

PRESS RELEASE

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The growing internationalisation of Austrian exports

Trade, investment and migration links with CESEE are still extensive, but the real story of the last decade has been Austria's increased integration with non-EU economies.

The main results in brief:

- A major new study by wiiw finds that Austria's export structure has become more internationalised over the past decade, with firms increasingly able to take advantage of faster growth in non-EU markets.
- In gross terms, Austria has lost global export market share since 2004. However, in value-added terms, Austrian exporters increased their share between 2000 and 2014.
- The ability of Austrian exporters to tap faster-growing non-EU markets has been achieved primarily by improvements in price competitiveness. Higher demand in some key trading partners has also helped.
- Markets in Central, East and Southeast Europe (CESEE) remains highly important for Austrian exporters. However, our study does not support the idea that Austria is "locked in" to the region.
- Austria's main two export sectors are machinery and transport equipment. The former heads to a large extent out of the EU, while the latter is directed mostly towards Germany. Germany remains by far Austria's most important trading partner.
- Austria's high reliance on exports relative to many other Western European countries means that it is particularly important for policymakers to legislate in a way that improves the country's competitiveness.
- Our study concludes that policymakers should aim for a productivity-oriented wage policy, an industrial policy that aims at technological upgrading and EU policies that speed up income convergence across the continent, and seek to further increase the country's exposure to faster-growing markets outside of Europe.

Further information

wiiw News 'The growing internationalisation of Austrian exports', 22 November 2018

Link: <https://wiiw.ac.at/n-350.html>

wiiw Policy Note No. 26 'Austria's Economic Competitiveness in a Neighbourhood Context: Is Austria's Economy Locked-in to the CESEE Region?' wiiw Policy Note No. 26, 2018

Link: <https://wiiw.ac.at/p-4631.html>

Comments, interviews, statistics

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