



EMN Legislative Mapping Report AUSTRIA

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This series of national factsheets provides a snapshot of the various legislative frameworks concerning the provision of microcredit in Europe by non-bank financial intermediaries.

The national factsheets cover the following thematic areas:

- 1 Regulation of lending activity
- 2 Supervisory framework for non-bank lending
- 3 Products
- 4 Incentives and support
- 5 Development of existing framework for non-bank microcredit provision
- 6 Inclusive entrepreneurship and microenterprise development

1

Regulation of Lending Activity

In Austria, non-bank financial intermediaries are not directly allowed to lend money and there is no specific regulation on the provision of microfinance. Although MFIs could potentially partner with banks, the provision of microloans in Austria is primarily done via the social banking programme of Erste Bank, in partnership with the Ministry of Labour.

2

Supervisory Framework for Non-Bank Lending

Since non-bank financial intermediaries cannot directly disburse loans, there is no supervision framework in place for non-bank MFIs.

3

Products

Given the current framework, there is no a classification for microloans.

4

Incentives and Support

In Austria, national or regional funds dedicated to support microcredit provision do not exist and there is no tax deduction scheme available to individuals or organisations to financially support microcredit provision.

5

Development of the Existing Framework for Non-Bank Microcredit Provision

No significant developments in the regulatory framework by non-bank microcredit providers have been taken at this time in Austria.

6

Inclusive Entrepreneurship and Microenterprise Development

There are currently two initiatives to support the financial inclusion of unemployed people in Austria. The first, 'Unternehmen gründungs programm' is a voluntary program run by the Austrian Public Employment Service that offers training courses for unemployed people to provide them with the necessary skills and competencies to start their own business. In addition, 'Mikrokredit' is a second voluntary program from the Austrian Ministry of Labour that, in cooperation with partners, provides microloans and trainings to unemployed people to help them start a business. Moreover, entrepreneurship education is a part of secondary education curricula and a publicly subsidized BDS (Business Development Services) is widely available to microentrepreneurs.

However, the government is not running simplified administrative procedures for solo- or microentrepreneurs. Nevertheless, a mandatory welfare bridge is in place for self-employment out of unemployment. Awareness initiatives for inclusive entrepreneurship do not currently exist.



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