

## EU enlargement: Seizing opportunities – calling for reforms

The Austrian Federal Economic Chamber is firmly committed to EU enlargement policy. Austria was among the biggest winners of past rounds of enlargement – and will also benefit from future ones.

The ten current candidate countries – in the Western Balkans: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia, as well as Ukraine, the Republic of Moldova, Georgia and Turkey – are at very different stages of the EU accession process. Montenegro and Albania are on track to join within this decade; for other countries, a concrete timeframe is not yet in sight. Negotiations with Georgia and Turkey are currently on hold.

Austrian exports to the Western Balkans, Ukraine and Moldova rose sharply in value (2015–25)

**+100%**

Austria is a clear winner of enlargement  
(IHS Trade Monitor)

Internal market integration brings prosperity: GDP growth in new EU Member States following the 2004 enlargement

**+30%**

Per capita income  
(IMF, 2025)

FDI ranking:  
Austria recognised the region's potential early on

**TOP INVESTOR**

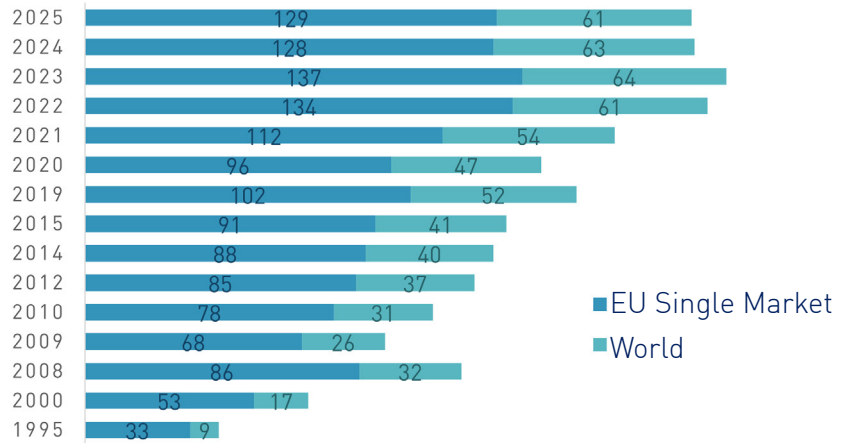
Western Balkans, Ukraine,  
Moldova  
(wiiw FDI database)

### Positive effects of enlargement

- As an export-oriented nation at the heart of Europe, Austria benefits disproportionately: exports to the EU-26 have almost quadrupled since EU accession, with a significant boost from the 2004 enlargement (Statistik Austria).
- Around 70% of Austrian foreign trade takes place within the EU - a larger market for goods and services directly strengthens Austria as a business location (Statistik Austria).
- An expanded single market reduces costs: the elimination of waiting times and checks within the Schengen area saves companies an estimated 2-5% of the value of goods.
- At the same time, the number of Austrian exporters has increased fivefold since 2000 (WPZ).

Austria's foreign trade with the EU single market and the world | in billions of euros

Source: Foreign Trade Statistics, Statistics Austria



**Geopolitics: Enlargement as a strategic national interest**

In light of geopolitical tensions and a decline in US engagement, EU enlargement is a security and economic imperative.

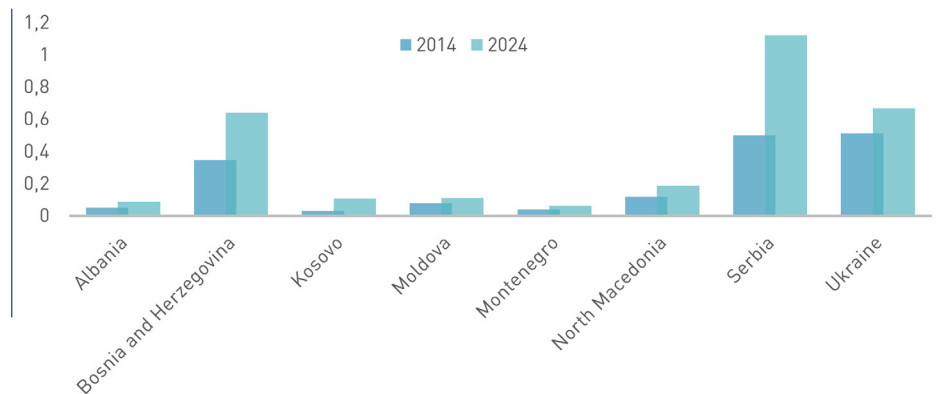
Eastern and South-Eastern Europe are becoming significantly more important for resilient, regional value chains. The deposits of critical raw materials in these regions are essential for the EU's ecological transition and strengthen the security of supply for European companies whilst reducing geopolitical risk.

**Economy: Significant trade and investment opportunities in the candidate countries**

To realise this potential, clear political decisions on EU enlargement are needed – it serves not only solidarity, but also our security and our economic interests.

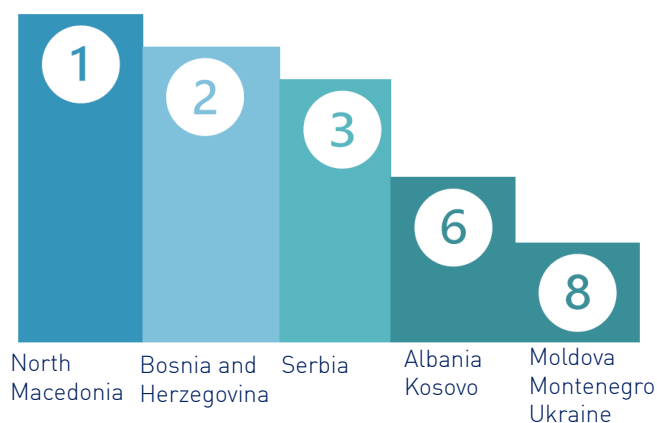
Austria's exports to the region are rising | in billion euros

Source: IHS Trademonitor



Austria among the top investors - FDI ranking

Source: wiiw FDI database



Austrian companies recognised the region's potential early on and are among the top investors in most of the enlargement countries.

Geographical proximity, stable supply chains, competitive tax rates, moderate labour costs and a skilled workforce help to reduce business risk.

As integration into the single market deepens, the operating environment continues to improve: investment risks are falling, barriers are being removed and market access costs are being reduced.

Given the growing global competition for the region, EU enlargement is therefore a strategic investment decision.

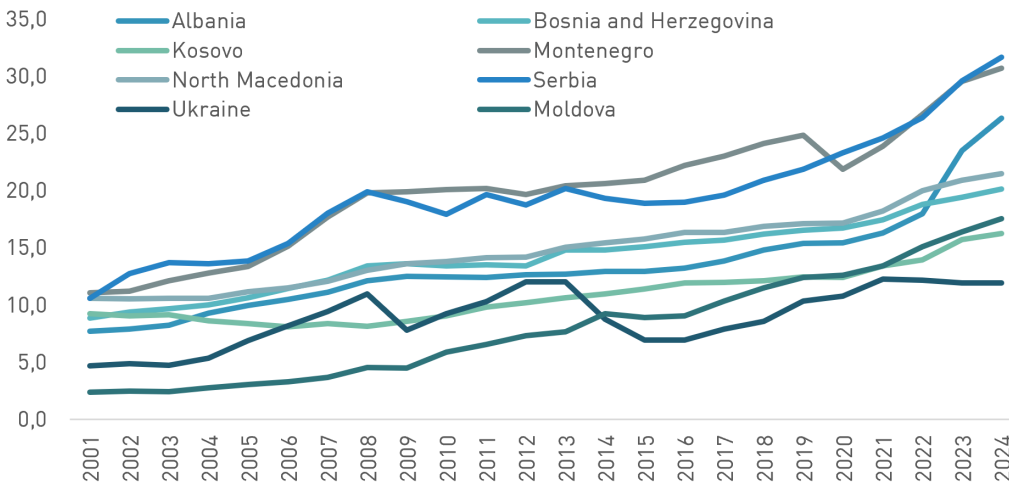
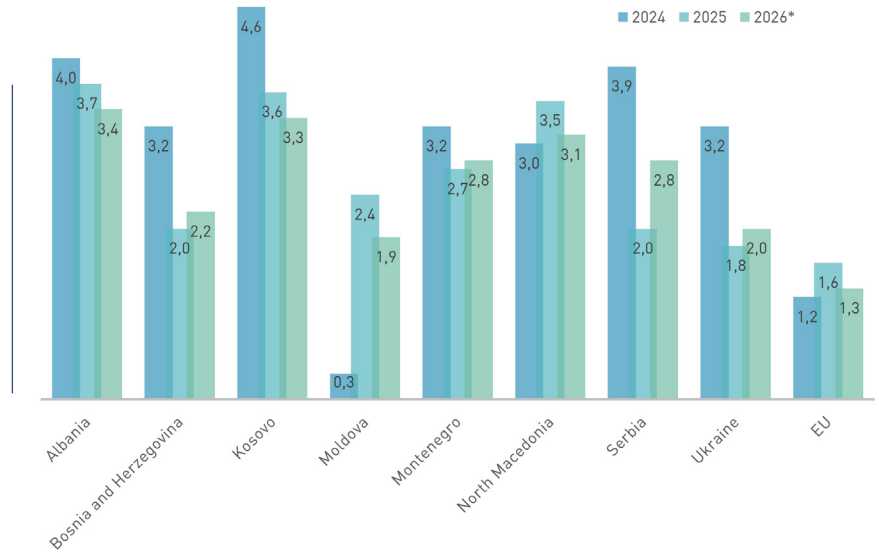
## Continuous economic catch-up process and great potential

The candidate countries are among the most dynamic growth regions in Europe. For two decades, they have been consistently converging with the EU average and have been growing faster than the EU as a whole for years. Growth is driven primarily by investment and private consumption. Labour productivity is rising at an above-average rate. The region offers attractive conditions for nearshoring: resilient supply chains, rising productivity, a skilled workforce and moderate labour costs, as well as geographical proximity – whilst reducing geopolitical dependencies.

GDP growth in the Western Balkan states, Ukraine and Moldova above the EU average

Real GDP growth, annual change in percentage

Source: IMF | Note: \*Forecast



Convergence of gross domestic product | as a percentage of the EU average  
Source: wiiw

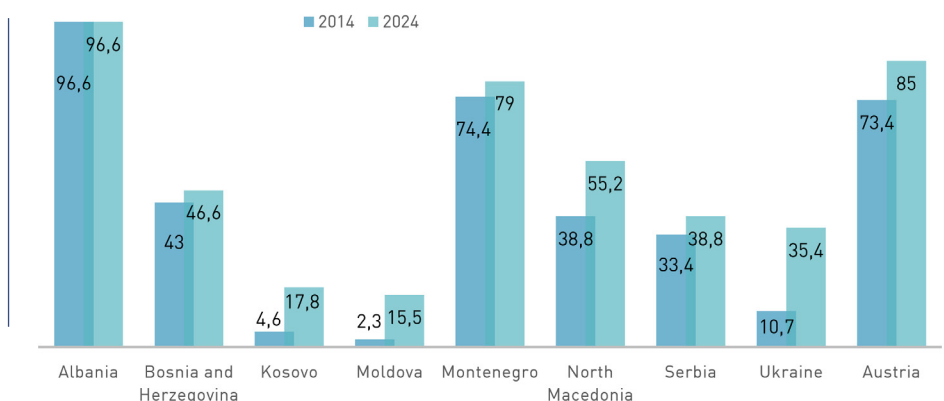
## This is where investment is particularly worthwhile

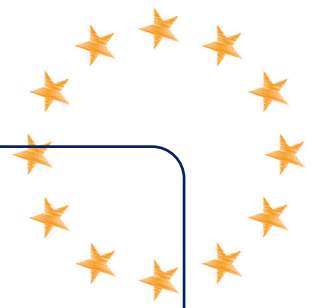
The accession candidates have considerable catching-up to do in key infrastructure sectors.

- Transport: Lower road and rail density, outdated infrastructure
- Digitalisation: Rapidly growing ICT service exports in the Western Balkans and a high need for reconstruction in Ukraine
- Renewable energy: Significant opportunities in wind energy, solar energy and hydro power, as well as in the modernisation of energy grids

Share of renewable energy in electricity generation capacity as a percentage of installed generation capacity

Source: IRENA





### **EU governance: less unanimity in EU decision-making**

- The unanimity principle is blocking the enlargement process and should be limited to key milestones, whilst qualified majority voting should be extended.
- The “one country, one Commissioner” principle must be retained: without a national Commissioner of their own, a key communication link to Brussels would be lost.

### **High standards of the rule of law for fair competition**

- The rule of law must be consistently guaranteed both before and after accession.
- A functioning rule of law is a prerequisite for fair competition in the EU single market.
- The most effective instrument remains linking EU budget funds to compliance with the principles of the rule of law.

### **EU Single Market: gradual opening as a catalyst**

- Even before full EU membership, the EU single market should be gradually opened up to candidate countries - as a bridge to accession. Sectoral access to the EU single market must be strictly linked to the adoption and implementation of EU law in order to ensure a level playing field.

**You can find even more expert advice, facts and background information online:**

[www.wko.at/oe/eu](http://www.wko.at/oe/eu)

**or by contacting the experts at the WKÖ:**

European Policy Department | +43 5 90 900 4315 | [eu@wko.at](mailto:eu@wko.at)



**Geopolitical analyses, facts, opportunities and challenges**

[www.wko.at/aussenwirtschaft/global-insights](http://www.wko.at/aussenwirtschaft/global-insights)

Imprint:

Publisher: Austrian Federal Economic Chamber, Wiedner Hauptstraße 63, 1045 Vienna, [wko.at](http://wko.at)

Responsible for content: European Policy Department, Head: Barbara Schennach, [eu@wko.at](mailto:eu@wko.at), Author: Lisa Rilasciati with support from the Economic Policy Department; Producer: Druck WKÖ Inhouse Service Center

The Austrian Federal Economic Chamber accepts no liability.

2026