

Business Location Austria

Austrian Business Agency

Nov 2025
compiled for CB Engineering

Austria at a glance

Area 83,883 km²

Inhabitants 9.2 million

GDP/capita €45,722

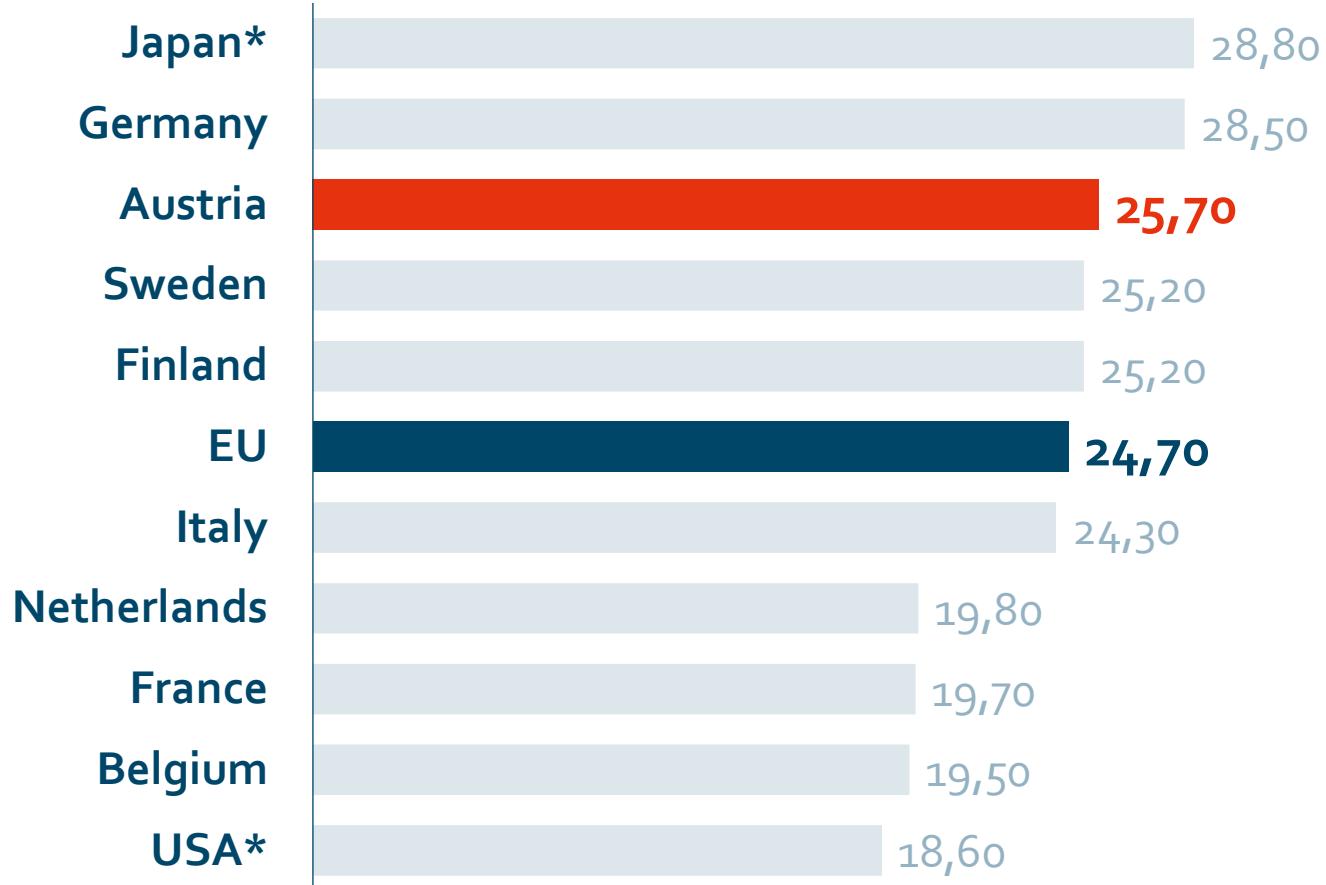
Export 56.9%

Productivity 8.5% above EU-average

R&D quota 3.35%

Austria is an industrial nation

Industrial production, as percentage of GDP – comparison of selected countries



Did you know
that...



...more than
1 million
employees work
in the production
sector?



The top 6 industries account for >70% of total production



Mechanical engineering
22.2%



Gas and heat supply
12.2%



Electro / Electronics
12.1%



Chemistry
9.5%



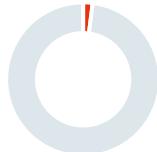
Vehicles
8.6%



Food
6.8%



International companies value the R&D location



2%
of companies



18.3%
of employees



25%
of production
value



26,8%
of personnel
costs



41.9%
of R&D staff

49.4%
of R&D
expenditures



Why Austria?

- > Market (access)
- > Security & Stability
- > Talent & Mindset
- > Innovation & Ecosystem
- > Support



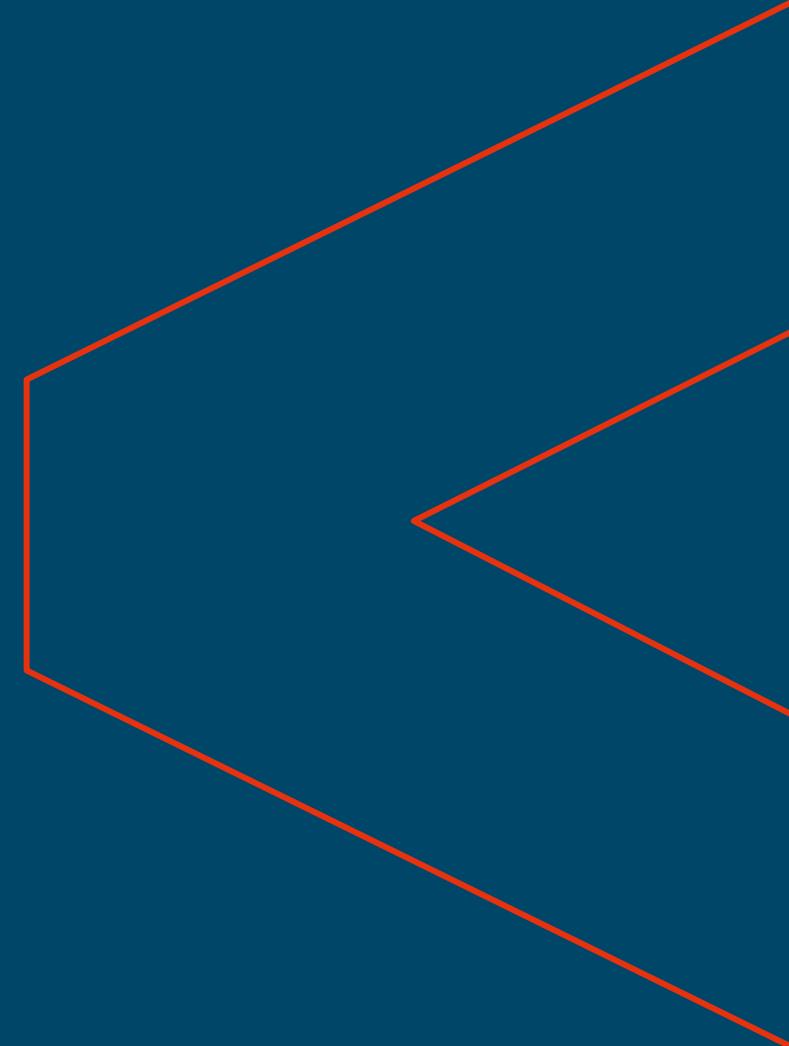
Market (access)

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Talent & Mindset

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Support





Austria offers great market potential

Why invest in Austria?

With **9.2 million consumers** and a high purchasing power Austria is an attractive hub for Central Europe and **Gateway to the DACH-Region**.

GDP/ capita €45,722 - one of the richest countries

Vienna region: big agglomeration

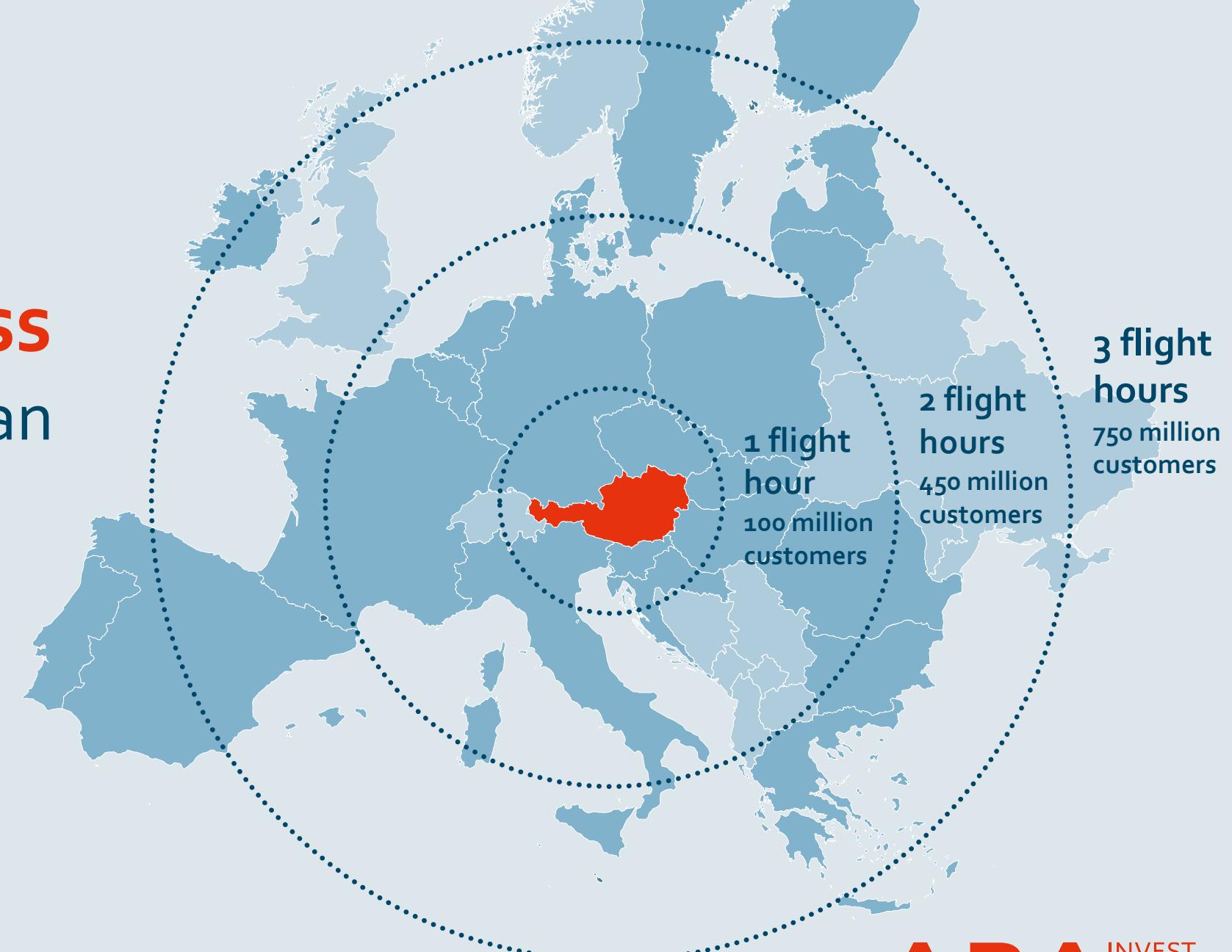
Strong B2B client base

>400 regional HQs of international companies





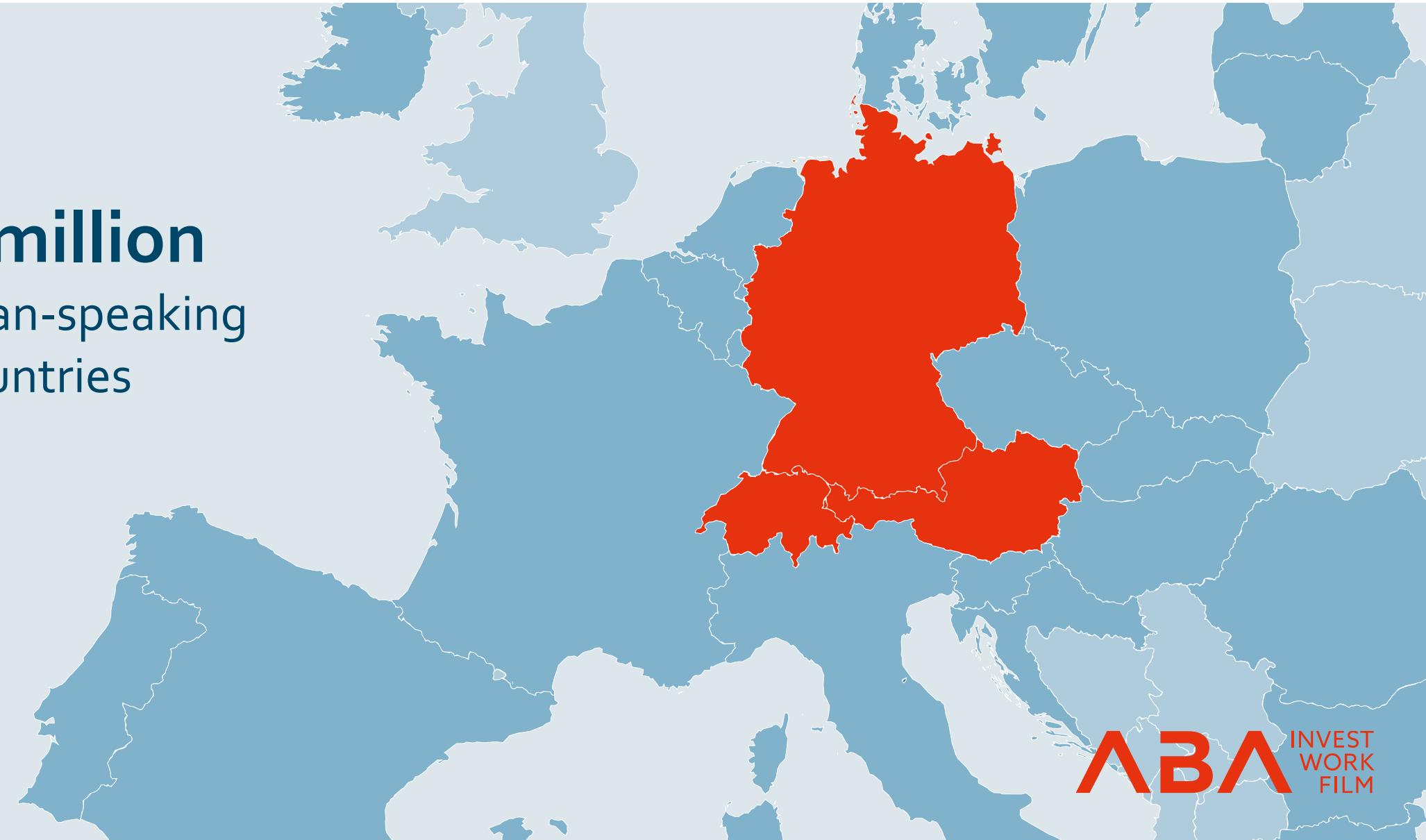
Ideal access
to all European
markets





Your ideal access to EU and German speaking markets

100 million
in German-speaking
countries





Austria is globally connected

Austria offers a highly connected transport network providing access to the rest of Europe and beyond

Digital

Excellent digital connectivity:
99.55% 5G coverage

Average broadband speed:
57.17 Mbps.

Air

6 Airports: main ones are Vienna International, Innsbruck and Salzburg.



Road

128,267 km of excellent quality modern roads
1,749 km motorways
501 km dual carriageways

Rail

Excellent railway network
~ **94.4 million tons of goods** were transported in 2024



Austria among the top logistics locations globally

Ranked 7th out of 139 countries in the World Bank's Logistics Performance Index 2023.





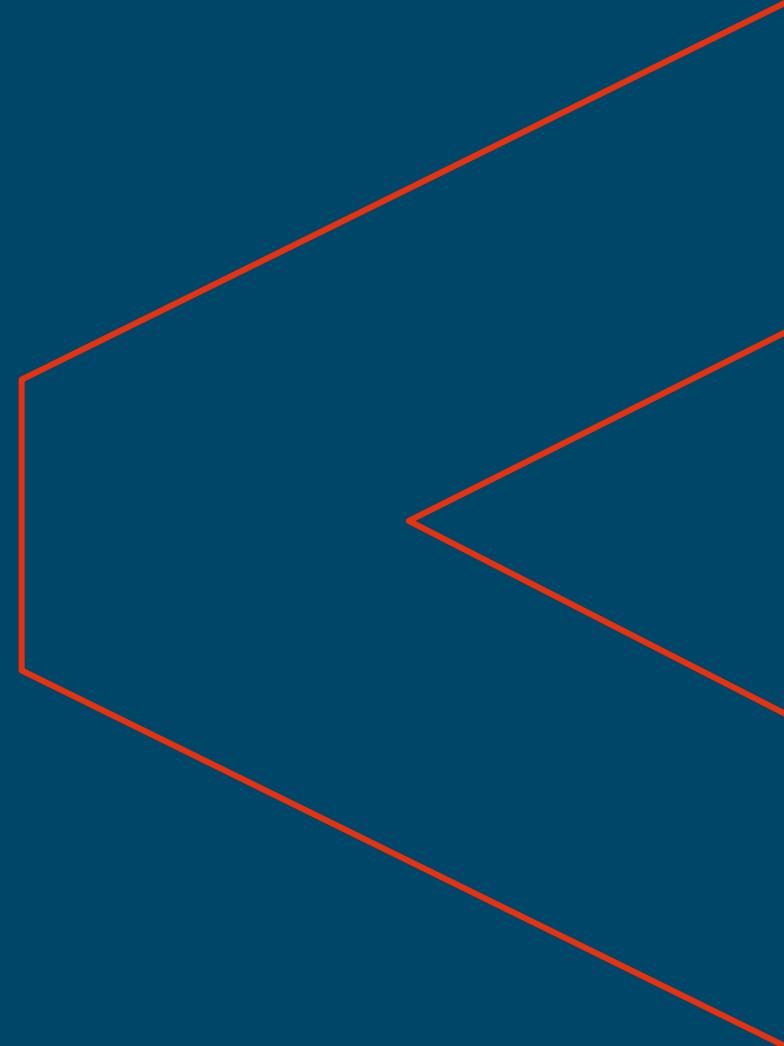
Market (access)

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Austria has the third lowest strike duration in Europe

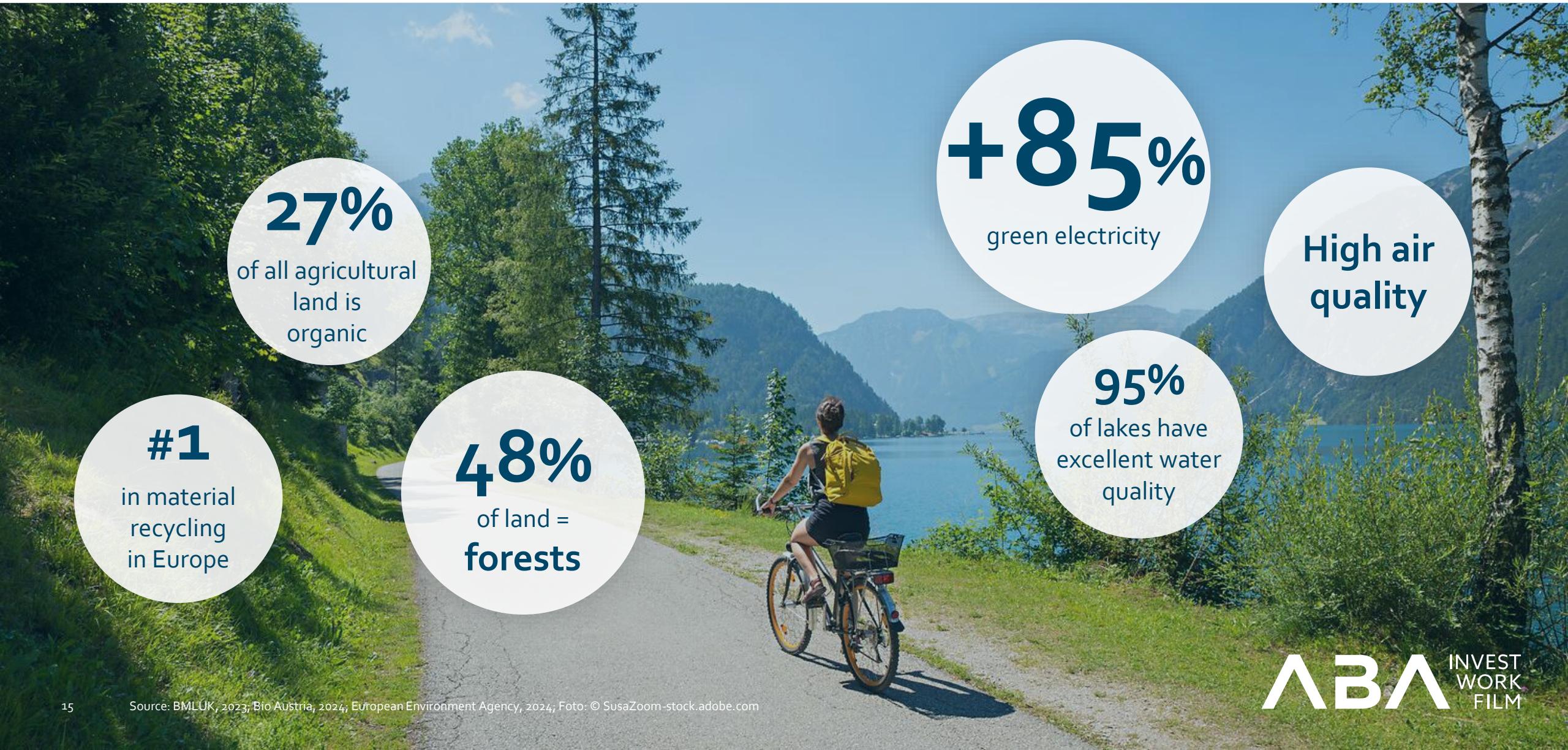
Working days lost per 1,000 employees, annual average 2014-2023



Austria's low
strike rate
largely results
from its social
partnership
system.



Austria: the Green Champion





Austria is the most liveable country in the EU!

#1

Medical
assistance
in the EU

#1

Quality
of living
in the EU

#1

English
proficiency
in the EU

#2

Travel &
transit
in the EU



Market (access)
Security & Stability
**Talent &
Mindset**
Innovation & Ecosystem
Support





Got Talent? Yessss!!



High productivity

8.5%

above the EU average



High loyalty:

median employee tenure

>10 years



Flexible labour law

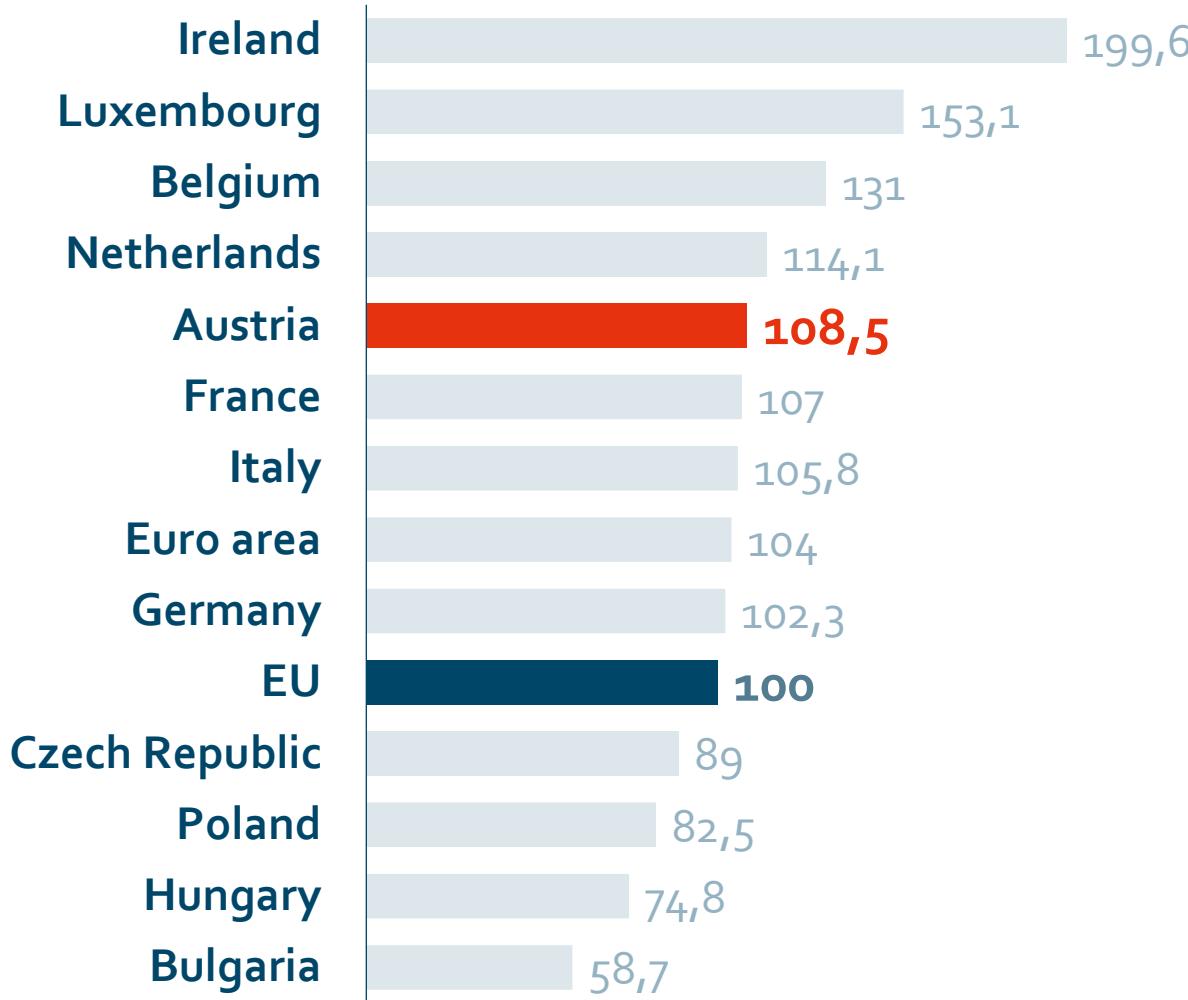
#1

redundancy costs



Austria is the 5th most productive country in the EU

GDP per person employed in PPS, EU=100



High productivity results from:

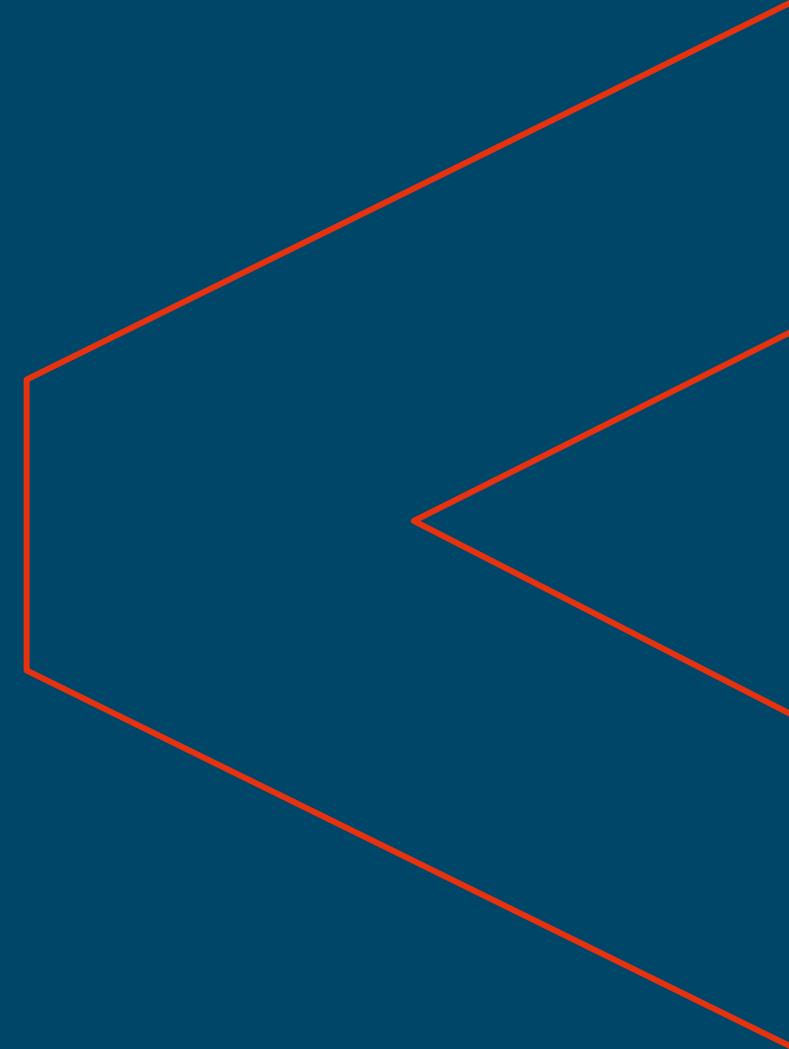
- > strong investment in technology
- > well-qualified skilled workers
- > efficient work organisation



Market (access)
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Talent & Mindset

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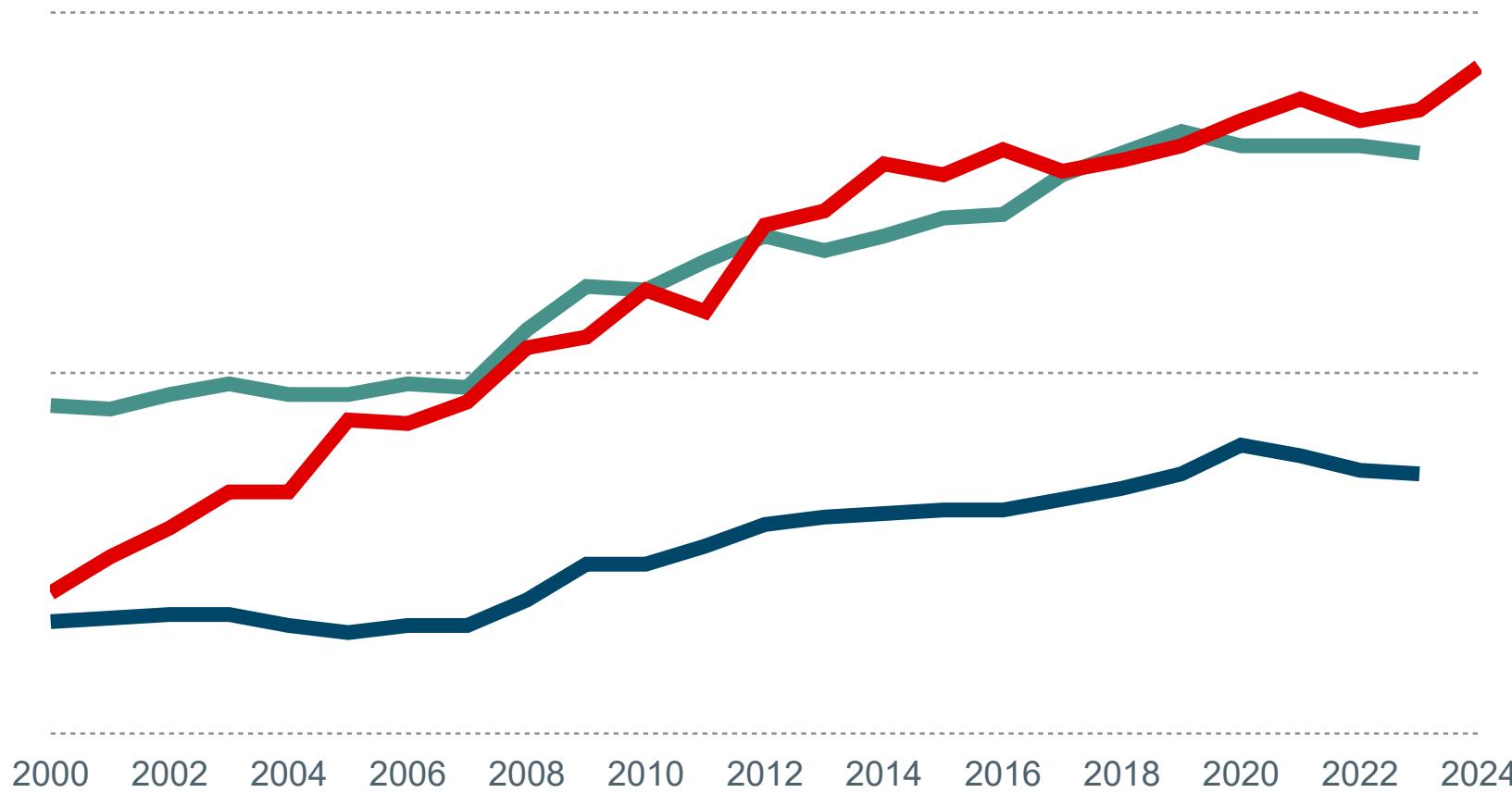
Support





R&D expenditures grow above average

As a percentage of GDP



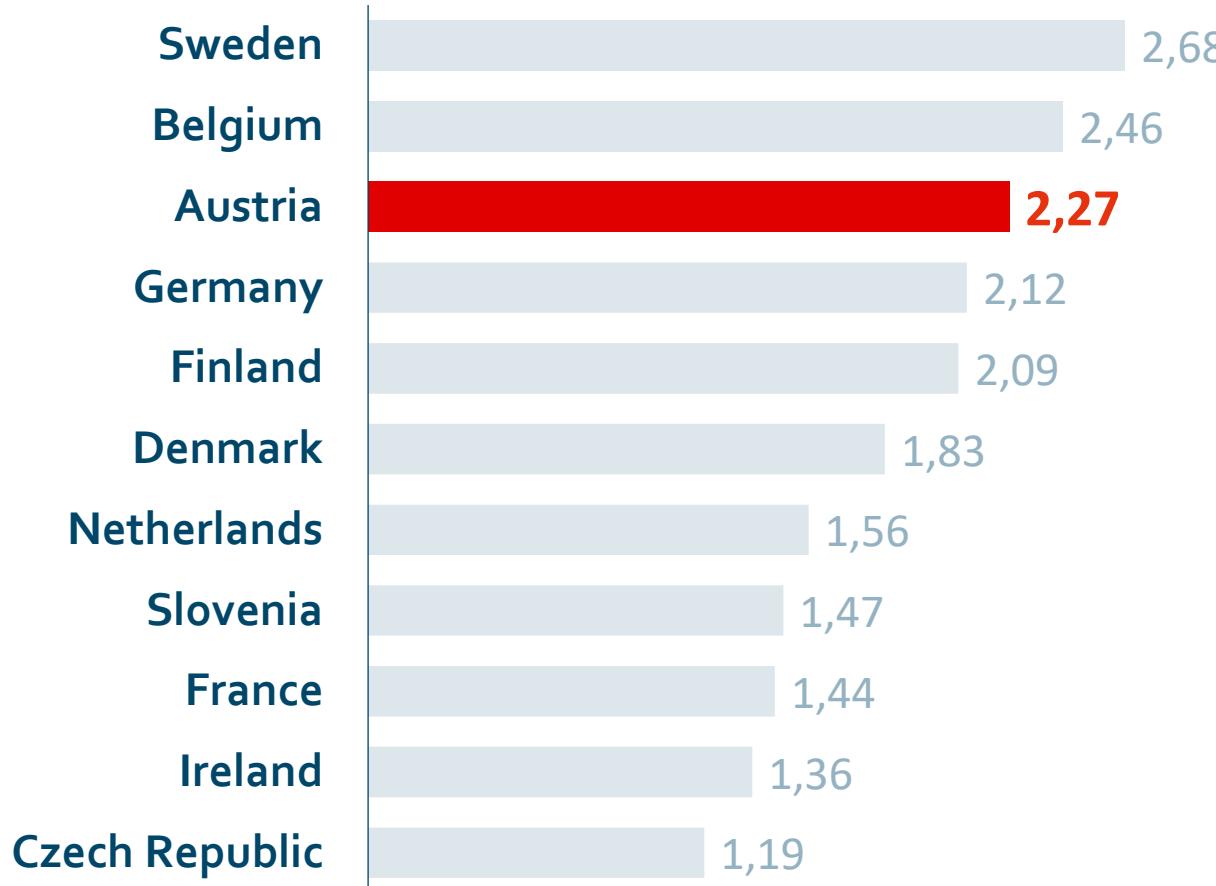
3.35 Austria
Germany

EU



Austria's business R&D expenditure in the EU landscape

As a percentage of GDP



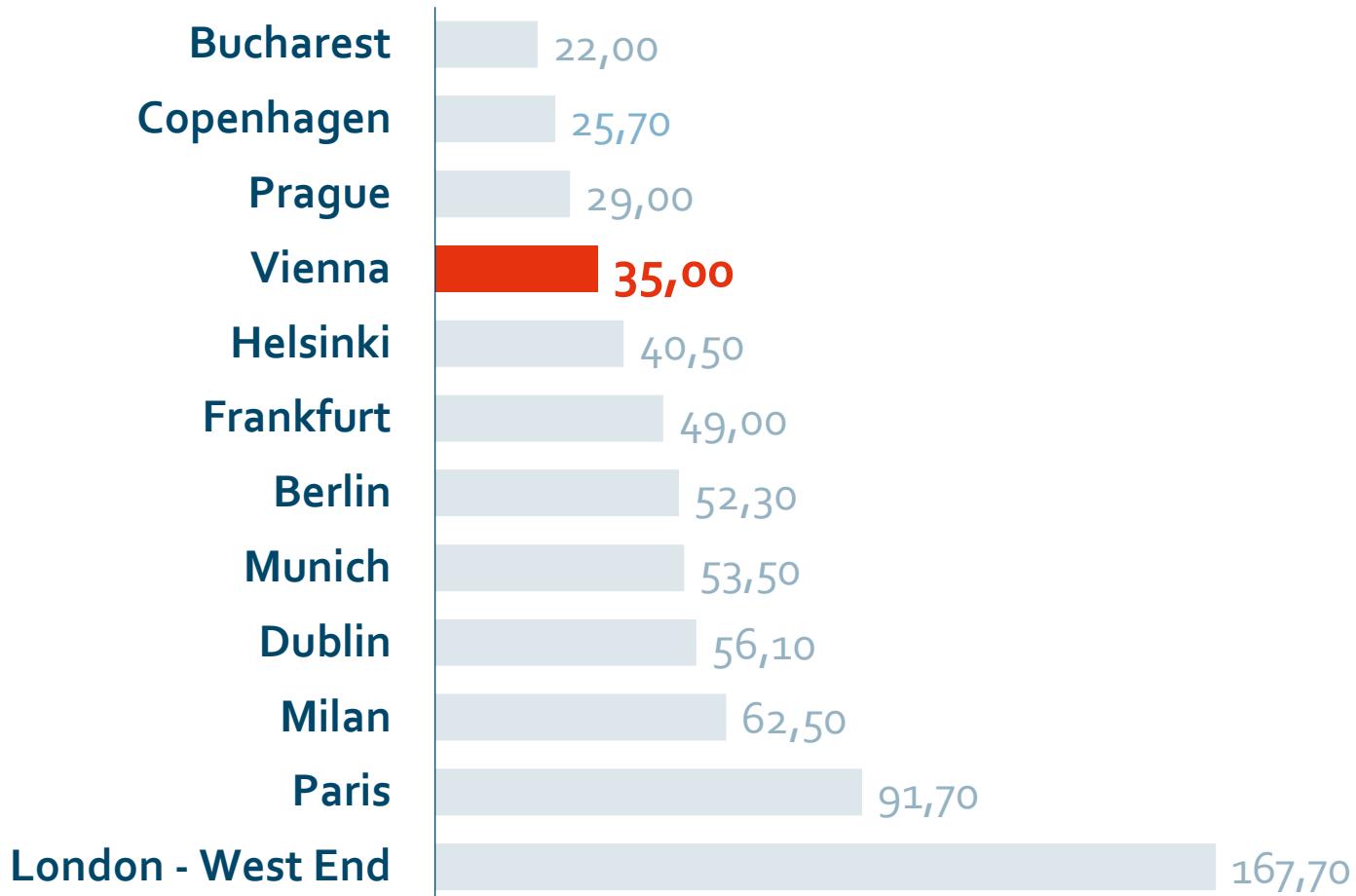
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Austria ranks
3rd in the EU in
Business R&D
Intensity.



Costs of running business are highly competitive

Office rents in EUR per square meter and month

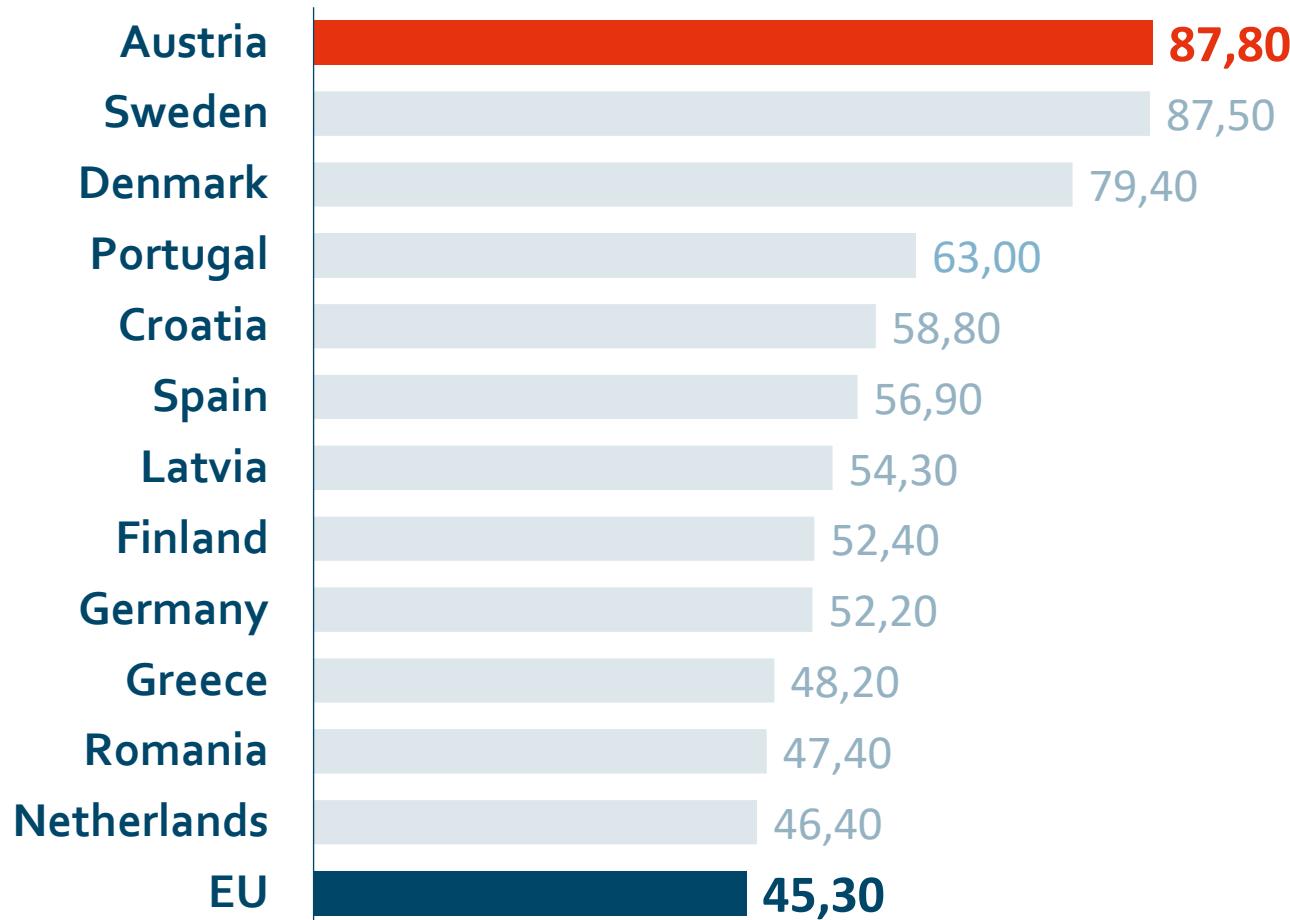


Austria has an excellent cost/quality ratio!



Austria ranks first in EU in terms of green electricity

Share of renewable energies in gross electricity consumption (%)



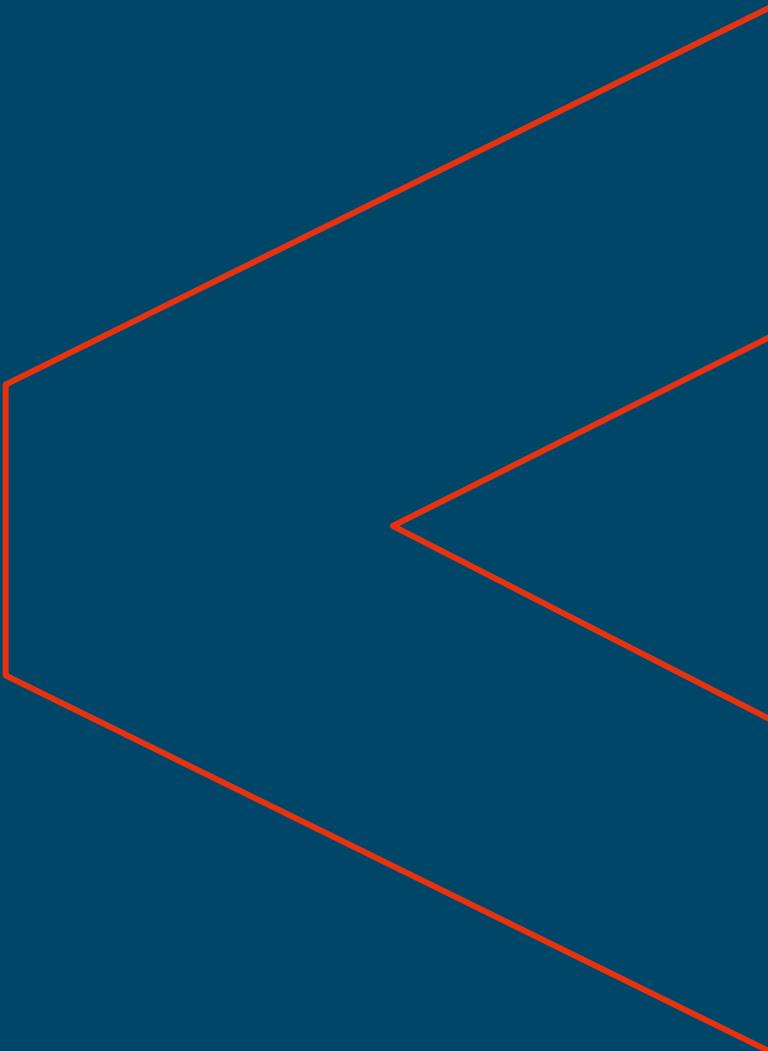
Political targets:

- > 100% electricity of renewable energy sources up to 2030
- > make Austria climate-neutral until 2040.



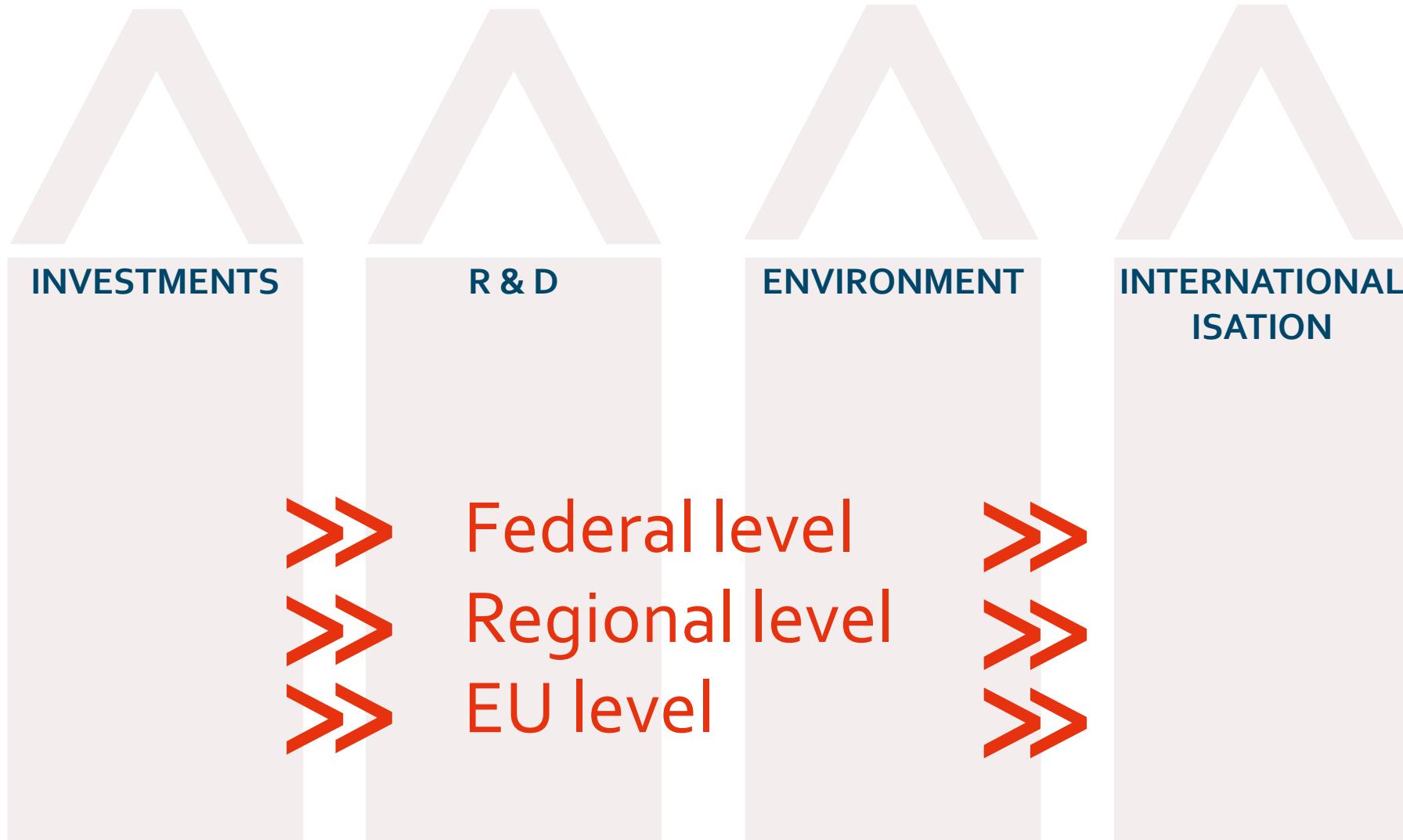
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Funding can be received via four main funding lines





Incentives for business R&D activities



direct

Cash grant & subsidised
low-interest rate loans

via funding agency FFG, aws
or regional agencies

2024:

EUR 1.4 bn for R&D





Austria offers a variety of R&D incentives



direct

Cash grant & subsidised
low-interest rate loans

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2024:

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indirect

Tax credit of 14 %

includes costs of staff,
material, for in-house
research or outsourced to EU
research institutes

Requirements:
expert opinion by FFG,
external partners



Basic requirements for business R&D funding



Company location in Austria (already established or at least in formation)



Major part of the R&D costs must arise **at the Austrian location**



Strong focus on building up R&D competences in Austria (employees, infrastructure)



Company must be able to prove financial capability to cover the not-funded part



Presentation of high-quality application document



Application must be submitted before project start

R&D activities must contain:

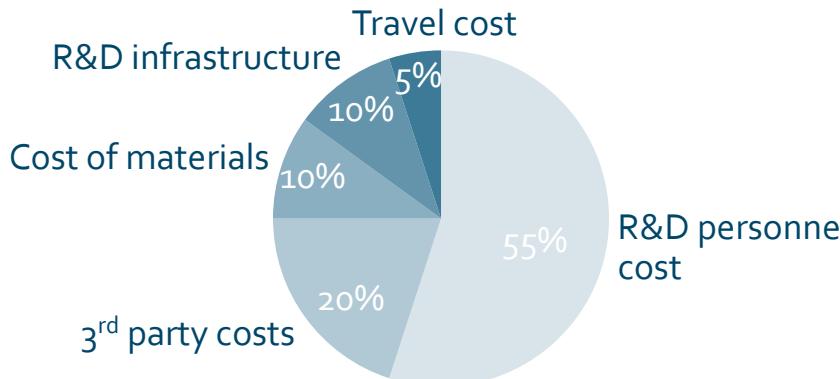
- technical risk and uncertainty about the outcome
- developments at or above state-of-the-art (new to the market, innovative)
- high market potential & potential for locational advantage (regional and national)

Funding agency also values:

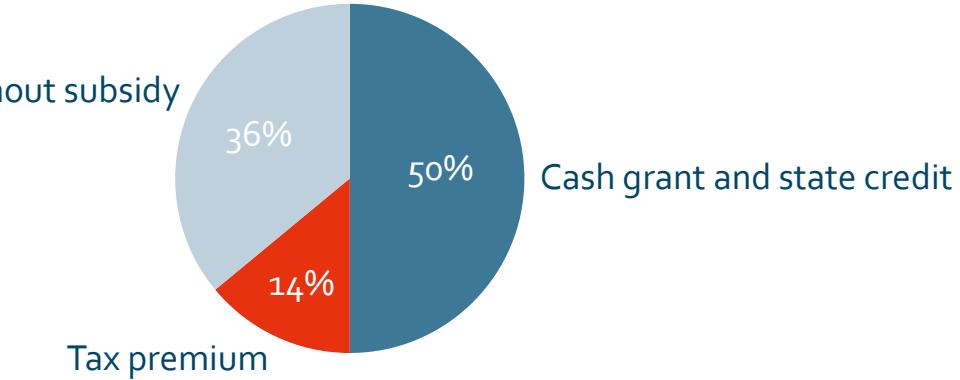
- cooperation with local universities & research institutions (not for “Frontrunner” program)
- potential for patents and licences
- investments in infrastructure and location

> Example: financing of an R&D project for a large company

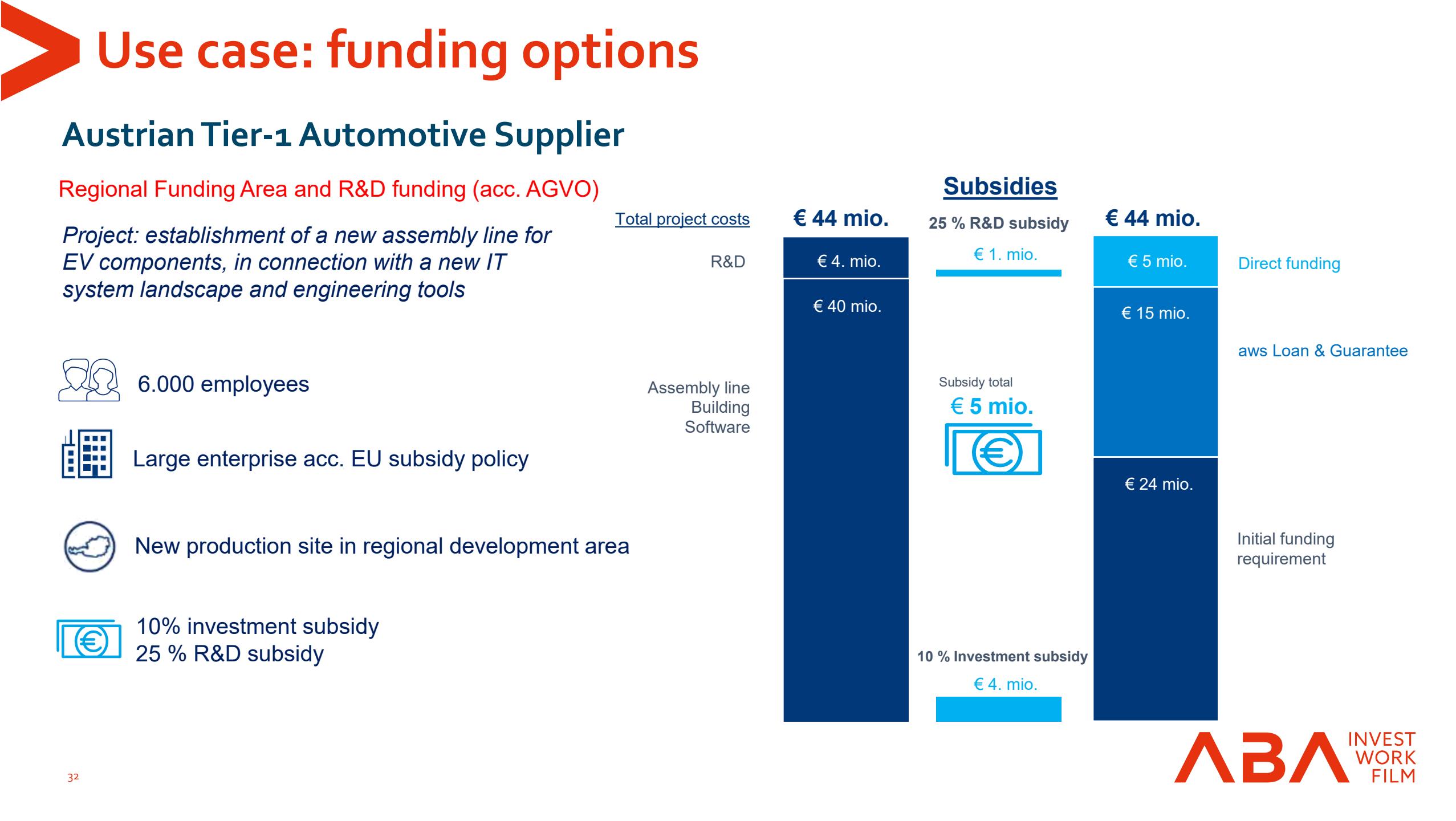
FFG General Programme and tax premium



Without subsidy



Project cost	Cash grant "Basisprogramm"	Tax premium
	Cash grant 19% (Total financing up to 50% with state credit)	14% (on costs not subsidised by "Basisprogramm")
6,000,000 €	1,140,000 €	680,400 €
	Total	1,820,400 €





Austria offers an investor-friendly tax system

Corporate tax rate: **23%**

Modern group taxation

Tax premium for R&D: **14%**

Additional funding opportunities

No trade tax

No net worth tax

No wealth tax

No inheritance/gift tax

Double taxation treaties



> INVEST in AUSTRIA supports you throughout the entire process – confidentially and free of charge!



- | | | | |
|--|--|---|---|
| <ul style="list-style-type: none">> General information> Benchmarking with other countries> Industry-specific data> Legal and tax information | <ul style="list-style-type: none">> Search for the right location> Information on costs> Identification of suitable networks> Establishing contacts | <ul style="list-style-type: none">> Organisation of site visits> Identification of the appropriate funding programmes> Search for specific properties> Explanation of cultural differences | <ul style="list-style-type: none">> "Trouble shooter"> Making useful contacts> Supporting local management in expansion projects |
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Your personal guide to the Business Location



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