EXECUTIVE SUMMARY

Reduction of Administrative Burdens for Enterprises: The One Stop Shop Experience in Italy

Executive Summary

1. Introduction

The Italian experience of the Reduction of administrative burdens for enterprises / the One Stop Shop was the focus of a peer review meeting in Rome on 16 and 17 November 2000. Six European Union peer countries took part: Austria, Greece, Germany, Sweden, Finland and Luxembourg, together with the host country Italy.

The Italian one stop shop policy has been a central part of a far-reaching reform package (the so-called Bassanini Laws) whose cornerstone was law no. 59 of 1997, from which stemmed a (still ongoing) cascade of national and local laws and regulations. The objective of the OSS policy is twofold: a) bureaucratic simplification of administrative procedures for potential and actual entrepreneurs and b) territorial marketing for less developed regions. Intense efforts have been devoted to introducing the OSS concept throughout the country. The OSS policy is implemented with the support of the Ministry for Public Administration, which liaises closely with regional government and public and private actors (municipalities, chambers of commerce, entrepreneurial associations and other so-called third-party entities (TPEs).

The basic principles of the OSS policy are:

- **Municipalities take responsibility for the final decision** on applications to form new companies or restructure businesses
- **A single authorisation** is issued on the basis of a single administrative procedure replacing the (large) number of different procedures carried out until now by the administrations concerned, the so-called third-party entities (enti terzi)
- **Municipalities will set up a dedicated structure** whose head will be responsible for the whole procedure
- **This structure’s interface** with the applicants (potential and existing entrepreneurs) is the **one stop shop**

Within the European Union, Italy’s approach to one stop shops is unique and pioneering since it is used as a key tool for decentralisation, bureaucratic simplification and territorial marketing. Although the OSS concept is familiar in the participating member states, it has not been implemented with the same intensity in those countries because of country-specific differences in the legal framework as well as political, social and cultural dissimilarities. The Italian OSS policy is in line with the objectives of the **second pillar: ‘Entrepreneurship’** of the European Employment Strategy and the corresponding guidelines 10 and 11 which refer to simplifying the business environment by reducing administrative burdens. These guidelines are reflected in the Italian National Action Plan (NAP) for 2000, which emphasises in its second pillar (developing entrepreneurship) the need for administrative simplification to encourage investment.

This summary report gives an overview of the main elements of the Italian OSS policy, the background, the goals, the basic principles, the implementation and the results. It also focuses on the obstacles and

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problems that occurred during planning and implementing the policy. The summary report finally contains a synthesis of the relevance and transferability of the Italian OSS experience to the participating peer countries.
2. Background and policy considerations

2.1 Background

Entrepreneurs who wanted to create, enlarge or restructure a company in Italy have, until now, had to bear a heavy burden of administrative requirements and related costs. Authorisations and permits are not a problem in themselves: they are needed in any developed country for environment, health, safety and land protection purposes.

To get them in Italy, however, entrepreneurs had to undertake a pilgrimage around all the relevant branches in the public administration (which was not known as the friendliest in the world). Each office had its own procedures, forms to fill in, duties to pay and response times, so that it could take as long as 2-3 years and cost a considerable amount of time and money to get the green light for a project. The more complex and sensitive a business was in the regulatory areas mentioned above, the more offices an entrepreneur had to visit and the heavier the related costs and red tape.

The effect was (a) ill-timed and expensive investments by Italian firms, and (b) a bad reputation for Italy as a location for foreign investments, as well as the negative impact this had on competitiveness, income and employment.

European integration helped to convince the government and the parliament that this situation was no longer tenable. The single market and the single currency made competitive devaluation a matter for historians. So for EU countries, competitiveness and employment depend crucially on how good each country itself is as a location for investments.

2.2 Goals of the policy

The main goals of the Bassanini reform package were:
- bureaucratic simplification,
- devolution from central government to regional and lower level administrations in many fields, based on the subsidiarity principle.

The OSS policy, as an important element of the reform package, is in fact a dual-purpose measure: it can be taken as a mere (even if warmly welcomed!) bureaucratic simplification, but it is also meant to be a tool for territorial marketing. As such, its implementation is a key feature of any package aimed at promoting local economic development and hence employment.

2.3 Legal and financial provisions

The main legal provisions are set out by the decreto legislativo (dl) (legislative decree) no. 112 of 1998, by the decreto del Presidente della Repubblica (dpr.) (presidential decree) no. 447 of 1998 (as modified by the subsequent dpr. no. 440 of December 7, 2000, enforcing the government regulation issued on November 3; see sections 2.3 and 3.1) and by subsequent national and local regulations.
2.3.1 Basic principles

The basic principles are:
- **municipalities take responsibility for the final decision** on applications for new plants or restructuring operations. A **single authorisation** is issued on the basis of a **single administrative procedure** replacing the (large) number of different procedures previously carried out by the administrations concerned, the so-called **third-party entities** (*enti terzi*) (from now on: TPEs).
- to carry out this task, municipalities will set up a dedicated structure whose head will be responsible for the whole procedure. This structure’s interface with the applicants is the one stop shop, which will also provide investors and other end users with information on the availability of industrial areas, incentives for investment, business services and labour regulations;
- to implement and manage OSSs, small municipalities can set up consortia to pool their human and financial resources. Municipalities can also sign conventions with the chambers of commerce to implement information and promotion initiatives and entrust other branches of the public administration and other public bodies with the task of carrying out (some parts of) the single procedure (a sort of institutional outsourcing).
- users and the OSS will be connected by telematic tools, through which the former will be able to track their application at each stage of the administrative process;
- **regional governments will provide municipalities with technical assistance in both (a) setting up an OSS, and (b) making data available to investors (also through an OSS).**

2.3.2 Procedures

Authorisations are issued through two alternative procedures:

a) **simplified procedure**, to be used whenever: (i) dangerous materials will be involved (nuclear materials, weapons, mineral oil, coastal warehouses, waste treatment); (ii) **environmental impact evaluation** (VIA, *valutazione di impatto ambientale*) is needed; (iii) precautionary control on major industrial injuries is needed; (iv) controls will be needed according to the draft regulation on pollution prevention and abatement; (v) the applicant gives up the other option (self certification, see below).

Applications will be handed by the OSS to TPEs, who must react as concerns their area of competence within 90 days (120 days if an environmental impact evaluation is needed). If one (or more) of them issues negative advice, authorisation is denied. However, applicants may ask the OSS to convene a meeting of all the concerned TPEs (the so-called *conferenza dei servizi*) in order to negotiate the adjustments needed to get the green light. The OSS can also convene this meeting if some TPEs fail to give their advice within the deadlines. Majority voting in this meeting was recently allowed, making it a much more powerful tool to overcome bureaucratic inertia. In the most complex cases, this procedure is expected to take 5 months (9 if an environmental impact evaluation is needed), much less than even the best cases before;

b) **self-certification**, a faster procedure for simpler cases. Self-certification was introduced by law no. 15 of 1968. Compliance with town planning (land use), health, safety and environment regulations will be self-certified by the applicant under its own responsibility; the applicant must also apply at the same time for the building permit, if needed. The OSS hands applications to TPEs and they check their reliability. A tacit consent rule applies after 45 days, provided there are no problems with the building permit. If additional information is required, or if a building permit is needed, the whole procedure must anyway be completed within 60 days, within which the competent administration – the municipality itself – is obliged to issue, or deny, the building permit.

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2 Until November 3, 2000, this time limit was of 150 days.
3 As set by dpr. no. 440/2000. Until November 3, 2000, these time limits were respectively of 6 and 11 months.
4 Until November 3, 2000, these limits were respectively of 60 (tacit consent) and 90 days.
3. Policy design and implementation

Since dpr. 447/1998 came into force (February 1999), intense efforts have been devoted to its implementation, in what appears to be a powerful show of ‘vertical’ and ‘horizontal’ subsidiarity.

3.1 Actions at the national level

The Ministry for Public Administration:

a) gives technical assistance to municipalities through FORMEZ, its economic development promotion agency.

b) has set up the Permanent Observatory for Simplification (Osservatorio Permanente per la Semplificazione Amministrativa), a monitoring body composed of representatives of the Prime Minister and the Ministers for Internal Affairs and Public Administration;

c) has awarded a prize to the Mantova OSS in a competition for 100 Innovative Projects for the Public Administration;

d) has drafted amendments to fill some gaps in existing rules and taken other promotional initiatives (see below).

The 1999 and 2000 meetings of the Public Administration Forum, an annual public administration conference devoted to the discussion and circulation of best practices, gave a lot of time to OSS start-up experiences.

Italy’s NAP for 2000 stresses the training actions for local administrators undertaken by the Ministry for Public Administration (PASS training programme).

On May 12, 2000, the government adopted an OSS Action Plan aimed at:

- setting the target of 90% of the population covered by OSSs by the end of year 2000;
- improving organisation and raising quality of service of the existing OSSs (in the light of best practices).

To this purpose, four levels of action were planned:

- some changes in regulations have been drafted, in order to reinforce OSS powers and responsibilities. On November 3, 2000, the government amended dpr. 447/98, shortening administrative deadlines (see above, section 2.3.1; these amendments have been enforced by dpr. no. 440 issued on December 7, 2000) and ruling that: (i) as soon as an OSS is operational, it overrules authorisations issued by TPEs according to pre-OSS procedures (until then, pre-OSS procedure were still a legal alternative for applicants whenever they felt that OSS was lagging behind); (ii) municipalities can levy a fee for OSS services. It will also collect fees related to TPEs; the latter will be paid provided they met the deadlines set;
- administrative steps to remove bureaucratic obstacles and oppositions;
- support programmes for (i) associations and consortia of small municipalities (for OSS startup); (ii) existing OSSs; (iii) firms, to stimulate demand for OSSs services (in collaboration with chambers of commerce and entrepreneurial associations).

5 However, these authorisations will be taken into account as internal parts of the single procedure.
In the wake of the implementation of the programme, last August, the Ministry for the Public Administration launched a call for projects aimed at selecting and financing 50 training and support projects for OSS startups.

3.2 Actions at the regional and local level

At the local level, OSS implementation activities have involved not only municipalities, but also TPEs and several other public and private actors (mainly provinces, chambers of commerce and business associations).

In some cases, small municipalities have created consortia to pool human and financial resources, as well as services and technical assistance.

Regional governments have provided information and technical assistance to OSSs and TPEs, and also to investors.

4. Results

Since the one stop shop policy is still in its initial phase of implementation, only preliminary results and figures could be provided to the peer review meeting in Rome. The following figures, therefore, focus more on the "technical" part of the policy in terms of number of established one stop shops, number of municipalities covered and percentage of population reached by the policy. Some indications on the effectiveness of the policy in view of the simplification of administrative procedures (reduction of processing time for applications) were also given. It is still too early to measure the impact of the policy on employment patterns and regional development. To measure this impact it is important to permanently monitor the achievements of the OSS policy. According to the Italian representatives a survey is planned, to provide more detailed results on the OSS policy, e.g. number of business start-ups, jobs created, customer satisfaction.

4.1 Quantitative results

According to a survey carried out in May 2000 by FORMEZ, existing OSSs covered 39% of Italian municipalities and around 65% of population. In a further 35% of municipalities, OSS preparation was well under way. To date, most of the 20 regional governments have provided assistance to municipalities, OSSs and TPEs, mainly through websites. According to the Ministry for Public Administration, in the best cases (see below) a large number of procedures were successfully completed and the time needed was considerably reduced. This is an important result, considering the uncertainty in the early start-up period (according to a FORMEZ survey, 46% of the operational OSSs did not receive any applications until December 1999). In a further survey by FORMEZ (September 2000), the 156 municipalities whose OSS was fully operational declared that the average time taken to process an application was 56 days. This finding shows that OSSs were able to fulfil their tasks even in their start-up period.

Unfortunately, more significant figures are not available to date. It would be interesting, in the near future, to obtain more information about both the territorial diffusion of OSSs (are they spreading evenly throughout Italy?) and their effectiveness (compared to the past).

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6 On December 21, 2000 the Ministry increased the budget of this programme to finance 79 projects (instead of 50).

7 The source is an update available on the ministry’s website (issued on October 6, 2000).

8 See the website: www.progettosi.it
4.2 Qualitative results

First of all, the legislative framework for the OSSs is unanimously appreciated. Some gaps have been filled by updating dpr. 447/98 (by means of a new government regulation issued on November 3, 2000: see above, sections 2.3.1 and 3.3).

At the 2000 meeting of the Public Administration Forum, the following best practices were presented:
- the municipalities of Mantova, Palermo, Faenza, Cascina, Cesena, Viareggio, Firenze, Biella, Castelfranco di Sotto (in a consortium with 5 other small Tuscan municipalities: San Miniato, Montopoli, Santa Croce, Fucecchio and Santa Maria a Monte);
- the Regione Piemonte, which broadened the scope of its online assistance including updated information on incentives for investments and labour as well as on related initiatives at the local level.

The innovative website of the Catania municipality was also frequently mentioned.

5. Obstacles and problems

5.1 Administrative obstacles

From the administrative viewpoint, a tentative list of obstacles and problems reads as follows:

- within municipalities, there are constraints of skills and resources. To be set up and run, an effective OSS needs highly skilled and experienced people and also external advice, especially if it deals with a large number of sensitive applications. Self-certification is all very well, but it shifts onto municipalities additional work for sample controls (ongoing simplification frees resources from other tasks, but this takes time). Therefore OSSs cost a lot, and municipalities must finance them on their own.

- within TPEs, and between OSSs and TPEs: the problem is the time needed for a response. To carry out its tasks, an OSS must rely on TPEs' willingness to cooperate.

- electronic transfer of documents, in particular with certified electronic signature, within administrations is still rare, leaving OSSs with a huge logistical gap which used to be filled by people from applicant firms.

5.2 Political obstacles

From a more political viewpoint, the main problems seem to be the following:

- some municipalities are hesitant to implement OSS. On one hand, they may be unwilling to take on potentially heavy responsibilities in fields which are sensitive to public opinion (environment, health, safety). On the other hand, some are unwilling to give up their traditionally wide discretionary powers in issuing building permits;

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9 Source: Ancitel Newsletter, available online.
10 See the “Innovation” section of the FORMEZ website.
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– demand by firms is still weak, especially in some areas\(^{11}\). Even if several business associations showed commitment, individual firms still frequently opt for the traditional, pre-OSS panoply of procedures;

- in addition, firms are under pressure from their external consultants whose traditional business is to help them in their contacts with the many branches of the public administration. Professionals involved include mainly building surveyors (geometri) and engineers (ingegneri). One hand, they fear that effective OSSs would erode their business. On the other hand, they would still play a useful role in filing applications and mediating between investors, OSSs and TPEs.

Last, but not least, OSS is still mainly seen as a tool for administrative simplification, much less for territorial marketing aimed at local economic development. This is easily understandable: Italy has a centralist tradition, and devolution in the field of economic development has been very limited until now. In addition, municipalities have always been less involved than provinces and regions in development policies. It is likely that little by little this trend will be reversed, and OSSs will increasingly be seen as powerful assets for local policy-makers. This will pave the way to more intense implementation efforts.

6. Issues of special interest to peer countries

All the peer country representatives showed great interest in the Italian OSS policy, and had submitted detailed comment and question papers.

The following 11 issues in connection with the Italian OSS policy were of general interest during the peer review discussions:\(^{12}\)

1. Regional Development / Territorial Marketing
2. Entrepreneurship
3. Organisation and Management of OSSs, Capacity Building
4. Delegation of Power and Tasks, Reporting
5. Deregulation
6. Financial Resources of OSSs
7. Incentives
8. Self-Certification
9. IT Support
10. Impact of OSSs
11. Monitoring, Identification of Best Practises

Owing to the limited time, not all of the topics could be discussed in detail. Therefore, only the first four topics will be summarised.

6.1 Contribution of OSSs to regional development

According to its main objectives the OSS policy in Italy should not only reduce administrative burdens for potential and existing entrepreneurs but also promote job creation and increase economic growth in less developed regions through territorial marketing. It should focus on fostering national entrepreneurship but also support foreign investment in Italy.

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\(^{11}\) See the last FORMEZ survey (September 2000).

\(^{12}\) A list of questions raised by the peer country representatives can be found in annex 1.
Since the policy is still in its initial phase the Italian government has focused first of all on the administrative part, meaning the establishment of the legal framework conditions (laws and regulations), the setting up of OSSs, the training of OSS staff and the maintenance of an effective delivery system. OSSs are considered as one tool, not as the only miraculous solution, for all problems associated with the simplification of public administration procedures and regional development. Owing to customs and traditions in Italy, establishing an effective OSS is a very difficult task. Setting up an OSS begins as an operation of administrative simplification but then it becomes an operation of case-by-case management.

Territorial marketing can make use of several instruments, OSS being only one of them. Traditionally Italy has had a heavily centralised type of administration. Only in the last few years has it made significant progress towards decentralisation of public administration. So far, the OSSs have been seen more as a simplification instrument and less as a territorial marketing instrument. There are still differences between northern and southern Italy regarding the density of OSSs – they are not yet spread evenly throughout the country. They are mostly in communities with a large population and there are fewer OSSs in southern Italy – which is where the need is greatest.

6.2 Contribution of OSSs to the development of entrepreneurship

There was a detailed discussion about the appropriate range of services to be offered by an OSS. Should the OSS function as a business development centre offering information, advice, training, counselling and coaching for business starters and existing entrepreneurs – or should it be just an administration unit assisting the customer through the regulatory procedures?

The Italian point of view was that the OSS should not have too many tasks. In order for an OSS to function as an instrument of development, it should concentrate its efforts on the quality of the services it provides (namely dealing with administrative procedures) and should not spread itself thinly over an extensive range of services. There is neither a general lack of entrepreneurship in Italy nor a lack of services to enterprises. As a matter of fact there are too many services in place and there is a lack of demand on the part of SMEs. The SMEs use few of the available services. In Italy there is so much help for SMEs that they may want to remain small forever, rather than grow. There is a vicious circle: the more services that are offered for small entrepreneurs, the less ambition those entrepreneurs may have to grow. Italian enterprises in every sector are systematically smaller than those in other European countries. What is needed in Italy are services to support business growth and expansion. But these services should not necessarily be an integrated part of the range of services offered by OSSs. There are other bodies which can certainly cater more effectively for that need. This does not mean that consultancy services for SMEs should be completely excluded from the OSSs’ remit. In this regard, the networking of important players is of enormous importance for the success of OSSs.

6.3 Organisation and Management of OSSs

The issue of organisation and capacity building when establishing an OSS was of great interest to all of the participating member states. A particular subject of discussion was the creation of consortia between small municipalities that lack financial and human resources. In this connection, staff qualifications and related training measures were addressed.

When OSSs were about to be introduced in Italy, there was a discussion whether they should be managed by town councils or chambers of commerce, and the decision was in favour of the town councils. This had symbolic and practical importance. In Italy the role of town councils is very important and for that reason they did not want to be relegated to being just a stage in the administrative process.
This has pros and cons. Some towns, particularly the smaller ones, have a problem in managing the OSSs because of insufficient human resources. Some OSSs combine forces and use outsourcing to organise management training programmes. The Ministry for Public Administration has undertaken various initiatives to encourage communities to set up an OSS. One such initiative is the so-called "Turnkey Project" aiming to help 50 communities to establish new OSSs: some 400 applications were submitted for support from this project. Other important initiatives concern the provision of support to the Association of Mountain Communities for the establishment of new OSSs, the provision of help to communities to team up to form an OSS or to join the existing OSS of another community or association of communities. An OSS can function properly if it has qualified human resources to play the professional roles that are needed, and if there is a cooperative relationship between the central and outlying administrations.

The OSS staff has to deal with a variety of problems and must be in a position to take decisions and to have some authority. For this reason they must have a wide range of qualifications. The OSS management must have a good comprehension of public administration procedures and in addition must be able to cooperate with third-party entities and delegate authority. To equip town councils' staff with the necessary qualifications a training programme has been launched recently. Since this is a very new programme no details have been made available.

6.4 Delegation of power and tasks

There was an interesting discussion on how an OSS should be designed and how it should operate. Should it be a letterbox or a decision-making organisation?

The following typology of OSSs shows three general possible structures:

- **“letterbox” model**
  In this model, the OSS is an interface with the customer. The customer only has to deal with one organisational unit. However, as the title “letterbox” indicates, the personnel working in OSSs is not qualified and/or authorised to make a decision on the spot. The potential for giving information is there, but is limited. There is no consultancy.

- **“accompanying counterpart” model**
  In this model, the OSS is responsible for tracking the application. OSS personnel are not involved in decision-making, but have the task of co-ordinating. The office provides consultancy and is able to advise businesses and private persons.

- **“decision-making” model**
  In this model, most applications are processed within a specific period of time by the personnel of the OSS itself. Most of the applications are “easy” to decide on, and are dealt with either by highly qualified personnel or by project teams, in which specialists from all relevant professions / organisations / institutions take decisions on the spot. More complex applications are transferred to the relevant organisations, but co-ordination and informing the customer remain tasks for the OSS.

These designs represent different stages of task integration and decision autonomy.

When the OSS concept was introduced in Italy, they were intended to act mainly as a means of saving time and money for entrepreneurs. Their creation originated from the need to simplify bureaucratic

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procedures. They started more or less on the letterbox model, but government expected them to evolve into an instrument for local development. In recent years the Italian government has started delegating more functions to local authorities. However local authorities are not used to carrying out some of the new functions, and also they are not yet well equipped for them. So in some cases there is still an imbalance between their capacity and the new tasks they have been given. For that reason the central government provides support services. One type of service is in the form of a package of guidelines that can be found in the Internet.

7. Relevance and transferability of the Italian OSS policy to the peer countries

Besides the above-mentioned central issues, the peer countries highly appreciated the efforts made by the Italian authorities to reform the procedures concerned with the relationship between authorities and enterprises. Measures to streamline administrative procedures for potential investors and existing entrepreneurs are extremely relevant to all peer countries. Nevertheless, the prevailing political, legal, social and cultural conditions are different from one country to another.

There was common consent between the government officials and the independent experts from the peer countries that the Italian OSS policy cannot be directly transferred to the peer countries, but elements of it can be adapted to their specific situations.

The following features of the Italian OSS policy were considered well worth being adapted to the situation elsewhere:

- OSSs as an instrument to foster devolution of decision-making from central to lower-level administrations
- OSSs as an instrument for the reorganisation of public administration
- Actions to motivate change and incentives (offering awards for best practices)
- Laying down processing times (deadlines) for the various steps of the authorisation procedure
- The possibility of self-certification
- OSSs as a tool for simplification of administrative procedures
- OSSs as an instrument for territorial marketing

The relevance and transferability of the OSS policy to the peer countries individually can be summarised as follows:

Finland

Finland has traditionally been politically strong at the municipal level. There is a strong tradition of government (especially the state but also municipalities) giving support to enterprises. Single municipalities or groups of smaller municipalities have industrial agents, industrial offices, development units or municipal enterprise agencies giving basic advice and training to business starters. In comparison to Italy, administrative burdens are not that heavy and a new company can be established without facing bureaucratic hurdles. Thus, the main problem in Finland is not bureaucracy but rather the low level of entrepreneurship, especially in certain regions. Finland has far fewer enterprises in proportion to the population than Italy does. To tackle this problem, the government launched a scheme to promote entrepreneurship (the scheme is part of Finland’s NAP). The OSS model in Finland focuses more on the entrepreneur than on administrative procedures. OSSs are created as “service points” or

14 The following peer countries were represented by government officials at the peer review meeting: Austria, Finland and Luxembourg. Sweden sent an official representative of NUTEK, the National Board for Industrial & Technical Development. Germany and Greece were only represented by independent country experts.
so called "Employment and Economic Development Centres". Fifteen of these centres have been established since 1997 as an initiative of three ministries: the Ministry of Labour, the Ministry of Trade and Industry and the Ministry of Agriculture. One idea behind this organisational reform was in fact to create one stop shops at a regional level between state and municipality. However, success has so far been very limited, as recent studies, committee reports and discussion have demonstrated.\(^{15}\)

The government official from Finland expressed great interest in two elements of the Italian experience: the simplification of administrative procedures and the promotion of entrepreneurial activities. The second element is most important in Finland since the main problem is not bureaucracy but the low degree of entrepreneurship. In Finland, there are three Ministries involved in developing services for enterprises at the local level. Many business development centres have been established but they face problems. These centres could learn something from the Italian experience, particularly from best practice samples such as the OSS of Catania.

According to the Finnish independent expert, there is almost no tradition of self-employment in many regions in Finland. A possible OSS design for Finland would therefore focus more on the guidance, counselling and training side and the promotion of an entrepreneurial culture within Finnish society. In this connection, information technology, which in Italy already plays an important role, will in future be very important also for Finland.\(^{16}\)

**Germany**

The key problem in Germany is that there are quite a lot of actors (federal government, state government, local government, associations, public and private banks, several programmes and hundreds of instruments), and it is hard to know all the programmes available - both for businesses and for administrations. This multiplicity of services and providers shows clearly that OSSs are needed in Germany.

The federal constitution divides tasks and power between the different levels of government. As a result there is no single (national) OSS policy. However, some interesting approaches to OSS have been implemented at the local and regional level. In comparison to Italy, Germany pursues a more complex approach. Whereas in Italy OSSs have only one target group (potential investors), the German OSSs are interfaces for local people in general. For example, in many German rural areas, OSSs are functioning as so called "service centres" or "citizen shops". It is a common problem that local governments - especially in weak regions - do not have capability or competencies to attract investors.

The OSS policy is an indirect measure to promote employment. From a German local government viewpoint, the combination of local social policy and federal employment policy is important because local governments are also responsible for attracting investment. Having OSSs that combine these policies through adequate services open to more than one target group (not only investors, but also local people) might be a more direct, but more complex approach. So far, there are some experiments of joint programme planning between local branches of the Federal Employment Agency and some local governments. The Federal Republic of Germany has formulated in its NAP the goal of reducing the administrative burdens for businesses (guideline 11). This is to be done in 2000 via a federal initiative (Modern government – modern administration), and an approach that focuses on a prize for public administrations that re-engineer their processes.\(^{17}\)

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According to the German independent expert, the local OSSs for municipal services of the City of Hagen and the City of Heidelberg have realised quite innovative OSS models which operate as decision-making types. The federal government cannot force local government or regional authorities to establish OSSs, and the only possible legal instruments are either the formulation of a programme or the promotion of best practices. The federal government has decided to promote best practices. However, good results from Italy could stimulate further best practices and their diffusion in Germany, too.\textsuperscript{18}

**Luxembourg**

It is evident that political and administrative structures differ widely between Italy and Luxembourg. In smaller countries chains of decision-making are much shorter and there are fewer administrative and political levels. Nevertheless, some measures or principles might be beneficial if transposed to the system of the Grand Duchy. The OSS concept is very relevant to Luxembourg, too. In order to give support to young entrepreneurs, two one stop shops ("Centres de formalités") have been set up at the Chambre des Métiers and at the Chambre de Commerce. These two units are especially involved in completing the procedures needed to obtain business permits. On the other hand, professional organisations also give similar support. In 18 months of operation the "Centre de formalités" at the Chambre des Métiers have helped some 380 entrepreneurs to complete some 500 administrative procedures.\textsuperscript{19}

According to the government official from Luxembourg, decentralisation in Luxembourg is difficult. Nevertheless, Luxembourg can learn from the Italian experience with regard to certain matters such as the use of IT in handling applications and the self-certification procedure for the fulfilment of certain administrative requirements.

The independent country expert from Luxembourg summarised in his paper the following main fields of interest in the Italian experience:

- Self-certification or notification
- Permanent observatory for simplification
- Dissemination of information and creation of a transparent environment
- Decentralisation or outsourcing of some public activities
- Changes in running and managing public administrations
- Extending the possibilities of existing OSSs
- Deadlines for administrative procedures\textsuperscript{20}

**Sweden**

There is a lot to be done in Sweden in order to achieve a similar efficiency of markets and competition as in other countries of the EU, according to the Ministry of Industry, Employment and Communications. A basic requirement for a good entrepreneurial climate is a comprehensible, sensible and stable legislative framework. At present Swedish legislation is adapted to the needs of large, established corporations. The administrative costs to companies caused by the regulations are estimated to be 3-4\% of GDP. The costs to SMEs in this respect are estimated to be 7-20 times those to large companies. To encourage smaller companies with ambitions to grow, as well as new forms of employment and new forms of collaboration, changes will have to be made. Some examples of measures being suggested are:\textsuperscript{21}

\textsuperscript{21} The National Board for Industrial & Technical Development (NUTEK): Growth 2000 - an industrial policy for the new millennium
• Eliminate the special legislation for small companies.
• Reduce employers' costs in such a way as to benefit primarily smaller companies.
• The present system of tax rebates and deductions is extremely complicated even for experts, and does not meet the requirements that should apply to legislation for small companies. A revision of the rules and an adaptation to the rules of other European countries is a necessity.

Over the longer term, it is important to change the prevailing attitude towards entrepreneurship. Society needs a positive and open attitude toward ambition in general, and toward innovations and entrepreneurs in particular. As a step in the direction of simpler rules and regulations, the government has submitted a number of proposals, which should particularly benefit small companies.

In accordance with Pillar II – Developing Entrepreneurship - Sweden has also to give particular attention to reducing significantly the overhead costs and administrative burdens for businesses, and especially SMEs, in particular when an enterprise is being set up and when hiring additional workers. The Ministry of Industry, Employment and Communications co-ordinates, supports and monitors the work of regulatory simplification with the assistance of a group set up in the ministry to simplify regulations: the SimpLex Division. The purpose of the SimpLex Division is to improve conditions for small and medium-sized enterprises (SMEs), thereby increasing employment and growth. The OSS concept as a tool for simplifying administrative procedures, and especially the Italian experience with self-certification, has been of great interest to Sweden.22

The Swedish independent expert said that the transferability of the Italian OSS experience to the Swedish context is good. One stop shops have been discussed in Sweden for a couple of years, but there is some confusion of ideas. There are lots of actors helping SMEs, both private and official. In some parts of Sweden there has been co-operation between a few of them: they have located in the same office and work together, thus striving to establish a one stop shop in order to simplify matters for SMEs. There are also concrete models proposed. 23

According to the official representative of Sweden,24 the Italian experience could be very helpful in creating a clear picture of a potential OSS model in Sweden. In Sweden there are some organisations acting as OSSs but the implementation is not as extensive as in Italy. There are cultural differences between Italy and Sweden and this makes it difficult to transfer the whole Italian experience to Sweden, but there will be no problems in transferring certain elements of the policy.

**Austria**

Austria is in a lucky situation concerning this issue, as it was the lead country doing a benchmarking study of business licensing, together with a number of other EU countries. The goal was to present feasible recommendations to the Commission and to the countries participating.

The Austrian expert proposes to differentiate between two separate fields:

1. Authorisation processes leading to building and working permits, etc.: These are obviously best left with an authority such as the municipality. Although the wording in the paper of the host country expert is “enlarge or transform a company”, I suppose this does not mean changes within the structure of the enterprise, but rather technological changes in the plant or production concerned.

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24 As already stated above, Sweden was not represented by a government official but by an official representative of NUTEK, the National Board for Industrial & Technical Development.
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2. Start-up service: Information and help with a broader range of issues than just dealing with licensing authorities, including choosing the right location, purchasing the site, securing loans, etc. Such functions could very well be contracted out, either to entrepreneurial associations or to co-funded consulting organisations. In some countries there are a number of best practices of this kind.

Here we are talking mainly about authorisation processes, and we are talking about normal applications, which account for approximately 90% of all cases. (This is the case in Austria, and in most of the other countries as well.) Furthermore, we can see that in Italy cases of special complexity are to be treated in a special way, and this is to be recommended everywhere.\(^{25}\)

According to the government official from Austria, Austrian communities are empowered to establish an OSS and a few of them have already established such a facility. The national government has stepped in to provide support. Austria can benefit from the Italian OSS experience, especially in view of the use of multimedia (especially the Internet) to reduce administrative burdens.

The Austrian independent expert pointed out that when transferring elements of a policy to another country, the legal and organisational framework has to be considered. We have to reflect upon where to locate the activity of promoting entrepreneurship. We can assign it to a local authority or to a private company. We can agree about the goal but we cannot agree about the way to go. It depends upon the organisational culture prevailing in the country.

Greece

The administrative procedures and requirements for establishing, operating or expanding an enterprise in Greece vary, depending upon the type of enterprise and its location. However, in most cases there are a relatively large number of steps and a great deal of bureaucracy that an investor has to go through in order to get the necessary permits. Because of the complexity of the legal and administrative requirements, in some cases it is not clear to interested persons how to proceed, and for this reason they are obliged to use the services of special consultants or other intermediaries. This increases costs and is inconvenient for those wanting to set up, expand or change an enterprise.

The simplification of administrative procedures and the promotion of entrepreneurship is one of the four pillars of the European Employment Strategy and an important objective of Greek employment policy, as set out in the National Action Plan for 2000. Recently, the government has made various steps in this regard.

In 1998, together with the introduction of a new law on investment incentives, the government established the Hellenic Centre for Investment (ELKE), with a mandate to act as a one-stop shop for foreign investors. The purpose of ELKE is to seek, promote and support foreign direct investment in Greece and also to facilitate joint ventures between foreign and Greek entrepreneurs.

An important step towards the provision of information and the simplification of administrative procedures for enterprise creation in Greece was made a few months ago by the Ministry for Development. All the legislation, procedures and documents, as well as information about the location of offices dealing with the creation and operation of an enterprise, were presented in a user-friendly interactive manner on the Ministry’s website.\(^{26}\)

Because of differences in prevailing conditions, one cannot consider the transfer of the Italian experience as a whole to Greece. However, according to the Greek independent expert, the study of


certain elements of the Italian experience could be very useful in the design of the Greek OSSs. An aspect of the Italian experience of particular interest to Greece is the relationship between the OSSs and third-party entities. The degree of success of the OSSs will depend to a large extent upon the speed with which they secure the necessary permits for investors, and this depends upon the cooperation of the third-party entities. The experience of the Italian OSSs in this regard could be very useful. The procedure of self-certification is another aspect that could be examined for possible adoption in Greece. However, given the problems that might be created by this procedure, the pros and cons have to be weighed very carefully.

Another aspect with potential for transfer is the formation of consortia by smaller administrative units to establish a joint OSS.27 Another very interesting issue is the administrative level at which the OSSs should be established. In Italy they are established at the municipality level, while in Greece they are scheduled to operate at the prefecture level. The Greek Ministry for Development has launched a programme of establishing Investment Promotion Centres in the capital cities of the prefectures of the country. These centres are going to act as OSSs and are going to be similar to the Italian OSSs. Five pilot centres are scheduled to start operating at the beginning of 2001. Since Italy is two years ahead of Greece in the operation of OSSs, the Italian experience could be useful for the officials designing the operation of the Greek Investment Promotion Centres. In the future, it will be interesting to evaluate the alternative models of OSSs in the different EU member states.

Conclusion
The peer review of the Italian experience with the one stop shop policy can be considered as a very successful and important event. Owing to the cooperative attitude, the lively discussions and the inputs shared by the representatives and experts from the participating peer countries and the host country, a lot of experiences could be shared within a limited time frame. The Italian experience was very thought-provoking and offered many useful indications as to the design of OSSs and the role they can play. The open-minded discussions and contributions by the representatives and experts from the participating peer countries made it possible to share ideas and experiences and discuss the advantages and disadvantages of various alternatives. This unprejudiced environment provided optimal conditions to learn from each other and to identify transferable elements of the Italian OSS policy.