

Business Location Austria

Austrian Business Agency

Nov 2025

compiled for CB Engineering



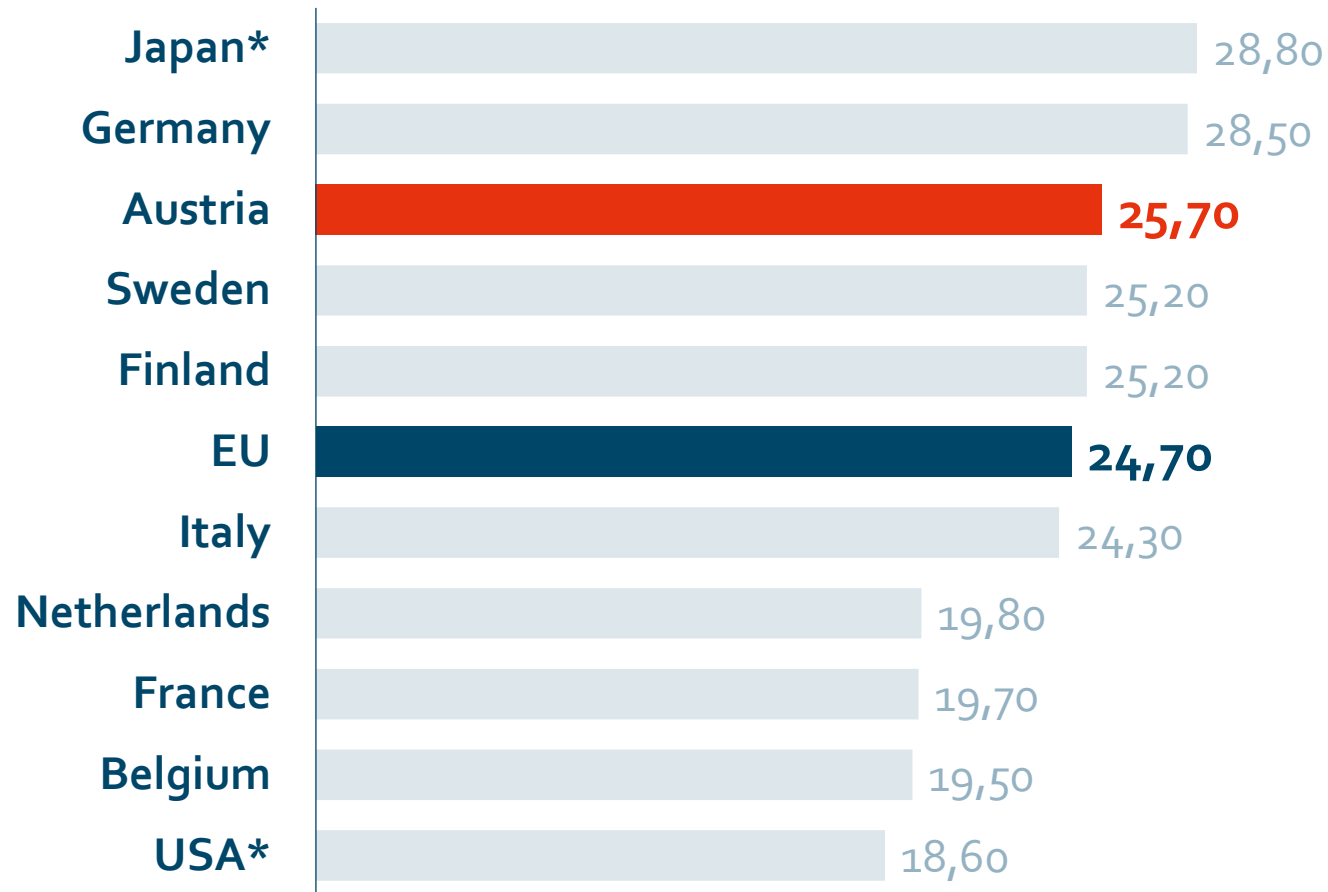
Austria at a glance

A white silhouette map of Austria is centered on a dark blue background. To the left of the map, a large white chevron points to the right.

Area	83,883 km ²
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%

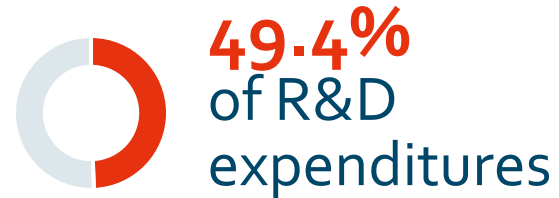


Vehicles
8.6%



Food
6.8%

International companies value the R&D location



Why Austria?

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





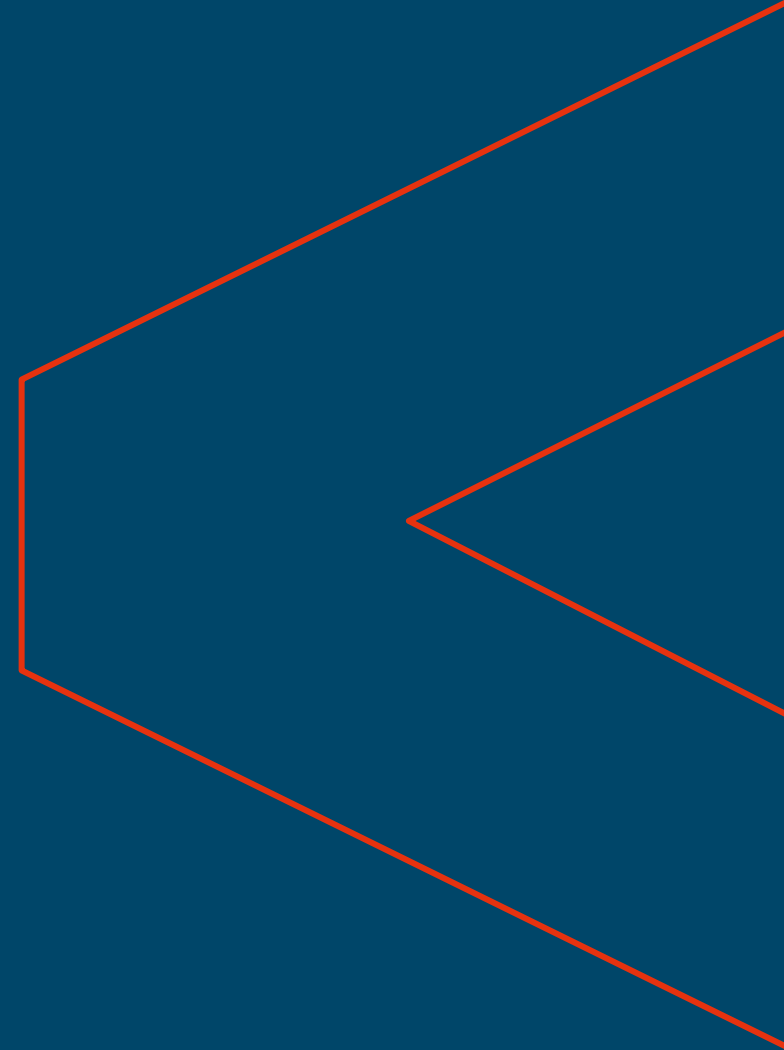
Market (access)

Security & Stability

Talent & Mindset

Innovation & Ecosystem

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

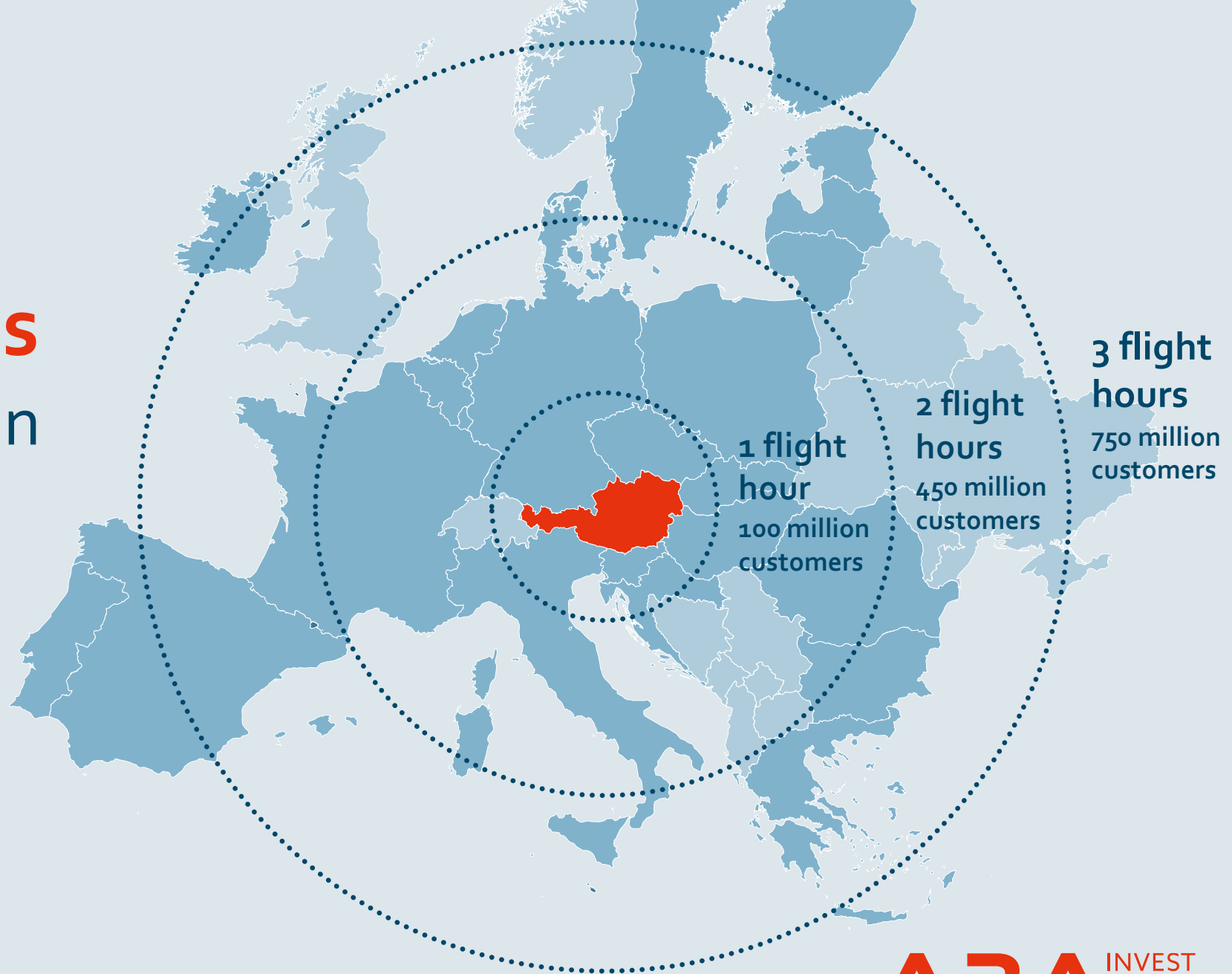
Strong B2B client base

>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.

#1

Timeliness

#3

Tracking & tracing

#4

International shipments

Market (access)



Security & Stability

Talent & Mindset

Innovation & Ecosystem

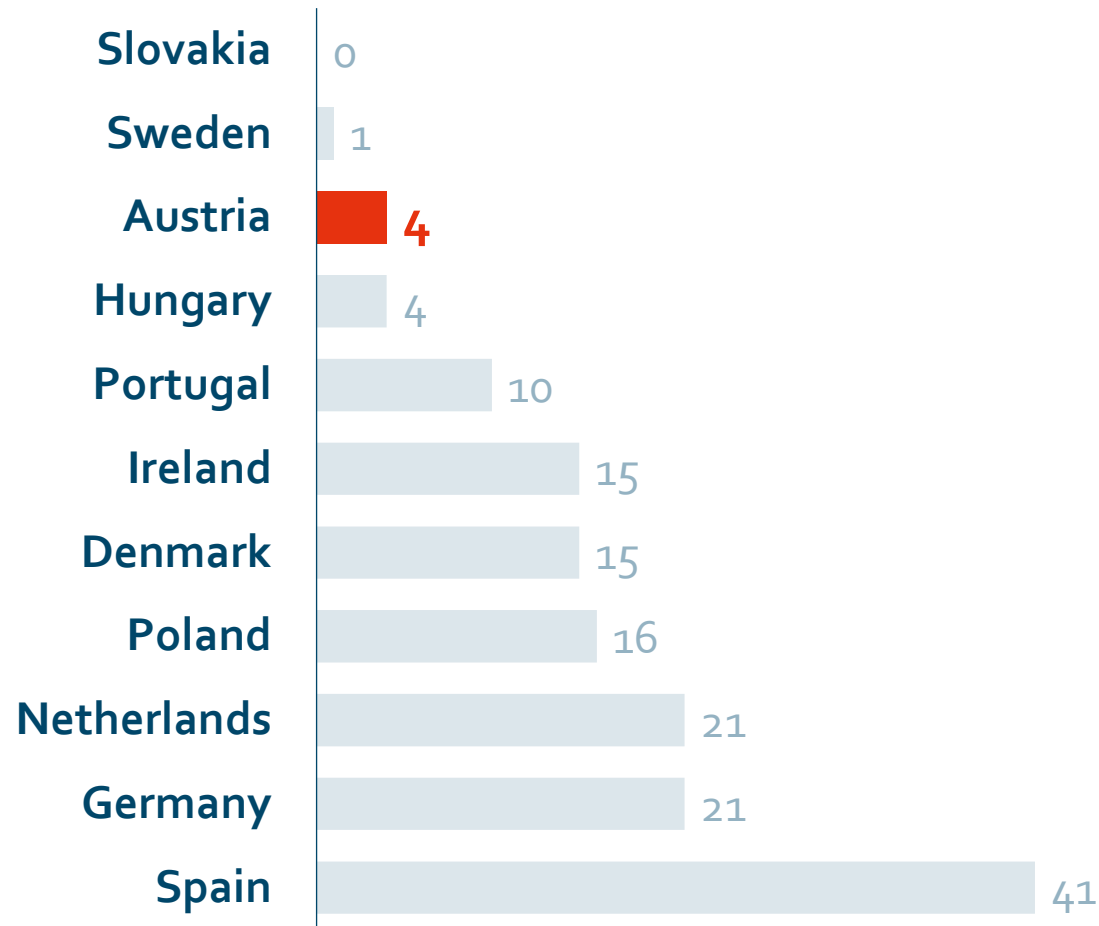
Support





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

27%
of all agricultural
land is
organic

#1
in material
recycling
in Europe

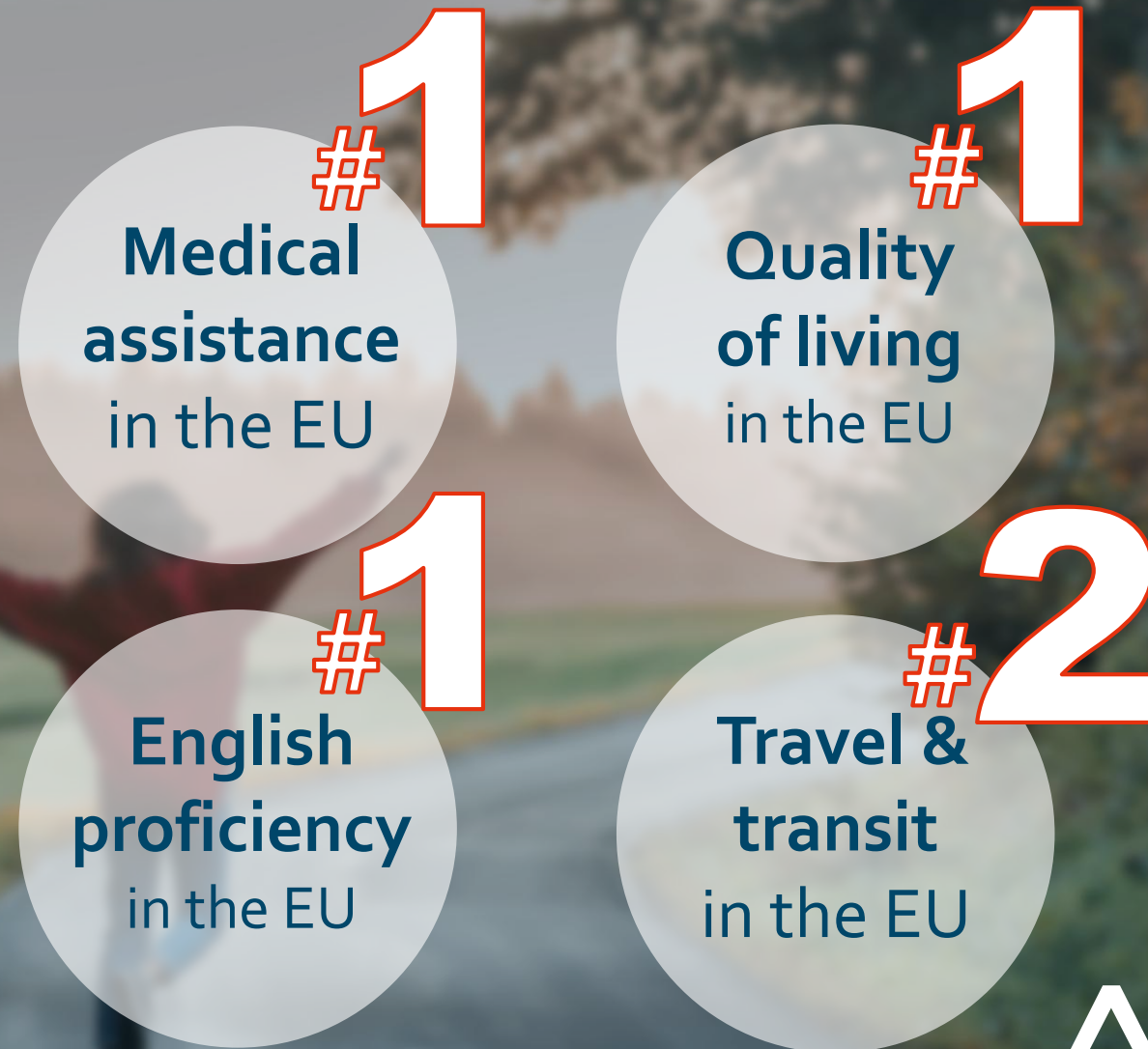
48%
of land =
forests

+85%
green electricity

**High air
quality**

95%
of lakes have
excellent water
quality

> Austria is the most liveable country in the EU!



Market (access)

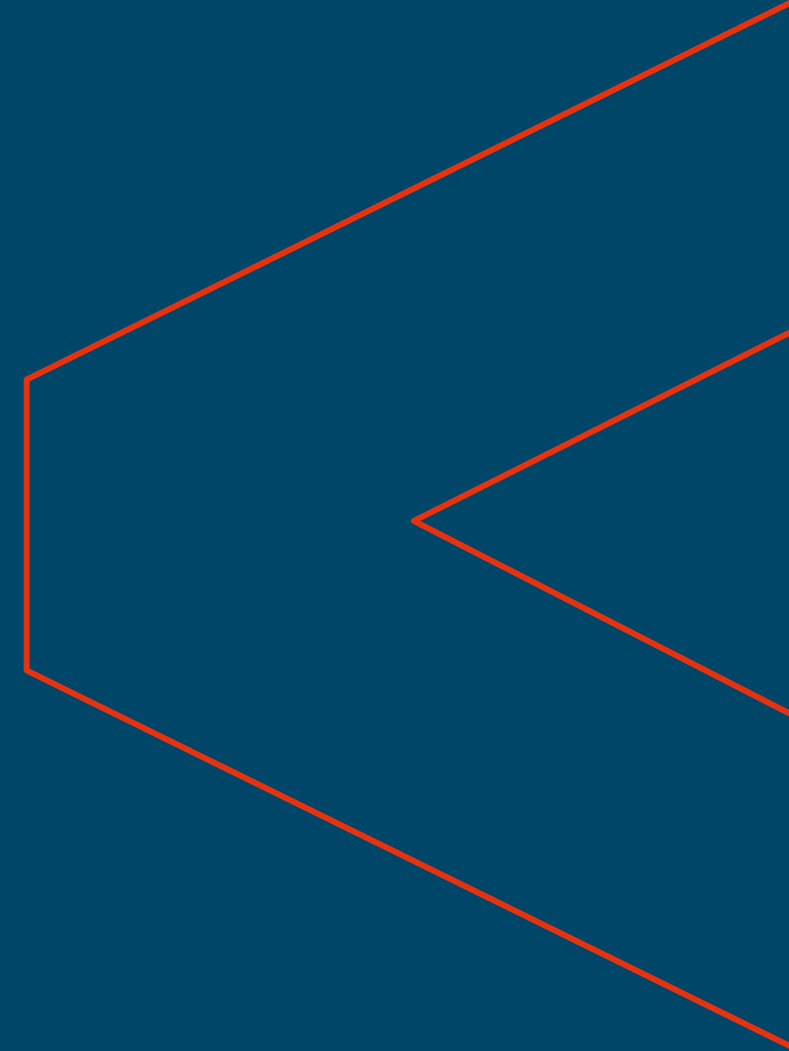
Security & Stability



Talent & Mindset

Innovation & Ecosystem

Support





Got Talent? Yesssss!!



High productivity

8.5%

above the EU average



High loyalty:

median employee tenure

>10 years



Flexible labour law

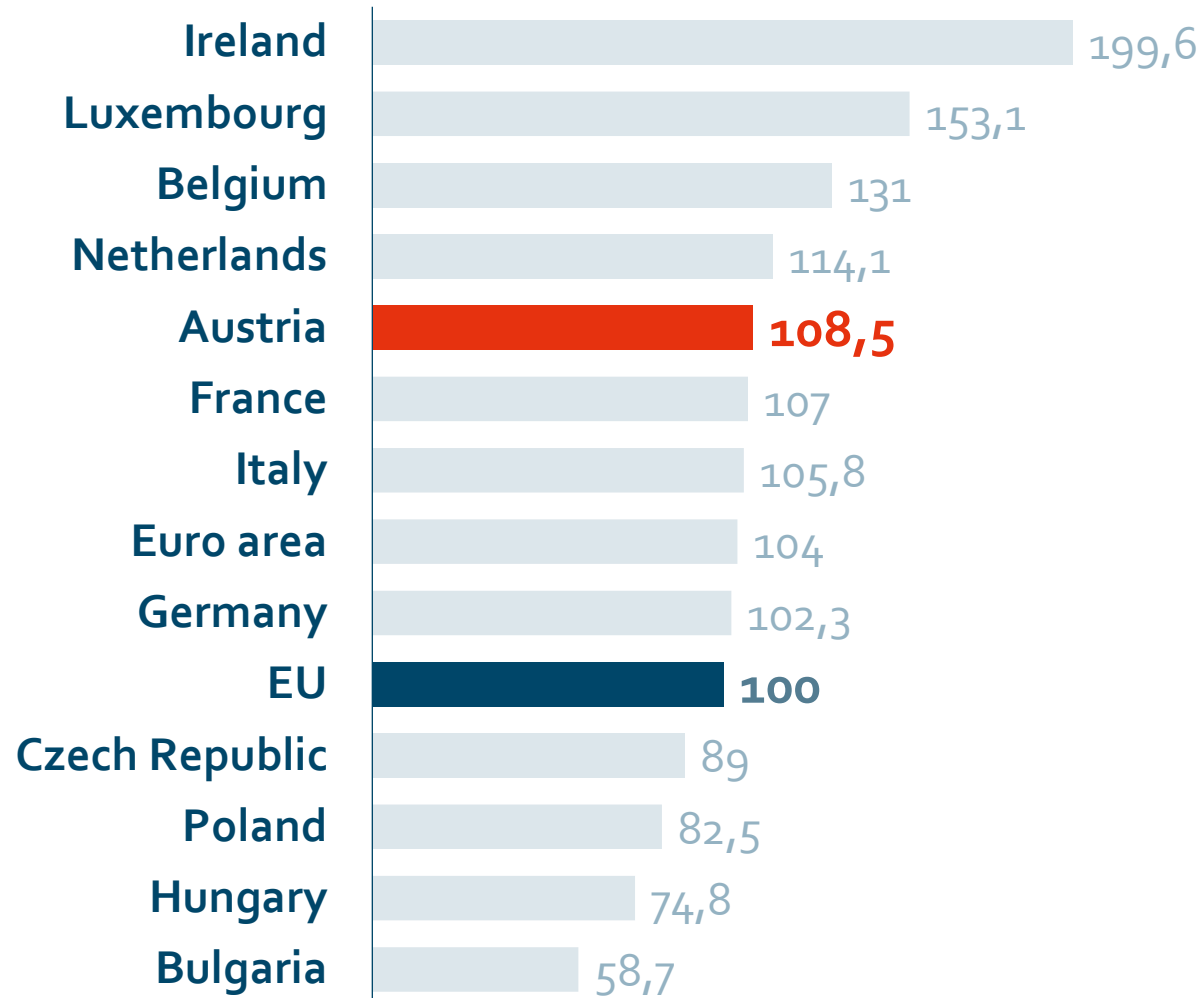
#1

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)

Security & Stability

Talent & Mindset



Innovation & Ecosystem

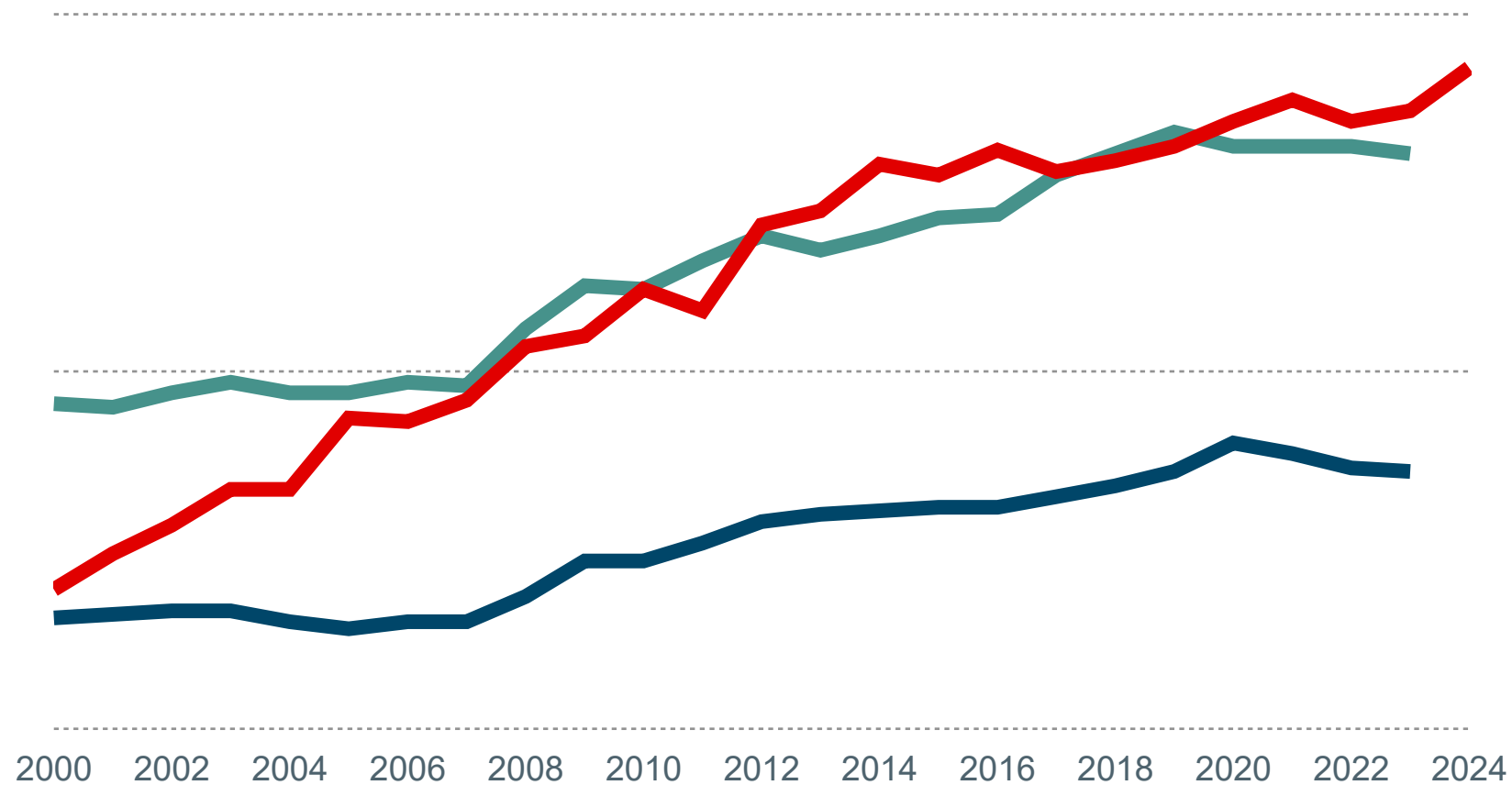
Support





R&D expenditures grow above average

As a percentage of GDP



3.35 Austria
Germany

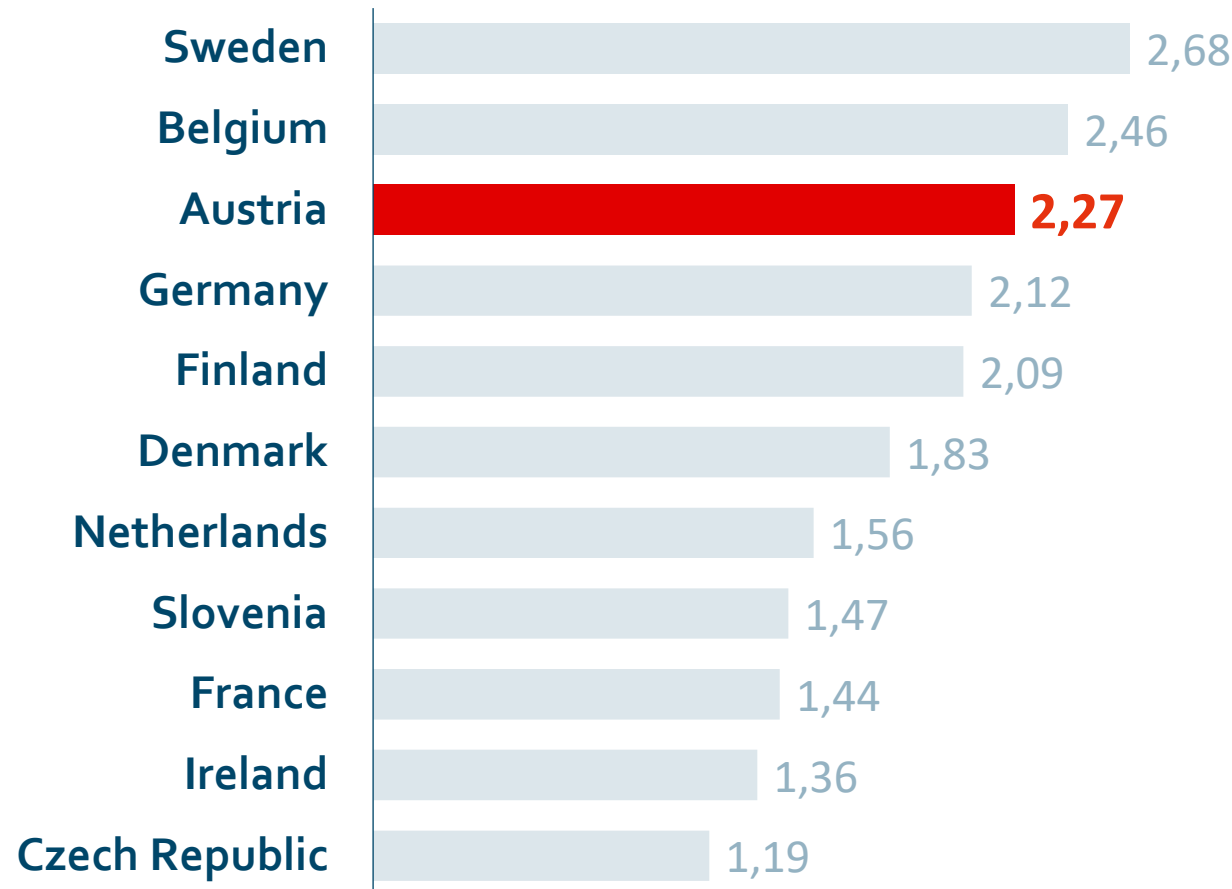
EU





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

As a percentage of GDP



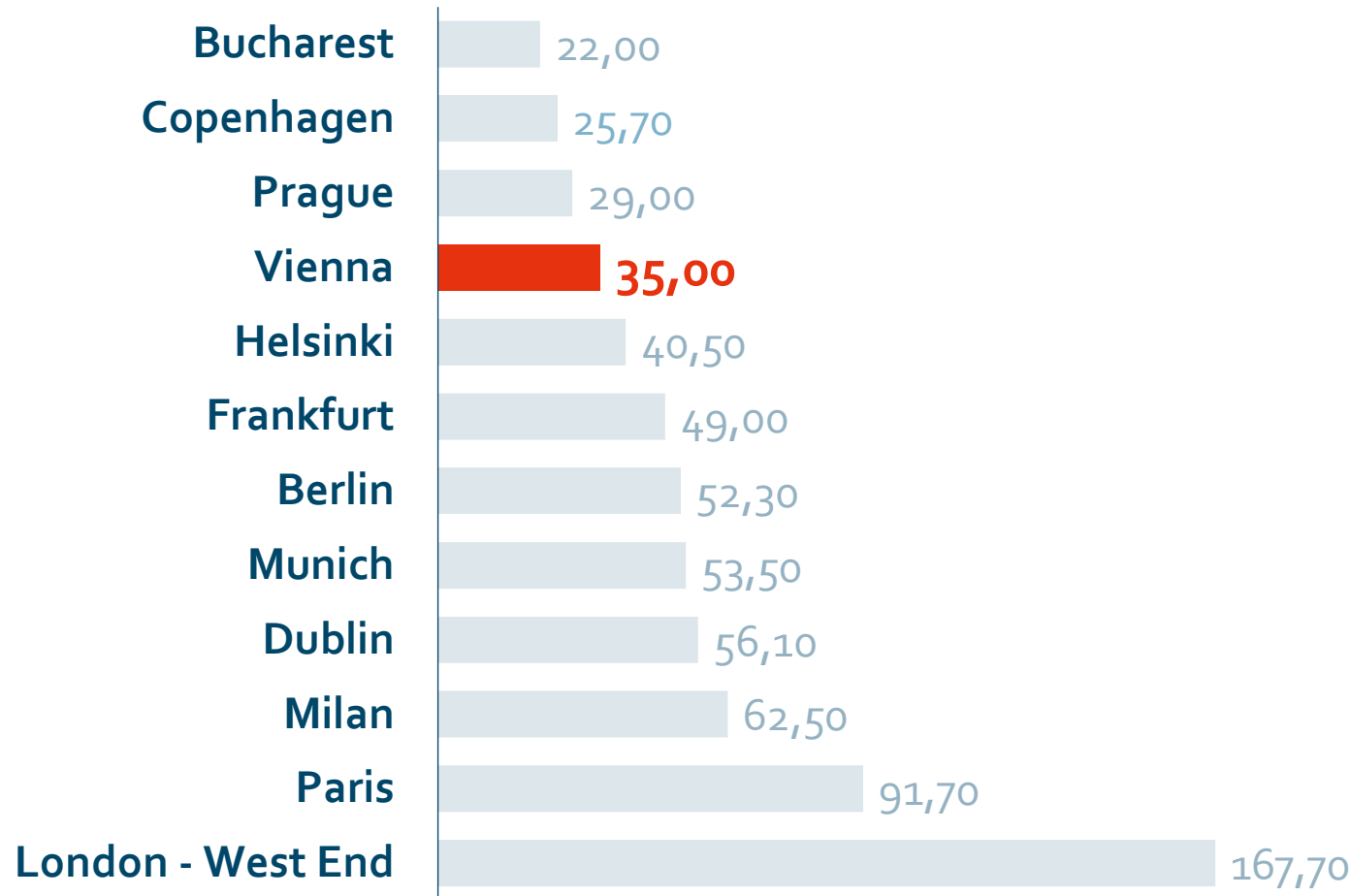
#3

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

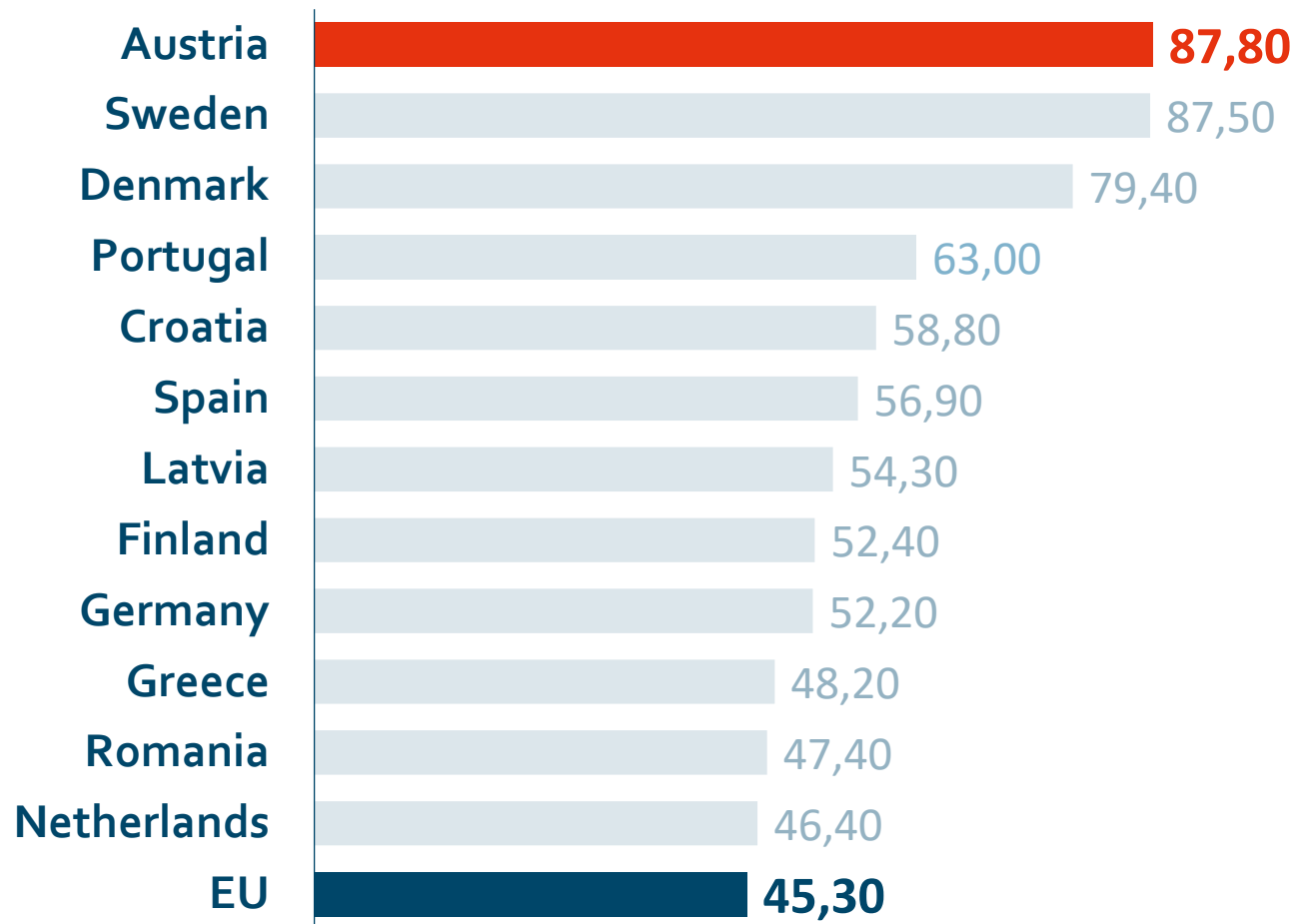


**Austria has an
excellent
cost/quality ratio!**



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.

Market (access)

Security & Stability

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Innovation & Ecosystem

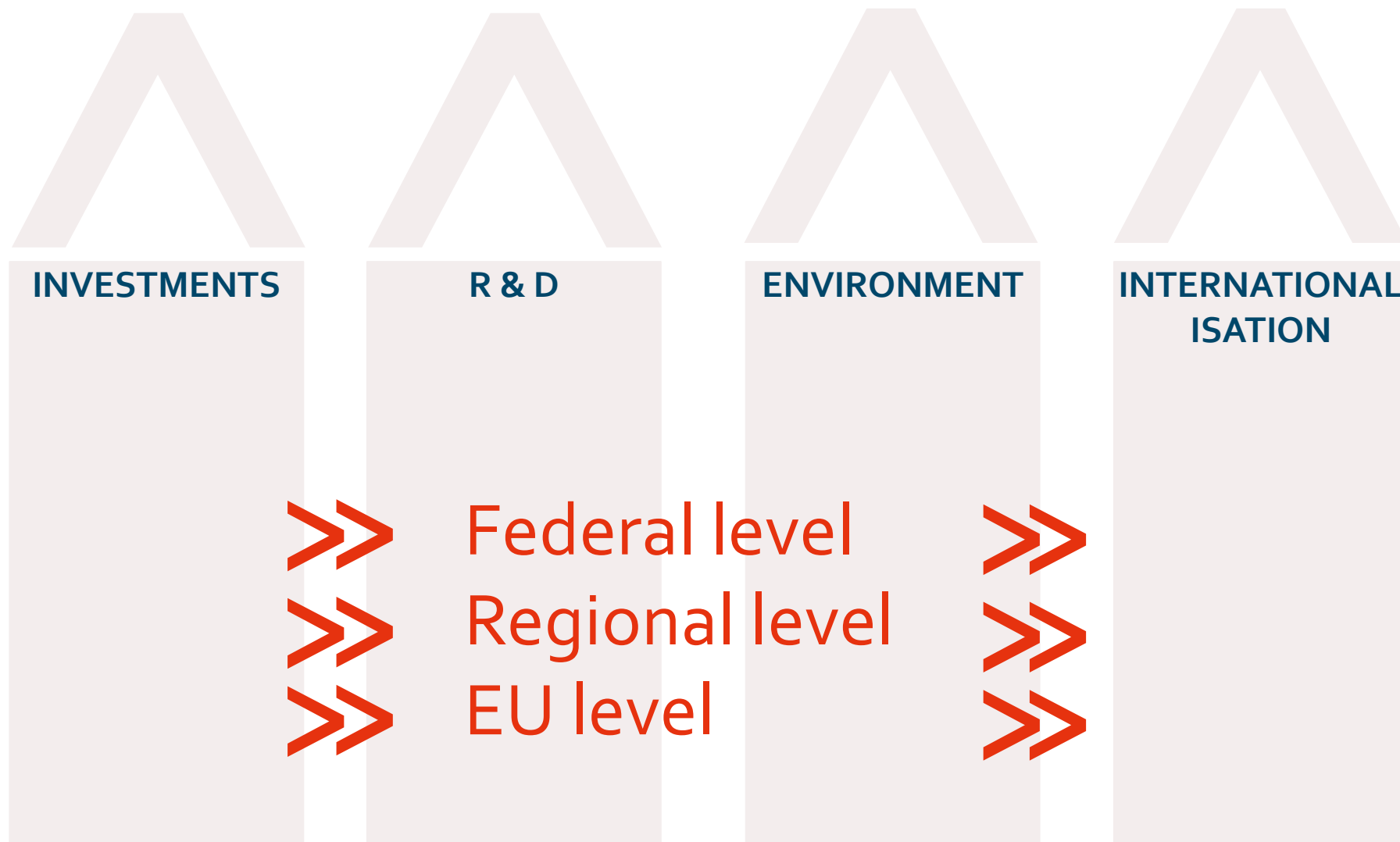


Support





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
via funding agency FFG, aws
or regional agencies

2024:

EUR 1.4 bn for R&D



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:

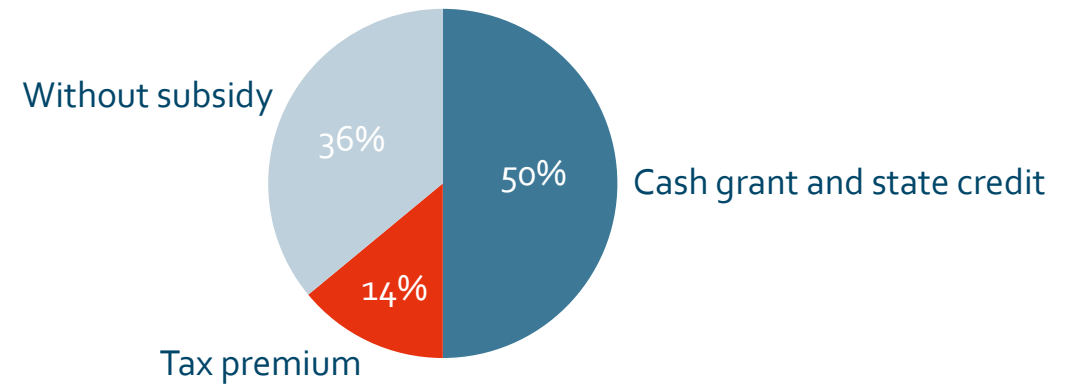
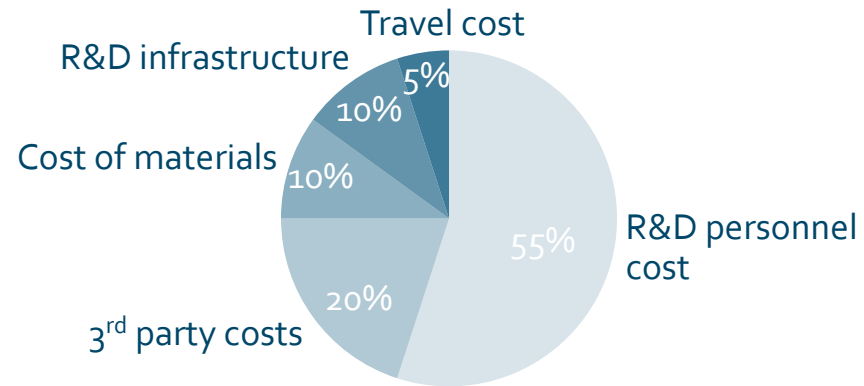
- technical risk and uncertainty about the outcome
- developments at or above state-of-the-art (new to the market, innovative)
- high market potential & potential for locational advantage (regional and national)

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



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 €

> Use case: funding options

Austrian Tier-1 Automotive Supplier

Regional Funding Area and R&D funding (acc. AGVO)

Project: establishment of a new assembly line for EV components, in connection with a new IT system landscape and engineering tools



6.000 employees



Large enterprise acc. EU subsidy policy



New production site in regional development area



10% investment subsidy
25 % R&D subsidy

Total project costs

R&D

Assembly line
Building
Software

€ 44 mio.

€ 4. mio.

€ 40 mio.

Subsidies

25 % R&D subsidy

€ 1. mio.

Subsidy total

€ 5 mio.



10 % Investment subsidy

€ 4. mio.

€ 44 mio.

€ 5 mio.

€ 15 mio.

€ 24 mio.

Direct funding

aws Loan & Guarantee

Initial funding
requirement



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

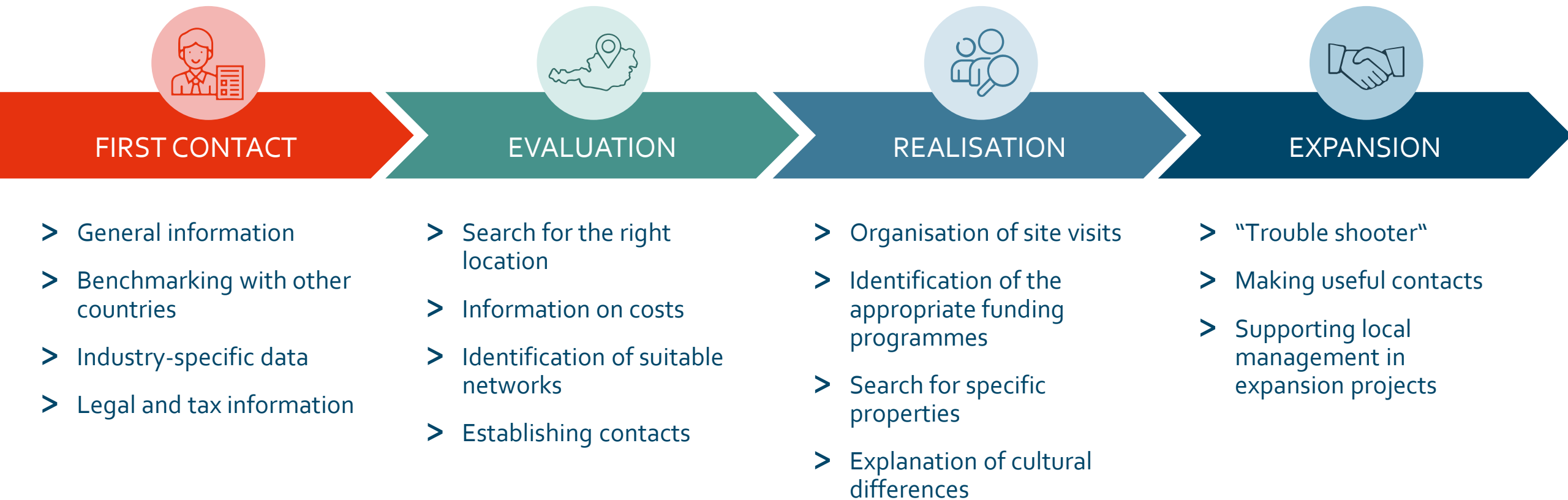
No wealth tax

No inheritance/
gift tax

Double taxation treaties



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



Your personal guide to the Business Location



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