

COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S DATED 27-12-2023 INDIA-AUSTRIABILATERAL TRADE RELATION

INTRODUCTION&BRIEF ECONOMIC OVERVIEW

The Republic of Austria lies in central Europe, bordered by Switzerland and Liechtenstein to the west, by Germany and the Czech Republic to the north, by Hungary and Slovakia to the east, and by Italy and Slovenia to the south. Austria is a member of the United Nations.

2. As per IMF's Article IV Consultation Report of September 2022, "The banking sector has weathered the pandemic well, but risks related to the Ukraine war warrant cautious monitoring of asset quality and enhanced supervision. "To address financial sector risks from residential real estate prices, Austria's plan to make binding the borrower-based measures was appreciated. Further it was suggested that additional capital-based macro prudential measures, such as a sectoral systemic risk buffer calibrated to real-estate exposure, may be considered if vulnerabilities persist"

A snapshot of Austria's selected economic indicators is presented at **Annexure –I**

FOREIGN TRADE

3. As per recent available inputs on WITS, the major merchandise export partners of Austria are Germany, Italy, United States, Switzerland and Poland. On the other hand five major import partners of Austria are Germany, China, Italy, Switzerland and Czech Republic. Major four exported goods of Austria are (i) Human and animal blood; microbial cultures; tox, (ii) Other medicaments of mixed or unmixed products,(iii) Waters (incl. mineral and aerated), (iv) Reciprocating piston engine. On the other hand major four imported goods are (i) Human and animal blood; microbial cultures; tox , (ii) Natural gas in gaseous state , (iii) Petroleum oils, etc, (excl. crude); preparation and (iv) Petroleum oils and oils obtained from bituminous. **(Source: World Integrated Trade Solution)**

4. Austria's total exports in 2018 were of the order of US\$ 176,992 million and subsequently declined for two consecutive years to US\$ 171,532 million in 2019 and US\$ 162,145 million in 2020 and has increased to US\$ 194,703 million in 2021 & and US\$ 210,279 million in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of exports was 4.40%.

5. Austria's total imports in 2018 were of the order of US\$ 184,195 million and subsequently declined for two consecutive years to US\$ 176,596 million in 2019 and US\$ 164,636 million in 2020 and has steeply increased to US\$ 210,319 million in 2021 & US\$ 231,947 million in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of Imports was 5.93%.

6. Austria runs an overall Balance of Trade deficit which was quite significant to the tune of USD 21668 in million 2022.

A snapshot of Austria's overall Trade Statistics is presented in **Annexure-II [Table 1: Figure 1]**

BILATERAL TRADE WITH INDIA

Merchandise Trade

There has been a high level economic and commercial cooperation between India and Austria for substantial numbers of years. Indo-Austria total volume of bilateral trade in FY 2018-19 was of the order of Rs.8,377.95 crores. It has increased more than double to Rs.16,918.34 crores in FY 2022-23. The annual compound growth rate of volume of trade during the period from 2018-19 to 2022-23 has been of the order of 19.21%.

2. It appears from the available figures that between 2018-19 and 2021-22, India had a deficit Balance of Trade with Austria but the whole scenario has changed in 2022-23 as Telecom Instruments exports was quite remarkable in 2022-23. Exports from India to Austria increased stupendously in 2022-23 by 142%. On the other hand, imports from Austria to India increased by a meagre 9.59% in 2022-23 although in 2021-22 the increase was by 33.69 % over 2020-21 levels. These together have contributed in registering 63.36% rise in total volume of trade between 2021-22 and 2022-23 with a resultant trade surplus of 3436.80 crores.

A snapshot of India's trade statistics w.r.t. Austria is presented in **Annexure-II | Table 2: Figure 2**

3. Additionally, **from Tables 3 & 4 presented at Annexure-II** below the following are stated:

- a. Telecom Instruments, Two And Three Wheelers and Electronic Components occupy the top three slots in India's exports to Austria in the year 2022-23.
- b. Indl. Machinery For Dairy Etc., Bulk Drugs, Drugs Intermediates and Manmade Staple Fibres are the three major commodities in India's imports list from Austria in the year 2022-23 followed by Computer Hardware Peripherals.
- c. Telecom instruments worth Rs. 5718.59 crores was exported from India to Austria in 2022-23.

“NOTICE”

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A snapshot of Austria's selected economic indicators is presented at Annexure I

Annexure-I

Table 1. Austria: Selected Economic Indicators, 2019–23					
	2019	2020	2021	2022	2023
				Proj.	
Output					
Real GDP growth (%)	1.5	-6.7	4.8	3.9	1.5
Employment					
Unemployment (Harmonized) (%)	4.8	5.4	6.2	4.5	4.6
Prices					
Inflation (%)	1.5	1.4	2.8	7.1	3.7
General Government Finances					
Revenue (% of GDP)	49.2	49.0	50.1	49.5	49.3
Expenditure (% of GDP)	48.6	57.0	56.0	52.7	51.0
Fiscal balance (% of GDP)	0.6	-8.0	-5.9	-3.2	-1.7
Public debt (% of GDP)	70.6	83.9	83.0	79.4	77.5
Money and Credit					
Broad money (% change)	4.5	9.5	4.9	8.9	4.8
Credit to the private sector (% change) 1/	5.1	3.7	7.0	6.4	3.3
Balance of Payments					
Current account (% of GDP)	2.1	2.5	-0.5	-0.8	-1.0
FDI (% of GDP)	1.4	2.3	1.5	1.4	1.4
Reserves (months of imports)	1.2	1.6	1.6	1.4	1.4
External debt (% of GDP)	154.4	164.9	161.7
Exchange Rates					
REER (% change)	-1.1	-8.3	8.4
Sources: Authorities; and staff estimates and projections.					
1/ Households and non-financial corporations. Exchange rate adjusted.					

Sources: IMF Executive Board Concludes 2022 Article IV Consultation with Austria September 2, 2022.

TABLE – 1
AUSTRIA'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE
BETWEEN 2018 TO 2022

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018	176992		184195		3,61,187		-7203
2019	171532	-3.08	176596	-4.13	3,48,128	-3.62	-5064
2020	162145	-5.47	164636	-6.77	3,26,781	-6.13	-2491
2021	194703	20.08	210913	28.11	4,05,616	24.12	-16210
2022	210279	8.00	231947	9.97	4,42,226	9.03	-21668
Annual Compound Growth Rate		4.40		5.93		5.19	

NOTE : Figures relate to calendar year (January to December)

SOURCE: UN COMTRADE PUBLICATION

Figure – 1

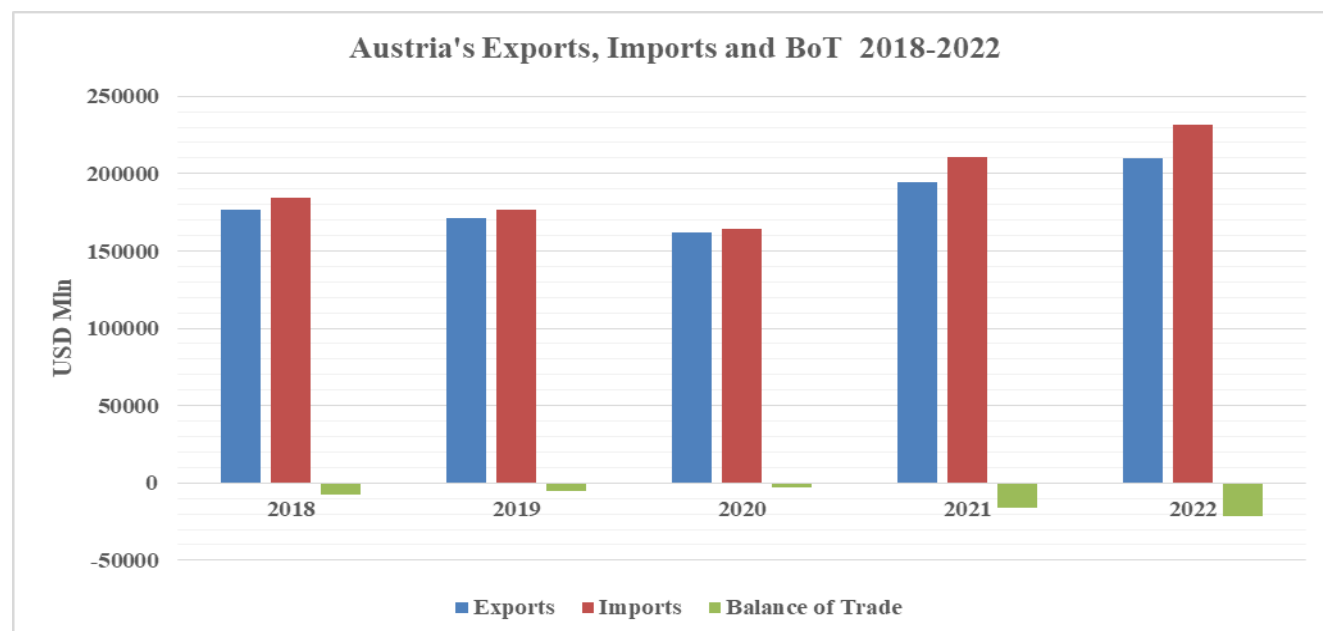


TABLE - 2
INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. AUSTRIA
FY 2018-2019 to 2022-2023

(Value in Rs. CRORES)

Year	Exports from India to Austria	Percentage Growth in Exports	Imports from Austria to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018-19	3373.75		5004.2		8377.95		-1630.45
2019-20	3228.00	-4.32	4458.61	-10.90	7686.61	-8.25	-1230.61
2020-21	3354.28	3.91	4600.96	3.19	7955.24	3.49	-1246.68
2021-22	4205.11	25.37	6151.16	33.69	10356.27	30.18	-1946.05
2022-23	10177.57	142.03	6740.77	9.59	16918.34	63.36	3436.80
Annual Compound Growth Rate		31.79		7.73		19.21	

NOTE : Figures relate to Financial Year (April to March)

SOURCE : DGCI&S, M/oC&I

Figure 2

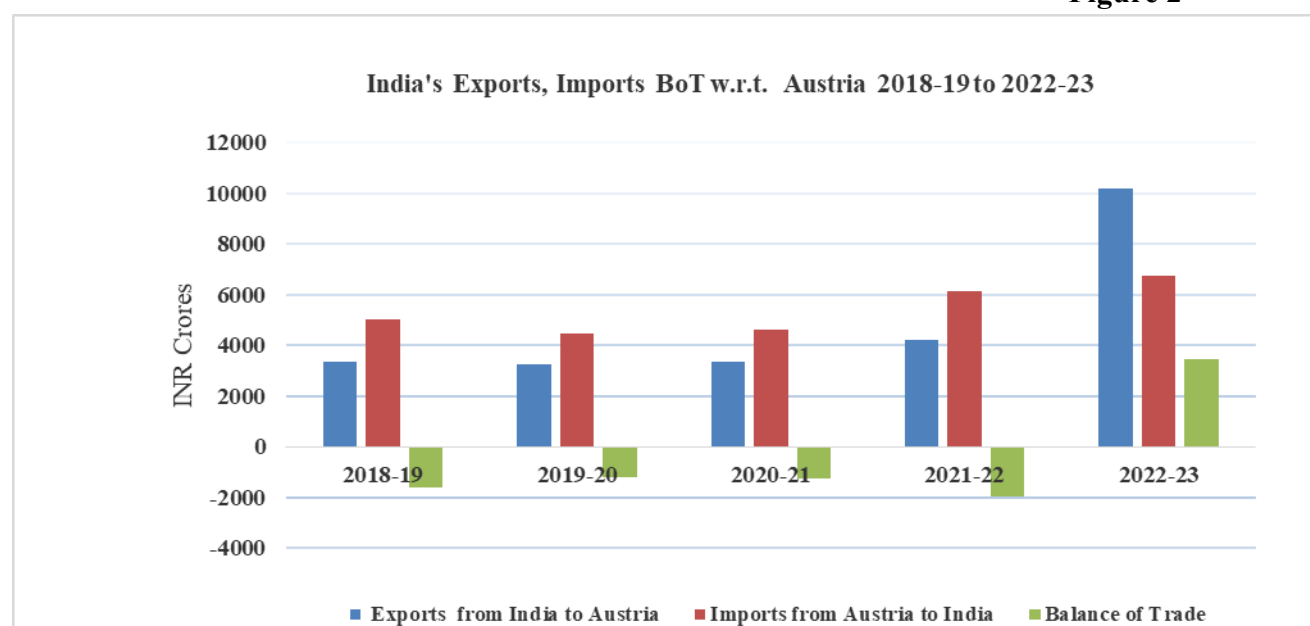


TABLE -3
INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO AUSTRIA
2018-2019 TO 2022-2023 AND THEIR GROWTH RATES

(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates				
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	
1	Telecom Instruments	0.33	0.31	0.62	0.25	5718.59	-6.06	100.00	-59.68	2287336.00	
	Share in total export	0.01	0.01	0.02	0.01	56.19					
2	Two And Three Wheelers	353.19	268.99	524.36	606.83	586.66	-23.84	94.94	15.73	-3.32	
	Share in total export	10.47	8.33	15.63	14.43	5.76					
3	Electronic Components	352.14	357.90	394.11	501.73	574.98	1.64	10.12	27.31	14.60	
	Share in total export	10.44	11.09	11.75	11.93	5.65					
4	Electric Machinery & Equipments	201.95	177.17	220.39	199.76	335.92	-12.27	24.39	-9.36	68.16	
	Share in total export	5.99	5.49	6.57	4.75	3.30					
5	Incl. Machinery For Dairy Etc.	101.28	192.83	209.76	297.96	232.09	90.39	8.78	42.05	-22.11	
	Share in total export	3.00	5.97	6.25	7.09	2.28					
6	Footwear Of Leather	170.25	143.02	57.52	60.37	219.38	-15.99	-59.78	4.95	263.39	
	Share in total export	5.05	4.43	1.71	1.44	2.16					
7	Residual Chemicals And Allied Prods.	90.40	183.66	172.96	111.57	187.93	103.16	-5.83	-35.49	68.44	
	Share in total export	2.68	5.69	5.16	2.65	1.85					
8	Products Of Iron & Steel	145.72	119.66	116.11	135.71	167.28	-17.88	-2.97	16.88	23.26	
	Share in total export	4.32	3.71	3.46	3.23	1.64					
9	Leather Footwear Component	63.59	106.67	98.31	157.61	158.05	67.75	-7.84	60.32	0.28	
	Share in total export	1.88	3.30	2.93	3.75	1.55					
10	Auto Component/Parts	112.24	88.46	123.72	141.49	113.88	-21.19	39.86	14.36	-19.51	
	Share in total export	3.33	2.74	3.69	3.36	1.12					
	Total export to AUSTRIA	3373.75	3228.00	3354.28	4205.11	10177.57	-4.32	3.91	25.37	142.03	

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C & I

TABLE -4
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM AUSTRIA
2018-2019 TO 2022-2023 AND THEIR GROWTH RATES
(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates				
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	
1	Indl. Machinery For Dairy Etc.	619.59	443.80	528.00	598.29	701.81	-28.37	18.97	13.31	17.30	
	Share in total imports	12.38	9.95	11.48	9.73	10.41					
2	Bulk Drugs, Drugs Intermediates	117.92	113.83	244.23	374.64	473.37	-3.47	114.56	53.40	26.35	
	Share in total imports	2.36	2.55	5.31	6.09	7.02					
3	Manmade Staple Fibre	379.81	408.97	277.22	438.36	363.96	7.68	-32.22	58.13	-16.97	
	Share in total imports.	7.59	9.17	6.03	7.13	5.40					
4	Electric Components	204.31	198.57	238.19	275.75	342.13	-2.81	19.95	15.77	24.07	
	Share in total import	4.08	4.45	5.18	4.48	5.08					
5	Medical And Scientific Instruments	460.17	347.61	277.33	351.13	341.69	-24.46	-20.22	26.61	-2.69	
	Share in total import	9.20	7.80	6.03	5.71	5.07					
6	Drugs Formulations, Biologicals	117.60	249.70	243.32	446.41	319.96	112.33	-2.56	83.47	-28.33	
	Share in total import	2.35	5.60	5.29	7.26	4.75					
7	Pump Of All Types	32.26	23.45	58.58	115.97	314.62	-27.31	149.81	97.97	171.29	
	Share in total import	0.64	0.53	1.27	1.89	4.67					
8	Electronic Instruments	321.63	319.20	283.74	381.83	312.35	-0.76	-11.11	34.57	-18.20	
	Share in total import	6.43	7.16	6.17	6.21	4.63					
9	Electric Machinery & Equipments	251.16	158.62	143.74	172.97	263.43	-36.85	-9.38	20.34	52.30	
	Share in total import	5.02	3.56	3.12	2.81	3.91					
10	AC,Refrigeration Machinery Etc.	71.84	62.02	42.81	49.35	238.16	-13.67	-30.97	15.28	382.59	
	Share in total import	1.44	1.39	0.93	0.80	3.53					
	Total import from AUSTRIA	5004.20	4458.61	4600.96	6151.16	6740.77	-10.90	3.19	33.69	9.59	

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I