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COMMISSION'S OPINION
ON AUSTRIA'S REQUEST FOR
EUROPEAN COMMUNITY MEMBERSHIP

FOREWORD

CONCLUSIONS

and

ANNEXES

Foreword

The Commission is giving its opinion on Austria's application for accession at a time when four other applications have already been presented.¹ Applications from other European countries could follow in the near future.

These developments demonstrate the pull exerted in Europe by the Community. The role played by the Community is further strengthened by the profound changes now under way both within the Community (with its move, through the intergovernmental conferences, towards political union with a common security policy) and also at international level (as a result of German unification and the fundamental changes at work in the economic and political systems of the countries of Central and Eastern Europe, including the USSR).

The Community has to reconcile two requirements. First, it must unhesitatingly and in accordance with the procedures laid down in Article 237 of the EEC Treaty confirm its openness towards applicant European countries whose economic and political situation are such as to make accession possible. In addition, the Community must take care to strengthen its own structures sufficiently to maintain the impetus of its own integration. This forward movement must be safeguarded, even in an enlarged Community.

The Community is at present engaged in completing the internal market and is seeking at the same time, through the two intergovernmental conferences that are now under way, to establish an economic and monetary union and a political union. By 1 January 1993 the internal market will be completed and the results of the two intergovernmental conferences should also have been approved. The Commission is therefore convinced that no negotiations on a fresh enlargement should be initiated before that date - a view which it had already expressed in its opinion on Turkey's accession request. Once that date is passed, the Community should be ready and willing to open negotiations with applicant countries meeting the economic and political conditions for accession. It is clear that in this context the Community will also have to take account, where some of the countries which have already applied or may apply are concerned, of the implications of the concept of neutrality. This concept of neutrality is, moreover, steadily evolving in the light of developments in Europe and worldwide.

In the accession negotiations, the Community will have to take as a basis the Community rules and structures as they emerge from the two intergovernmental conferences, following completion of ratification procedures, including the results concerning foreign policy and security, which will have the effect of establishing a stronger identity to which the applicant countries will have to adjust.

¹ The following applications have been presented: Turkey, 14 April 1987; Austria, 17 July 1989; Cyprus, 4 July 1990; Malta, 16 July 1990; Sweden, 1 July 1991.

The Community's development will not end, however, with the two intergovernmental conferences currently under way. The Community must consequently seek in its future partners the necessary willingness to join with it in the further continuation of the integration process.

Furthermore, in the Commission's view, enlargements of the Community will entail, when the time comes, institutional adjustments according to the nature and number of the accession.

Conclusions

From both the economic and the political points of view, Austria's application for accession is in a quite different category from those of previous applicants.

From the economic point of view, no previous applicant has started from a position where, by virtue of numerous agreements, it already had completely free trade in industrial products with the Community, or had already committed itself to apply a substantial part of the *acquis communautaire*, or where its degree of economic integration with the Community was so advanced. There is also Austria's long experience of monetary stability and the special relationship between the schilling and the German mark, and through it with the other EMS currencies.

After accession there should not be any fundamental shift in the direction of Austria's economic policy. As regards the *acquis communautaire*, which Austria will have to apply as a new member of the Community, much of this, as has been noted above, will already have been applied by virtue of the future EEA Agreement. Of the areas which remain, only agriculture and transit seem likely to give rise to a need for anything other than technical adjustments. For agriculture, substantial changes will be needed. As for transit, the position taken by the Austrian authorities raises an important question of principle which will have to be addressed in the accession negotiations. These few difficulties should, however, be resolved in the negotiations.

The Community will on the whole benefit from the accession of Austria, which would widen the circle of countries whose economic, monetary and budgetary performance will speed Economic and Monetary Union on its way. The Community would also benefit from the experience of a country whose geographical position, history and the ties it has retained and forged place it right at the heart of the new Europe that is taking shape.

On the basis of the economic considerations, therefore, the Commission considers that the Community should accept Austria's application for accession.

From the political standpoint, the application must be situated in the general context of the future development of the Community and of Europe in general, as indicated in the Foreword to this Opinion.

In this connection, Austria's permanent neutrality creates problems for both the Community and Austria. The first issue which arises is that of the compatibility of permanent neutrality with the provisions of the existing Treaties. In addition, developments in the negotiations within the intergovernmental conference on political union would also require the Community to seek specific assurances from the Austrian authorities with regard to their legal capacity to undertake obligations entailed by the future common foreign and security policy.

Subject to possible further developments in the discussions under way in the intergovernmental conference, these problems should not however prove to be insurmountable in the context of the accession negotiations.

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Table 1: Per capita GDP (EC = 100)

	1960	1965	1970	1975	1980	1985	1990
a) <u>Purchasing power parities</u>							
Austria	89.1	86.8	90.1	96.2	99.5	99.8	100.1
EC	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B	95.4	96.7	98.9	103.1	104.1	101.6	103.0
DK	118.3	120.9	115.2	110.5	107.8	115.8	103.0
D	117.9	116.0	113.2	109.9	113.6	114.2	113.2
EL	38.6	45.5	51.6	57.3	58.1	56.7	52.6
E	60.3	70.8	74.7	81.9	74.2	72.5	77.8
F	105.8	107.4	110.4	111.8	111.6	110.6	108.6
IRL	60.8	59.0	59.5	62.7	64.0	65.2	68.6
I	86.5	88.4	95.4	94.6	102.5	103.1	103.1
L	158.5	136.3	141.4	126.7	118.5	122.4	130.6
NL	118.6	115.2	115.8	115.5	110.9	107.0	102.6
P	38.7	43.2	48.9	52.2	55.0	52.0	55.7
UK	128.6	119.1	108.5	105.9	101.1	104.2	104.8
b) <u>in constant ecus (1985)</u>							
Austria	84.1	82.3	84.9	100.3	103.4	109.5	112.9
EC	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B	115.4	110.8	115.0	127.2	121.7	102.8	105.5
DK	123.2	134.1	140.1	150.0	131.4	144.1	138.2
D	123.8	123.0	133.3	136.2	134.2	129.4	129.7
EL	39.8	44.0	49.5	46.5	42.3	42.6	36.1
E	36.3	47.1	49.1	60.3	58.3	54.6	63.4
F	126.9	128.6	123.4	131.0	125.2	120.4	114.0
IRL	59.1	58.5	57.4	53.3	57.4	67.1	65.5
I	75.2	80.7	87.1	77.2	81.5	94.4	102.2
L	158.0	133.8	142.7	132.6	126.7	119.7	127.5
NL	97.0	102.0	112.2	128.4	121.6	110.4	100.9
P	28.0	27.6	32.2	34.1	27.4	27.0	33.1
UK	131.1	116.0	97.0	83.9	96.9	102.3	93.2

Table 2: Per capita GDP (Index 100-1990)

	1960	1965	1970	1975	1980	1985	1990
	a) <u>in purchasing power parities</u>						
Austria	38.5	45.7	57.6	68.8	81.4	86.8	100.0
EC	43.2	52.7	64.0	71.6	82.0	87.2	100.0
	b) <u>in constant ecus (1985)</u>						
Austria	38.5	45.7	57.6	68.8	81.4	86.8	100.0
EC	43.8	53.2	64.4	71.8	82.2	87.3	100.0

Table 3 - Classification of the Community's main trading partners (%)

	IMPORTS										EXPORTS									
	1987		1988		1989		1990		1987		1988		1989		1990					
Extra-EC	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100				
United States	16.5	17.6	18.7	18.5	18.7	18.7	18.5	18.5	21.2	19.8	19.8	18.9	18.9	18.4	18.4	18.4				
Japan	10.2	10.7	10.4	10.0	10.4	10.4	10.0	10.0	9.7	9.9	9.9	9.7	9.7	9.9	9.9	9.9				
Switzerland	7.9	7.6	7.2	7.4	7.2	7.2	7.4	7.4	5.9	6.2	6.2	6.1	6.1	6.5	6.5	6.5				
Sweden	5.9	5.7	5.7	5.5	5.7	5.7	5.5	5.5	6.0	5.8	5.8	5.8	5.8	5.8	5.8	5.8				
Austria	4.5	4.4	4.3	4.5	4.3	4.3	4.5	4.5	4.0	4.7	4.7	5.1	5.1	5.5	5.5	5.5				
Norway	3.6	3.2	3.4	3.6	3.4	3.4	3.6	3.6	2.7	2.8	2.8	3.1	3.1	2.7	2.7	2.7				
USSR	3.9	3.4	3.4	3.5	3.4	3.4	3.5	3.5	2.7	2.8	2.8	2.6	2.6	2.2	2.2	2.2				
China	1.50	1.8	2.0	2.3	2.0	2.0	2.3	2.3	2.8	2.3	2.3	2.1	2.1	2.2	2.2	2.2				
Finland	2.3	2.3	2.2	2.3	2.2	2.2	2.3	2.3	2.1	2.1	2.1	2.3	2.3	2.2	2.2	2.2				
Canada	2.0	2.2	2.2	2.2	2.2	2.2	2.2	2.2	1.6	1.6	1.6	1.7	1.7	2.0	2.0	2.0				
EFTA	24.3	23.3	23.0	23.5	23.0	23.0	23.5	23.5	26.6	26.6	26.6	26.1	26.1	26.8	26.8	26.8				
Medit.	8.6	7.8	8.3	9.2	8.3	8.3	9.2	9.2	10.1	9.8	9.8	9.8	9.8	11.0	11.0	11.0				
C. & E. Eur.	3.3	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.0	2.9	2.9	3.3	3.3	3.1	3.1	3.1				
Lat. Am.	5.7	6.0	5.9	5.6	5.9	5.9	5.6	5.6	4.0	3.8	3.8	3.8	3.8	3.8	3.8	3.8				
OPEC	10.3	8.2	9.1	9.7	9.1	9.1	9.7	9.7	8.7	8.6	8.6	8.5	8.5	8.5	8.5	8.5				
ASEAN	3.0	3.1	3.4	3.6	3.4	3.4	3.6	3.6	2.7	2.9	2.9	3.4	3.4	3.9	3.9	3.9				
4 Asian	6.0	6.4	6.0	5.7	6.0	6.0	5.7	5.7	4.4	5.4	5.4	5.6	5.6	5.6	5.6	5.6				
NICS																				

Source : EUROSTAT.
Central and Eastern Europe: not including USSR.

TABLE 4 - Breakdown by Member States of Community trade with Austria (%)

	I M P O R T S				E X P O R T S			
	1987	1988	1989	1990	1987	1988	1989	1990
COMMUNITY (EUR 12)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
GERMANY	55.0	54.4	53.9	56.1	68.3	68.3	67.5	66.7
BELGIUM/LUXEMBOURG	3.6	3.6	3.6	3.3	3.4	3.6	3.7	4.1
DENMARK	1.8	1.6	1.5	1.4	1.0	0.9	0.9	1.0
SPAIN	2.2	2.6	2.9	2.8	0.9	1.0	0.9	1.1
FRANCE	7.2	7.6	7.5	7.9	5.1	5.4	5.6	5.5
GREECE	1.0	0.8	1.1	1.0	0.3	0.3	0.4	0.3
IRELAND	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
ITALY	16.4	16.6	16.8	15.6	12.6	11.9	12.2	12.1
NETHERLANDS	4.3	3.9	4.3	4.3	4.4	4.4	4.4	4.6
PORTUGAL	0.6	0.6	0.7	0.7	0.4	0.4	0.5	0.5
UNITED KINGDOM	7.6	8.0	7.5	6.6	3.2	3.4	3.4	3.5

SOURCE : EUROSTAT

Table 5 - Pattern of Community trade

	I M P O R T S						E X P O R T S				
	1987		1988		1989		1989		1990	Average annual growth rate (%)	
	1987	1988	1987	1988	1989	1989	1989	1989	1990	Average annual growth rate (%)	
EXTRA-EC (EUR 12)	340.1	307.5	446.7	461.5	461.5	10.7	339.3	362.8	413.0	415.3	6.9
EFTA	82.7	90.5	102.6	108.5	108.5	9.5	90.3	96.4	108.0	111.2	7.2
AUSTRIA	15.2	16.9	19.1	20.9	20.9	11.2	20.1	22.5	25.3	26.9	10.2
FINLAND	7.9	9.0	9.9	10.4	10.4	9.8	7.0	7.8	9.4	9.2	9.3
ICELAND	0.7	0.7	0.8	0.9	0.9	9.0	0.7	0.6	0.6	0.6	-2.4
NORWAY	12.1	12.5	15.4	16.5	16.5	10.8	9.5	8.5	8.6	9.3	-0.8
SWEDEN	20.1	21.9	25.4	25.4	25.4	8.2	20.2	21.1	24.1	23.9	5.8
SWITZERLAND	26.7	29.4	32.0	34.3	34.3	8.7	32.8	35.9	40.1	41.3	8.0
UNITED STATES	56.2	68.3	83.7	85.2	85.2	14.8	71.9	71.8	78.0	76.5	2.1
JAPAN	34.8	41.6	46.3	46.2	46.2	9.9	13.6	17.0	21.1	22.7	18.6
USSR (1)	13.1	13.0	15.2	16.2	16.2	7.0	9.2	10.1	12.6	11.2	6.7
CHINA	5.2	7.0	9.1	10.6	10.6	26.4	5.5	5.8	6.4	5.3	-1.6
MEDITERRANEAN	29.3	30.2	37.2	42.3	42.3	12.8	34.2	35.4	40.7	45.6	10.0
CENTRAL AND EASTERN EUROPE	11.4	11.9	13.8	14.2	14.2	7.7	10.0	10.6	13.3	13.0	9.1
LATIN AMERICA	19.6	23.4	26.5	25.6	25.6	9.3	13.9	13.7	15.7	15.6	3.9
OPEC	35.0	31.8	40.8	45.0	45.0	8.4	29.6	31.2	35.0	35.4	6.1
ASEAN	10.0	12.2	15.2	16.7	16.7	18.6	8.9	10.7	14.1	16.1	21.7
4 ASIAN NICs	20.5	24.6	26.7	26.3	26.3	8.7	15.1	19.7	22.9	23.3	15.6

SOURCE : EUROSTAT

(1) NOT INCLUDING USSR.

(2) 4 ASIAN NEWLY INDUSTRIALIZING COUNTRIES: SOUTH KOREA, HONG KONG, SINGAPORE, TAIWAN.

Table 6 - Structure by product group of Community trade with Austria (%)

	I M P O R T S				E X P O R T S			
	1987	1988	1989	1990	1987	1988	1989	1990
All products	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Primary products	14.3	14.3	14.3	12.9	11.4	11.4	11.4	10.8
Agricultural products	6.5	6.5	6.6	6.2	6.1	5.9	5.7	5.7
Fuel	2.5	1.8	1.5	1.4	1.9	1.4	1.4	1.5
Non-ferrous metals	2.6	3.2	3.6	3.1	2.2	2.6	3.0	2.5
Other primary products	2.8	2.8	2.6	2.2	1.2	1.5	1.3	1.2
Manufactures	82.6	83.3	83.5	85.2	85.4	86.0	85.9	86.6
Chemicals	7.1	8.3	8.1	7.5	10.3	10.3	10.0	10.0
Machinery	22.0	22.3	23.5	24.8	24.1	24.7	24.7	24.8
Transport equipment	10.6	10.7	9.9	11.3	13.6	14.5	14.3	15.3
Private cars	0.8	0.6	0.6	1.4	6.4	7.0	7.1	7.4
Paper and similar	6.7	7.0	7.0	6.8	1.8	1.8	1.9	2.0
Iron and steel	6.5	6.5	6.7	6.3	2.8	3.0	3.3	3.2
Textiles	5.5	5.3	5.3	5.2	4.6	4.2	4.1	4.1
Clothing	3.7	3.4	3.0	2.9	5.6	5.3	5.1	5.1
Other manufactures	20.0	19.9	20.0	20.3	22.4	22.1	22.4	22.3
Products not classified	3.1	2.4	2.2	1.9	3.2	2.6	2.7	2.6

SOURCE : EUROSTAT

Table 7 - Structure by product group of Community trade with all non-Community countries (%)

	I M P O R T S				E X P O R T S			
	1987	1988	1989	1990	1987	1988	1989	1990
All products	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Primary products	38.0	33.8	34.8	34.0	13.6	13.4	13.7	13.7
Agricultural products	14.9	14.1	12.9	12.1	8.4	8.4	8.7	8.5
Fuel	16.5	12.2	13.9	15.2	2.8	2.3	2.3	2.7
Non-ferrous metals	2.4	3.1	3.4	2.9	1.4	1.5	1.6	1.4
Other primary products	4.2	4.4	4.6	3.8	1.0	1.2	1.1	1.1
Manufactures	56.0	59.0	59.9	60.8	79.9	80.9	80.5	81.5
Chemicals	6.4	6.5	6.6	6.5	11.2	12.1	11.5	11.5
Machinery	18.7	20.1	20.0	20.2	24.7	24.5	24.7	25.9
Transport equipment	6.5	7.4	8.0	8.3	13.7	13.9	13.6	13.9
Private cars	2.3	2.3	2.2	2.4	6.4	5.5	5.3	5.4
Paper and similar	2.7	2.9	2.8	2.8	1.1	1.2	1.2	1.2
Iron and steel	1.8	2.0	2.2	2.0	4.1	4.1	4.1	3.4
Textiles	2.7	2.5	2.4	2.5	3.1	3.0	3.0	3.1
Clothing	4.3	4.1	4.0	4.5	2.5	2.4	2.5	2.6
Other manufactures	12.9	13.6	13.9	14.0	18.9	19.1	19.4	19.3
Products not classified	6.0	7.2	5.3	5.2	6.5	5.8	5.8	5.0

SOURCE : EUROSTAT

Table 8 - Pattern of Austria's trade

ECU billion

	I M P O R T S			E X P O R T S		
	1987	1988	1989	1987	1988	1989
WORLD	28.3	31.0	35.3	39.3	11.5	11.8
EUR 12	19.3	21.1	23.9	27.0	11.9	12.9
EFTA	2.2	2.3	2.5	2.8	8.5	8.5
FINLAND	0.2	0.2	0.3	0.3	8.3	10.3
ICELAND	0.0	0.0	0.0	0.0	49.3	-2.7
NORWAY	0.2	0.1	0.1	0.1	-6.7	-5.4
SWEDEN	0.5	0.6	0.6	0.7	11.3	9.5
SWITZERLAND	1.3	1.4	1.5	1.7	7.8	9.4
UNITED STATES	1.0	1.1	1.3	1.4	13.4	8.0
JAPAN	1.2	1.6	1.7	1.8	13.1	24.2
USSR	0.6	0.6	0.6	0.7	7.4	6.8
CHINA	0.1	0.1	0.2	0.3	44.5	12.7
MEDITERRANEAN	0.8	0.8	1.1	1.4	18.8	12.1
CENTRAL AND EASTERN EUROPE (1)	1.3	1.4	1.5	1.5	4.1	6.0
HUNGARY	0.4	0.4	0.5	0.6	13.3	17.5
CZECHOSLOVAKIA	0.4	0.4	0.5	0.5	3.6	31.1
POLAND	0.3	0.3	0.3	0.4	8.6	14.6
LATIN AMERICA	0.4	0.4	0.4	0.4	0.9	-0.5
OPEC	0.6	0.5	0.6	0.8	11.2	9.8
ASEAN	0.2	0.2	0.3	0.4	26.7	26.7
4 ASIAN NICs (2)	0.6	0.8	-0.8	0.9	14.6	0.4

SOURCE : UNITED NATIONS

(1) NOT INCLUDING USSR.

(2) 4 ASIAN NEWLY INDUSTRIALIZING COUNTRIES: SOUTH KOREA, HONG KONG, SINGAPORE, TAIWAN.

Table 9 - Classification of Austria's main trading partners (%)

	IMPORTS					EXPORTS			
	1987	1988	1989	1990		1987	1988	1989	1990
WORLD	100.0	100.0	100.0	100.0	WORLD	100.0	100.0	100.0	100.0
Community (EUR 12)	68.0	68.1	67.9	68.6	Community (EUR 12)	63.4	63.8	63.8	65.2
Germany	44.2	44.5	43.6	44.0	Germany	34.8	35.0	34.5	37.4
Italy	9.4	8.9	9.0	9.1	Italy	10.4	10.4	10.5	9.8
France	4.0	3.9	4.4	4.2	France	4.5	4.6	4.7	4.7
Belgium-Luxembourg	2.4	2.7	2.7	2.9	United Kingdom	4.6	4.7	4.5	3.9
Netherlands	2.8	2.8	2.7	2.8	Netherlands	2.7	2.6	3.0	2.9
United Kingdom	2.4	2.5	2.5	2.6	Belgium-Luxembourg	2.4	2.4	2.3	2.2
Spain	0.9	0.9	0.8	1.0	Spain	1.8	1.9	2.2	2.2
Denmark	0.7	0.7	0.7	0.7	Denmark	1.1	1.0	0.9	0.9
Portugal	0.5	0.5	0.6	0.6	Greece	0.5	0.6	0.6	0.6
Ireland	0.3	0.3	0.4	0.4	Portugal	0.4	0.4	0.4	0.4
Greece	0.4	0.4	0.4	0.4	Ireland	0.2	0.1	0.2	0.2
Other countries					Other countries				
Japan	4.3	5.1	4.9	4.5	Switzerland	7.4	7.2	7.3	6.9
Switzerland	4.7	4.4	4.1	4.3	United States	3.6	3.5	3.5	3.2
United States	3.5	3.4	3.6	3.6	Yugoslavia	2.0	2.0	2.1	2.7
USSR	2.1	1.9	1.6	1.8	Hungary	1.9	1.8	2.0	2.2
Sweden	1.7	1.8	1.8	1.7	USSR	2.5	2.9	2.7	2.2
Hungary	1.5	1.4	1.5	1.6	Czechoslovakia	1.1	1.2	1.2	1.9
Czechoslovakia	1.4	1.3	1.3	1.2	Sweden	1.9	2.0	1.9	1.8
Yugoslavia	0.9	1.0	1.2	1.2	Japan	1.2	1.3	1.4	1.6
Poland	1.0	0.9	0.8	0.9	Poland	0.9	1.0	1.2	0.9
Taiwan	0.7	0.8	0.8	0.9	Ex-GDR	1.7	1.5	1.3	
EFTA	7.8	7.4	7.1	7.7	EFTA	11.1	10.7	10.7	10.6
Mediterranean	2.9	2.7	3.2	3.5	Mediterranean	4.4	4.4	4.0	4.5
Centr. & East.					Centr. & East.				
Europe (1)	4.7	4.4	4.4	3.9	Europe (1)	6.5	6.3	6.4	5.6
Lat. America	1.3	1.3	1.2	1.0	Lat. America	0.9	0.7	0.6	0.6
OPEC	2.1	1.6	1.8	2.1	OPEC	2.9	3.0	2.6	2.7
ASEAN	0.6	0.8	0.9	0.9	ASEAN	0.7	0.6	0.7	1.0
4 Asian					4 Asian				
NCIs (2)	2.0	2.5	2.4	2.2	NCIs (2)	1.0	1.0	1.3	1.2

SOURCE: UNITED NATIONS

(1) Not including USSR.

(2) 4 Asian newly industrializing countries: South Korea, Hong Kong, Singapore, Taiwan.

Table 10 - Breakdown by product group of the Community's share of Austria's foreign trade (%)

	I M P O R T S				E X P O R T S			
	1987	1988	1989	1990	1987	1988	1989	1990
All products	68.0	68.1	67.9	68.6	63.4	63.8	63.8	65.2
Primary products	39.1	42.7	42.8	43.2	69.1	71.4	69.6	69.1
Agricultural products	50.3	50.8	51.7	54.6	67.7	67.9	65.4	63.7
Fuel	16.5	20.4	19.5	19.2	62.3	76.4	68.8	73.9
Non-ferrous metals	75.7	72.6	74.0	75.0	77.6	78.2	79.5	81.1
Other primary products	36.4	37.5	36.0	40.4	69.4	70.0	70.1	69.5
Manufactures	75.5	74.2	73.9	74.4	62.5	62.7	63.0	64.8
Chemicals	77.2	76.3	75.5	77.5	55.4	56.1	56.1	58.5
Machinery	72.0	69.5	68.7	68.7	61.9	62.9	63.4	63.9
Transport equipment	76.5	76.2	76.7	78.2	78.7	74.7	74.9	76.3
Private cars	73.8	71.7	74.6	77.6	64.3	74.8	70.9	70.7
Paper and similar	69.9	70.0	70.6	71.3	70.6	70.0	70.0	71.1
Iron and steel	76.8	75.6	73.5	79.3	57.6	54.9	56.4	61.5
Textiles	71.3	71.2	72.6	73.4	67.3	69.0	68.4	72.4
Clothing	77.4	74.9	74.8	72.6	69.5	71.2	69.1	68.0
Other manufactures	79.2	78.5	78.2	78.1	57.4	58.3	58.5	59.8
Products not classified	34.1	48.5	53.9	41.2	64.3	48.5	22.7	21.8

SOURCE : UNITED NATIONS

Table 11 - Geographical breakdown of Austria's trade balance

ECU million

	1987	1988	1989	1990
WORLD	-4,767.0	-4,690.2	-5,828.7	-6,384.6
EUR 12	-4,330.3	-4,316.5	-5,149.9	-5,508.8
EFTA	406.3	542.3	629.5	564.0
FINLAND	-22.3	4.6	-37.4	-13.6
ICELAND	8.4	5.0	6.2	3.8
NORWAY	47.5	49.8	30.1	45.6
SWEDEN	-38.6	-39.8	-55.3	-84.6
SWITZERLAND	411.3	522.9	685.9	612.8
UNITED STATES	-141.7	-125.8	-249.9	-373.1
JAPAN	-959.2	-1,243.7	-1,317.3	-1,258.0
USSR	0.2	164.1	202.4	-12.3
CHINA	47.1	3.6	-45.0	-82.9
MEDITERRANEAN	232.5	325.5	33.5	110.2
CENTR. & EAST. EUROPE (1)	92.0	123.4	211.9	265.9
HUNGARY	30.7	31.5	57.5	122.4
CZECHOSLOVAKIA	-136.2	-93.1	-118.2	157.4
POLAND	-70.8	-35.3	60.9	-45.3
LATIN AMERICA	-172.7	-228.2	-251.1	-182.7
OPEC	76.6	289.4	131.0	69.3
ASEAN	-19.0	-80.1	-103.4	-40.4
4 ASIAN NICs	-353.2	-511.9	-443.1	-473.4

SOURCE : UNITED NATIONS

(1) NOT INCLUDING USSR.

(2) 4 ASIAN NEWLY INDUSTRIALIZING COUNTRIES: SOUTH KOREA, HONG KONG, SINGAPORE, TAIWAN.

Table 12 - Breakdown by product group of Austria's trade balance

	1987	1988	1989	1990
All products	-4,767.0	-4,690.2	-5,828.7	-6,384.6
Primary products	-2,765.0	-2,613.3	-2,954.9	-3,288.7
Agricultural products	-906.5	-825.4	-694.4	-687.5
Fuel	-1,621.9	-1,416.7	-1,639.1	-2,149.5
Non-ferrous metals	-45.3	-107.0	-172.0	-146.7
Other primary products	-191.4	-264.1	-449.4	-305.1
Manufactures	-1,979.9	-2,041.7	-2,892.2	-3,076.7
Chemicals	-801.0	-677.8	-820.2	-1,068.2
Machinery	-581.3	-763.1	-989.2	-686.3
Transport equipment	-1,379.9	-1,622.9	-1,961.2	-1,873.0
Private cars	-1,401.9	-1,931.6	-2,232.1	-2,283.3
Paper and similar	850.2	1,049.3	1,153.9	1,182.9
Iron and steel	999.1	1,073.3	1,086.2	990.2
Textiles	-35.6	4.3	49.9	57.8
Clothing	-653.0	-651.4	-735.3	-926.1
Other manufactures	-355.1	-415.4	-626.2	-695.5
Products not classified	-22.1	-35.2	18.5	-19.2

SOURCE : UNITED NATIONS

TABLE 13

Austria's imports from the countries of Central and Eastern Europe (1)

Trading partner	1987			1988			1989		
	öS '000	% ⁽²⁾	% change	öS '000	%	% change	öS '000	%	% change
Albania	70.348	0,0	- 28,7	109.075	0,0	+ 55,1	133.848	0,0	+22,7
Bulgaria	1.928.974	0,6	- 20,6	2.423.895	0,6	+ 25,7	2.504.044	0,6	-15,3
Czechoslovakia	3.935.628	1,1	- 1,4	4.669.960	1,2	+ 19,2	6.010.347	1,2	- 6,8
Poland	2.985.816	0,9	- 13,0	3.721.829	1,0	+ 24,7	5.238.218	1,2	+40,7
Romania	899.410	0,3	- 10,0	610.620	0,1	- 43,2	511.827	0,1	+ 0,2
Hungary	6.623.972	1,9	- 15,1	6.824.834	1,8	+ 3,0	8.676.429	2,0	+27,1
USSR	8.503.131	2,5	- 18,9	11.022.194	2,9	+ 29,6	11.473.408	2,7	+ 4,1
Yugoslavia	8.780.841	2,0	- 11,6	7.787.220	2,0	+ 14,8	9.201.114	2,1	+ 4,1
Total	37.180.980	9,3	- 7,1	37.179.627	9,6	+ 12,9	32.629.338	8,1	+11,9

(1) Not including USSR and Albania.

(2) Percentage of Austria's total imports.

Austria's exports to the countries of Central and Eastern Europe (1)

Trading partner	1987			1988			1989		
	öS '000	(2)	% change	öS '000	%	% change	öS '000	%	% change
Albania	122.444	0,0	+ 49,7	193.768	0,0	+ 68,3	91.932	0,0	-52,8
Bulgaria	356.977	0,1	- 17,6	356.438	0,1	- 0,2	484.369	0,1	+35,8
Czechoslovakia	5.917.707	1,4	- 9,5	6.049.162	1,3	+ 2,2	6.734.969	1,3	+11,3
Poland	4.017.113	1,0	- 7,5	4.237.395	0,9	+ 5,5	4.360.849	0,9	+ 2,7
Romania	88.320	0,2	- 18,8	841.634	0,2	- 6,0	898.235	0,2	+ 6,7
Hungary	6.178.068	1,5	- 7,1	6.367.064	1,4	+ 3,1	7.839.370	1,6	+23,1
USSR	8.601.360	2,1	- 32,0	8.633.140	1,9	+ 1,8	0.522.314	1,7	- 1,3
Yugoslavia	3.928.866	1,0	- 1,2	4.881.381	1,0	+ 19,2	6.001.163	1,2	+28,2
Total	29.110.935	7,3	- 9,3	31.560.772	6,8	+ 4,1	34.922.981	6,9	+10,6

(1) Not including USSR and Albania.

(2) Percentage of Austria's total imports.

TABLE 15

Austria's foreign trade with the countries of Central and Eastern Europe
in 1990 (1)

TRADING PARTNER	Austria's imports		Austria's exports	
	1990		1990	
	öS '000	% change	öS '000	% change
Albania	148.242	+ 61,3	136.978	+ 2,3
Bulgaria	553.747	+ 14,3	1.390.620	- 32,3
Czechoslovakia	6.407.901	- 4,9	8.643.211	+ 72,5
Poland	5.011.192	+ 15,2	4.373.195	- 16,5
Romania	561.555	- 37,5	1.016.664	+ 98,6
Hungary	8.736.326	+ 11,4	10.476.984	+ 20,8
USSR	10.242.217	+ 20,2	10.075.539	- 12,2
Yugoslavia	6.424.265	+ 7,1	12.416.905	+ 35,0
TOTAL	38.085.445	+ 8,7	61.040.095	+ 13,2

Source:

Tables 1, 2 and 3: Statistics from the
Federal Chamber of Commerce, Vienna

(1) Not including USSR and Albania.

Table 16

AUSTRIA'S STEEL INDUSTRY (1)

'000 t

A. Basic data	1986	1989
Crude steel production	4300	4700
Production of finished ECSC products	3461	3732
Production of certain non-ECSC products (a)	514	707
Imports of ECSC products	688	1046
of which from: EEC	485	722
rest of Europe	183	304
USA	-	-
Exports of ECSC products	2076	2326
of which to: EEC	1282	1503
rest of Europe	634	711
USA	98	4
Apparent consumption of ECSC products	1985	2312

(a) Forged products and tubes.

% of Community total in 1989

B. Breakdown by Member States of trade in ECSC products		
	IMPORTS from Austria	EXPORTS to Austria
D	52,1	57,3
F	6,8	5,9
I	26,2	23,1
B/L	2,5	10,6
NL	2,9	0,4
UK	4,3	1,6
IRL	0	0
DK	2,9	0,7
GR	1,0	0
E	1,2	0,4
P	0,1	0

(1) Sources: Table A : Austrian Government
Table B : Community customs statistics

Table 17: AGRICULTURAL PRODUCTION (Average 1987-1989)

	In 1000 t	In % of EC prod.	Degree of self-sufficiency
CEREALS	5010	3.2	121
WHEAT	1458	2.1	169
SUGAR	359	2.7	111
POTATOES	907	2.2	99
WINE (1000 hl)	2756	1.6	76
BEEF	167	2.1	143
BUTTER	35.9	2.0	103
EGGS	97.2	2.0	90

Table 18: PROTECTION LEVEL OF AGRICULTURAL PRODUCTION

	Gross unit PSE (1) in ECU (2)					
	AUSTRIA			EC		
	1985	1988	1989	1985	1988	1989
wheat	71	154	114	76	53	42
coarse grains	62	94	99	72	56	57
sugar (refined equ.)	208	227	177	213	204	148
milk	147	164	142	178	173	152
beef and veal	1676	1842	2053	1589	1688	1708
pigmeat	-58	391	181	102	82	87
poultrymeat	133	599	796	278	425	291
eggs	158	529	607	-62	116	182

	Percentage PSE					
	AUSTRIA			EC		
	1985	1988	1989	1985	1988	1989
wheat	33	68	48	40	30	24
coarse grains	32	48	51	40	34	38
sugar (refined equ.)	74	74	70	76	71	57
milk	59	55	47	65	60	52
beef and veal	53	56	58	53	56	55
pigmeat	-4	24	11	6	8	5
poultrymeat	10	40	51	20	35	24
eggs	12	41	49	-6	12	17

(1) Net unit PSE for animal product.

(2) Exchange rates : 1985 = 100 ECU = 1564.280 S

1988 = 100 ECU = 1458.606 S

1989 = 100 ECU = 1456.945 S

Source: OECD

Table 19: EXTERNAL TRADE WITH AGRICULTURAL AND FOOD PRODUCTS

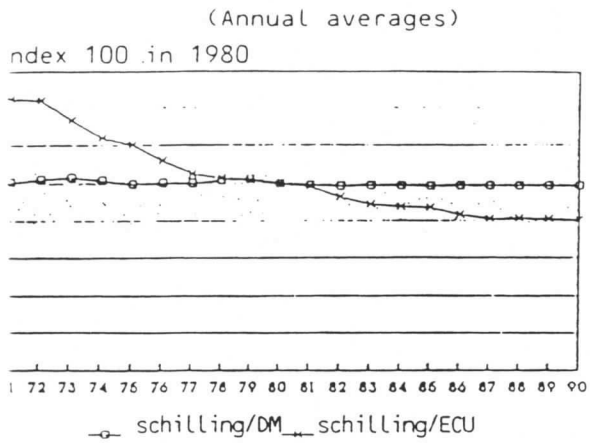
IN BILLION ECU (1)

From / To	IMPORTS			EXPORTS		
	1985	1988	1989	1985	1988	1989
Total	1.959	1.993	2.182	1.023	0.978	1.144
EC	0.903	1.099	1.197	0.375	0.529	0.581
in % of total	46.1	55.1	54.9	36.6	54.1	50.7
EFTA	0.094	0.088	0.100	0.092	0.113	0.124
in % of total	4.8	4.4	4.6	9.0	11.6	10.8
Eastern countries	0.208	0.194	0.227	0.174	0.154	0.222
in % of total	10.6	9.7	10.4	17.0	15.8	19.4

(1) Exchange rates : 1985 : 100 ECU = 1564.280 S
 1988 : 100 ECU = 1456.606 S
 1989 : 100 ECU = 1456.945 S

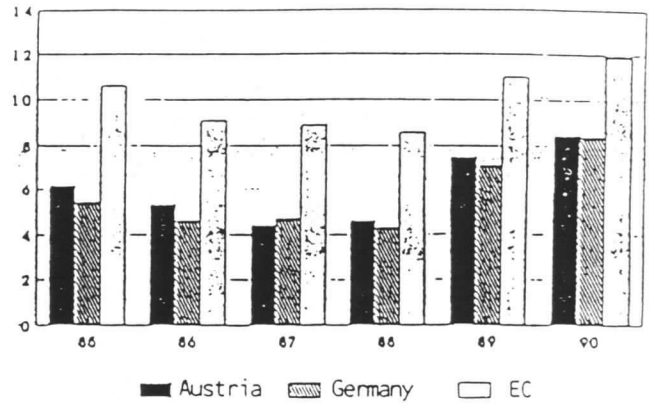
GRAPH 2

CHANGE RATE OF THE SCHILLING (ECU AND DM)



SHORT-TERM INTEREST RATES*

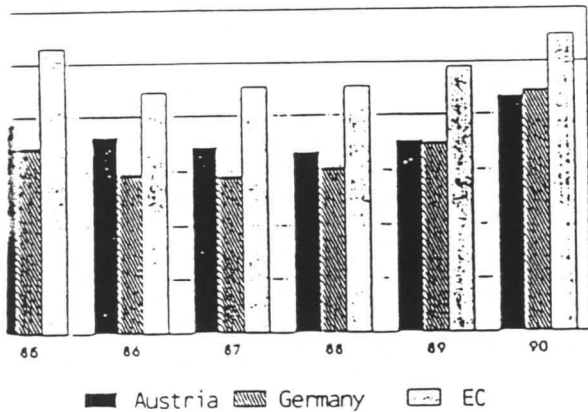
Austria, Germany, EC



* Annual averages

MINIMAL LONG-TERM INTEREST RATES*

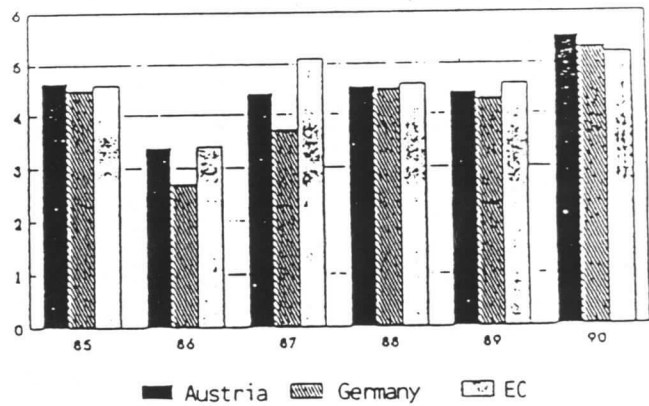
Austria, Germany, EC



* Annual averages

REAL LONG-TERM INTEREST RATES*

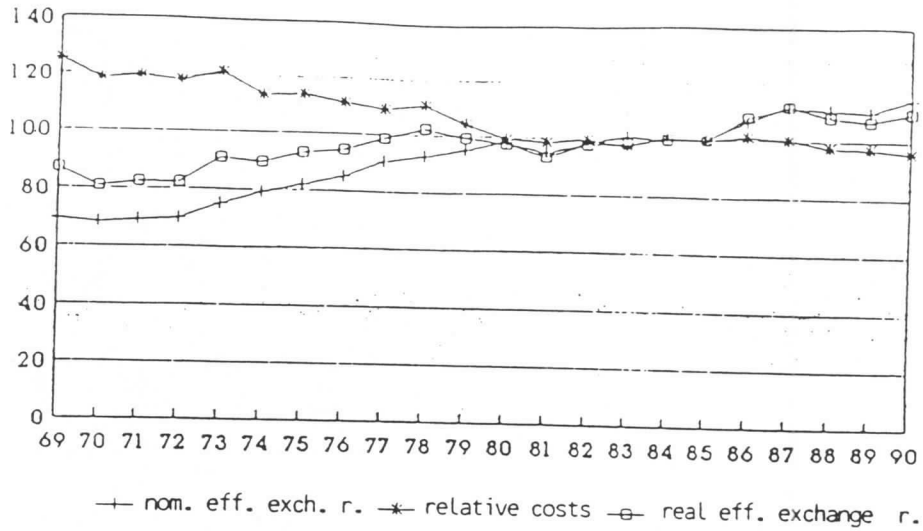
Austria, Germany, EC



* Annual averages calculated with the GDP deflator

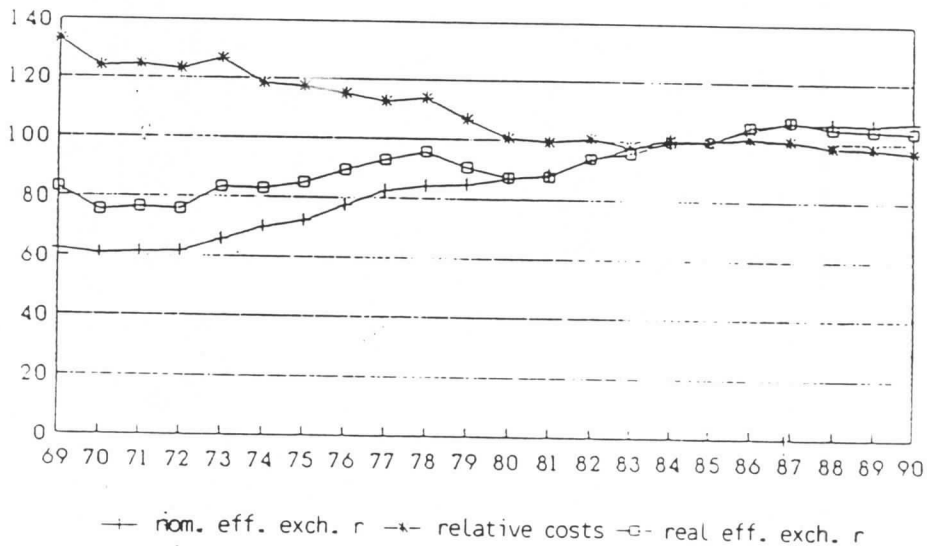
GRAPH 3

RELATIVE COSTS AND NOMINAL AND REAL EFFECTIVE EXCHANGE RATES* in relation to Austria's 19 industrialized trading partners



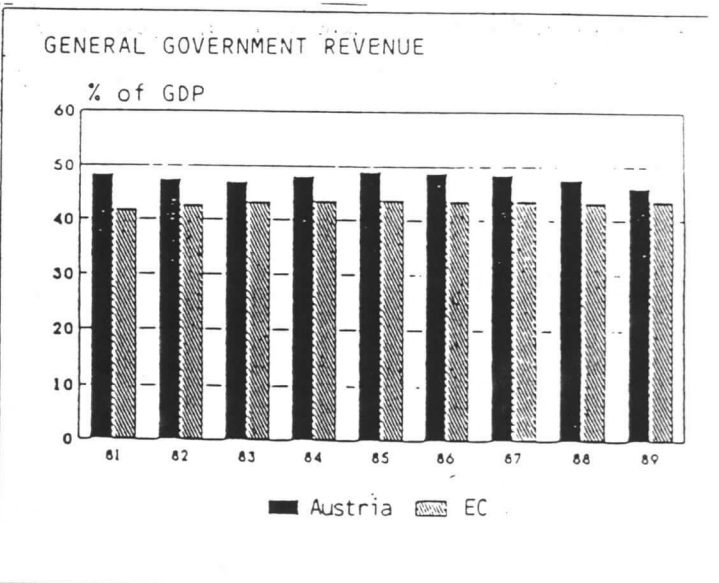
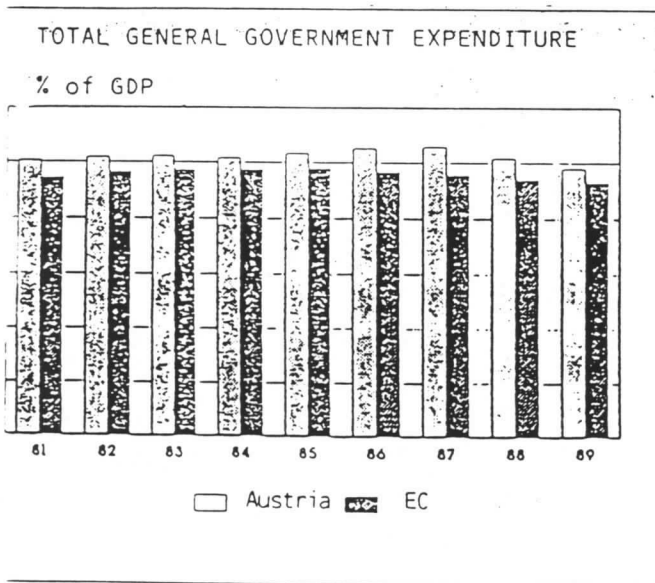
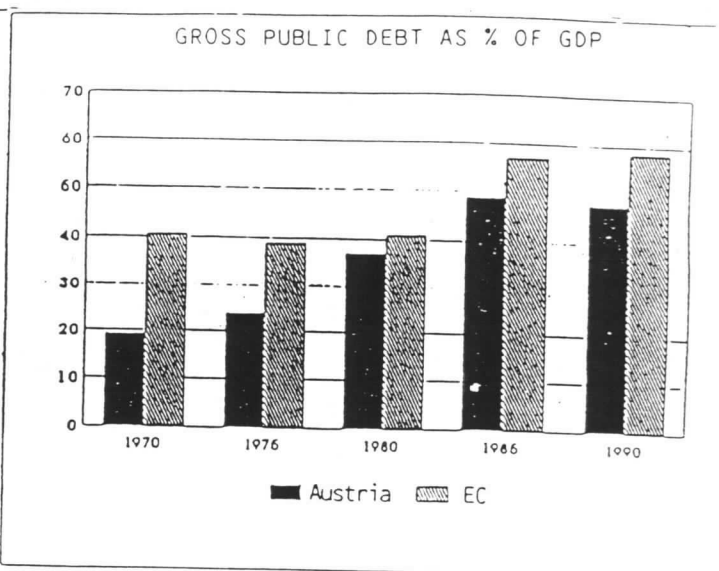
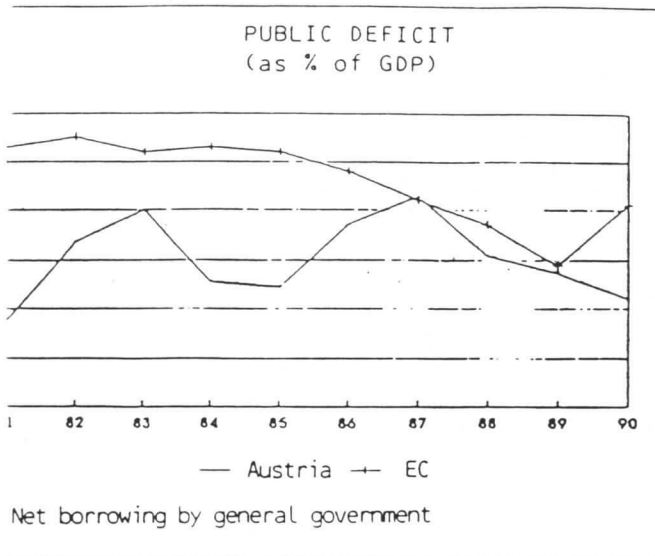
* on the basis of nominal unit wage costs throughout the economy (Index 100 in 1980).

RELATIVE COSTS AND NOMINAL AND REAL EFFECTIVE EXCHANGE RATES* in relation to the EMS countries

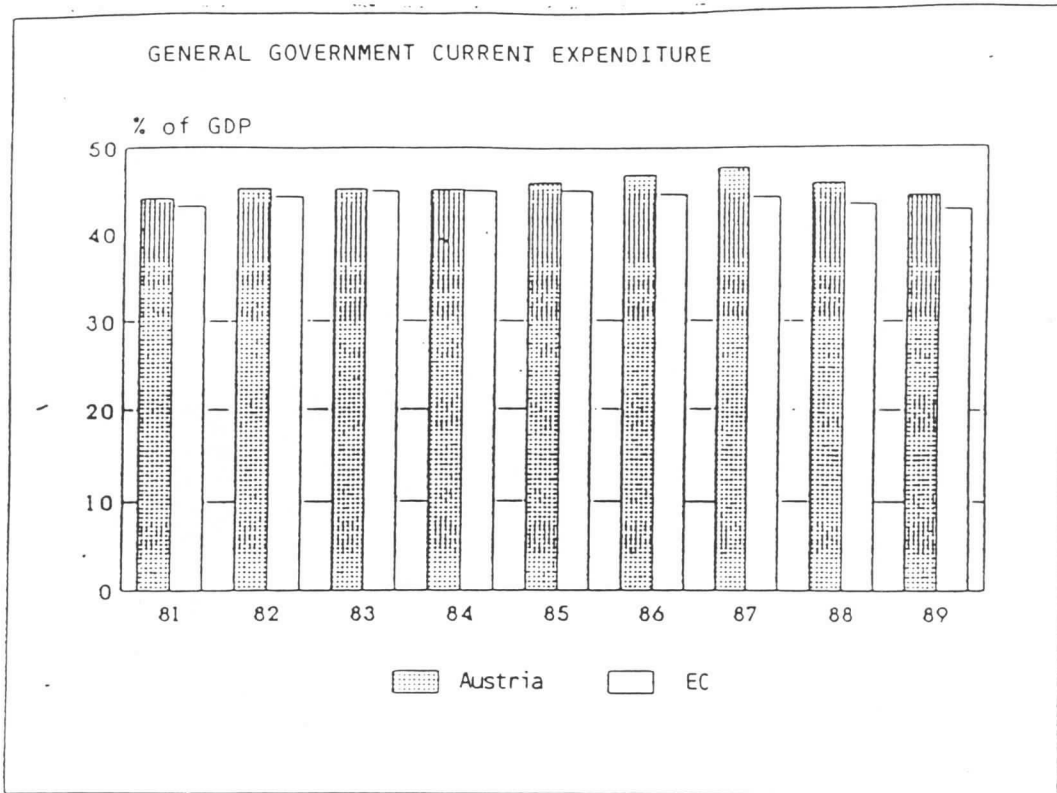


* on the basis of nominal unit wage costs throughout the economy (Index 100 in 1980)

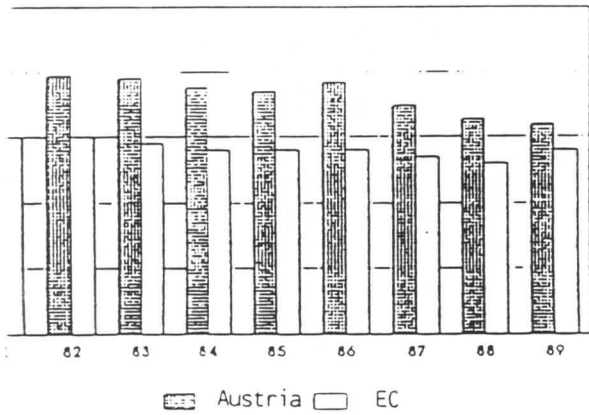
GRAPH 4



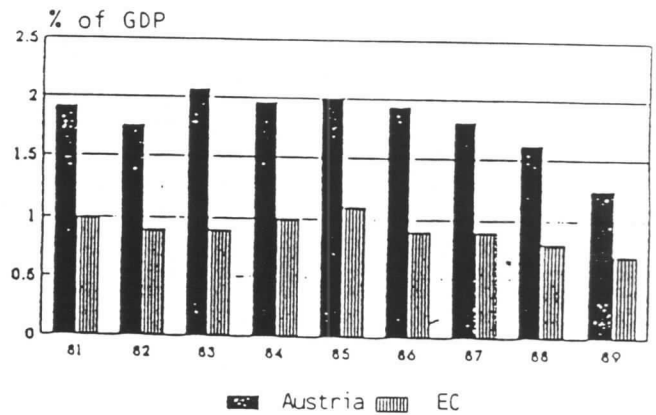
GRAPH 5



INVESTMENT BY GENERAL GOVERNMENT
of GDP

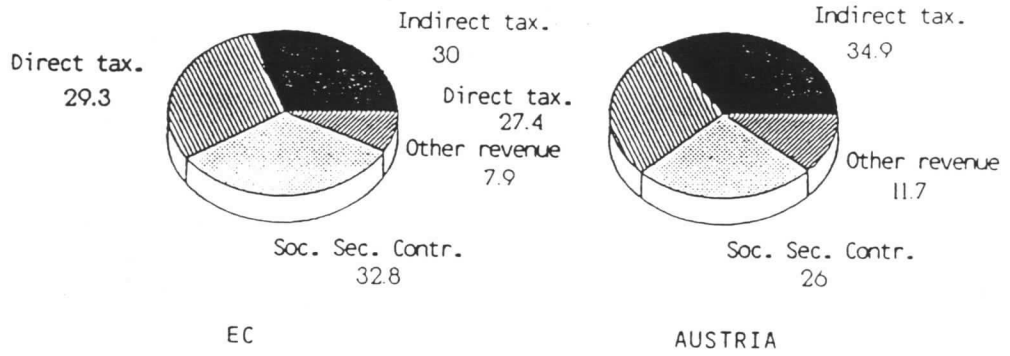


CAPITAL TRANSFERS BY GENERAL GOVERNMENT



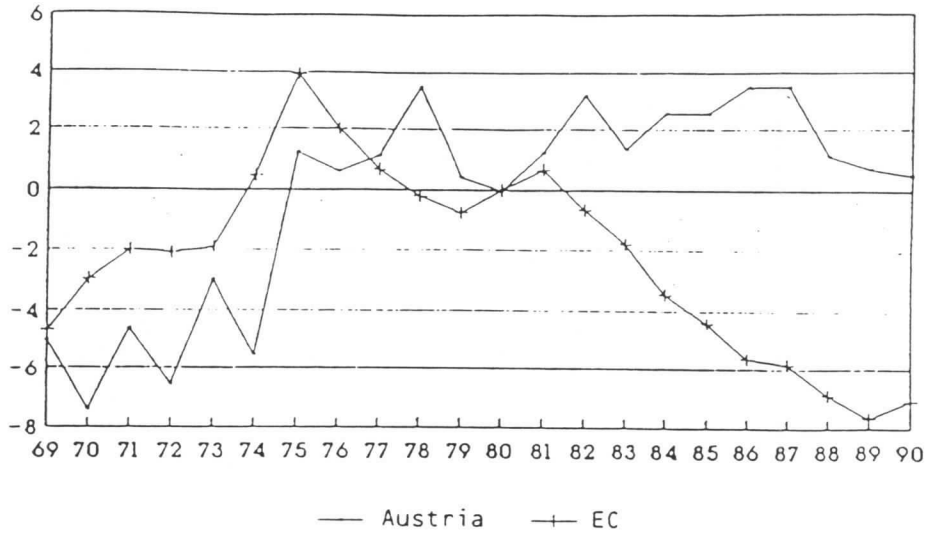
GRAPH 6

BREAKDOWN OF GENERAL GOVERNMENT REVENUE



GRAPH 7

REAL UNIT WAGE COSTS*
(Aggregate deviation compared with 1980)



* Real per capita compensation of employees divided by labour productivity