

## Media information

### 69 CEE Companies Expand to Austria in 2023

- **Majority of these companies operate in the future-oriented sectors of ICT and greentech/cleantech**
- **Central and Eastern European firms account for 20% of total business location and expansion projects in Austria**
- **Support in locating abroad was provided by the Austrian Business Agency (ABA)**

Vienna, 27 February 2024 – The attractiveness of Austria as a business location has increased even further. In 2023, a total of € 1.372 billion was invested in Austria by international companies within the context of 325 business location and expansion projects. Accordingly, the investment volume was significantly higher than in 2022. “The figures particularly show how attractive and highly sought-after the Austrian business location is abroad, against the backdrop of a challenging geopolitical and economic situation,” says René Tritscher, Managing Director of the Austrian Business Agency (ABA).

On balance, ABA provided consulting services to 230 companies from Central and Eastern European countries which were interested in setting up business operations or expanding their existing activities in Austria. During 2023, 69 companies from the CEE region ultimately decided in favour of investing in Austria. Every fifth business location or expansion project originated in Central and Eastern European countries. The largest number (14) came from Hungary, followed by Ukraine (13), Slovakia (9) and Czechia (9).

#### **Funded facility for sustainable business from Czechia**

The promising field of energy and environmental technology is already the fourth most important sector for foreign direct investments, accounting for 23 business location and expansion projects. This figure was only surpassed by ICT (68 projects), business-oriented services (52) and the wholesale sector (41).

One example of a project in the field of energy and environmental technology is the establishment of **PackWall AT**, which is part of the Czech Upcycling Group. “The Upcycling Group offers state-of-the-art production solutions that create new green jobs, relieve pressure on local landfills and build strong domestic end markets for all types of recyclables and municipal waste streams,” explains Jan Skopeček, Managing Director of both companies. “We will produce premium construction and furniture boards from recycled waste packaging materials at our new plant in the southern Austrian province of Carinthia. We received active support from the Austrian federal state of Carinthia and Austria Wirtschaftsservice (aws) in the form of advice on setting up the plant and subsidies.”

**CEE startups expand to Austria**

The large number of international start-ups (39) advised by ABA which decided to invest in Austria also represents a gratifying development. These include **Panza Robotics** headquartered in Bratislava. It is an innovative high-tech company that focuses on the research and development of advanced robots. "We already developed a second prototype of four-legged robots for use in supporting routine or dangerous operations in different environments spanning a broad range of industries such as construction, utilities, oil & gas, waste management and public safety," says Radoslav Balajka, Managing Director of Panza Robotics. "Our expansion into Austria enables us to benefit from valuable partnerships such as with Infineon, Silicon Alps Cluster, Joanneum Research, and leverage Austrian startups with potentially attractive subsidies and the qualified specialists working with electronics-based systems. These are the best prerequisites for further developing our robots here."

Another example is **TerraWaste**. "The company originated from the vibrant startup scene in Latvia and the Netherlands. We are on a mission to solve the plastic waste crisis, for example through our pilot plant initiative in Stockerau, located near Vienna. Our path forward has been greatly accelerated by the strategic guidance offered by the Vienna Business Agency, ecoplus, and ABA. Their acumen in identifying prime locations, facilitating partnerships, and unlocking funding opportunities has proven to be indispensable. In collaboration with the GreenTec Campus in Stockerau, we are poised to build a pilot plant at the Stockerau landfill. The facility is meticulously designed to tackle the pressing issue of plastic waste in the area. This project represents a significant step towards creating jobs and fostering the development of sustainable, environmentally conscious solutions in the region," states Kristaps Cirulis, Co-Founder of TerraWaste.

**New legal form for startups strengthens the business location**

Birgit Reiter-Braunwieser, Director Central and Eastern Europe at ABA, is optimistic concerning investments in Austria in 2024. "Austria has developed an enormously dynamic startup ecosystem in recent years. The flexible company (FlexCo), the new legal form of business, makes Austria even more interesting as a business location for founders and startups. Since 1 January 2024, it has been possible to establish such a flexible and internationally competitive corporation. The flexible company is particularly attractive in the early phase and is oriented to the needs of founders. In addition to simplified corporate regulations, the focus is on ensuring attractive employee participation in the success of the company, an important factor for young firms aiming to win the loyalty of highly sought after skilled workers," Ms. Reiter-Braunwieser explains.

**Stable business environment and DACH test market**

Tamás Tar, owner of **Procyberconsult GmbH**, a cybersecurity company from Hungary, supporting businesses across the DORA or NIS2 compliance journey with the best-of-breed cybersecurity solutions, describes the advantages for his company of operating in Austria. "We discovered an efficient market and a stable business environment, and the process of establishing the company already

## Your easy access to Austria

proceeded very smoothly. It is a significant advantage for companies in knowledge-intensive sectors to have highly qualified employees available, and we have several well-trained engineers to choose from. Austria is also a good opportunity for further expansion if a company intends to enter the German or Swiss markets later on," he states.

Austria is characterised by a high level of purchasing power throughout the country. The capital city of Vienna ranks among the most prosperous regions in Europe with an economic output of approx. 150% of the EU average. "Due to the manageable size of the Austrian market, it is possible to test products and services here without making overly high investments. Accordingly, Austria is a test market for the entire DACH region of about 100 million consumers. Moreover, there are a large number of people in the country with a command of CEE languages due to the historic ties to and immigration from Southeast and Eastern Europe," says Ms. Reiter-Braunwieser, emphasizing the advantages of Austria's position in Europe.

The Polish **MLP Group** builds green logistics parks and will construct the first urban logistics and business project on the Austrian market in the near future. Radosław T. Krochta, CEO & President at MLP Group, comments on the business location advantages in Austria: "The flourishing Austrian market is playing an important role for us in our further development and complements our portfolio of modern commercial and logistics space on the German market, which is of major importance for our international expansion," Mr. Krochta states.

### **About the Austrian Business Agency (ABA)**

As a subsidiary of the Federal Ministry of Labour and Economy (BMAW), the Austrian business location consultancy Austrian Business Agency (ABA) strives to make Austria attractive to international companies, top talents and film producers. With its three business areas INVEST in AUSTRIA, WORK in AUSTRIA and FILM in AUSTRIA, ABA consults and supports international companies, skilled workers and film producers at no cost regarding all issues relating to the business, research and work location as well as to Austria as a film location. >> We simply make it easy.

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