

Industrial Strategy Austria 2035

A strategy for competitiveness
and economic resilience

**VISION: Bring Austria into the TOP-10
most competitive economies in the world**

**TOP-10
2035**



Starting Point: Strengths & Challenges

✓ STRENGTHS

- Strong export orientation
- High innovation capacity
- Excellently trained skilled workforce
- Reliable infrastructure
- Top-4 semiconductor location in the EU
- Global market leaders in niche segments

! CHALLENGES

- Geopolitical pressure & protectionism
- High unit labour & energy costs
- Skilled labour shortage
- Low degree of digitalisation
- Underdeveloped capital market
- High administrative burden

The 6 Strategic Goals

117 measures across 7 action areas

TOP-10
2035

01 Strengthening international competitiveness

02 Advancing economic sovereignty in & with Europe

03 Increasing performance & innovation capacity

04 Building economic resilience

05 Promoting sustainable & circular production

06 Developing skilled workforce potential

7 Action Areas of Industrial Policy + Focus on Key Technologies

AA 1

Research, Technology
& Innovation

15

AA 2

Energy

10

AA 3

Education, Skilled
Workforce & Labour

17

AA 4

Circular Economy,
Bioeconomy &
Transformation

10

AA 5

Infrastructure, Mobility &
Economic Resilience

12

AA 6

Europe & Geopolitical
Challenges

29

AA 7

Deregulation &
Financing

17

Focus on Key Technologies

9 Key Technologies and
Strengths

7

9 Key Technologies and Strengths

€2.6bn in R&D&I Pact 2027–2029 | 9 defined key technologies (first time ever)

01

AI & Data Innovation

02

Chips & Electronic
Components and Systems

03

Advanced Manufacturing
Technologies & Robotics

04

Quantum Technology
& Photonics

05

Advanced Materials

06

Life Sciences
& Biotech

07

Energy & Environmental
Technologies

08

Security Technologies

09

Mobility & Vehicle
Technologies

Energy & Location Competitiveness

Competitive Energy Prices

- Industrial electricity price: €250m/year
- Extension of Location Safeguarding Act
- Reduction of electricity levy
- Grid Infrastructure Fund to cut network costs

Renewables & Transformation

- Accelerate expansion of renewable energy
- Build H2 infrastructure
- Establish Green Hydrogen Hubs
- Legally enable geothermal energy use

Labour & Bureaucracy Costs

- Gradually reduce non-wage labour costs (FLAF 3.7%)
- Accelerate permitting procedures
- One-stop-shop for operating licences
- Deregulation offensive (once-only principle)

Europe & Sovereignty

Geopolitical competitiveness as a new dimension of industrial policy

Made in Europe & Partner Countries

Guiding principle for public procurement (€2,500bn in EU) and funding policy. Action plan for strategic procurement.

Single Market & New Trade Partners

Completion of the EU single market. New trade agreements (Gulf region, India, Southeast Asia, Australia).

Defence Industry as a Growth Opportunity

Reform export controls. Preserve neutrality while strategically strengthening the defence industry. Taskforce established.

Investment Control & Critical Infrastructure

Reform of Foreign Investment Control Act. Protection of critical areas; review threshold lowered to 10%.

Maximise EU Funding

Competitiveness Coordination Tool. Horizon Europe: €1.5bn in returns (8th in EU). Optimal use of European Competitiveness Fund.

Supply Chain Diversification

Secure critical raw materials (Critical Raw Materials Act). Strengthen European value chains. Open new markets.

Skilled Workforce: The Foundation of Industry

Education & Apprenticeships

- Make apprenticeships more attractive & modern
- Free master craftsman & qualification exam courses
- Min. 1 new apprenticeship trade per key technology
- STEM practical days as new career orientation tool
- STEM action plan: focus on girls & women

Further Training & Upskilling

- Upskilling offensive for employees
- Higher qualification without financial losses
- Twin-Transition training (digital + ecological)
- Create permeable learning pathways
- Learn from successful models

International Skilled Workers

- Reform of Red-White-Red Card (2026)
- RWR Card pilot for adult apprentices
- Expand ABA as central service point
- Ease professional recognition (nostrification)
- Digitalise the RWR application process

Classification of Measures

Three categories of industrial policy instruments

Horizontal

General Framework Conditions

Measures for all businesses regardless of sector or technology

Examples:

- Reduce non-wage labour costs (M100)
- Deregulation & once-only principle
- General R&D tax credit
- General permitting acceleration

Selective – Supply-Side

Strengthen Production Capacity

Measures for specific sectors/technologies targeting producers & suppliers

Examples:

- R&D&I funding for key technologies (M01)
- Key Technology Acceleration Act (M02)
- COMET centres & ecosystems (M06)
- Hydrogen infrastructure build-out (M31)

Selective – Demand-Side

Stimulate Market Demand

Measures that deliberately stimulate market demand for specific products/services

Examples:

- Strategic public procurement (M72–74)
- Innovation procurement challenge model (M73)
- Key technologies in procurement (M74)
- ÖBB & ASFINAG investment programmes

Conception & Monitoring & Conclusion

Conception:

Broad Participatory
Stakeholder Process

Lead by **Industry 4.0 platform**
including social partners, IV,
ABA, AIT, aws, CDG, FFG,
experts

> 200 organizations

➤ 400 measures suggested

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2026**

Annual Implementation Report

Federal Government presents
annual KPI-based report, based
on information of the
Competitiveness radar by the
Productivity Council.

Task Force Industry

Ongoing steering of
implementation. Coordination
with social partners and
stakeholders (BMWET, BMIMI,
BMEIA, social partners (AK,
ÖGB, WKO, LK), IV, Experts)

Review Every 3 Years

External scientific evaluation,
review of targets,
recommendations for new
measures.

Key Messages

1st First-ever industrial strategy in Austria

 Vision: Austria in the OECD TOP-10 — measured by the Industrial Production Index by 2035

 First-ever definition of 9 key technologies — €2.6bn in R&D&I Pact 2027–2029

 Three categories: Horizontal (framework) · Selective-supply-side (R&D&I) · Selective-demand-side (procurement)

EU "Made in Europe & Partner Countries" as the new guiding principle in procurement and funding

JETZT INS TUN KOMMEN!
Stoppt die De-Industrialisierung



INDUSTRIESTRATEGIE BAROMETER

MASSNAHMEN UMGESETZT*



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* ausgewertet anhand von Gesetzesbeschlüssen bzw. konkreten Projektstarts. Stand: 03.04.2026

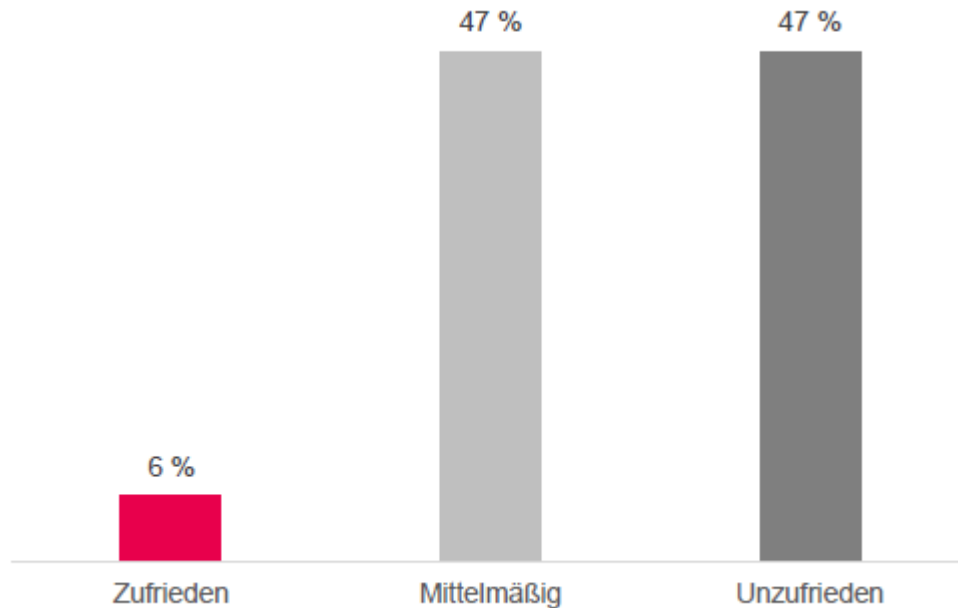
First Impressions:

6 percent of companies are satisfied with the strategy

What companies most often lack is:

- a concrete plan for cost reduction
- sustainable measures to reduce bureaucracy

„For Austria’s industrial companies, the plan presented is too vague. It does not include sufficient measures to put industry on the fast track in the long term”



Source: KSV1870 (2026) Austrian Business Check 2026,
March 29, 2026