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COUNTRY FICHE

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In Austria, the use of Territorial Delivery Mechanisms in the 2014-20 period entailed the implementation of two instruments: Sustainable Urban Development strategies included in a Priority Axis of an Operational Programme (SUD PrAx) and Community-Led Local Development (CLLD). SUD PrAx was supported solely through the European Regional Development Fund (ERDF) and was implemented in two regions—Upper Austria, where 16 smaller strategies were put in place, and Vienna, where a strategy with a relatively large budget was implemented. CLLD was implemented only in Tirol through eight strategies. The implementation of Territorial Delivery Mechanisms was decentralised, with strong delegation of powers to the regional level, in line with the country's federal administration model.

POPULATION	STATE TYPE
8.77 million	Federal

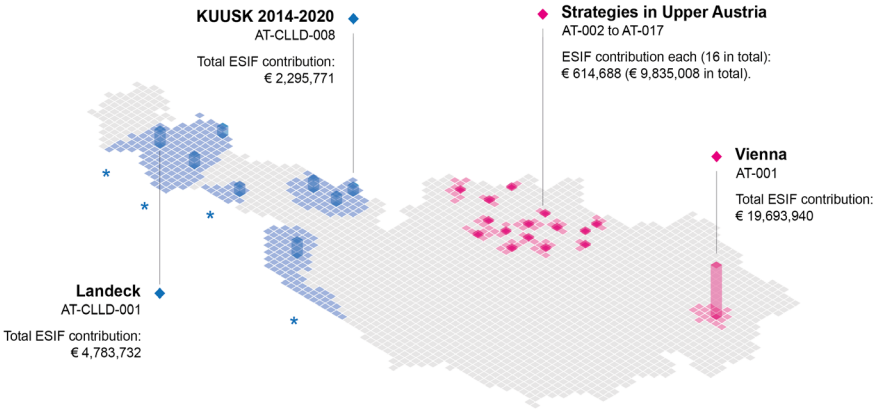
NATIONAL ESIF BUDGET	
EU Contribution (EUR)	€ 6,694,248,787
National Contribution (EUR)	€ 7,375,379,888
Total Contribution (EUR)	€ 14,069,628,675

Note: including all ESIF - ERDF, ESF, EAFRD, YEI, EMFF
Source: Cohesion Open Data Platform (European Commission, n.d.)

Territorial Delivery Mechanism type	No.	ESIF type	Share of ERDF /CF allocation	Share of decided allocations spent (end 2022)
SUD (Art. 7) Operational Programme	0	-	-	-
SUD (Art. 7) Priority Axis	17	ERDF	4.2%	86%
Integrated Territorial Investment (ITI; SUD)	0	-	-	-
Integrated Territorial Investment (ITI; non-SUD)	0	-	-	-
Community-led Local Development (CLLD)	8	EAFRD, ERDF	0.9%	65%
TOTAL	**25**	**-**	**5%**	**-**

Source: allocations and spending based on Cohesion Open Data Platform (European Commission, n.d.), remaining items on STRAT-Board (JRC, n.d.).
Notes: STRAT-Board data is self-reported by strategy holders. There may be inconsistencies between the data reported in STRAT-Board and other databases, such as the Cohesion Open Data Platform. In Austria, there were also 4 cross-border CLLD strategies implemented, but they were not covered by this evaluation.

Figure 1: Geographical distribution of Territorial Delivery Mechanism (TDM) strategies



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Description

Geographical distribution of strategies per type of TDM, with an indication of the amounts of the respective ESIF contributions. For each type of TDM, strategies with the highest and the lowest amounts of funding are indicated.

Source: STRAT-Board (JRC, n.d.).
Note: There may be discrepancies between data from STRAT-Board and from other data bases.

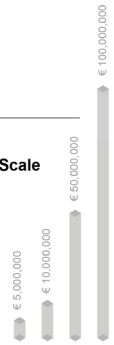
Legend

= SUD (art. 7) Priority Axis

= Community-led Local Development (CLLD)

* *Cross-border strategies are not shown, as they are not covered by this evaluation (4 CLLD strategies shared with Italy).*

Scale



GOVERNANCE CONTEXT

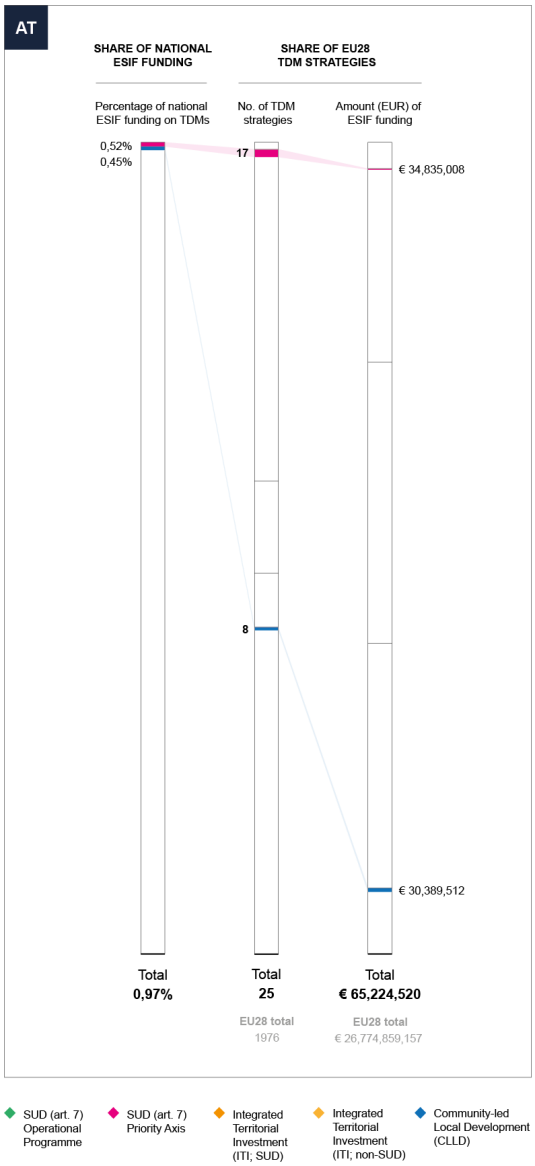
Austria's territorial governance is decentralised, consisting of nine states, each with its own government and parliament. The federal government manages national affairs such as defence and finance, while the states have autonomy in areas like education, healthcare, and regional development. Each state is headed by a governor and has its own constitution. State parliaments pass laws and oversee the state government. Local governments manage municipalities and districts, handling services such as education and waste management. Administrative regions assist in coordinating government functions. This system balances centralised authority with regional autonomy, enabling tailored governance while maintaining national cohesion. The Austrian Conference on Spatial Planning (ÖROK) serves as a national coordination forum, functioning as the national urban and territorial policy body.

COHESION POLICY CONTEXT

During the 2014-20 period, Austria implemented two major national programmes alongside several territorial cooperation programmes. ERDF was channelled through the Investments in Growth and Employment Operational Programme, overseen by ÖROK. This programme prioritised support for innovative Small and Medium Enterprises (SMEs), enhancing their competitiveness, energy efficiency, and resource efficiency. It also allocated funding for sustainable urban development, focusing on climate mitigation strategies and collaboration within functional urban areas. Additionally, the programme piloted CLLD in Tirol and supported Sustainable Urban Development strategies under a dedicated Priority Axis. ESF programme Employment Austria was managed by the Ministry of Social Affairs, Health, Care and Consumer Protection. This programme addressed key challenges in Austria's labour market, such as increasing employment among older workers, boosting women's participation in the workforce, and improving educational outcomes for vulnerable young people, including those with a migration background.

FEATURES OF THE TERRITORIAL DELIVERY MECHANISMS

Figure 2: Types of Territorial Delivery Mechanisms (TDMs) used, amount of strategies and the corresponding shares of ESIF* contributions



Source: STRAT-Board (JRC, n.d.). Notes: On the first vertical bar from the left, the percentage of all ESIF funding for that country allocated to TDM strategies is indicated with colour. The whole bar represents all ESIF funding for that country. On the second bar (middle), the number of each type of TDM strategy implemented in this country is indicated with the corresponding colour, with the whole bar representing all TDM strategies implemented across the EU28 (1976 strategies, as indicated in grey below the bar). On the bar on the right side, the amounts of ESIF funding for the TDM strategies are indicated with the corresponding colour. The bar represents the total allocation of ESIF for TDMs in the EU28. Please note that there may be inconsistencies between the data reported in STRAT-Board and Cohesion Open Data Platform.

Sustainable Urban Development (Art. 7) Priority Axis

During the 2014-20 programming period in Austria, Cohesion Policy supported 17 SUD PrAx strategies across two regions—Vienna and Upper Austria. The single strategy in Vienna was the largest, with a budget of €16.7 million, while the 16 strategies in Upper Austria were significantly smaller and focused on smaller cities and towns, including their surrounding municipalities.

All of these strategies were funded solely by the ERDF. The thematic focus of the Upper Austrian strategies was largely consistent, concentrating on low-carbon economies, environmental protection, and resource efficiency. By contrast, the Viennese strategy also emphasised research and innovation, alongside social inclusion.

In Upper Austria, the strategies prioritised the regeneration of underutilised areas and vacant buildings, optimised land use, reduced CO2 emissions, and promoted sustainable mobility. Meanwhile, the SUD strategy in Vienna was aligned with the Smart City Vienna Framework (Smart City Wien Rahmenstrategie), supporting research, innovation, and the development of disadvantaged urban areas.

Many of the Upper Austrian strategies targeted Functional Urban Areas (FUAs), including clusters of small towns. They enabled the pooling of resources and fostered inter-municipal cooperation, effectively addressing urban-rural linkages. In Upper Austria, municipalities were required to establish a city-regional forum (Stadtregionales Forum) to oversee project selection. Projects were assessed by representatives from various municipalities, before being allocated to specific local authorities. In Vienna, project selection was managed by the city authority using a specific assessment framework.

Community-led Local Development

Overall, 8 CLLD strategies were implemented exclusively in Tirol, using a multi-fund approach that combined EAFRD and ERDF funding streams. Additionally, four of the Local Action Groups (LAGs) involved in Austrian CLLD strategies were also part of the Austrian-Italian cross-border CLLD initiatives, though these were not covered by this evaluation.

A decentralised approach was adopted, with the state of Tirol acting as an Intermediate Body. In Tirol, both the ERDF and EAFRD Intermediate Bodies were housed within the same regional government department, which is distinct from other Austrian regions (Kah, 2024). Thematically, Austrian CLLD strategies primarily focused on social inclusion. The LAGs managing these strategies operated as broader regional development agencies within their territories, extending beyond the sole implementation of CLLD strategies (Kah, 2024).

Challenges in fund integration arose due to differing requirements and implementation mechanisms for each fund, but steps were taken to harmonise the national regulations guiding the use of each fund. Another challenge was engaging new actors within pre-existing stakeholder networks that had already been established (Kah, 2024). That said, CLLD strategies helped improve vertical collaboration and the strategic quality of projects by providing a platform for cooperation between regional and local authorities, enhancing knowledge transfer across governance levels (Stampfer, 2020).

* In order to reflect the contribution of various funds to TDMs, in this graph included all ESIF funds (ERDF, ESF, CF, EAFRD, EMFF).

IN SUM

The implementation of Territorial Delivery Mechanisms in Austria was limited to just three regions and focused on two types of instruments: SUD PrAx and CLLD. These were implemented through the single national ERDF Operational Programme, but in a decentralised manner, delegating powers to the regions and involving local authorities. Notably, SUD PrAx strategies performed well in terms of financial implementation (86% of allocated funds used by the end of 2022) and triggered new collaborations between municipalities in Upper Austria on cross-boundary projects and urban-rural linkages. CLLD, meanwhile, helped improve vertical governance and collaboration between the regional and local tiers of government in mountainous areas.

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