

Transformation strategies for industrial regions in Upper Austria: Unions and Employers as shareholders of the Territorial Just Transition Fund.

Edited by industriAll Europe.

June 2024.

Upper Austria is the leading economic region in northern Austria, particularly renowned for its robust **automotive sector**. The region is undergoing significant transformations as it strives for climate neutrality. Remarkably, 43% of all employees in Upper Austria work in the automotive sector, 35% of primary energy consumption is attributed to companies in this sector, and they export 28% of their production outside of Austria. To increase energy efficiency, reduce consumption, and transition towards sustainable vehicle production, a coordinated effort led by Business Upper Austria is underway.

The region, which has already received €76 million and expects a total of €136 million from the Just Transition Fund of the European Commission, has established **the Upper Austrian Development Agency**. This agency is **responsible for fund allocation and project management for the transition, and collaborates closely with trade unions, which hold a 15% share in fund allocation through the Upper Austrian Chamber of Labour**. Additionally, 15% is allocated to the Upper Austrian Chamber of Commerce, 5% to the Confederation of Upper Austrian Industry, and 65% to the regional holding company of industries of Upper Austria (OÖ Landesholding GmbH).

One example of a project under this framework is the **Future Mobility Region initiative for the automotive sector**. This initiative aims to support local companies in their transformation processes by enhancing simulation, digital twin technologies, developing energy storage solutions, and promoting R&D in electrical devices. It also positions Upper Austria as a hub for sustainable vehicle solutions, boasting the necessary know-how, infrastructure, and highly trained specialists within a 50 km radius.

Another significant project is the Sustainable Plastics Solutions initiative, which focuses on increasing material circularity to meet the 2030 and 2040 EU Climate Targets. By 2040, the region aims to establish its own Hydrogen Valley, fostering research and integration of production, storage, distribution, and end-use applications of hydrogen, thereby laying the groundwork for scaling up the hydrogen economy.

Lastly, the economic capital of Upper Austria, Linz, plays a crucial role in achieving the country's climate targets. Linz, with its substantial **steel sector** responsible for around 87% of GHG emissions, is proactively seeking synergies between industries and public infrastructure to promote new energy solutions such as carbon capture technologies. Voestalpine AG, the main steel company in the region, plans to make its entire steel production CO2 neutral by 2050 by converting to green hydrogen.

The inclusive transformation process in Upper Austria, with the extended participation of trade unions, is crucial for safeguarding workers' rights and ensuring the principle of "leaving no one behind".

A presentation of Upper Austria's transformation plans follows. You can consult Linz's transition pathway [here](#). More information can be found in industriAll Europe's webnews [here](#).



transformation strategies for industrial regions – the example of Upper Austria

Werner Pamminger, Business Upper Austria

innovation is our business.

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endless
opportunities.



Upper Austria – the top economic region in the north of Austria



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facts and figures about Upper Austria

13%

landscape of
AUT

17%

population
of AUT

25 %

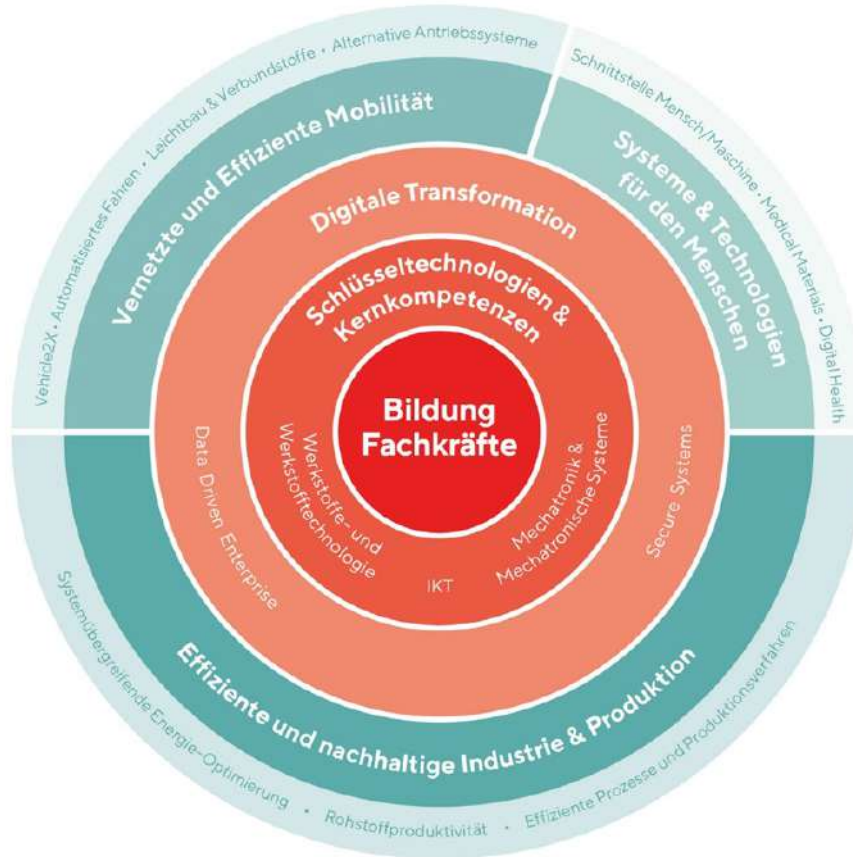
industrial
production
volume of AUT

28 %

exports of AUT

35 %

primary energy
consumption of
AUT



"Strengthen strengths, dare new things"- the strategic orientation focuses on existing strengths and competencies and seeks to develop them further.

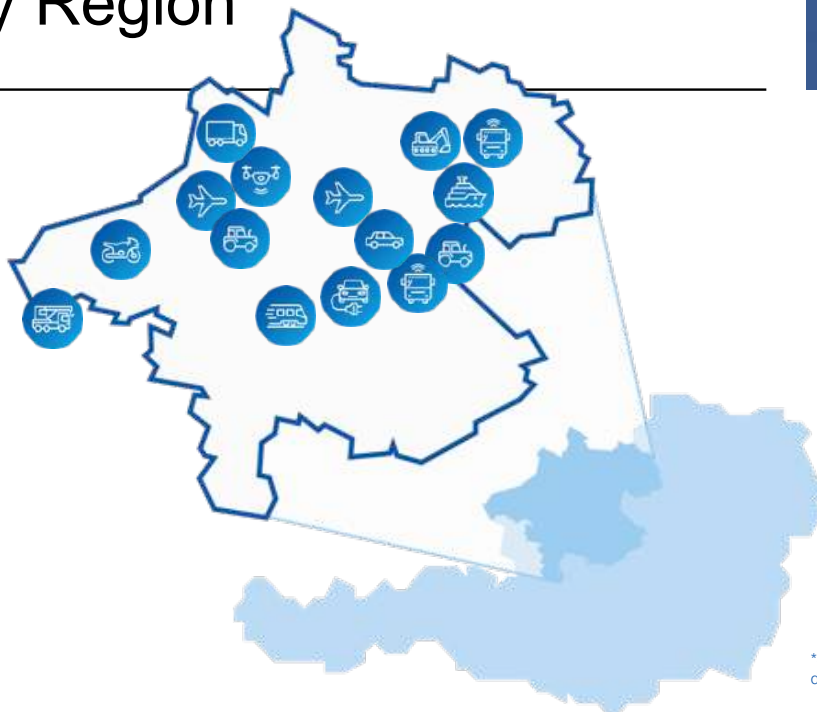


transformation through innovation

status #upperVISION2030

best practise projects

Future Mobility Region



The Future Mobility Region provides in a **radius of 50 km** the necessary competencies, the infrastructure for development and production of sustainable vehicle concepts!

*Source: IWI Standortstudie 2020
direct and indirect effects taken into account



Sustainable Plastic Solutions – the process



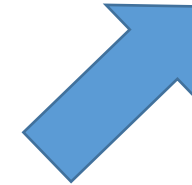
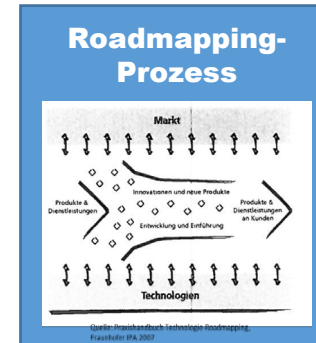
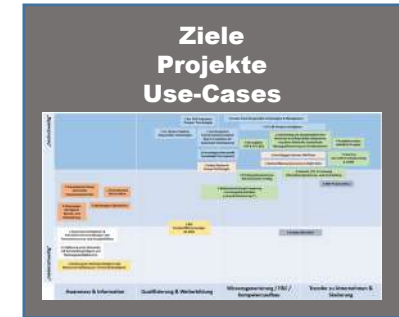
efficient and
sustainable
industry/production
circular economy

- 1: technology (materials, processes,...)
- 2: regulative / communication
- 3: education, skills development
- 4: etc.



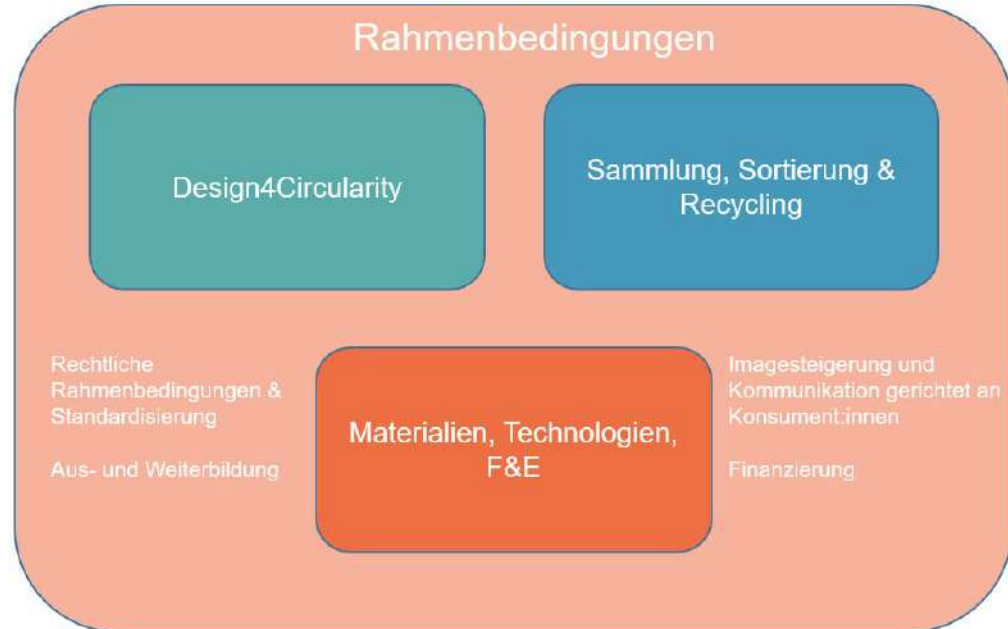
European goals 2025/30
OÖ is faster....
OÖ showcases...
Where do we have
consensus?

Which issues do we need to
consider?
With whom do we have to
discuss? Who do we need?



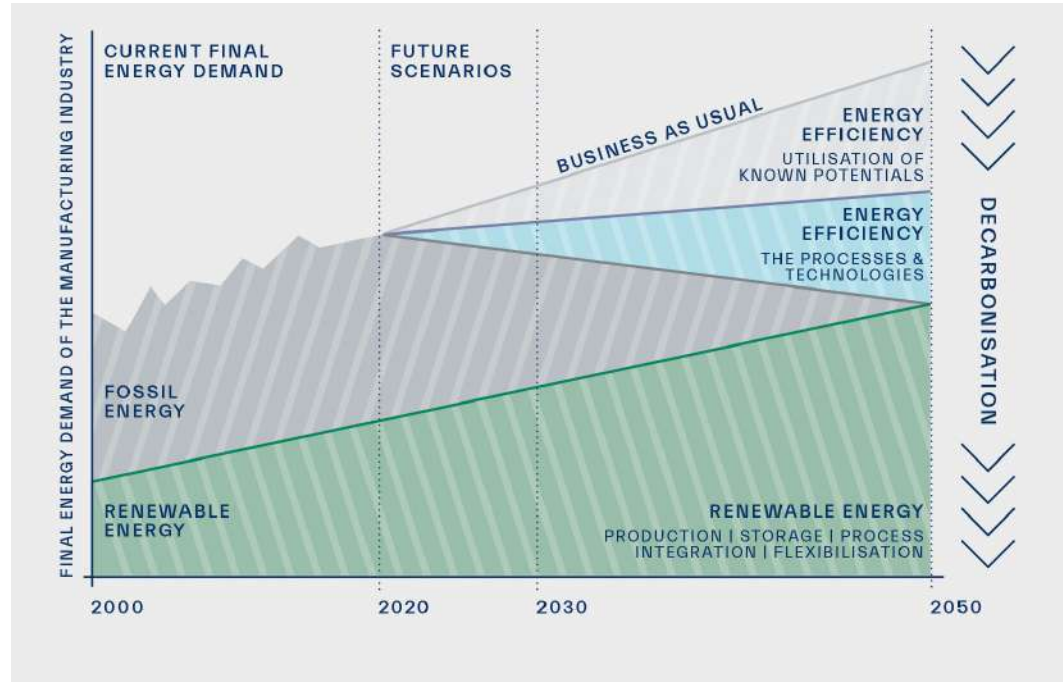
Lead project Sustainable Plastics Solutions

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NEFI VISION & GOALS

NEFI key technologies “Made in Austria” enable the **decarbonisation** of industrial energy systems and help to **secure Austria’s position** as an industrial location.



Decarbonisation
of industrial energy systems

100 % renewable energy supply at
selected locations

Added value “Made in Austria”

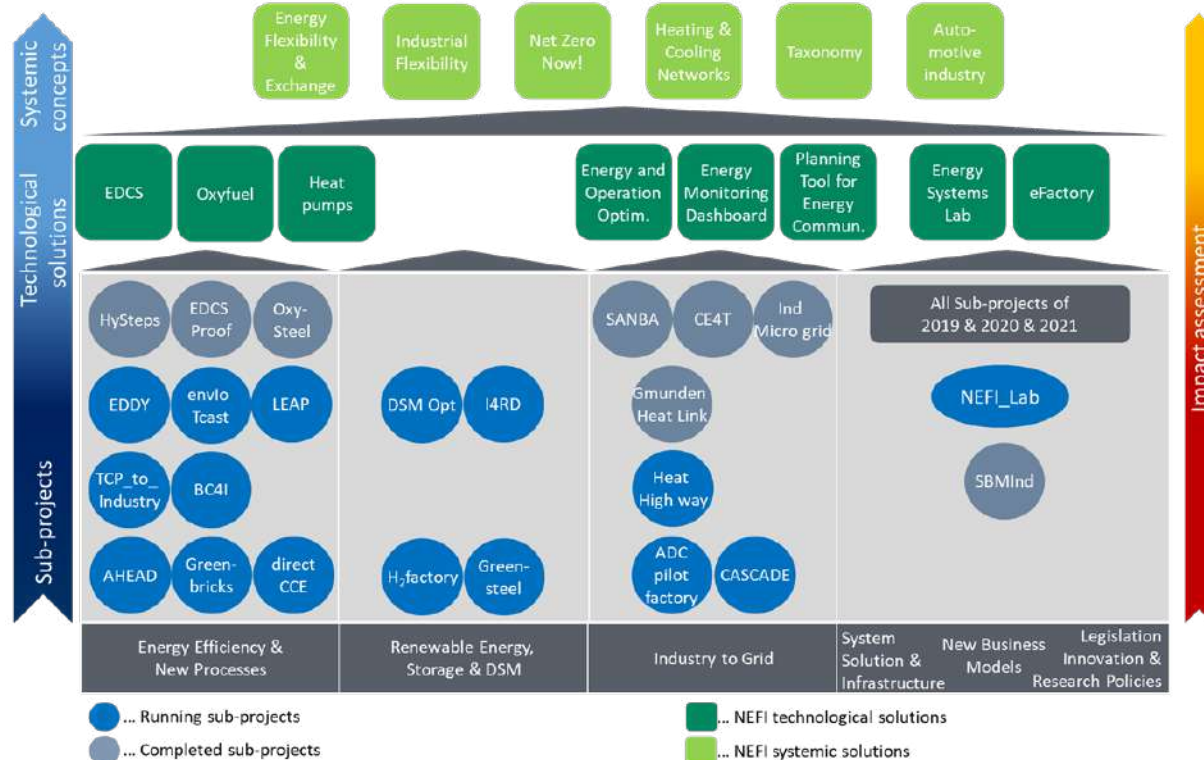
through export and technology
development

Securing the industry location

contribution to the economic location
Austria by user involvement

NEFI INNOVATION NETWORK

INNOVATION FIELDS – PROJECT LANDSCAPE – NEFI SOLUTIONS

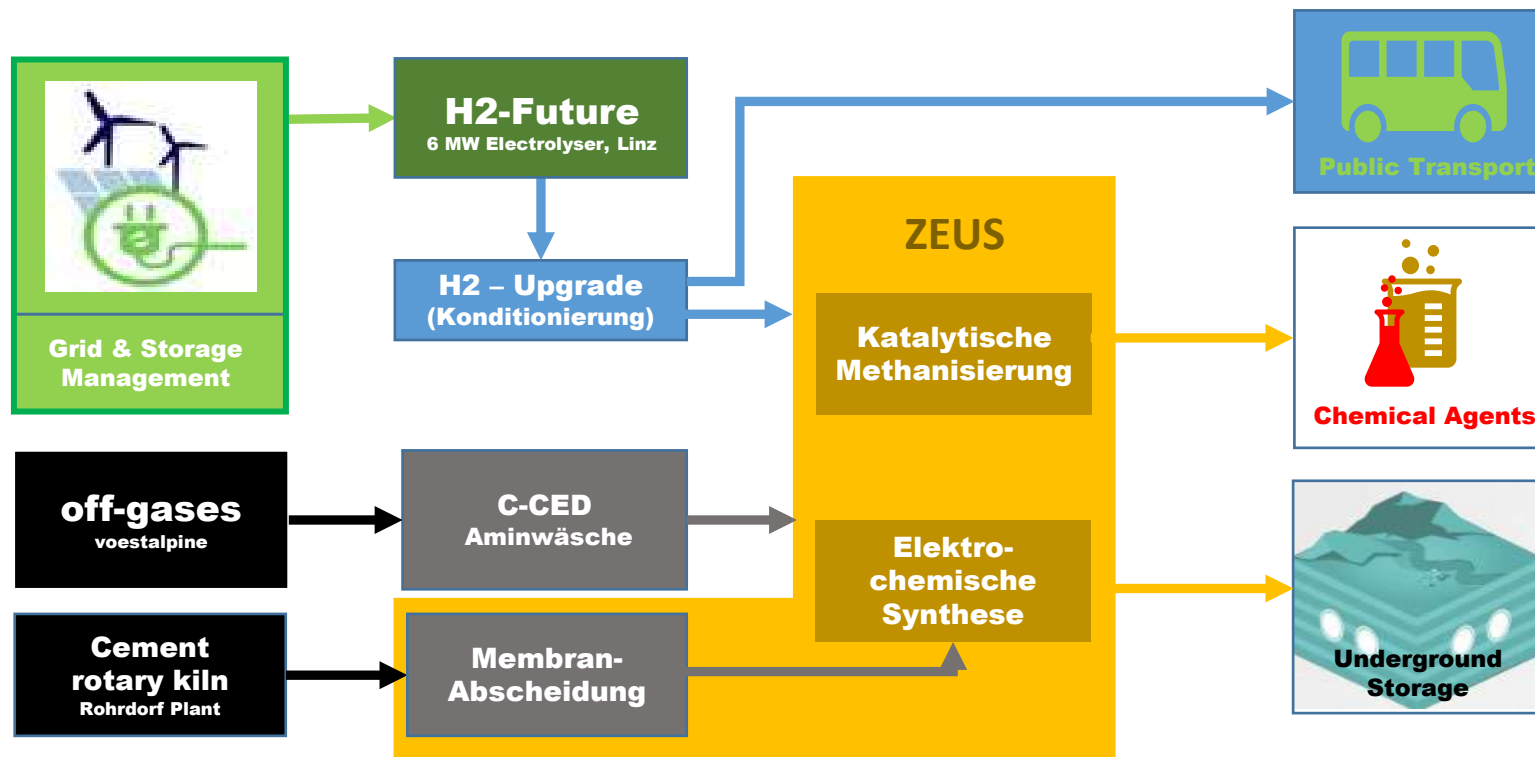


- 8 completed projects
- 16 running projects
- > 95 Mio € total project volume
- 28 Mio € KLIEN funding volume
- 14 Mio € KPC funding
- 3 Mio € funding from regions Styria and Upper Austria
- 120 partners from industry, RTOs and public institutions

HCMA Demonstration-Plant Phase 1 / Sector Coupling

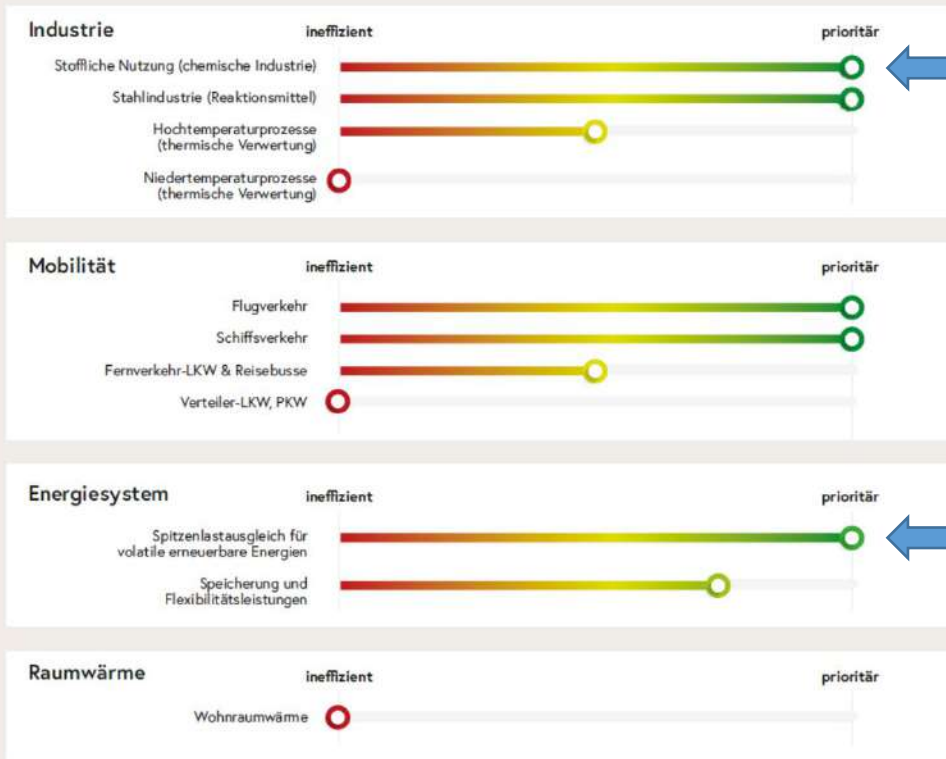
Shaping an Integrated Renewable Energy System

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H2-strategy Austria – UA priorities

Wo Wasserstoff eingesetzt werden soll



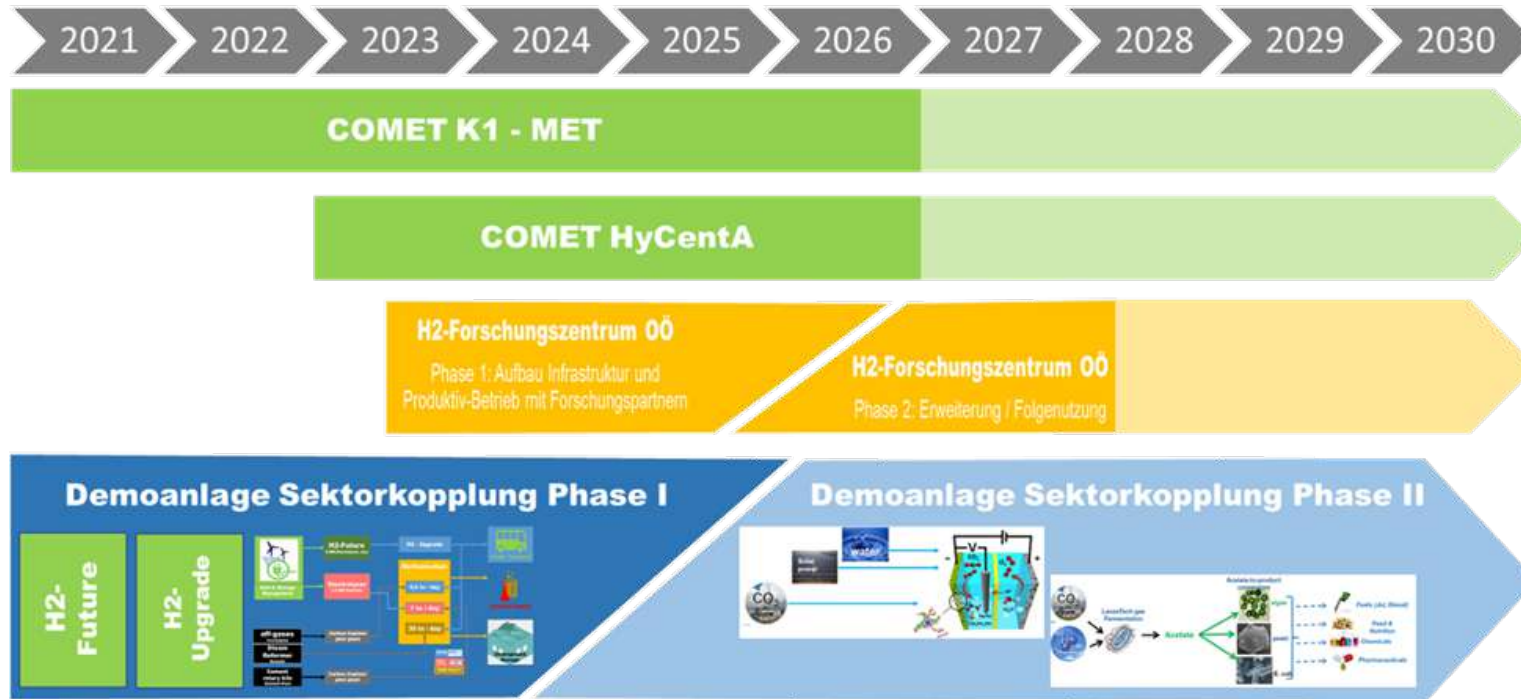
Quelle: angelehnt an Agora Energiewende 2021, eigene Darstellung BMK 2022

GHG-intensive industry

materials + components
for H2

energy storage /
compensation





H2-projects overview (examples)



Primärenergieerzeugung und -verteilung

- Umspannwerk „Hütte Süd“ (220kV)
- Pumpspeicher KW Ebensee
- Windpark Kobernaußerwald



Wasserstoff-Erzeugung

- H2 Future
- Hy2Market
- HYLOCATE
- HyTechnomy
- IPCEI HY2USE



Wasserstoff-Logistik

- H2 Backbone
- H2 Startnetz
- HyTechnomy
- Krikt Energy Valley



Anwendung Mobilität

- FC4HD
- HyFleet
- HySnow
- HyTechnomy
- HyTruck
- ReHyB
- SolHub



Anwendung Industrie

- C-CED
- Coralix
- Green Ammonia Linz
- H2 Future
- Hy2Market
- HIAA
- Hy4Smelt
- HyFOR
- HyTechBasis
- IPCEI Hy2Use
- SuSteel 1
- SuSteel 2
- SuSteel Follow-Up
- ZEUS



Anwendung Energie

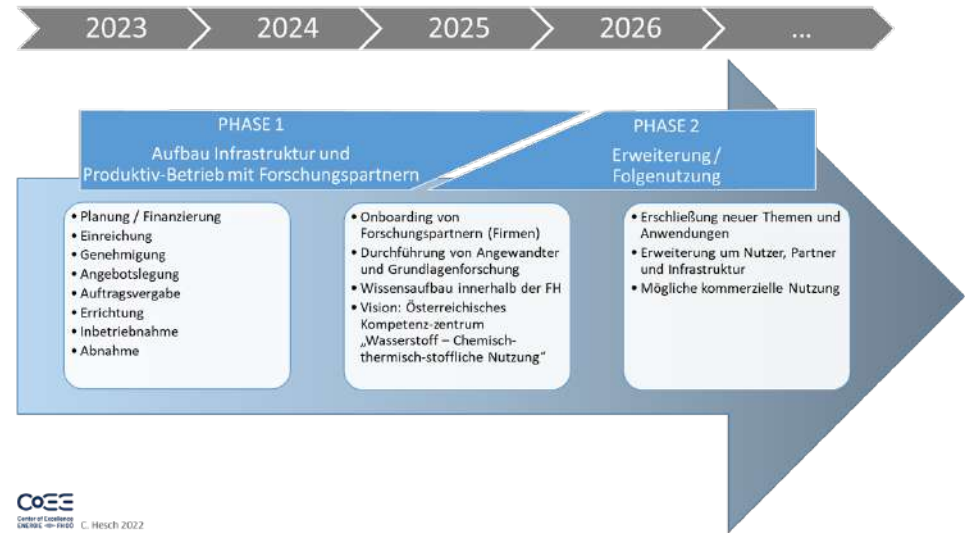
- Elektrolyse (RAG)
- Elektrolyse und Speicher (RAG)
- Elektrolyse und UGS (RAG)
- HYCLEANSUNCYCLE
- HYHEAT
- HyTechBasis
- Krikt Energy Valley
- Krikt Energy Valley - Elektrolyse
- Methanelektrolyse
- USC
- USS

■ pilot phase 1/ 2023-2025:

- 3-years basic research for development of r&d infrastructure
- invest ca. 6 Mio. € / quota: 90 %,
- invest at FH OÖ F&E GmbH

■ project phase 2/ 2024-2027:

- enlargement / future usage
 - R&D partners: FH OÖ, UAR-Netzwerk, JKU,....
 - Corporate partners: Rohrdorfer Zement, Peak Technology, Plastic Omnium, Bosch EC Linz,... + weitere mögliche Firmenpartner wie zB. Metallgießer (TCG Unitech, Mahle Metallgießerei,...), MARK, RAG,...



27.-28. November 2024, Tabakfabrik, Linz

Wasserstoff für die klimaneutrale Industrie

Auf dem Weg zur Klimaneutralität der Industrie in Oberösterreich und im Großraum Linz spielt Wasserstoff eine wichtige Rolle. Die große Bedeutung der Industrie und die natürlichen Speichermöglichkeiten in Oberösterreich sind zwei besondere Voraussetzungen dafür. Für die zügige Umsetzung der energieintensiven Produktion braucht es die Zusammenarbeit von Verwaltung, Produktionsunternehmen, Energieversorgern, Forschungseinrichtungen und anderen Akteuren.

Hydrogen Valleys



Stimulating
Research,
Development and
Innovation



Integration of
Production, Storage,
Distribution and
End-Use
Applications in
Hydrogen Valleys

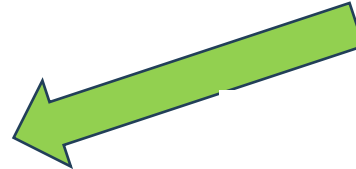


Preparing the
Ground for the
Scale-Up of the
Hydrogen Economy



Integration of Production, Storage,
Distribution and End-Use Applications in
Hydrogen Valleys

Deliver 100 clean hydrogen valleys
worldwide by 2030.



Innovation priorities:

- Successful demonstration of production, storage, distribution and end-use in a defined geographic area is an important step towards the hydrogen economy.
- Barriers such as funding, regulatory provisions and certification standards need to be addressed in order to achieve the mission goal.



H₂ Valley Alps

H₂ Industry Valley

H₂ Valley East

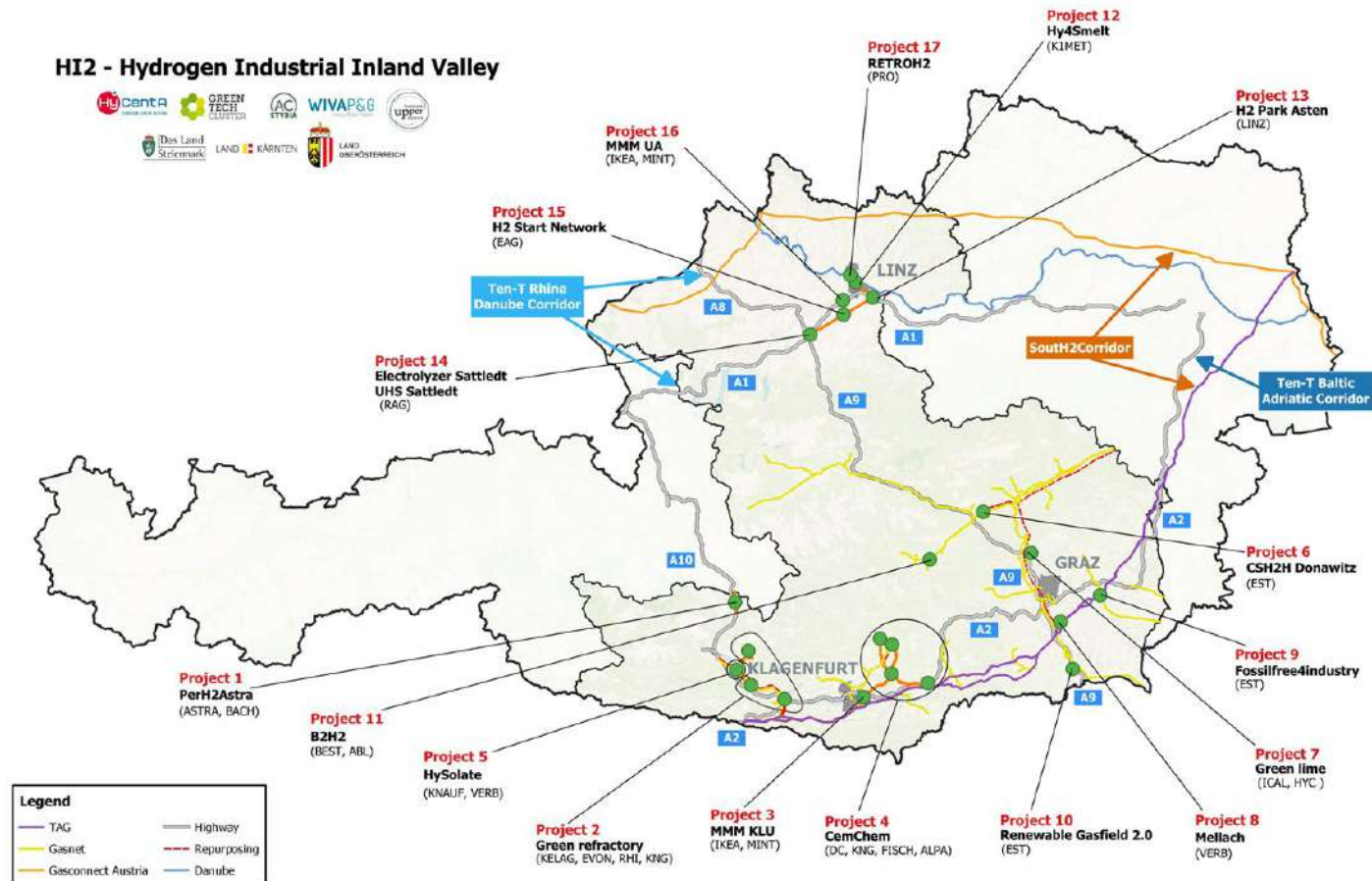


overview H2 Valley projects

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H12 - Hydrogen Industrial Inland Valley



Hydrogen Valley facts & figures

budget:

total project volume: 578 mio. €
Internal funds: 330 mio. €
to cover: 172 mio. €

regions:

Upper Austria
Styria
Carinthia

start: january 2025

Initial phase

2025 – 2027



implementation phase

2027 – 2028



operational phase

2028 – 2030

production:

104 MW new e Elektrolyseanlagen
10.125 to H2 p.a.
central, semi-central, decentral

17 projects:

production
(underground-) storage
pipeline- and trailerdistribution
Industries: steel, chemical,
cement, chalk, mobility, utility



Business Upper Austria: Ihr One-Stop-Shop

Maßgeschneiderte Dienstleistungen von der Geschäftsidee bis zum Markterfolg

innovation is our business.

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The Upper Austrian location agency's shareholders



65% Oö Landesholding GmbH



15% Upper Austrian Chamber of Labour

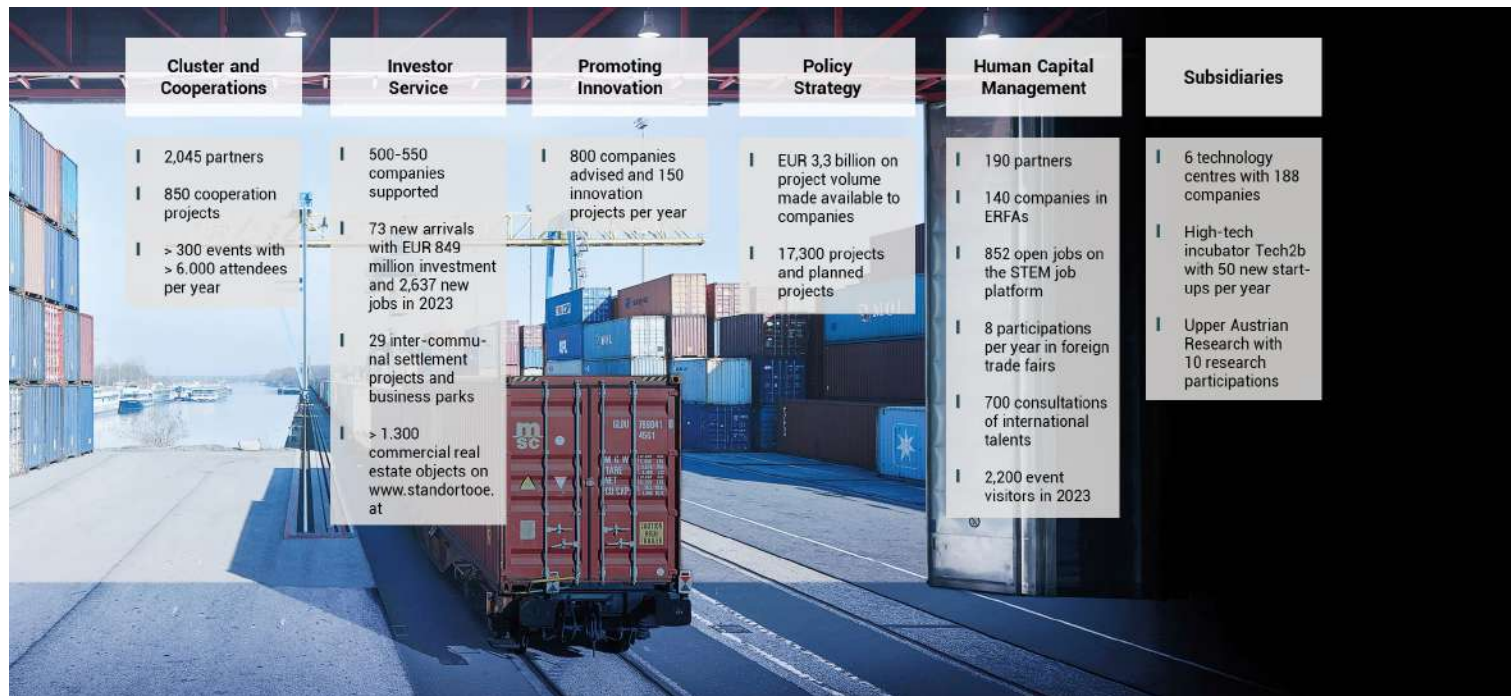


15% Upper Austrian Chamber of Commerce

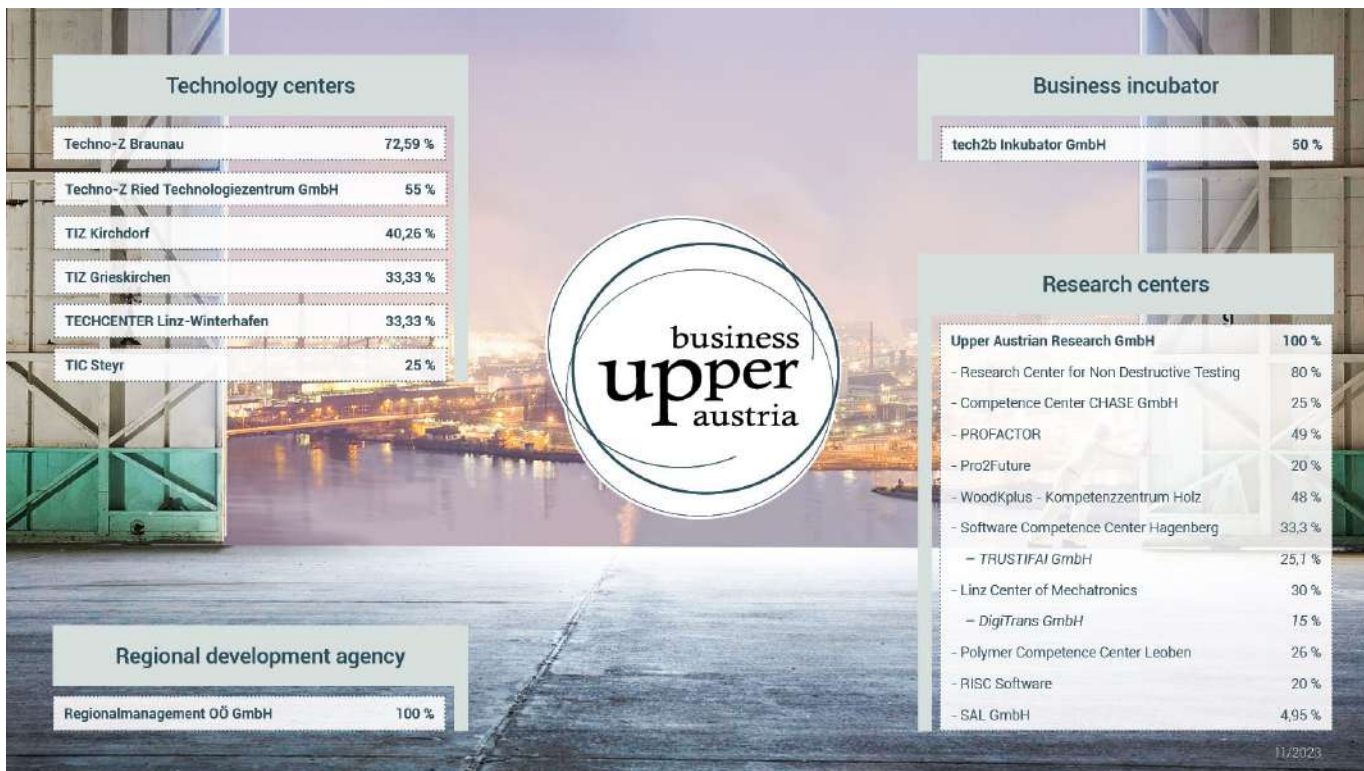


5% Confederation of Upper Austrian Industry

Business Upper Austria serves 3000+ companies p.a.



The Upper Austrian location agency's investments





transformation through innovation



Cooperation is an Upper Austrian core-competence

Werner Pamminger

CEO

+43-732-79810-5001

werner.pamminger@biz-up.at

www.biz-up.at

Business Upper Austria ist die Standortagentur des Landes Oberösterreich und Partner für Standortentwicklung, Kooperation und Förderberatung.

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