

Research, technology, and innovation: Austria's high road to competitiveness

Research, technology, and innovation: the keys to maintaining competitiveness Austria and Europe are facing massive challenges: geopolitical uncertainty, increasing global competitive pressure, and the need to master green and digital transformation simultaneously. In this situation, research, technology, and innovation (RTI) are the crucial foundation for securing competitiveness, prosperity, and jobs in the long term. This has also been clearly highlighted in the highly acclaimed reports by Mario Draghi and Manuel Heitor. A high-road strategy based on excellent and application-oriented research is therefore the key to securing Austria's future viability. The current (2024-2026) and future RTI pacts (2027-29) provide an important basis for this.

Austria has a strong foundation: with a research quota of 3.35% in 2024, Austria has a strong investment base compared to other European countries. In the European Innovation Scoreboard 2025, Austria ranks among the 'strong innovators' (eighth place) with an index value of 114% of the EU average. Particularly noteworthy are the comparatively high levels of public and private R&D expenditure (ranked second and third, respectively) and the established culture of cooperation between science and industry, which is reflected, for example, in a leading position in joint publications. Austria thus has a solid RTI foundation.

How can Austria become an innovation leader? However, Austria cannot rest on its strong foundations - quite the contrary. While other countries are catching up, domestic innovation performance is stagnating: the index value has fallen compared to 2024, and the gap between Austria and the innovation leaders is widening. It is therefore crucial to learn from the leading countries - Sweden, Denmark, the Netherlands, and Finland - and to tackle key areas of action with determination. These include the rapid expansion of a high-performance digital infrastructure, targeted support for the scaling of innovative companies, and an even stronger focus on the transfer of research into economic applications. An attractive environment for talent is equally important: Austria must provide even greater support for attracting, promoting, and retaining researchers - through clear career paths, international visibility, and excellent framework conditions. In addition, key technologies must be promoted in a targeted manner and in close coordination with industry. Last but not least, strong governance structures are needed across administrative boundaries to strategically link industrial, research, and innovation policy.

Leveraging opportunities: Austria has the chance to rise to the top of European innovation. The 2025-2029 government program sends important signals in this regard. Securing the RTI pact for multi-year planning security, a technology offensive in key and strength areas, a transformation offensive that specifically strengthens change in mobility, energy, and production systems, and the establishment of an umbrella fund for venture capital are steps in the right direction. Of particular importance is the clear commitment to increase the research quota to 4% by 2030 - an increase in funding of around €1.6 billion.

Taking the next step now: To keep Austria on track, the future RTI pact must secure the necessary increases in funding in a binding manner. Currently, the budgets have not been adjusted for inflation. Although this is understandable given the constrained budgetary situation, it results in a gradual erosion of real funding levels and risks undermining Austria's role as a centre of research and innovation. It is therefore crucial to jointly review in 2026 how the budget for the RTI Pact 27-29 can be specifically tightened. In addition, there also needs to be a clear commitment from the federal states to anchor RTI as a central priority in their strategies and budgets. This is important to ensure that the RTI Pact puts Austria on the 4% path, thereby securing Austria's international competitiveness, high-quality jobs, and contribution to major transformations in the long term.

If you have further questions, please contact

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