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ANNEX 2

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**Communication from the Commission to the European Parliament, the Council and the
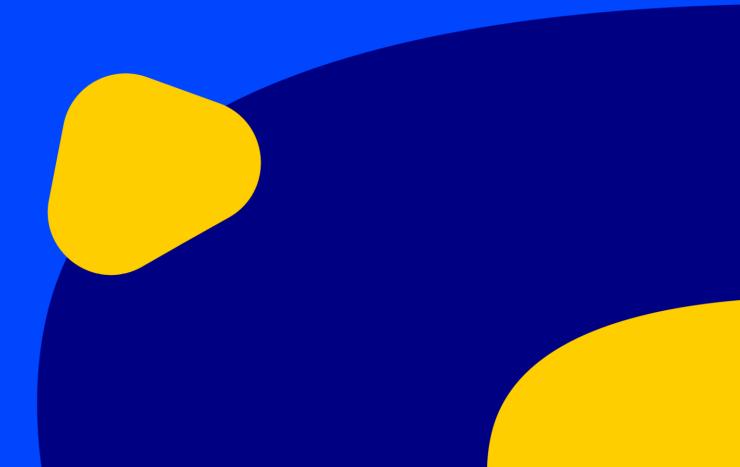European Economic and Social Committee and the Committee of the Regions**

State of the Digital Decade 2025: Keep building the EU's sovereignty and digital future

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SHORT COUNTRY REPORTS 2025

Austria

Austria

Executive summary

Austria continues to demonstrate strong momentum in AI adoption and to make progress on connectivity deployment, although the country still lags behind in the roll-out of Very High-Capacity Networks (VHCN) and Fibre to the Premises (FTTP), while the start-up ecosystem remains constrained by declining venture capital and limited unicorn growth. In 2024, Austria maintained solid performance in digital public services and has strengthened its role in strategic technologies, such as semiconductors and quantum technologies.

Austria shows a high level of ambition in its contribution to the Digital Decade having set 12 national targets, 92% of which are aligned with the EU 2030 targets. The country is following its trajectories well with 75% of them being on track (on the basis of the 2024 trajectories defined for 8 KPIs out of 8 analysed). Austria addressed 59% of the 12 recommendations issued by the Commission in 2024, either by implementing significant policy changes (17%) or making some changes (42%) through new measures.

Despite high levels of digital skills, persistent gaps across age and education exist. Sustainability is reflected in selective initiatives, but a coherent green-digital strategy is still lacking in the national Digital Decade roadmap. Overall, the level of commitment to digital transformation has remained consistent over time, as demonstrated by the adjusted national strategic roadmap, which reinforces the ambition across most areas of the Digital Decade framework. AI remains a strategic focus, with Austria's National AI Strategy representing the cornerstone of the country's efforts, supported by the adjusted roadmap's new initiatives.

Digital Decade KPI [1]	Austria				EU		Digital Decade target by 2030	
	DESI 2024 (year 2023)	DESI 2025 (year 2024)	Annual progress	National trajectory 2024 (3)	DESI 2025	Annual progress	AT	EU
Fixed Very High Capacity Network (VHCN) coverage	67.6%	72.2%	6.7%	73.0%	82.5%	4.9%	100.0%	100%
Fibre to the Premises (FTTP) coverage	41.0%	44.8%	9.4%	45.0%	69.2%	8.4%	72.0%	-
Overall 5G coverage	96.0%	99.5%	3.7%	99.5%	94.3%	5.9%	100.0%	100%
Edge Nodes (estimate)	18	33	83.3%	-	2257	90.5%	-	10000
SMEs with at least a basic level of digital intensity (2)	-	72.2%	3.6%	-	72.9%	2.8%	90.0%	90%
Cloud	35.6%	-	-	-	-	-	-	75%
Artificial Intelligence	10.8%	20.3%	87.9%	20.0%	13.5%	67.2%	75.0%	75%
Data analytics	23.9%	-	-	-	-	-	75.0%	75%
AI or Cloud or Data analytics	47.0%	-	-	-	-	-	-	75%
Unicorns	5	5	0.0%	4	286	4.4%	10	500
At least basic digital skills	64.7%	-	-	-	-	-	80.0%	80%
ICT specialists	5.3%	5.3%	0.0%	5.6%	5.0%	4.2%	10.0%	~10%
eID scheme notification		Yes						
Digital public services for citizens	80.7	80.8	0.1%	82.0	82.3	3.6%	100.0	100
Digital public services for businesses	82.9	87.7	5.8%	84.0	86.2	0.9%	100.0	100
Access to e-Health records	88.2	87.0	-1.4%	97.5	82.7	4.5%	100.0	100

(1) See the methodological note for the description of the indicators and other metrics
(2) DESI 2025 reports the version 4 of the Digital Intensity Index, that is comparable with the DII value from DESI 2023 (referring to year 2022) for the calculation of the annual progress. It is not comparable to the national trajectory that is based on version 3 of the index.
(3) National trajectory value if present in the national roadmap and if the indicator was measured in DESI2025 (year 2024)

Austria

According to the **2025 special Eurobarometer on the Digital Decade**, 68% of Austrian citizens consider that the digitalisation of daily public and private services is making their lives easier. On the action of the public authorities, 87% consider it important to counter and mitigate the issue of fake news and disinformation online, and on competitiveness, 82% consider it important to ensure that European companies can grow and become 'European Champions' capable of competing globally.

A competitive, sovereign, and resilient EU based on technological leadership

Austria demonstrates strong 5G leadership, ongoing progress in AI adoption, and growing investment in strategic technologies such as semiconductors and quantum computing. With 99.55% 5G coverage and near-complete spectrum assignment, the country ranks among the EU's top performers in mobile connectivity. AI adoption by enterprises is accelerating and reached 20.3%, surpassing the EU average and supported by clear strategic direction and targeted funding. Austria's commitment to technological sovereignty is further reflected in its investments in strategic sectors: it continues to support quantum technologies through the Quantum Austria initiative and is advancing in semiconductors via targeted investments and participation in the Chips Joint Undertaking.

However, challenges remain in ensuring broader diffusion of advanced digital technologies. While Austria's digital intensity among SMEs is aligned with EU levels, the integration of data-driven solutions and next-generation technologies into business operations remains uneven. This is compounded by structural bottlenecks in the scale-up and start-up ecosystem, despite notable policy support. Venture capital investment has declined for the third consecutive year, as investor caution and delayed startup exits have slowed reinvestment cycles.

Protecting and empowering EU people and society

Austria has a strong performance in digital skills and continues to expand targeted measures to bridge structural gaps. However, persistent disparities, particularly across gender, education, and age affect digital inclusion. Flagship initiatives such as Digital Everywhere+ and the Future Skills programme demonstrate Austria's commitment to reaching disadvantaged groups and improving the digital capacity of its workforce. **Austria also took steps to expand its ICT workforce**, with new measures aimed at reskilling, increasing female participation, and strengthening STEM pathways.

Austria performs well in e-Health and digital public services, with new national targets, a dedicated strategy, and substantial funding.

Leveraging digital transformation for a smart greening

Austria recognises the importance of integrating environmental sustainability into its digital transition but lacks a coherent strategy explicitly twinning the green and digital dimensions. While AI for Green and SME-DIGITAL 4.0 initiatives support climate goals, no new measures have been adopted to monitor the environmental footprint of digital technologies or improve energy efficiency in infrastructures such as data centres.

National Digital Decade strategic roadmap

Austria submitted a fully updated roadmap in January 2025, including 26 new measures and revised trajectories for key KPIs such as 5G, AI, and digital public services. While it addresses most 2024

recommendations and sets clearer targets, the roadmap still lacks new dedicated support for SMEs and a strategic framework for the green-digital nexus. The overall ambition remains high, particularly in skills, AI, and connectivity, though progress will depend on sustained investment and cross-sector coordination. A total of 85 measures are now part of Austria's national strategic roadmap with a total budget of EUR 4.07 billion (equivalent to 0.84% of Austria's GDP in 2024).

Funding & projects for digital

Austria allocates 36% of its total recovery and resilience plan to digital (EUR 1.3 billion)[1]. In addition, under cohesion policy, EUR 76 million, representing 7% of the country's total cohesion policy funding, is dedicated to advancing Austria's digital transformation[2].

Austria is directly involved in the IPCEI on Microelectronics and Communication Technologies (IPCEI-ME/CT). Austria is a participating state of the EuroHPC Joint Undertaking (JU) and of the Chips JU.

Austria has contributed to the Best Practice Accelerator[3] by sharing one best practice in the framework of the Digital Skills cluster (Digital Competence Initiative Austria).

Digital rights and principles

According to a support study, Austria has been one of the most active Member States in implementing the **European Declaration on Digital Rights and Principles**, with over 100 initiatives overall and 21 new initiatives launched in 2024. Austria is most active in the area of digital education, training and skills. Less activity has been identified with regards to Protection and empowerment of children and young people in the digital environment, and Sustainability. Measures in the area of Sustainability appear to have most impact on the ground, in contrast to those addressing safety, security and empowerment.

Recommendations:

- **FTTP roll-out:** Sustain and further accelerate the pace of fibre rollout (FTTP), particularly in rural areas, by maintaining strong investment and encouraging new deployment commitments**.**
- **Cloud and data analytics**: Introduce targeted support to accelerate the adoption of cloud and data analytics solutions, particularly among SMEs, to boost enterprise competitiveness.
- **ICT specialists:** Accelerate the overall growth of ICT specialists by strengthening reskilling and upskilling initiatives and promoting ICT training across enterprises, while continuing efforts to close gender gaps.
- **Key digital public services**: focus on accelerating growth in digital public services for citizens, particularly in cross-border services. Sustained efforts in digital public services for businesses are needed to maintain this positive momentum.
- **Unicorns:** scaling it further will be essential for Austria to fully realise its competitiveness and sovereignty goals within the Digital Decade.

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[1] The share of financial allocations that contribute to digital objectives has been calculated using Annex VII to the Recovery and Resilience Facility Regulation. Last data update: 16 May 2025.

[2] This amount includes all investment specifically aimed at or substantially contributing to digital transformation in the 2021-2027 Cohesion policy programming period. The source funds are the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus, and the Just Transition Fund.

[3] The Best Practice Accelerator (BPA) is a platform that enables Member States to share successful measures and challenges encountered in their efforts to meet their Digital Decade targets and objectives. Best practices are made available to Member States via the BPA Repository and showcased in regular workshops, currently focused on three thematic clusters: Digital Skills, Green IT, and the Uptake of Digital Technologies.

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