switzerland
8	Hong Kong	Hong Kong
10	Copenhagen	Denmark
11	Oslo	Norway
15	Milan	Italy
17	London	United Kingdom
17	Paris	France
26	Rome	Italy
27	New York City	USA
28	Vienna	Austria
35	Amsterdam	Netherlands
37	Bratislava	Slovakia
47	Prague	Czech Republic
50	Frankfurt	Germany

Index: New York = 100

Source: Mercer Consulting – Worldwide Cost of Living Survey 2010

## High purchasing power: Austria is the fourth most prosperous country in the EU

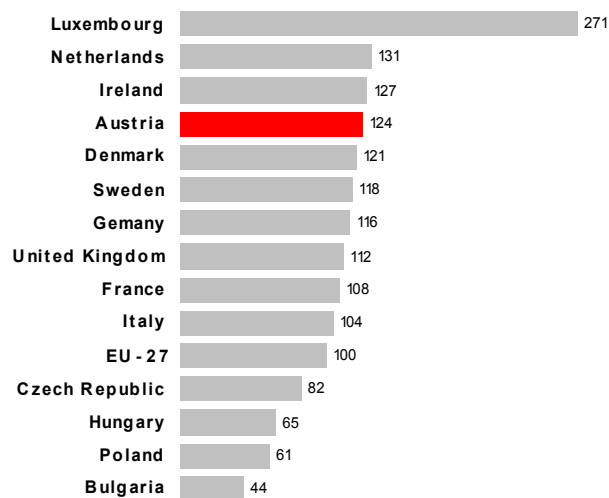
Austria ranks among the most prosperous countries in the EU. It not only offers a market boasting extensive purchasing power, but a corresponding consumer infrastructure. Despite its relatively small size and number of inhabitants, Austria is a profitable market for international companies.

According to the latest study published by the European Statistical Office Eurostat, Austria's purchasing power is 24 percent above the EU average. Thus, Austria places an outstanding fourth in the EU in terms of GDP per capita, only surpassed by Luxembourg, the Netherlands and Ireland.

The competitive advantage of Austria is impressive, particularly in respect to the large industrial nations, i.e. Germany, the United Kingdom and France.

Among the EU member states from Eastern and South East Europe, Slovenia and the Czech Republic are the best performers in terms of purchasing power, with 88 percent and 82 percent of the EU average respectively. The countries with the lowest purchasing power in the EU are Bulgaria (44 percent) and Romania (46 percent). This means that per capita GDP in Luxembourg is six times higher than in Bulgaria.

### The most prosperous EU member states GDP per capita 2009 in purchasing power standards (PPS) EU-27 = 100



Source: Eurostat 2010



## Economic growth above the EU-27 average

In the years 2006 and 2007, the Austrian economy grew at a rate of 3.6 percent and 3.7 percent respectively. The global economic and financial crisis was already reflected by a slowdown in economic growth to 2.2 percent in 2008. The Austrian economy contracted in 2009, posting negative GDP growth of 3.9 percent in real terms.

In international comparison, the difficult economic environment also had a clearly negative impact. The economies of the EU member states declined by 4.2 percent on average, whereas the Eurozone contracted by 4.1 percent.

### Largest economic stimulus package within the EU

Stimulus measures were implemented around the world as a response to the economic crisis. The economic stimulus packages in Austria amounted to 1.8 percent of GDP for both 2009 and 2010, the second highest in the EU, surpassed only by Spain in 2009 and Germany in 2010. However, for the two years as a whole, the package of measures designed to boost the Austrian economy was the most extensive in the entire EU.

The Austrian economy is expected to recover in 2010 and 2011 and expand by 2.0 percent and 2.2 percent respectively. In contrast, GDP growth in the EU-27 and the Eurozone is forecast to reach a level of 1.8 percent and 1.7 percent in 2010.

#### Economic growth (as a percentage of GDP)

	2008	2009	2010*
<b>Austria</b>	<b>2.2</b>	<b>-3.9</b>	<b>2.0</b>
EU-27	0.5	-4.2	1.8
Eurozone	0.4	-4.1	1.7
Germany	1.0	-4.7	3.7
France	0.2	-2.6	1.6
United Kingdom	-0.1	-5.0	1.8
Italy	-1.3	-5.0	1.1
Netherlands	1.9	-3.9	1.7
Poland	5.1	1.7	3.5
Czech Republic	2.5	-4.1	2.4
Hungary	0.8	-6.7	1.1

Sources: Eurostat, Austrian Institute of Economic Research

\* Forecast 12/10

## Moderate office rents

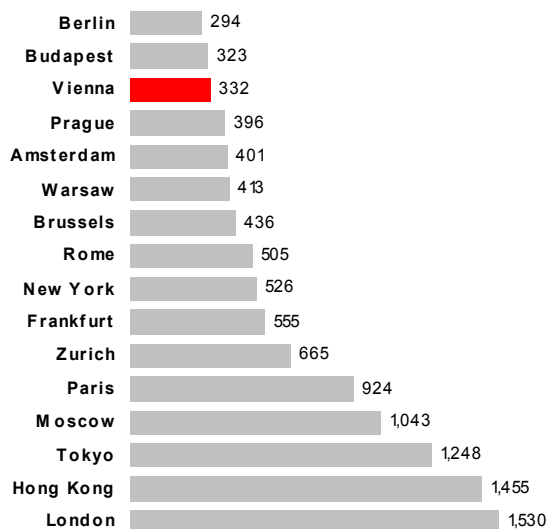
An important consideration for foreign investors - apart from the economic climate - is location cost. Austria scores highly here:

According to a study carried out by the international commercial real estate services provider CB Richard Ellis, Vienna ranks as one of the cheapest European locations in an international comparison of 175 cities across the globe. On the basis of office rental costs, Vienna is more reasonably priced than Prague, Amsterdam, Warsaw, Brussels, Rome, Frankfurt or Zurich. Berlin and Budapest are slightly cheaper.

The total occupation costs for an office in a good business location in Vienna are only 332 euros per square meter and year. For this reason, Vienna has emerged as one of the most stably priced office locations in Europe in recent years.

Globally, London's West End, Hong Kong Central, Tokyo's Inner Central, Mumbai and Moscow are the most expensive office markets in the world, according to the CBRE report.

### Office Rents in International Comparison Total occupation costs per sqm/year in euros



Source: CB Richard Ellis, 11/2010

## Efficient public administration

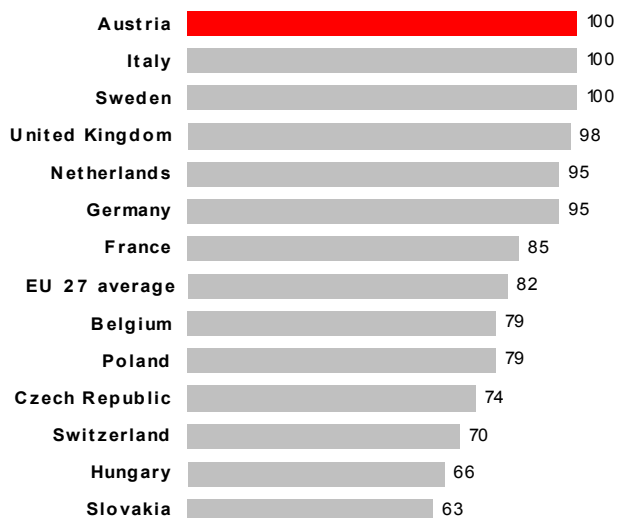
Efficient service, customer orientation and transparency are the features of electronic administration. Whether it is a question of getting legal advice and security information or applying for tax adjustments, modern information and communications technologies enable electronic services to be made available on the Internet. Access to administrative procedures is facilitated, processing is accelerated and administrative expenses are reduced. The aim is to set up a central contact point, or one-stop-shop, as the basis for electronic access to public authorities.

The online platform "Digital Austria" is the national coordination and steering body offering information and instructions on using eGovernment services. Austria offers very good infrastructural pre-requisites. 74 percent of the population and 97 percent of businesses have Internet access. Approximately 80 percent of all firms take advantage of eGovernment services. Increased efficiency within companies is of major importance to Austria as a business location.

Austria is a European leader for eGovernment services. Since 2006, it has been in the top ranks of EU member states with respect to the development and nationwide implementation of eGovernment. According to the eGovernment ranking 2010, Austria offers 100 percent "full online availability" for public sector services. These services are also fully available online in Italy, Sweden, Ireland, Malta and Portugal. The study commissioned for the ninth time by the European Commission compares the eGovernment offering in 32 European countries (27 EU member states along with Iceland, Norway, Switzerland, Turkey and Croatia).

### eGovernment

#### Online availability of public services, in percent



Source: European Commission, 2010

## Low strike rate and far-reaching social peace

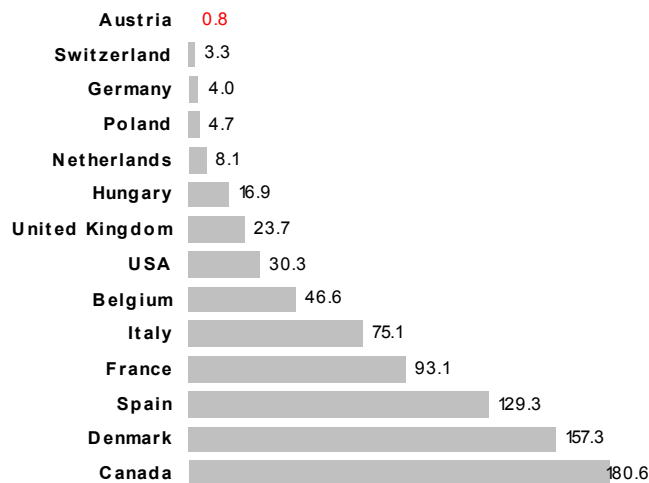
One of the major competitive advantages of Austria is its low strike rate and a high degree of social peace.

Austria ranks among the best in the world in an international comparison measuring the number of working days lost due to strikes. In the years 1998-2007, Austria boasted an annual average of only 0.8 strike days per 1,000 employees.

In the same period, the German economy lost an average of four working days through strikes. The figure was 23.7 strike days annually per 1,000 employees in Great Britain, and 30.3 days on strike in the USA. Workers frequently went on strike in Canada (180.6 working days per year), Denmark (157.3 days) and Spain (129.3 days).

### Strike Duration in EU Comparison

Working days lost per 1,000 employees,  
annual average 1998 - 2007



Source: Eurostat, ILO 2009

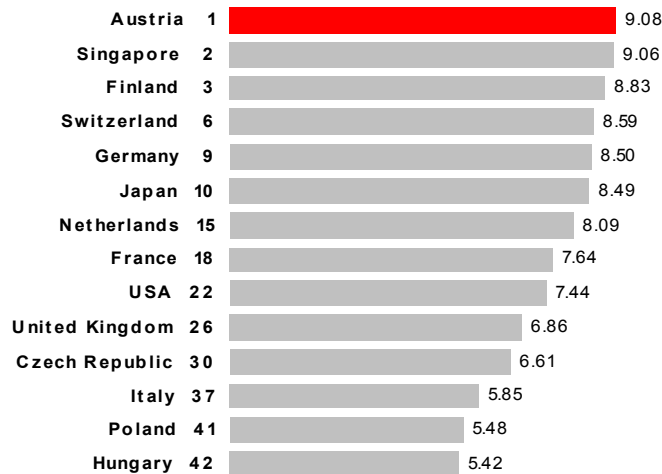
## Highest personal security

The economic, social and political stability prevailing in Austria represents an important competitive advantage for the business location. The low rate of crime and high level of legal certainty are particularly attractive to companies.

According to the latest World Competitiveness Yearbook, Austria is rated first in the world in respect to the protection of personal security and private property.

The Austrian capital, Vienna, is one of the safest cities in the world with almost 1.7 million inhabitants.

### Personal Security and Private Property 10 = Persons and property are adequately protected



Source: World Competitiveness Yearbook, 2010

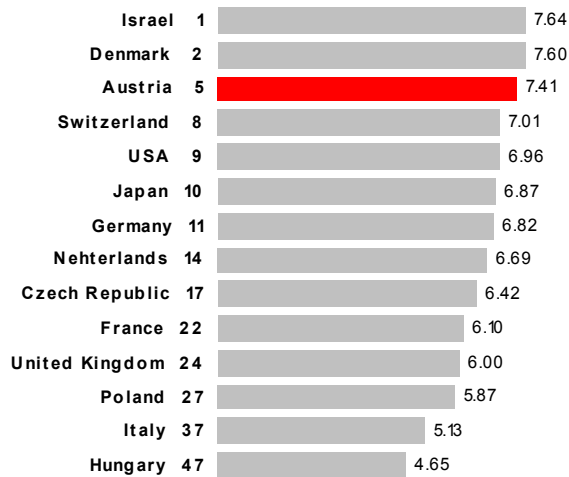
## People as a success factor

One of the main competitive strengths of Austria as a business location are its qualified and highly motivated employees. Every company in Austria gets the right employees - whether a handicraft enterprise, R&D headquarters or high-tech spin-off. Foreign investors appreciate the outstanding quality of Austrian skilled labor.

According to the latest ranking of the World Competitiveness Yearbook 2010, Austria is rated fifth among 58 nations, and among the Top-3 in the EU. Accordingly, Austria is ahead of EU members such as Germany (11<sup>th</sup>), the Czech Republic (17<sup>th</sup>), France (22<sup>nd</sup>), Great Britain (34<sup>th</sup>), Poland (27<sup>th</sup>) and Hungary (47<sup>th</sup>).

### Skilled Labor

10 = Readily available in the labor market



Source: World Competitiveness Yearbook, 2010

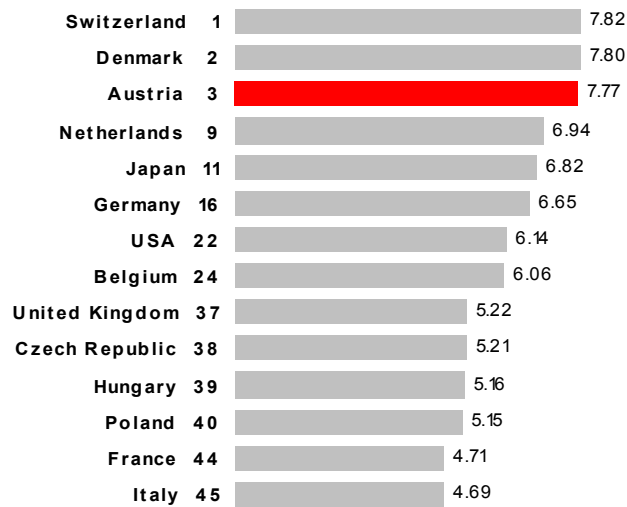
## Unmatched qualifications and motivation

Austrian workers are top qualified and highly motivated. There's no better measure than the degree to which Austrian employees identify with the company goals – a characteristic that is reflected in the nation's high productivity and the quality standards.

According to the World Competitiveness Yearbook, Austria's workforce is characterized by an extraordinary work ethic. In international comparison, Austria ranks third in 2010, surpassed only by Switzerland and Denmark.

### Commitment to the company

10 = Employees completely identify with company objectives



Source: World Competitiveness Yearbook, 2010

## Education for the business world

The educational system in Austria is numbered among the best in the world. One of the distinctive features of the Austrian educational system is the extensive co-operation prevailing between the business community and educational institutions. Approximately 20 universities of applied sciences, offering 482 courses of study, as well as 22 federal and 13 private universities maintain close ties to the industrial sector.

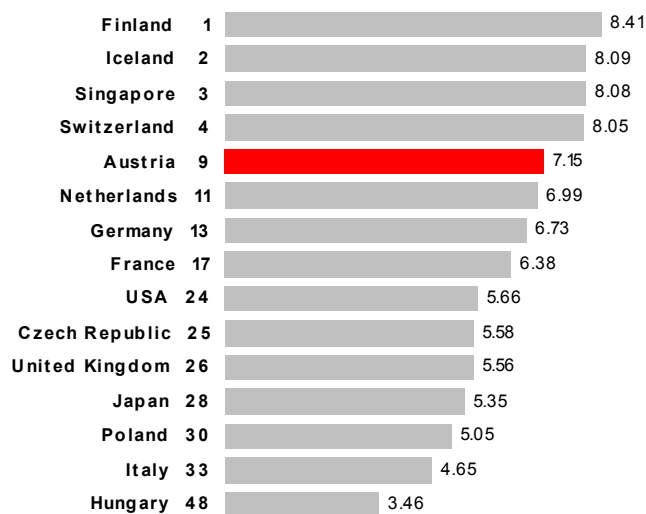
The dual education system, which combines theoretical and practical teaching, is applied in preparing for careers requiring apprentice training as well as in higher vocational schools. Curriculum and training courses are tailored to the requirements of the business world. Apprentices are professionally trained in companies or gain on-the-job experience. The bottom line results of research and development activities are exploited in a practice-oriented manner within the framework of joint projects carried out by schools working together with the business community, e.g. in theses, dissertations or student enterprises.

This two-pronged approach is considered to be exemplary throughout Europe. Foreign investors highly value the specialized skills and the sound, fundamental know-how of Austrian employees.

In the worldwide ranking of the World Competitiveness Yearbook 2010, Austria is rated among the ten best countries in terms of the quality of its educational system, ahead of Germany, France, United Kingdom and Japan.

### Educational System

10 = Education meets the needs of a competitive economy



Source: World Competitiveness Yearbook, 2010



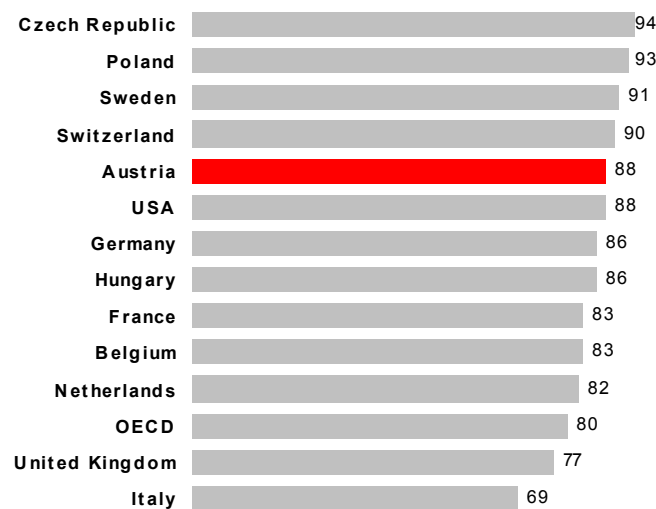
## Occupational focus of the educational system

A well educated and qualified population is of primary importance to the social and economic well-being of a country.

In addition to focus on gaining practical experience, the Austrian educational system attaches considerable importance to specialization. Students always have the opportunity to specialize, whether at secondary technical or business schools. For example, the Upper Secondary School for Technology offers more than ten different courses of study just in mechanical engineering.

As the following chart demonstrates, close to 90 percent of all Austrians take advantage of this offering and successfully complete a secondary school. In this respect, Austria clearly surpasses the OECD average of 80 percent.

### **Graduates Completing a Higher Secondary Education As a percentage of the 25-to-34 year-old population**



Source: OECD, Education at a Glance, 2010

### **Foreign language courses at school:**

High priority is also attached to foreign language skills. In Austria 76.1 percent of students in upper secondary education learn two or more foreign languages. The EU-average is only 60.1 percent. English has been introduced at the primary schools, as well.

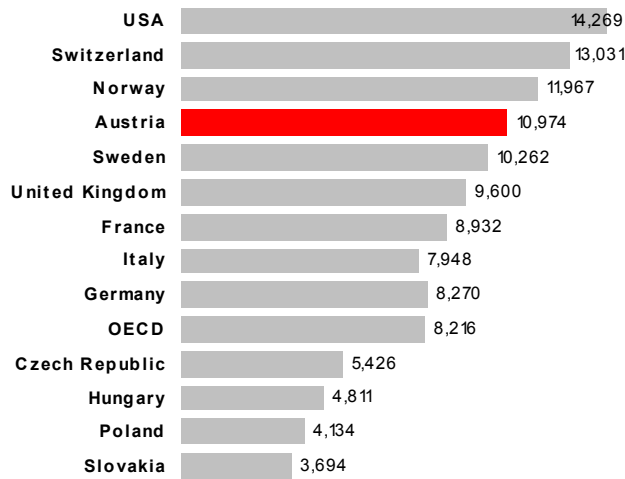
## Investments in education

Public and private educational expenditures confirm the importance attached to education in Austria. The country invests 5.4 percent of its gross domestic product in educational measures to improve its high standards.

Thus Austria is somewhat below the OECD average of 5.7 percent, but education spending per capita throughout the entire training period of students is one of the highest in the OECD, exceeded only by the USA, Switzerland and Norway. From elementary to secondary school, Austrian educational expenditures amount to an average of USD 10,974 annually per capita, much higher than the OECD level of USD 8,216.

### Educational Expenditures

Annual costs per pupil/student in US-Dollar



Source: OECD, Education at a Glance, 2010

## International schools

Austria presents a comprehensive choice of schools offering instruction in a variety of languages.

These include, among others:

- Vienna International School ([www.vis.ac.at](http://www.vis.ac.at))
- American International School ([www.ais.at](http://www.ais.at))
- Danube International School ([www.danubeschool.at](http://www.danubeschool.at))
- International Christian School of Vienna ([www.icsv.at](http://www.icsv.at))
- The Japanese School Association in Vienna ([www.japaneseschool.at](http://www.japaneseschool.at))
- Lycée Français de Vienne ([www.lyceefrancais.at](http://www.lyceefrancais.at))
- The Swedish School for Students of Scandinavian Descent ([www.svenskaskolan.at](http://www.svenskaskolan.at))
- Schulverein Komensky ([www.komensky.at](http://www.komensky.at))
- EMS European Middle School Neustiftgasse ([www.emsneustiftgasse.at](http://www.emsneustiftgasse.at))
- Al-Azhar Vienna Islamic International School
- St. Gilgen International School ([www.stgjis.at](http://www.stgjis.at))

German language courses are offered by the Goethe-Institute, Vienna University and many adult education colleges.

## Vienna – meeting place of the world

Vienna is home to many leading international organizations and, along with New York, Geneva und Nairobi, one of the four headquarters of the United Nations (UN). Vienna is thus the only official seat of the United Nations within the European Union.

The Vienna International Centre (VIC), opened in 1979, hosts a number of major United Nations bodies:

- the International Atomic Energy Agency (IAEA)
- the United Nations Industrial Development Organization (UNIDO)
- the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO)
- and the United Nations Office on Drugs and Crime (UNODC).

In addition to the UN bodies, several other international organizations are based in Vienna.

They include

- the Organization for Safety and Co-operation in Europe (OSCE)
- the Organization of the Petroleum Exporting Countries (OPEC)
- and a number of non-governmental organizations (NGOs).

Austria currently hosts a total of around 30 international organizations and has a reputation throughout the world as a centre of dialogue.

### **World-class congress destination**

Vienna is the top global congress and conference destination. According to a study published by the International Congress and Convention Association (ICCA), Vienna was the world's most popular congress city for the fifth year in a row. A total of 160 international congresses took place in Vienna in the year 2009.

Barcelona jumped from 3<sup>rd</sup> to 2<sup>nd</sup> place with 135 congresses. Paris is placed third with 131 meetings, followed by Berlin with 129 and Singapore with 119 international congresses.