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BUSINESS-FRIENDLY CITIES 2024

INSIGHT FROM OVER 100 GLOBAL SITE SELECTION EXPERTS, LOCATION CONSULTANTS, FDI ADVISORS



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ANDREW WROBEL

FOREWORD

Founding Partner at Emerging Europe

We first asked global FDI experts, site selection advisors, and location analysts about how they perceive cities across the emerging Europe region back in 2019.

Initially, we looked only at the region's capitals and largest cities (those with a population of around 200,000 or more). In 2023, in response to investor interest in tier-three cities, we extended our research to include a separate group of cities with a population of between 100,000 and 200,000 inhabitants.

In both cases, our engagement with our experts has revealed a significant disconnect between perception and reality when it comes to the emerging Europe region. Many of the preconceived notions held by global stakeholders about individual countries and cities often overlook the rapid developments and untapped potential within these areas.

These misconceptions are even sometimes valid within the region: experts from one emerging Europe country are often unfamiliar with what cities in a neighbouring geography can offer, or how those cities have developed.

To mark the sixth edition of the Business-Cities Perception Index, we have this year added one more element to our research: geospatial analysis. We analysed geospatial data related to six of our eight categories (two, brand and local authority support, cannot be measured quantitatively), comparing these findings with the perceptions of our experts.

In some cases, this disconnect is massive. Perception often skews reality, especially in rapidly changing regions, and the geospatial, data-based analysis cuts through these misconceptions, providing a more accurate and objective view. Combining both helps align perception with reality, leading to better-informed decisions.

This then, is what this year's edition of the Business-Friendly Cities report is about. We hope that it not only informs but also inspires you to re-examine your own perceptions of emerging Europe.

Enjoy reading, and may it spark new insights and opportunities in this dynamic region.

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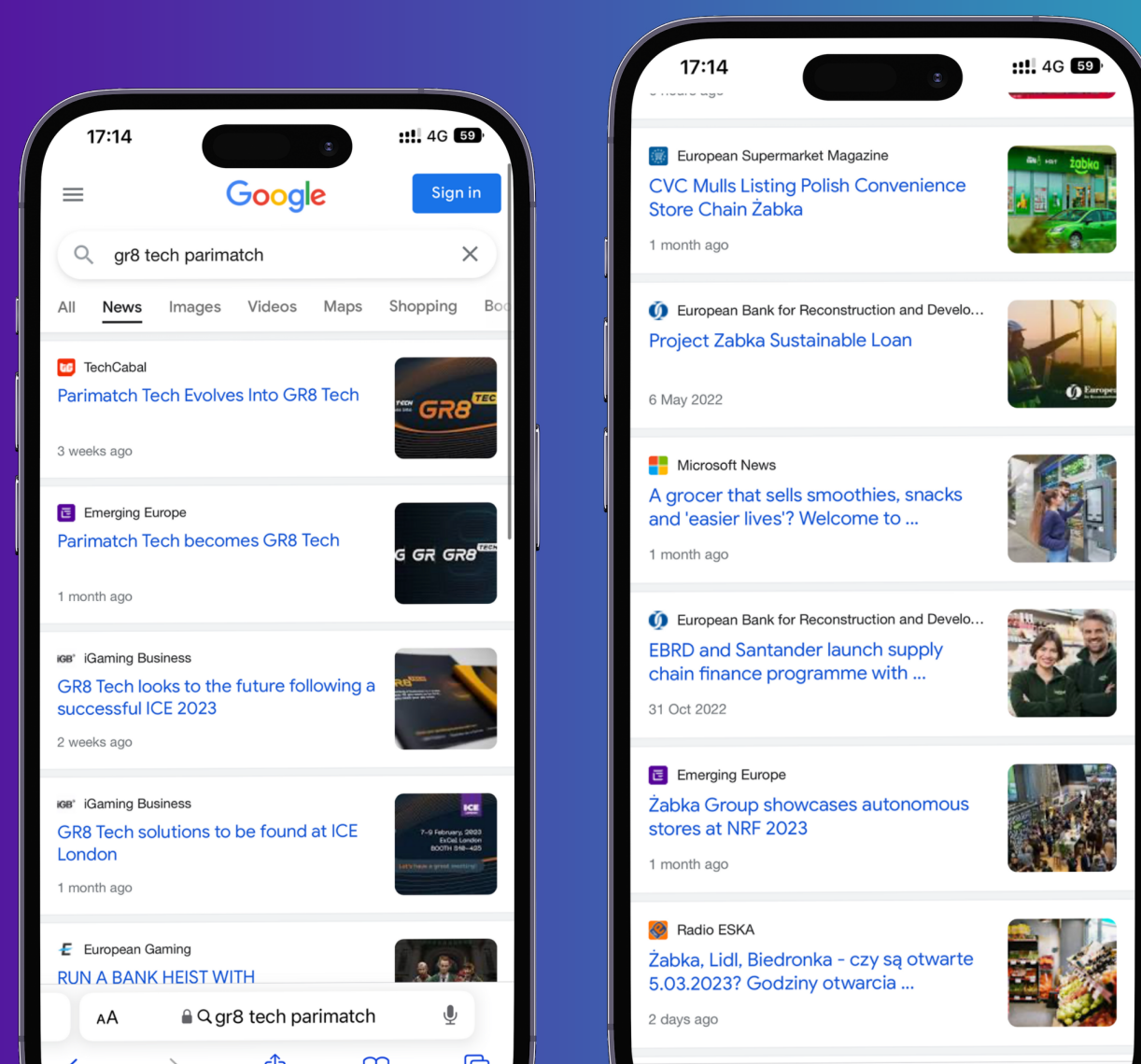


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OVERALL RANKING

EXECUTIVE SUMMARY

The Business-Friendly City Perception Index provides comprehensive insight into the business environment of the cities of emerging Europe.

It evaluates cities in eight distinct categories: brand; economic potential; business climate; pool of talent; smart city development; infrastructure and connectivity; quality of life; local authority support. This year, for the second time in a row, our researchers divided the cities into two groups: established cities and emerging cities.

The 90 established cities are those in the region with a population of 200,000 or more, as well as capital cities—even in cases (such as Podgorica) where the population is below 200,000. The 78 emerging cities meanwhile, often referred to as ‘tier-three cities’, all have a population of between 100,000 and 200,000.

Both groups of cities have been reviewed by international FDI experts, site selection advisors and location analysts, similarly to the previous editions of the Business-Friendly City Perception Index.

This year, the index is augmented with an additional ranking, namely a geospatial analysis of cities in both categories. This analysis is based on the script-based collection (web-scraping) of several features from OpenStreetMap, the open-source alternative to Google Maps.

The idea behind this new subindex is to provide an objective numerical dimension for each city and allow for comparison among them, based on six categories: economic potential; business climate; pool of talent; smart city development; infrastructure and connectivity; quality of life. (Brand and local authority support are not included in the new ranking because they are impossible to assess from a quantitative perspective when working with maps).

BUSINESS-FRIENDLY CITY PERCEPTION INDEX 2024: ESTABLISHED CITIES

Among established cities, Vilnius, Lithuania's capital (with a population of a bit over 500,000), is once again emerging Europe's most business-friendly city (for the second year in a row), although it received fewer weighted responses from our experts than in 2023.

Warsaw, the capital of the region's biggest economy, Poland, takes second place, having significantly improved its position from sixth place in 2023.

Last year's second-placed city, Prague, the capital of Czechia, this year takes third. Prague has been in the leading three spots since we first published the index in 2020.

Budapest, the capital of Hungary, received 8.2 per cent more weighted responses than last year and secured fourth place, jumping from 12th place in 2023.

Łódź, in Poland, falls one place to fifth, but remains the leading city that is not a national capital.

Tallinn meanwhile, another Baltic capital, also fell one position, to sixth place, with Sofia, the capital of Bulgaria, improving its positioning by three places to take seventh. Sofia has been climbing steadily up the index for several years, from 18th place in 2021.

The Romanian capital Bucharest also improved its placing, taking ninth (up from 11th in 2023). Like Sofia, Bucharest's position this year is its highest ever.

Serbia's capital, Belgrade closes the top 10, up from 14th in 2023 but still below its best position of ninth in 2021.

Ukraine's capital Kyiv lost eight places and almost 41 per cent of weighted responses and dropped from third place in 2023 to 11th. Previously, Kyiv took seventh in 2022, fifth in 2021, and 17th in 2020.

Bratislava, the capital of Slovakia, improved its placing by two steps and is 14th. The Slovak capital has shown steady improvement since 2021, when it was 22nd.

Latvian capital Riga climbed seven places to 15th this year, while Georgia's capital Tbilisi and Croatia's capital Zagreb

also improved their ranking, by four and nine positions respectively to take 17th and 20th.

Moldova's capital Chişinău entered the top 25 list for the first time and is 21st in 2024, up from 27th in 2023 and 40th in 2022.

Of the leading 25 established cities, four are Polish, three Czech, three Ukrainian, two each are Romanian, Hungarian and Slovakian, while Lithuania, Estonia, Bulgaria, Serbia, Latvia, Georgia, Croatia, Moldova and Slovenia are represented by one city each.

● Graph 1. Perception index 2024 Established cities

Perception Index 2024					Index 2023	Index 2022	Index 2021
Rank	City	Country	Number of mentions	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	176	=	1	6	7
2	Warsaw	Poland	161	↑+4	6	5	6
3	Prague	Czechia	154	↓-1	2	1	2
4	Budapest	Hungary	142	↑+8	12	4	4
5	Łódź	Poland	141	↓-1	4	2	1
6	Tallinn	Estonia	137	↓-1	5	10	12
7	Sofia	Bulgaria	134	↑+3	10	13	18
8	Cluj-Napoca	Romania	130	=	8	9	8
9	Bucharest	Romania	115	↑+2	11	10	10
10	Belgrade	Serbia	108	↑+4	14	10	9
11	Kyiv	Ukraine	103	↓-8	3	7	5
11	Brno	Czechia	103	↑+7	18	18	14
13	Lviv	Ukraine	99	↓-6	7	17	14
14	Bratislava	Slovakia	97	↑+2	16	21	22
15	Riga	Latvia	94	↑+7	22	19	21
16	Kharkiv	Ukraine	91	↑+19	35	38	40
17	Tbilisi	Georgia	83	↑+4	21	20	20
18	Košice	Slovakia	80	↑+15	33	40	41
19	Debrecen	Hungary	79	↑+5	24	22	19
20	Zagreb	Croatia	73	↑+9	29	22	23
21	Chişinău	Moldova	72	↑+6	27	40	39
22	Ljubljana	Slovenia	71	↓-13	9	3	3
23	Poznań	Poland	69	↓-10	13	13	11
24	Kraków	Poland	67	↓-9	15	8	12
25	Ostrava	Czechia	66	↑+1	26	28	28



GEOSPATIAL ANALYSIS

As outlined in the executive summary, this year’s perception ranking has been enriched by geospatial analysis (for details, please see the methodology on page 47.) The idea behind this new subindex is to provide an objective numerical dimension for each city and allow for comparison among them.

Of the established cities, Brno in Czechia holds first place, gaining 74.44 points out of 100 possible. It demonstrates good performance in the smart city development, economic potential, and infrastructure and connectivity categories.

This is primarily because of Brno’s high ratio of catering establishments to population, extensive public transport infrastructure, recycling ecosystem, and electric car charging stations per capita. In the Perception Index, the city took 11th place (a big improvement on 18th in 2023). Nevertheless, Brno’s first place in our geospatial awareness analysis shows how big the disparities between perception and reality can be.

Brno is followed by Slovakia’s capital Bratislava, which took 14th place in the main ranking. Bratislava can boast the best performance in the economic development, infrastructure and connectivity, and quality of life categories.

The other top-three city in the geospatial awareness ranking is the Slovakian city of Košice, which is ranked 18th in the perception index. Košice is another example of that gap between perception and reality.

The fourth-best city in terms of geospatial awareness is the Czech capital Prague, which is the third-best city in the main ranking. Prague performed extremely well in the infrastructure and connectivity category, fitting for a city with a well-developed public transport network.

The top five list is closed by the Polish city of Lublin, which is 36th in the main ranking. Another Czech city, Ostrava, is sixth, with Tallinn seventh.

Ljubljana in Slovenia is eighth, Grodno in Belarus ninth, and Wrocław in Poland tenth.

Other cities in the geospatial index of note include Budapest in 19th—the city is ranked fourth in the main index. This gap highlights the differences between objective indicators from geospatial data and the perception of respondents.

Likewise, the Polish capital Warsaw is 22nd in our geospatial analysis, compared with second place in the main index.

However, the city with the largest difference between the two rankings is Vilnius, just 26th in the geospatial index.

It is important to highlight the potential source of differences in positioning cities in the main index and geospatial analysis.

First of all, the geospatial index includes only six categories compared to eight in the main index, due to the fact that such categories as brand and local authority support are impossible to measure from map data.

Secondly, the geospatial index ranks categories per capita (for example, the number of bank or office buildings in the city, divided by the latest available population of a given city). This is not the case for the main index, where the absolute number of mentions of the city by respondents is taken as an indicator.

● Graph 2. Geospatial index – Established cities

Geospatial Index 2024			
Rank	City	Country	Score
1	Brno	Czechia	74.44
2	Bratislava	Slovakia	72.80
3	Košice	Slovakia	71.08
4	Prague	Czechia	65.26
5	Lublin	Poland	60.27
6	Ostrava	Czechia	55.91
7	Tallinn	Estonia	53.21
8	Ljubljana	Slovenia	50.22
9	Grodno	Belarus	50.20
10	Wrocław	Poland	50.00
11	Katowice	Poland	49.90
12	Radom	Poland	49.72
13	Cluj-Napoca	Romania	47.54
14	Szczecin	Poland	47.30
15	Timișoara	Romania	46.64
16	Kaunas	Lithuania	46.32
17	Bydgoszcz	Poland	45.45
18	Lutsk	Ukraine	45.31
19	Budapest	Hungary	44.83
20	Riga	Latvia	44.54
21	Poznań	Poland	43.79
22	Warsaw	Poland	43.13
23	Zagreb	Croatia	42.71
24	Kraków	Poland	42.48
25	Gdańsk	Poland	41.51

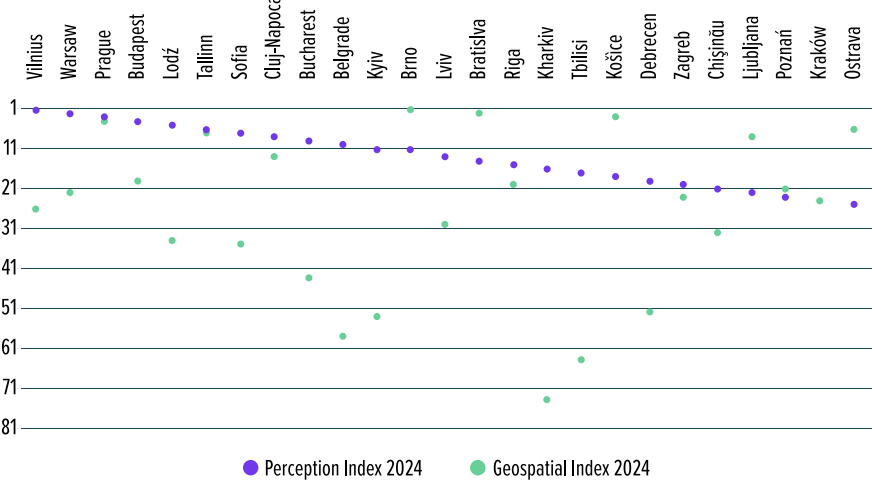
Thirdly, there might be bias in both the perception of respondents (who might overestimate some aspects of a city while underestimating others), and objective indicators from the geospatial analysis. For example, although the number of public catering establishments per capita (which is an indicator in the economic development category) is a relatively good proxy for economic activity in a city, it is not perfect and does not capture the whole picture.

Finally, OpenStreetMap, the source of the geospatial data, is populated by enthusiasts, and the share of those people could differ among countries and cities, and therefore in some countries and cities some indicators, which are important for geospatial analysis, might be underrepresented, leading to bias.

Of the 25 best-performing established cities in the geospatial analysis, 10 are from Poland (compared to four in the main index), three are Czech (the same as in the main index), two Romanian (the same as in the main index), two Slovakian (again, the same as in the main index), one is Ukrainian (Ukraine has three cities in the main index), one Belarusian (the country has no cities is the top 25 of the main index), one Estonian (the same number as in the main index), one Slovenian (the same number as in the main index), one Lithuanian (the same number as in the main index), one Hungarian (compared to two in the main index), one Latvian (the same number as in the main index), and one Croatian (the same number as in the main index).

Serbia, Bulgaria, Moldova and Georgia each boast one city in the top 25 list of the main index, but none in the geospatial analysis.

● Graph 3. Established cities



BUSINESS-FRIENDLY CITY PERCEPTION INDEX 2024: EMERGING CITIES

As far as the group of emerging cities is concerned, the Czech city of Plzeň is this year's leader, up from second in 2023. Burgas in Bulgaria also climbs one place to take second while last year's leader, Klaipėda in Lithuania, falls to third.

Split in Croatia moves up two places to fourth, with Liberec in Czechia, down one spot, closing the top five.

In general, it is noticeable that all of the cities in this year's top 25 recorded fewer weighted mentions from our experts than in previous years. This is not necessarily

a reflection of their appeal but owes more to the fact that cities which in previous years received very few or even no mentions at all have put themselves on the map, garnering more mentions.

Examples include Kryvyi Rih in Ukraine and Galați in Romania. Both received no mentions in 2023, but in 2024 earnt 24 and 13 mentions respectively. This situation might indicate a shift of interest from our respondents to less well-known, but perhaps more promising cities, which have broad room for development and growth.

● Graph 4. Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Plzeň	Czechia	↑+1	2
2	Burgas	Bulgaria	↑+1	3
3	Klaipėda	Lithuania	↓-2	1
4	Split	Croatia	↑+2	6
5	Liberec	Czechia	↓-1	4
6	Batumi	Georgia	↑+1	7
7	Banja Luka	Bosnia and Herzegovina	↑+1	8
8	Durrës	Albania	↑+4	12
9	Győr	Hungary	↑+17	26
10	Prizren	Kosovo	↑+47	57
10	Buzău	Romania	↑+50	60
12	Rzeszów	Poland	↓-7	5
13	Ruse	Bulgaria	↑+12	25
13	Oradea	Romania	↓-2	11
15	Sosnowiec	Poland	↓-7	8
15	Kragujevac	Serbia	↑+12	27
17	Olomouc	Czechia	↓-5	12
18	Šiauliai	Lithuania	↑+15	33
18	Sibiu	Romania	↓-1	17
20	Stara Zagora	Bulgaria	↓-6	14
20	Pitești	Romania	↑+34	54
20	Niš	Serbia	↓-12	8
23	Rijeka	Croatia	↓-7	16
23	Toruń	Poland	↓-9	14
25	Nyíregyháza	Hungary	↑+24	49

● Graph 5. Geospatial index – Emerging cities

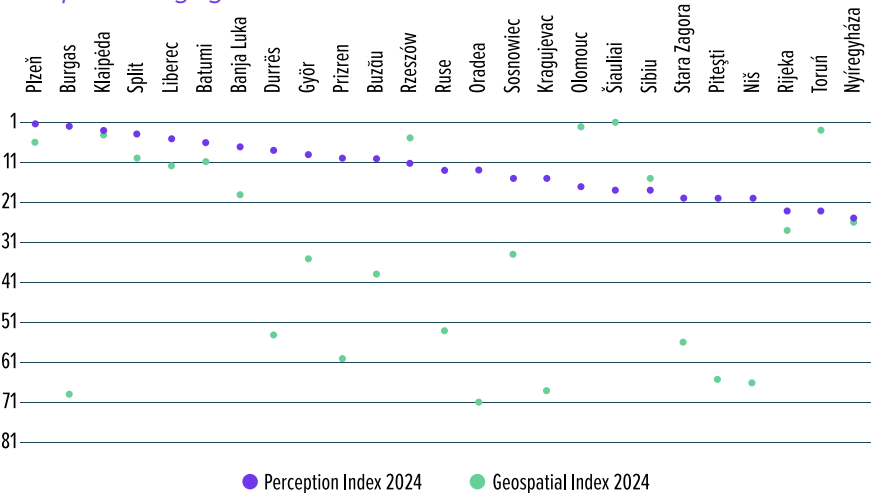
Geospatial Index 2024			
Rank	City	Country	Score
1	Šiauliai	Lithuania	85.52
2	Olomouc	Czechia	63.96
3	Toruń	Poland	52.34
4	Klaipėda	Lithuania	49.91
5	Rzeszów	Poland	48.54
6	Plzeň	Czechia	48.44
7	Opole	Poland	42.85
8	Elbląg	Poland	39.15
9	Gorzów Wielkopolski	Poland	39.08
10	Split	Croatia	37.70
11	Batumi	Georgia	37.29
12	Liberec	Czechia	36.71
13	Płock	Poland	36.24
14	Zielona Góra	Poland	36.23
15	Sibiu	Romania	35.29
16	Kielce	Poland	35.16
17	Koszalin	Poland	35.09
18	Pécs	Hungary	34.80
19	Banja Luka	Bosnia and Herzegovina	34.22
20	Uzhhorod	Ukraine	34.10
21	Olsztyn	Poland	33.96
22	Szeged	Hungary	33.39
23	Lida	Belarus	33.00
24	Dąbrowa Górnicza	Poland	30.80
25	Târgu Mureș	Romania	30.60

When it comes to the geospatial analysis of the emerging cities, Šiauliai took the first spot by a wide margin from Olomouc in Czechia. Olomouc in turn also has a significant lead over the third best-performing city, Toruń in Poland. Klaipėda is fourth, followed by Rzeszów in Poland.

Similar to the established cities, there are some substantial differences between performance of emerging cities in the perception and geospatial indexes. See chart 2.



● Graph 6. Emerging cities



BRAND



In the brand category, respondents were asked to choose five cities that either strongly communicate and support their unique value proposition or are associated with a specific industry that has developed within them.

In the list of established cities, Vilnius and Cluj-Napoca saw the largest improvements in 2024 from 2023. Prague is third, up two places from 2023. The city has been part of the top five since 2021. Tallinn saw a slight drop to fourth place this year, while Bucharest and Kyiv both showed improvement, rising to joint fifth.

Conversely, Budapest saw a fall in the number of our experts selecting it, dropping four places to joint seventh, continuing its downward trend (the city led the index in both 2021 and 2022). Warsaw fell eight places to ninth in 2024, a sharp contrast to its first place ranking in 2023. Meanwhile, Łódź remained stable with a modest improvement, moving up two places to joint seventh. Sofia and Brno also demonstrated moderate progress, rising by three and seven places, respectively. Belgrade also showed improvement, climbing nine places to tie for tenth position in 2024.

On the emerging cities list, Liberec shows the most positive change, climbing eight places to reach first position in 2024, a major improvement from its ninth position in 2023. Plzeň, which held the top spot in 2023, slipped by one place to second in 2024. Meanwhile, Burgas improved by one place, securing joint third position in 2024 along with Batumi.

● *Graph 7. Perception index: Established cities*

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	↑+9	10	9	7
1	Cluj-Napoca	Romania	↑+11	12	12	11
3	Prague	Czechia	↑+2	5	4	5
4	Tallinn	Estonia	↓-2	2	3	3
5	Bucharest	Romania	↑+5	10	7	10
5	Kyiv	Ukraine	↑+1	6	28	29
7	Budapest	Hungary	↓-4	3	1	1
7	Łódź	Poland	↑+2	9	7	4
9	Warsaw	Poland	↓-8	1	4	8
10	Sofia	Bulgaria	↑+3	13	9	20
10	Brno	Czechia	↑+7	17	13	15
10	Belgrade	Serbia	↑+9	19	28	30

● *Graph 8. Perception index: Emerging cities*

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Liberec	Czechia	↑+8	9
2	Plzeň	Czechia	↓-1	1
3	Burgas	Bulgaria	↑+1	4
3	Batumi	Georgia	=	3
3	Klaipėda	Lithuania	↑+2	5
6	Pitești	Romania	↑+34	40
7	Durrës	Albania	↓-5	2
8	Baranovichi	Belarus	↑+32	40
9	Split	Croatia	↓-3	6
9	Rzeszów	Poland	↓-2	7

ECONOMIC POTENTIAL



PERCEPTION INDEX 2024: ESTABLISHED CITIES

In the economic potential category, survey participants were asked to select five cities that are well-positioned to create surplus value and produce goods and services due to their available resources, though these resources have not yet been fully developed or realised.

Vilnius has emerged as the top performer in 2024, climbing ten spots to claim first place after ranking eleventh in 2023. This marks continued progress from its seventh-place finish in both 2022 and 2021.

Košice and Tallinn made impressive strides as well, jumping seventeen and fifteen spots, respectively. In Poland, both Łódź and Warsaw showed steady improvement, with Warsaw leaping eleven spots to tie for second place. Prague also landed in second, having moved up six spots this year.

Brno and Cluj-Napoca saw more modest gains, while Belgrade experienced a sharp decline, dropping from first place in 2021-2022 to sixth in 2024.

Among the emerging cities, Durrës made the most notable advance, soaring twenty-four places to claim the top spot after ranking 25th in 2023. Split and Burgas also saw significant improvements, rising eleven and thirteen spots, respectively, while Plzeň made the largest leap, climbing twenty-five places to secure third place.

● Graph 9. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	↑+10	11	7	7
2	Prague	Czechia	↑+6	8	6	6
2	Łódź	Poland	↑+3	5	4	5
2	Warsaw	Poland	↑+11	13	12	11
5	Sofia	Bulgaria	↑+12	17	23	25
6	Tallinn	Estonia	↑+15	21	8	9
6	Belgrade	Serbia	↓-4	2	1	1
8	Brno	Czechia	↑+7	15	14	14
8	Cluj-Napoca	Romania	↑+3	11	12	13
10	Bratislava	Slovakia	↑+11	21	15	19
10	Košice	Slovakia	↑+17	27	23	21

● Graph 10. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Durrës	Albania	↑+24	25
2	Split	Croatia	↑+11	13
3	Burgas	Bulgaria	↑+13	16
3	Plzeň	Czechia	↑+25	28
5	Liberec	Czechia	↑+1	6
5	Klaipėda	Lithuania	↓-2	3
7	Batumi	Georgia	↓-2	5
7	Prizren	Kosovo	↑+45	52
7	Kragujevac	Serbia	↑+45	52
10	Banja Luka	Bosnia and Herzegovina	↑+3	13
10	Győr	Hungary	↑+30	40

GEOSPATIAL ANALYSIS

As mentioned in the Executive Summary, this year’s Perception Index ranking has been enhanced by the inclusion of geospatial analysis. This new index provides an objective numerical measure for each city, enabling direct comparison.

In the economic potential category, among the established cities, Bratislava leads the Geospatial Index with a perfect score of 100. Bratislava has made a significant leap in the main survey, securing a place among the top ten performers.

Prishtina ranks second in the Geospatial Index with 90.81 points out of 100. However, it does not feature in the main index, suggesting that while

Prishtina’s economic potential is high, it has yet to achieve similar recognition in public perception.

Brno holds third position in the Geospatial Index, reflecting its strong economic potential, and ranks eighth in the main index, indicating its growing reputation alongside its economic promise.

Key climbers in the Perception Index, such as Vilnius—now ranked first—are absent from the top ten of the Geospatial Index. While both Tallinn and Budapest have shown significant upward movement in the Perception Index, though only Budapest appears in the Geospatial Index, ranking ninth.

● Graph 11. Geospatial index: Established cities

Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Bratislava	Slovakia	100
2	Prishtina	Kosovo	90.81
3	Brno	Czechia	90.72
4	Praha	Czechia	86.80
5	Košice	Slovakia	69.81
6	Zagreb	Croatia	62.03
7	Tirana	Albania	60.19
8	Sarajevo	Bosnia and Herzegovina	58.18
9	Budapest	Hungary	58.10
10	Ljubljana	Slovenia	54.47

Among the emerging cities, Batumi in Georgia leads the Geospatial Index with a perfect score of 100, highlighting its top-tier economic potential. However, in the Perception Index 2024, Batumi ranks seventh, having dropped two places from the previous year.

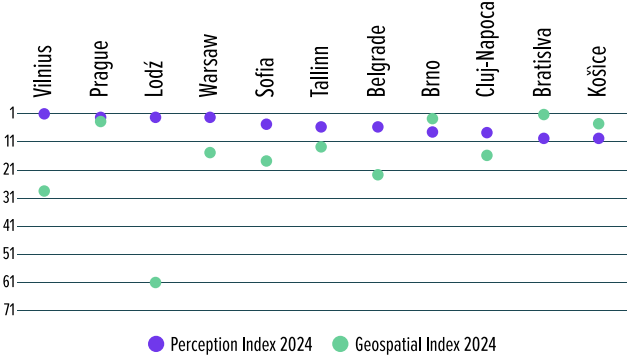
Split ranks second in the Geospatial Index with a score of 73.79, reflecting its strong economic potential. In the Perception Index, Split also holds second position.

Durrës secured third spot in the Geospatial Index with a score of 61.09. In the Perception Index, Durrës claimed the top spot.

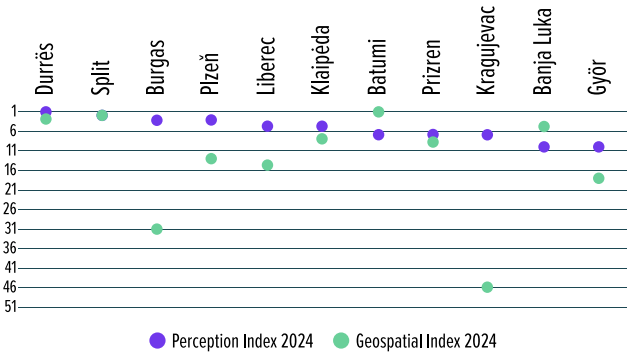
● Graph 12. Geospatial index: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Batumi	Georgia	100
2	Split	Croatia	73.78
3	Durrës	Albania	61.09
4	Olomouc	Czechia	59.43
5	Banja Luka	Bosnia and Herzegovina	56.70
6	Šiauliai	Lithuania	55.57
7	Uzhhorod	Ukraine	47.10
8	Klaipėda	Lithuania	46.99
9	Prizren	Kosovo	44.89
10	Rijeka	Croatia	43.88

● Graph 13. Economic potential, Established cities



● Graph 14. Economic potential, Emerging cities



BUSINESS CLIMATE



In the business climate category, survey participants of the Perception Index were asked to select five cities that offer the most favourable regulatory environment for business growth. This includes minimal corruption and bureaucratic hurdles, and cities where all stakeholders exhibit a positive attitude towards business activities.

Budapest takes the lead in this year's rankings, jumping twenty-one spots from its 2023 position. Prague holds steady in second place, continuing its strong performance of previous years (it has been in the top five since 2021), while Vilnius ranks third, showing a slight drop from its previous position.

Among the notable shifts, Kharkiv made a remarkable leap, climbing twenty-eight places to secure tenth place, up from thirty-eighth in 2023. In contrast, Łódź, which held first place in 2021 and second in 2023, has dropped to eighth this year.

Vilnius and Kyiv have seen only minor fluctuations, maintaining a steady presence in the rankings. Tallinn has slipped from fourth place in 2021 to fifth in 2024.

In the emerging cities category, Klaipėda holds onto its top spot from 2023. Burgas has moved up to second, rising one position from last year. Plzeň also saw improvement, climbing from fifth to second place. Banja Luka made a significant gain, rising eleven spots to fourth, while Batumi surged nineteen places to join Banja Luka in fourth.

● Graph 15. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Budapest	Hungary	↑+21	22	37	46
2	Prague	Czechia	↑+3	5	5	5
3	Vilnius	Lithuania	↓-2	1	3	3
4	Cluj-Napoca	Romania	↑+3	7	20	21
5	Sofia	Bulgaria	↑+3	8	20	31
5	Tallinn	Estonia	↓-1	4	13	22
5	Bucharest	Romania	↑+3	8	13	16
8	Łódź	Poland	↓-6	2	1	1
8	Warsaw	Poland	↑+6	14	23	54
10	Belgrade	Serbia	↑+12	22	26	23
10	Kharkiv	Ukraine	↑+28	38	11	12
10	Kyiv	Ukraine	↓-2	8	8	8

● Graph 16. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Klaipėda	Lithuania	↑+1	2
2	Burgas	Bulgaria	↑+1	3
2	Plzeň	Czechia	↑+3	5
4	Banja Luka	Bosnia and Herzegovina	↑+11	15
4	Batumi	Georgia	↑+19	23
6	Split	Croatia	↑+7	13
6	Buzău	Romania	↑+45	51
8	Liberec	Czechia	↓-2	6
8	Rzeszów	Poland	↓-7	1
10	Durrës	Albania	↑+17	27
10	Ruse	Bulgaria	↑+3	13
10	Győr	Hungary	↑+15	25
10	Kecskemét	Hungary	↑+37	47

GEOSPATIAL ANALYSIS

Of the established cities, Lutsk secures the top position in the Geospatial Index, with a perfect score of 100. Košice ranks second with a score of 80.85, indicating a robust business environment, though not as high as Lutsk. Chişinău comes in third with a score of 75.09.

Despite Lutsk's top rank in the Geospatial Index 2024, it does not appear in the Perception Index. Similarly, Košice and Chişinău are also absent from the top ten of the Perception Index 2024.

Ukraine shows a significant presence in the top rankings, with Lutsk leading and two other cities, Cherkasy and Vinnytsia, also making the top ten.

● Graph 17. Geospatial index: Established cities

Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Lutsk	Ukraine	100
2	Košice	Slovakia	80.85
3	Chişinău	Moldova	75.09
4	Novi Sad	Serbia	71.92
5	Brno	Czechia	68.63
6	Cherkasy	Ukraine	67.41
7	Vinnytsia	Ukraine	66.98
8	Cluj-Napoca	Romania	62.97
9	Timișoara	Romania	60.54
10	Constanța	Romania	60.29

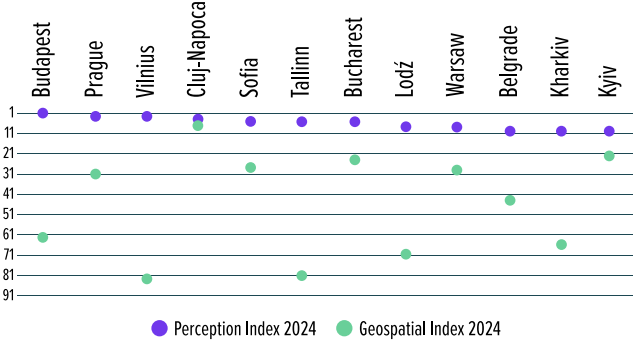
Among emerging cities, Lida in Belarus takes the top spot with a perfect score of 100. Opole in Poland ranks second with a commendable score of 88.83, while Gorzów Wielkopolski also in Poland secures the third position with a score of 78.57.

Belarus and Poland stand out for their regional strengths, with Poland particularly excelling in developing multiple cities with strong business environments.

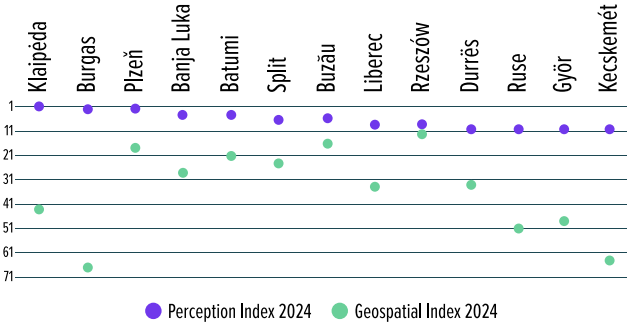
● Graph 18. Geospatial analysis: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Lida	Belarus	100
2	Opole	Poland	88.83
3	Gorzów Wielkopolski	Poland	78.57
4	Sibiu	Romania	67.54
5	Uzhhorod	Ukraine	67.34
6	Arad	Romania	66.44
7	Dąbrowa Górnicza	Poland	66.28
8	Sievierodonetsk	Ukraine	62.30
9	Šiauliai	Lithuania	60.92
10	Olomouc	Czechia	59.13

● Graph 19. Business climate, Established cities



● Graph 20. Business climate, Emerging cities



POOL OF TALENT



PERCEPTION INDEX

In the pool of talent category, survey respondents selected cities that offer optimal access to a highly skilled workforce, where competition for talent is relatively low, and where collaboration between business and academia ensures a steady supply of skilled employees in the future.

Budapest has surged from eighth place in 2023 to first in 2024. Prague has also experienced a rise, climbing nine positions to secure second place. Warsaw has ascended twelve places to reach third.

Sofia and Vilnius have both improved their standings, with Sofia advancing five positions and Vilnius rising three to tie for fourth position. Łódź, however, has dropped three places to sixth.

Riga and Cluj-Napoca have made gains, moving up twelve and two positions respectively to seventh. Brno has risen three positions to ninth, whereas Lviv has fallen eight places to joint ninth.

In the emerging cities ranking, Burgas and Plzeň have advanced to first and second places, respectively. Batumi has fallen to third, while Split has seen a significant rise to tie for fourth with Klaipėda. Buzău has made progress, climbing to sixth. Durrës and Stara Zagora have both improved their standings, tying for seventh place along with Liberec, Šiauliai and Oradea.

● Graph 21. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Budapest	Hungary	↑+7	8	7	8
2	Prague	Czechia	↑+9	11	19	19
3	Warsaw	Poland	↑+12	15	17	16
4	Sofia	Bulgaria	↑+5	9	9	21
4	Vilnius	Lithuania	↑+3	7	22	20
6	Łódź	Poland	↓-3	3	6	6
7	Riga	Latvia	↑+12	19	29	33
7	Cluj-Napoca	Romania	↑+2	9	21	23
9	Brno	Czechia	↑+3	12	10	9
9	Lviv	Ukraine	↓-8	1	7	7

● Graph 22. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Burgas	Bulgaria	↑+2	3
2	Plzeň	Czechia	↑+2	4
3	Batumi	Georgia	↓-2	1
4	Split	Croatia	↑+13	17
4	Klaipėda	Lithuania	↓-2	2
6	Buzău	Romania	↑+47	53
7	Durrës	Albania	↑+10	17
7	Stara Zagora	Bulgaria	↑+9	16
7	Liberec	Czechia	↓-1	6
7	Šiauliai	Lithuania	↑+15	22
7	Oradea	Romania	↑+20	27

GEOSPATIAL ANALYSIS

In the Geospatial Index for established cities, Lublin in Poland emerges as a top performer with a perfect score of 100. Ternopil in Ukraine follows with a score of 73.99, achieving a high rank but not quite matching Lublin's prominence. Wrocław, another Polish city, scores 67.76.

The dominance of Polish cities such as Lublin and Wrocław highlights Poland's strong position in the talent market. Meanwhile, Ternopil's high ranking in the Geospatial Index demonstrates that smaller Ukrainian cities can also offer significant opportunities and appeal.

It is noteworthy that Lublin and Wrocław are absent from the Perception Index but achieve high scores in the Geospatial Index, reflecting their strong talent appeal.

● Graph 23. Geospatial index: Established cities

Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Lublin	Poland	100
2	Ternopil	Ukraine	73.99
3	Wrocław	Poland	67.76
4	Galați	Romania	64.72
5	Radom	Poland	63.65
6	Kaunas	Lithuania	59.25
7	Szczecin	Poland	57.54
8	Kamianske	Ukraine	56.30
9	Ivano-Frankivsk	Ukraine	53.41
10	Lviv	Ukraine	52.00

For emerging cities in the Geospatial Index 2024, Šiauliai in Lithuania leads with a perfect score of 100. Toruń in Poland closely follows with a score of 98.42. Rzeszów, another Polish city, ranks third with a score of 89.51, showcasing its substantial appeal and advantages in the talent market.

The presence of two Polish cities in the top three emphasises once again Poland's strong position and competitive edge in the talent market.

Šiauliai performs well in both indices, leading in the Geospatial Index

and showing improvement in the Perception Index. However, Toruń and Rzeszów, despite their strong positions in the Geospatial Index, are not featured in the Perception Index for 2024.

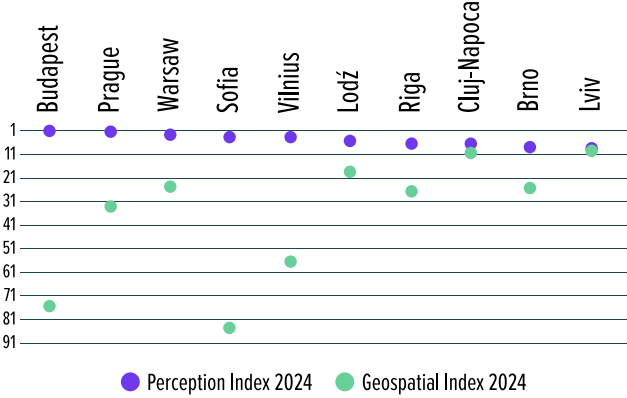
Among the top ten best-performing emerging cities in both indices, Poland is notably better represented in the Geospatial Index with four cities listed: Toruń, Rzeszów, Płock, and Olsztyn. Lithuania, Czechia, and Romania are well-represented in both indices, indicating a balanced and consistent presence across various measures of talent and public perception.



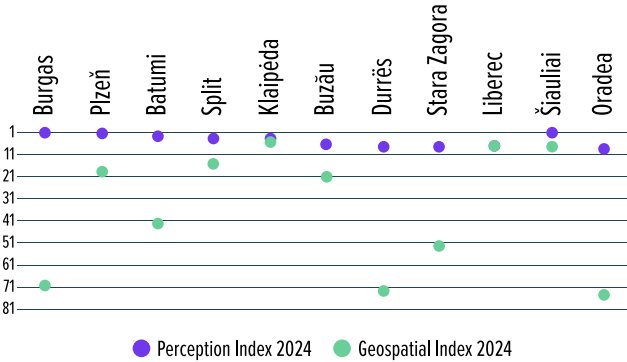
● Graph 24. Geospatial index: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Šiauliai	Lithuania	100
2	Toruń	Poland	98.42
3	Rzeszów	Poland	89.51
4	Olomouc	Czechia	79.55
5	Klaipėda	Lithuania	59.46
6	Płock	Poland	48.70
7	Liberec	Czechia	48.42
8	Târgu Mureș	Romania	46.58
9	Olsztyn	Poland	45.16
10	Slovyansk	Ukraine	44.46

● Graph 25. Pool of talent, Established cities



● Graph 26. Pool of talent, Emerging cities



SMART CITIES



SMART CITY DEVELOPMENT

Within the smart city development category, respondents were asked to select five cities that have implemented various policies and solutions to enhance sustainability and quality of life across several key areas: mobility and infrastructure, connectivity and digitalisation, education and employment, government and governance, and real estate and environmental initiatives.

Vilnius has made significant progress this year, ascending to the top spot in 2024 from fourth place in previous years. Tallinn slipped one position to second place, while Łódź saw a substantial improvement, leaping 16 places to third.

Sofia experienced a decline, dropping three places to sixth, whereas Tbilisi and Belgrade showed notable gains, rising 14 and 27 places, respectively. Other cities such as Prague and Warsaw also showed upward movement, while Kyiv experienced a minor decline.

In the emerging cities list, Burgas has risen to the top rank, moving up three spots from its fourth place in 2023. Plzeň, which held the top spot in 2023, has dropped to a tie for second place in 2024. This slight decline suggests that while Plzeň remains a leading emerging city, other cities have made gains.

Batumi has made a leap from 15th place in 2023 to a tie for second in 2024, reflecting substantial growth and development. Meanwhile, Klaipėda has maintained its second place ranking from 2023, demonstrating consistency in its performance as an emerging city.

● Graph 27. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	↑+3	4	4	4
2	Tallinn	Estonia	↓-1	1	2	3
3	Łódź	Poland	↑+16	19	17	13
4	Prague	Czechia	↑+5	9	9	16
4	Warsaw	Poland	↑+2	6	6	6
6	Sofia	Bulgaria	↓-3	3	3	2
7	Tbilisi	Georgia	↑+14	21	27	26
8	Belgrade	Serbia	↑+27	35	31	35
9	Brno	Czechia	↑+2	11	14	17
9	Kyiv	Ukraine	↓-2	7	14	15

● Graph 28. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Burgas	Bulgaria	↑+3	4
2	Plzeň	Czechia	↓-1	1
2	Batumi	Georgia	↑+13	15
2	Klaipėda	Lithuania	=	2
5	Split	Croatia	↑+2	7
6	Liberec	Czechia	↓-3	3
6	Győr	Hungary	↑+10	16
6	Pitești	Romania	↑+37	43
9	Rijeka	Croatia	↑+1	10
9	Oradea	Romania	↑+3	12
9	Sibiu	Romania	=	9

GEOSPATIAL ANALYSIS

The Geospatial Index for smart city development, in the established cities list, ranks Brno in Czechia as the leading city, followed by Ostrava, also in Czechia, and Košice in Slovakia, which take the second and third positions, respectively. Brno, with a perfect score of 100, leads the rankings, demonstrating exceptional performance in smart city initiatives. Ostrava, close behind with a score of 95.25, and Košice, the highest-ranked city in Slovakia with a score of 85.92, also showcase significant progress in their smart city endeavours.

In contrast, the Perception Index places Brno tied for ninth place, indicating that while its achievements in smart city development are recognised in

the geospatial context, they may not be as prominently acknowledged in broader public perceptions. Ostrava, despite its second-place ranking in the Geospatial Index, does not appear in leading positions of the Perception Index. Similarly, Košice does not feature prominently in the Perception Index 2024 rankings.

The prominence of Czech cities in the geospatial analysis underscores Czechia's leadership in smart city development within the region, setting a high benchmark for other cities to aspire to.

In the emerging cities segment, Šiauliai in Lithuania stands out as the leader

with a perfect score of 100. Plzeň in Czechia follows in second place with a score of 85.44, and Olomouc, also in Czechia, ranks third with a score of 84.20. Polish cities, including Włocławek, Płock, Koszalin, and Zielona Góra, as well as Toruń, Łława, and Olsztyn, occupy the fourth to tenth positions. Włocławek ranks fourth with a score of 76.99, while Płock is fifth with a score of 75.47.

The Geospatial Index 2024 highlights Šiauliai as a leader in smart city development among emerging cities, with strong performances from Czechia and Poland. In contrast, the Perception Index 2024 for emerging cities shows shifts in rankings, with cities like Burgas and Batumi making major gains.

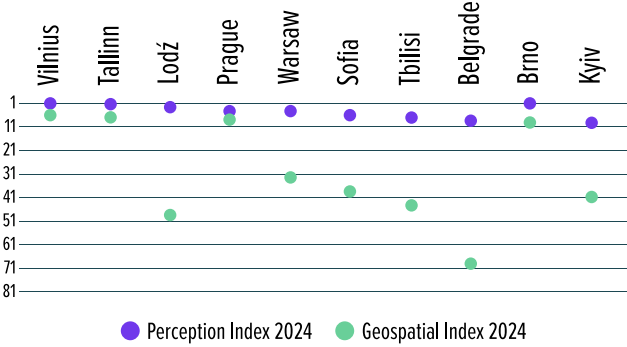
● Graph 29. Geospatial index: Established cities

Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Brno	Czechia	100
2	Ostrava	Czechia	95.25
3	Košice	Slovakia	85.92
4	Bratislava	Slovakia	84.22
5	Katowice	Poland	72.84
6	Vilnius	Lithuania	69.82
7	Tallinn	Estonia	69.40
8	Praha	Czechia	69.12
9	Timișoara	Romania	65.44
10	Hungary	Budapest	64.09

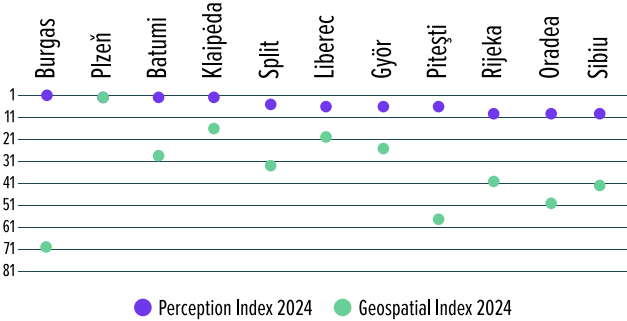
● Graph 30. Geospatial index: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Šiauliai	Lithuania	100
2	Plzeň	Czechia	85.43
3	Olomouc	Czechia	84.20
4	Włocławek	Poland	76.99
5	Płock	Poland	75.46
6	Koszalin	Poland	74.87
7	Zielona Góra	Poland	74.29
8	Toruń	Poland	73.31
9	Elbląg	Poland	71.25
10	Olsztyn	Poland	59.66

● Graph 31. Smart city development, Established Cities



● Graph 32. Smart city development, Emerging Cities



INFRASTRUCTURE AND CONNECTIVITY



In the infrastructure and connectivity category of the Perception Index, survey participants were asked to select five cities that have recently made significant improvements to their road, rail, and air infrastructure to boost connectivity. They were also encouraged to identify cities that have increased their network of air connections.

Warsaw continues to lead, as it has done since 2021, reflecting its strong and stable performance. Łódź has seen progress, moving up from fifth place in 2022 to second place in 2024. Budapest maintains a steady third place across 2023 and 2024.

Noted climbers include Cluj-Napoca which makes a rise from 16th in 2023 to third in 2024 and Zagreb, which rises 20 places to eighth. Riga also shows strong momentum, improving from 13th to fifth. Conversely, Prague experienced a decline from second to fifth.

On the Perception Index for the emerging cities, Plzeň retains its first place, showing consistent performance. Klaipėda moves up two places to second, reflecting progress. Important climbers include Banja Luka, rising 27 places to third; Prizren, advancing 34 places to fifth; and Durrës climbing 32 places to seventh. Moderate climbers include Split, up thirteen places to fifth; Stara Zagora up 26 places to eighth; Šiauliai up 24 places to tenth; and Chorzów rising eight places to tenth.

● Graph 33. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Warsaw	Poland	=	1	1	1
2	Łódź	Poland	↑+2	4	5	3
3	Budapest	Hungary	=	3	4	4
3	Cluj-Napoca	Romania	↑+13	16	30	35
5	Prague	Czechia	↓-3	2	2	2
5	Riga	Latvia	↑+8	13	10	13
5	Bratislava	Slovakia	=	5	7	7
8	Zagreb	Croatia	↑+20	28	8	10
9	Sofia	Bulgaria	↑+5	14	21	24
9	Tallinn	Estonia	↑+9	18	19	20
9	Vilnius	Lithuania	↑+8	17	22	28
9	Bucharest	Romania	=	9	14	14

● Graph 34. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Plzeň	Czechia	=	1
2	Klaipėda	Lithuania	↑+2	4
3	Banja Luka	Bosnia and Herzegovina	↑+27	30
4	Liberec	Czechia	↓-2	2
5	Split	Croatia	↑+13	18
5	Prizren	Kosovo	↑+34	39
7	Durrës	Albania	↑+32	39
8	Stara Zagora	Bulgaria	↑+26	34
8	Niš	Serbia	↑+4	12
10	Burgas	Bulgaria	↑+3	13
10	Ruse	Bulgaria	↑+17	27
10	Olomouc	Czechia	↓-7	3
10	Šiauliai	Lithuania	↑+24	34
10	Chorzów	Poland	↑+8	18
10	Rzeszów	Poland	↓-3	7

In the geospatial index for established cities list, Bratislava leads the ranking with a perfect score of 100. Tallinn follows closely in second place with a score of 99.50 and Radom in Poland, although less recognised compared to cities like Warsaw or Kraków, ranks very high with a score of 96.76.

When comparing the rankings between the two indices in the group of established cities, Bratislava’s consistency is evident, ranking first in the Geospatial Index 2024 and fifth in the Perception Index. Tallinn’s rapid rise is noteworthy, ranking second in the Geospatial Index 2024 and ninth in the Perception index, showing major improvement (up nine spots).

● Graph 35. Geospatial index: Established cities

Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Bratislava	Slovakia	100
2	Tallinn	Estonia	99.50
3	Radom	Poland	96.76
4	Praha	Czechia	94.89
5	Brno	Czechia	93.28
6	Łódź	Poland	93.24
7	Košice	Slovakia	92.00
8	Poznań	Poland	84.53
9	Szczecin	Poland	82.05
10	Riga	Latvia	80.72

Radom in Poland occupies a unique position, ranking third in the Geospatial Index but not appearing among the top ten positions in the Perception index. Furthermore, while both Warsaw and Łódź perform very well in the Perception Index, they are absent from the top three in the Geospatial Index.

Overall, among the established cities lists, Poland and Slovakia are the most consistently represented countries across both indices, indicating robust national infrastructure and overall development. Tallinn in Estonia and Riga in Latvia stand out as capitals driving their respective countries’ rankings in both indices. Romania and Hungary show strength in the

Perception Index, while Croatia, Bulgaria, and Lithuania are rising players, with their cities making significant strides in the Perception Index, despite not yet appearing in the top ten Geospatial rankings.

In the emerging cities list, the top three ranked cities are Šiauliai in Lithuania (with a perfect score of 100), Klaipėda also in Lithuania (with a score of 69.19), and Dąbrowa Górnicza in Poland (with a score of 54.83).

These top three cities, two from Lithuania and one from Poland, highlight the importance of regional investment in infrastructure. Šiauliai’s perfect score sets it apart as a benchmark for other cities.

When it comes to country representation in the list of emerging Cities, Lithuania shows strong performance in both indices, with Šiauliai and Klaipėda consistently ranking high. Poland also has a solid presence in both indices, with a stronger focus on the Geospatial Index compared to the Perception Index. Czechia dominates the Perception Index with two cities in the top five but also demonstrates infrastructure strength in geospatial analysis, particularly in Plzeň and Olomouc.

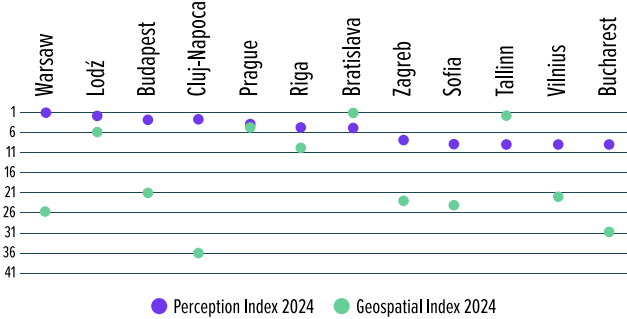
Hungary, while not present in the Perception Index top ten, has a notable presence in the Geospatial Index. Bulgaria is more represented in the Perception Index, though it lacks representation in the top ten geospatial data.

In the Perception Index for emerging cities list, Bosnia and Herzegovina, Croatia, Kosovo, Albania, and Serbia each have a single city represented in the top ten. These cities have seen notable improvements in public perception.

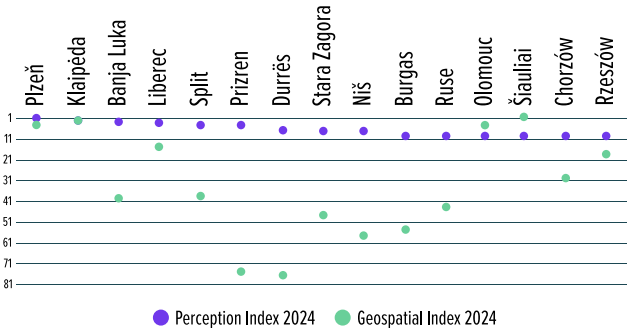
● Graph 36. Geospatial index: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Šiauliai	Lithuania	100
2	Klaipėda	Lithuania	69.19
3	Dąbrowa Górnicza	Poland	54.83
4	Plzeň	Czechia	49.73
5	Olomouc	Czechia	48.31
6	Gliwice	Poland	46.84
7	Győr	Hungary	45.16
8	Szeged	Hungary	44.43
9	Opole	Poland	42.70
10	Nyíregyháza	Hungary	41.73

● Graph 37. Infrastructure and connectivity, Established cities



● Graph 38. Infrastructure and connectivity, Emerging cities



QUALITY OF LIFE



Within the quality of life category, survey participants were asked to choose five cities that offer a high level of overall life satisfaction, taking into account factors such as physical health, leisure opportunities, family life, education, employment prospects, economic prosperity, safety, personal freedom, religious freedom, gender equality, cultural diversity, and environmental quality.

In 2024, among established cities, Vilnius emerged as the top performer, rising to first place after improvements from 20th in 2021 and second in 2023. Warsaw made a significant leap from sixteenth to second, continuing its strong presence in the top ten since 2021. Bucharest also demonstrated rapid growth, moving from twelfth to third in 2024, after climbing from 34th position in 2021.

Lviv saw the highest rise, jumping twenty places from twenty-third to third. Brno improved by six spots to reach tenth place. Tallinn and Łódź both made moderate gains, moving up to fifth and tenth places, respectively. However, some cities lost ground: Ljubljana fell from first to fifth, Sofia dropped from sixth to eighth, and Prague saw the most significant decline, falling from third to eighth, after previously ranking first in both 2021 and 2022.

Among emerging cities, Liberec and Plzeň of Czechia gained the biggest number of mentions among respondents, followed by Nyíregyháza in Hungary.

● Graph 39. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	↑+1	2	7	20
2	Warsaw	Poland	↑+14	16	10	10
3	Bucharest	Romania	↑+9	12	25	34
3	Lviv	Ukraine	↑+20	23	10	9
5	Tallinn	Estonia	↑+3	8	15	19
5	Budapest	Hungary	↑+9	14	3	3
5	Ljubljana	Slovenia	↓-4	1	2	2
8	Sofia	Bulgaria	↓-2	6	7	7
8	Prague	Czechia	↓-5	3	1	1
10	Brno	Czechia	↑+6	16	20	13
10	Łódź	Poland	↑+3	13	15	11

● Graph 40. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Liberec	Czechia	↑+6	7
1	Plzeň	Czechia	↑+5	6
1	Nyíregyháza	Hungary	↑+37	38
4	Győr	Hungary	↑+12	16
5	Banja Luka	Bosnia and Herzegovina	↓-1	4
5	Batumi	Georgia	↑+13	18
5	Buzău	Romania	↑+43	48
8	Kragujevac	Serbia	↑+3	11
9	Durrës	Albania	↓-6	3
9	Klaipėda	Lithuania	↓-4	5
9	Toruń	Poland	↑+3	12

GEOSPATIAL ANALYSIS

In the Geospatial Index for established cities, Bratislava in Slovakia ranks highest with a perfect score of 100. Tallinn in Estonia closely follows with a score of 98.47. Prague in Czechia comes in third with a score of 87.24, highlighting its status as a major cultural and economic hub.

Lublin in Poland, with a score of 80.69, is the highest-ranked Polish city and Košice, Slovakia's second city, ranks fifth with a score of 78.21.

Slovakia stands out with two cities in the top five, indicating strong living conditions across the country. Estonia's capital, Tallinn, scores highly due to its emphasis on digital innovation and sustainability. Czechia also performs well, with two cities in the top ten, reflecting a balance between economic growth and living standards. Poland, Belarus, Bulgaria, and Lithuania each have cities in the top ten, demonstrating a diverse range of strengths from cultural heritage to modern infrastructure.

● Graph 41. Geospatial index: Established cities

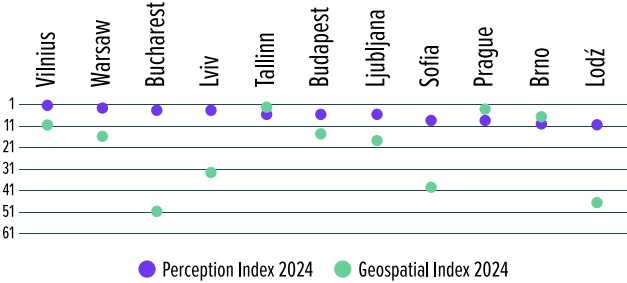
Geospatial Index 2024, Economic Potential section			
Rank	City	Country	Score
1	Bratislava	Slovakia	100
2	Tallinn	Estonia	98.46
3	Praha	Czechia	87.24
4	Lublin	Poland	80.68
5	Košice	Slovakia	78.21
6	Brno	Czechia	73.26
7	Grodno	Belarus	69.70
8	Plovdiv	Bulgaria	65.00
9	Kaunas	Lithuania	57.42
10	Vilnius	Lithuania	54.10



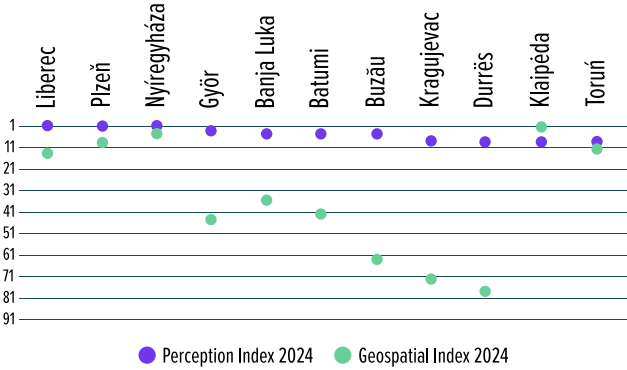
● Graph 42. Geospatial index: Emerging cities

Geospatial Index 2024, Economic potential section			
Rank	City	Country	Score
1	Šiauliai	Lithuania	100
2	Klaipėda	Lithuania	62.45
3	Olomouc	Czechia	49.55
4	Pécs	Hungary	39.97
5	Nyíregyháza	Hungary	38.58
6	Ruse	Bulgaria	37.09
7	Szeged	Hungary	32.74863
8	Stara Zagora	Bulgaria	32.64
9	Plzeň	Czechia	30.50
10	Gorzów Wielkopolski	Poland	29.70

● Graph 43. Quality of life, Established cities



● Graph 44. Quality of life, Emerging cities



LOCAL AUTHORITY SUPPORT



In the local authority support category of the Perception Index, survey participants were invited to select five cities that have developed efficient investment support departments. These departments are recognised for offering exceptional facilitation and after-care services, with a proactive and responsive approach to both new inquiries and the needs of actual investors.

Vilnius stands out as the top performer in 2024, climbing from sixth place in 2023 to first, continuing its consistent rise from eighth in 2022 and 2021. Warsaw made the biggest leap, jumping thirteen places to secure second in 2024.

Prague and Budapest tied for third, both showing improvements, with Prague moving up ten places and Budapest fourteen. Riga saw the highest jump among the cities listed, climbing eighteen places to seventh in 2024, while Belgrade also made a rise of fifteen ranks to eighth place.

However, not all cities progressed well; Łódź dropped four places to eighth, and Cluj-Napoca faced a slight decline of three places. Bucharest and Sofia showed steady, consistent performance, with Bucharest moving up eight places to eleventh and Sofia rising six places to fifth.

The top three cities on the emerging cities category are Burgas in Bulgaria, Split in Croatia and Banja Luka in Bosnia and Herzegovina.

● Graph 45. Perception index: Established cities

Index 2024				Index 2023	Index 2022	Index 2021
Rank	City	Country	Change compared to 2023	Rank	Rank	Rank
1	Vilnius	Lithuania	↑+5	6	8	8
2	Warsaw	Poland	↑+13	15	12	13
3	Prague	Czechia	↑+10	13	20	21
3	Budapest	Hungary	↑+14	17	8	7
5	Sofia	Bulgaria	↑+6	11	12	22
6	Tallinn	Estonia	↑+5	11	24	27
7	Riga	Latvia	↑+18	25	10	9
8	Łódź	Poland	↓-4	4	2	1
8	Cluj-Napoca	Romania	↓-3	5	4	4
8	Belgrade	Serbia	↑+15	23	33	44

● Graph 46. Perception index: Emerging cities

Index 2024				Index 2023
Rank	City	Country	Change compared to 2023	Rank
1	Burgas	Bulgaria	↑+3	4
1	Split	Croatia	↑+12	13
3	Banja Luka	Bosnia and Herzegovina	↑+13	16
4	Durrës	Albania	↑+39	43
4	Plzeň	Czechia	↑+7	11
4	Batumi	Georgia	↑+34	38
7	Klaipėda	Lithuania	↓-6	1
8	Šiauliai	Lithuania	=	8
8	Buzău	Romania	↑+49	57
10	Ruse	Bulgaria	↑+21	31
10	Kielce	Poland	=	10
10	Tychy	Poland	↑+23	33

MAIN INDEX

The Business-Friendly Cities Perception Survey 2024 is part of a research project looking at what global FDI experts, site selection advisors, and location analysts think about emerging Europe's cities and their value proposition.

Emerging Europe does not expect the respondents to have worked with, nor have extensive knowledge of, all the locations included in the survey. Indeed, due to a lack of any international promotional activities some locations are unknown to most of the respondents.

The aim of this exercise is therefore to understand how they see certain emerging Europe cities and their value proposition.

For the second time since the launch of the survey, Emerging Europe divided cities into two groups: established cities, which include cities with a population of around 200,000 or more, as well as country capitals (such as Podgorica in Montenegro) where the population is lower than 200,000. Emerging cities, the second group, are those which have a population between 100,000 and 200,000.

THE CITIES

Established cities

Albania – Tirana
 Armenia – Yerevan
 Azerbaijan – Baku, Gäncä, Sumqayit
 Belarus – Bobruisk, Brest, Gomel, Grodno, Minsk, Mogilev, Vitebsk
 Bosnia and Herzegovina — Sarajevo
 Bulgaria – Plovdiv, Sofia, Varna
 Croatia – Zagreb
 Czechia – Brno, Ostrava, Prague
 Estonia – Tallinn
 Georgia – Tbilisi
 Hungary – Budapest, Debrecen
 Kosovo – Prishtina
 Latvia – Riga
 Lithuania – Kaunas, Vilnius
 Moldova – Chişinău
 Montenegro – Podgorica
 North Macedonia – Skopje
 Poland – Białystok, Bydgoszcz, Częstochowa, Gdańsk, Gdynia, Katowice, Kraków, Lublin, Łódź, Poznań, Radom, Szczecin, Warsaw, Wrocław
 Romania – Braşov, Bucharest, Cluj-Napoca, Constanţa, Craiova, Galaţi, Iaşi, Timişoara
 Serbia – Belgrade, Novi Sad
 Slovakia – Bratislava, Košice
 Slovenia – Ljubljana
 Ukraine – Bila Tserkva, Cherkasy, Chernihiv, Chernivtsi, Dnipro, Donetsk, Gorlivka, Ivano-Frankivsk, Kamianske, Kharkiv, Kherson, Khmelnytskyi, Kremenchuk, Kropyvnytskyi, Kryvyi Rih, Kyiv, Luhansk, Lutsk, Lviv, Makijivka, Mariupol, Mykolaiv, Odesa, Poltava, Rivne, Sevastopol, Simferopol, Sumy, Ternopil, Vinnytsia, Zaporizhzhia, Zhytomyr

Emerging cities

Albania — Durrës
 Armenia — Gyumri
 Belarus — Baranovichi, Barysaw, Lida, Mazyr, Orsha, Pinsk, Solihorsk
 Bosnia and Herzegovina — Banja Luka
 Bulgaria — Burgas, Ruse, Stara Zagora
 Croatia — Rijeka, Split
 Czechia — Liberec, Olomouc, Plzeň
 Georgia — Batumi, Kutaisi, Rustavi
 Hungary — Győr, Kecskemét, Miskolc, Nyíregyháza, Pécs, Szeged
 Kosovo — Ferizaj, Prizren
 Lithuania — Klaipėda, Šiauliai
 Poland — Bielsko-Biala, Bytom, Chorzów, Dąbrowa Górnicza, Elbląg, Gliwice, Gorzów Wielkopolski, Kielce, Koszalin, Olsztyn, Opole, Płock, Ruda Śląska, Rybnik, Rzeszów, Sosnowiec, Toruń, Tychy, Tarnów, Wałbrzych, Wrocław, Zabrze, Zielona Góra
 Romania — Arad, Bacău, Baia Mare, Brăila, Buzău, Oradea, Ploieşti, Piteşti, Sibiu, Târgu Mureş
 Serbia — Kragujevac, Niš, Subotica
 Ukraine — Alchevsk, Berdyansk, Kerch, Kramatorsk, Melitopol, Nikopol, Pavlohrad, Sievierodonetsk, Slovyansk, Uzhhorod, Yevpatoriya

The Emerging Europe research team used UNData to determine the population of all cities included in the survey.



THE CATEGORIES

There were eight areas respondents were asked to consider.

- Brand — cities that communicate and promote their value proposition in a clear and comprehensive manner; cities that are immediately associated with a specific industry that has been developed there.
- Economic potential — cities that can create surplus value, that are highly capable of producing goods and services thanks to available resources but have not yet been tapped and fully developed or exploited.
- Business climate — cities which offer the most favourable regulations for business to flourish, where the level of corruption and red tape is the lowest, cities where all stakeholders have a positive attitude towards business activity.
- Pool of talent — cities which offer the best access to a highly-skilled labour force, where competition for talent is relatively low and business and academia collaborate to ensure a higher inflow of skilled employees in the future.
- Smart city development — cities which have introduced multiple policies and solutions, improving sustainability and city life on key fronts: mobility and infrastructure; connectivity and digitalisation; education and work; government and governance; real estate and environment.
- Infrastructure and connectivity — cities which have recently significantly improved their road, rail and air infrastructure to ensure better connectivity; cities which have improved their network of air connections.
- Quality of life — cities which offer a high level of life satisfaction, including everything from physical health, leisure activities, family, education, employment, wealth, safety, freedom, religious beliefs, gender equality, diversity, and the environment.
- Local authority support — cities which have developed professional investment support departments that offer excellent facilitation and after-care services, are proactive and responsive to new enquiries and existing investors' needs.

RESPONDENTS' PROFILE

The Emerging Europe intelligence team invited over 150 global FDI experts, site selection advisors and location

analysts to complete the survey. From these, 101 complete responses were collected.

All respondents invited to take part in the survey are seasoned FDI experts, site selection advisors and location consultants and professionals, some being members of the Site Selectors Guild, the only global association of the world's foremost professional site selection consultants. More than half of the respondents are focused on the business services sector. The vast majority of respondents are based in Western Europe and North America.

All provide location strategy and support to corporations across the globe for every industry, sector, and function. They are, oftentimes, the first people companies approach when seeking advice regarding the location they should choose for their international expansion.



ANALYSIS

Each respondent selected five cities per category from among established and emerging cities.

Respondents were not asked to rank the cities they chose.

All of their choices were given identical value — one point.

All selections per category were then added up to calculate the highest number of mentions. The city with the highest number of mentions was regarded as the winner of the category.

Similarly, the overall result, the region's most business-friendly city, was chosen by adding up the total number of mentions across all eight categories.

GEOSPATIAL INDEX

This year the report is augmented with a geospatial index.

The methodology of this index is different from the main index. For purposes of geospatial analysis, data from OpenStreetMap, the free and open geographical database, were collected, by a Python-written script which enabled the automatic collection of data from the map, using OpenStreetMap API.

For each city, the administrative area was determined, and the data on the given list of features were automatically collected for each city separately.



The script automatically compared the number of objects (polygons and points) which match each indicator for each city and took the biggest number for each indicator. For example, if the number of points labelled 'bar' (which indicates the number of bars in the city) on OpenStreetMap was 20, while the number of polygons labelled 'bar' in the city was 15, the script automatically chose the value of 20 for 'bar'.

Where the area of an indicator was more relevant than the number - such as car parks, parks and gardens - the script automatically calculated the sum of these areas.

THE CITIES

The lists of cities for the geospatial index are the same as for the main index. For the purposes of further analysis, data from the aggregator citypopulation.de (including national statistics regarding the population of the respective city) were used.

Where population data is from the year 2020 or later, the population was taken without amendments. Where data was older, either the linear projection from the previous population dynamics or the extrapolation of the growth of the population in the region where the city is situated, were used to estimate the current population.

THE CATEGORIES, WEIGHTS AND INDICATORS

The geospatial index consists of six of the eight categories from the main index: economic potential; business climate; pool of talent; smart city development; infrastructure and connectivity; quality of life.

Two categories from the main index, brand and local authority support are not considered for the geospatial index, as they are impossible to access using indicators collected from the map. The number of underground metro stations is the only indicator which was collected manually. Indicators which make up the various categories are



features from OpenStreetMap (wiki.openstreetmap.org/wiki/Map_features), which are from a data perspective values of the “key:value” pair.

Categories, weights, indicators and indicator weights inside each category are the following:

1. Economic potential, 15%

Indicators:

- a. The sum of the numbers of indicators: “bar”, “pub”, “cafe”, “restaurant”, “fast_food”, “food_court” - 15%

2. Business climate, 20%

Indicators:

- a. Number of “bank”, 8%
- b. Number of “industrial” (for industrial building), 5%
- c. Sum of indicators: “commercial” (for commercial building) and “office”, 7%

3. Pool of talent, 20%

Indicators:

- a. The sum of indicators: “university” and “college”, 20%

4. Smart city development, 15%

Indicators:

- a. Number of “surveillance” (for surveillance cameras), 2%
- b. Number of “recycling” (for recycling centres and containers), 5%
- c. Number of “charging_station” (for electric cars), 8%

5. Infrastructure and connectivity, 15%

Indicators:

- a. Number of “bicycle_parking”, 1% for cities with a metro and 2% for cities without a metro
- b. Sum of indicators “bus_stop” and “tram_stop”, 5% for cities with a metro and 7% for cities without a metro
- c. The sum of areas of “parking” (for car parks), 4% for cities with a metro and 6% for cities without a metro
- d. Number of underground metro stations, 5% with cities with a metro and 0% for cities without a metro

6. Quality of life, 15%

Indicators:

- a. Sum of areas of “park” and “garden”, 2%
- b. Sum of indicators “theatre” and “cinema”, 4%
- c. Sum of indicators “art_centre” and “museum”, 4%
- d. Number of “kindergarten”, 5%



Not all cities have an underground metro system. For cities with a metro, ‘infrastructure and connectivity’ has the following weights: 1 per cent for bicycle parking, 5 per cent for bus and tram stops, 4 per cent for car parking and 5 per cent for metro stations. For cities without a metro, ‘infrastructure and connectivity’ has the following weights: 2 per cent for bicycle parking, 7 per cent for bus and tram stops, 6 per cent for car parking and 0 per cent for metro stations.

Given that not all cities are big enough to require an underground metro system, the threshold of one million inhabitants is used. If the city is larger than one million people but does not have a metro, a fee is imposed. In case the city is smaller than one million people, a bonus is assigned. Fees and bonuses are added as additional points to the category ‘Infrastructure and connectivity’.

Metro system fees and bonuses are calculated using the following formula:

$$\text{Fee or Bonus for metro} = \left[\frac{1,000,000}{\text{Population}} - 1 \right] \cdot 5\%,$$

Where ‘population’ is the size of the population of the city, 5% is the weight of the metro in the ‘infrastructure and connectivity’ category (0.05 or 5 per cent).

In our sample, only one city received the bonus for being smaller than one million people while having a metro – Dnipro in Ukraine, and the bonus is 0.163 per cent. Two cities received fees for being larger than one million people while not having a metro: Odesa in Ukraine, -0.052 per cent; Belgrade in Serbia, -0.825 per cent.



ANALYSIS

Indicators and flat areas were divided by the city’s population in order to receive per capita ratios for each. After that, the min-max normalisation was used in order to compare cities by indicators and categories with each other:

$$\text{Points} = \left(0 + \frac{\text{Value} - \text{MinValue}}{\text{MaxValue} - \text{MinValue}} \cdot 100 \right) \cdot \text{Weight}$$

where:

MaxValue – the highest figure in the region;

MinValue – the lowest figure in the region;

Weight – weight of the parameter.

If a category consisted of more than one indicator, the same normalisation procedure was applied to receive values from 0 to 100 for each category.

ACKNOWLEDGEMENTS

The Business-Friendly Cities 2024 report was prepared by the Emerging Europe Research and Market Intelligence Team in close collaboration with the Editorial Team.

The report is part of the Future of Emerging Europe Programme and the Emerging Europe Awards.

Emerging Europe would like to express appreciation to its partners and supporters, and most importantly, to the large cohort of international site selection experts, location consultants, and FDI advisors who agreed to take part in the survey.

We would also like to extend our thanks to external and internal reviewers, as well as all the national and international organisations and governmental entities that helped us collect the statistics.



Emerging Europe is a policy and management advisory founded in 2013 to play a role in bringing the emerging Europe region together, to promote its unity to the world, and to drive it forward, empowering and connecting people and organisations to prosper.

Our ongoing work amplifies the fresh energy and leadership being provided by the emerging Europe region. It reflects the eastwards shift in Europe's centre of gravity, and emerging Europe's development as a key global player economically, politically, socially, and culturally.

We envision a region where every individual has the opportunity, means, and freedom to fulfil their potential, enabled by reinvention, sustainability, collaboration, technology, and entrepreneurship.

We deliver real impact for our partners, using our outside-in knowledge of the region, our network of businesses, governments, and experts, our globally-read analytical website, and market intelligence.

The addition of dedicated research, reinvention, and capacity-building teams now allows us to offer the fully integrated approach needed to empower people and organisations across the region to thrive.

How we drive your progress

Thought leadership:

We craft compelling content and research to position you as a thought leader in front of a global audience invested and present in emerging Europe.

Strategic insight:

We blend an outside-in view of emerging Europe with local insight. This combination, together with data accuracy and strict research methods, means you can make big decisions with confidence.

Network access:

Our global network opens doors to the connections you need for success. We help you reach future partners, clients, and amplifiers in a meaningful way.

Our market intelligence includes three types of reports—produced independently, for, or in collaboration with partners:

Bespoke market intelligence reports focused on tech, IT, start-ups, and global business services.

Research reports produced with partners:

We collaborate with organisations such as Visa, UiPath, the European Institute of Innovation and Technology, and the Ukrainian Start-up Fund to produce publicly available reports on topics including female entrepreneurship, digital transformation, digital health, and start-ups.

Our own research reports:

These publicly available reports help our global audience navigate the region and cover topics such as IT, investment promotion, business-friendly cities, sustainability, travel, and food.

We have multiple programmes and communities that focus on innovation, sustainability, and entrepreneurship. These include:

The Future of Emerging Europe:

This programme brings together like-minded individuals and organisations to drive sustainable development in the region. It includes the Emerging Europe Awards, which recognise the best of emerging Europe.

Tech Emerging Europe Advocates:

We run this community of tech entrepreneurs, leaders, experts, and investors who are passionate about making emerging Europe a global tech hub. It is part of the Global Tech Advocates network.

The Digital Future of Emerging Europe:

In collaboration with Microsoft and PwC, we facilitate discussions and exchanges around digital innovation and sustainability.

She's Next in partnership with Visa:

A hub and community that supports and inspires female talent on their entrepreneurial journey.

The Global Visibility Programme:

Our membership programme offers compelling editorial content to help organisations enhance their social proof, digital presence, and thought leadership.

Support Digital Ukraine:

This initiative aims to raise global awareness of Ukraine's tech ecosystem and reassure international partners.

