



Study on State asset management in the EU

Final study report for Pillar 2 – Austria

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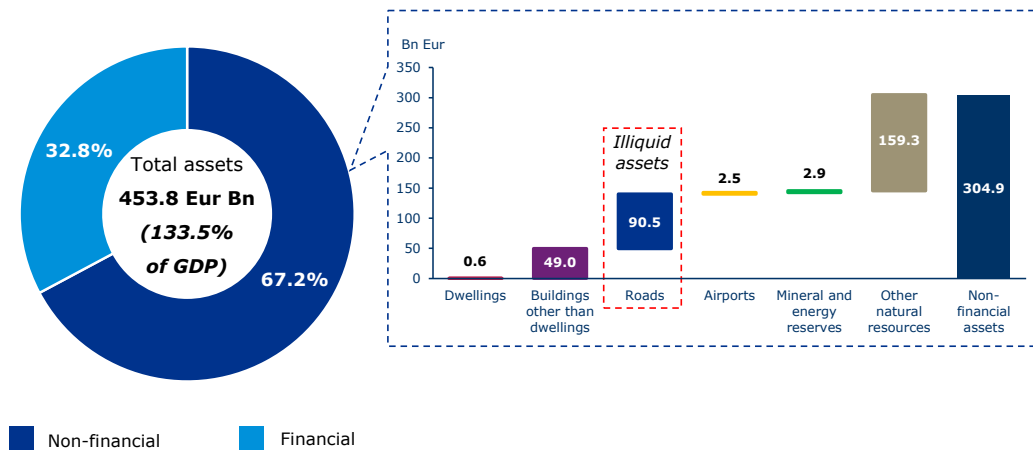
This Country fiche presents a quantitative overview of the mix of non-financial assets owned by the Austrian General government.

A recap and a summary table on sources of data and valuation methods used to map and assess (as far as possible) non-financial assets owned by the Austrian General government is reported in the Appendix (Table B).

1. OVERVIEW OF NON-FINANCIAL ASSETS

In 2015, the estimated value of Non-financial assets owned by the Austrian General government was equal to 304.9 Eur Bn, accounting for about 67.2% of the estimated value of all assets (including Financial assets) owned by the General government¹.

Figure 1 General government's Financial and Non-financial assets (Eur Bn), Austria, 2015



Source: KPMG elaboration. Data on Gross Domestic Product were directly retrieved from Eurostat on 19th September 2017.

- (1) Estimated values refer to 2015 as the latest available year for both financial assets and all clusters of non-financial assets.
- (2) In this chart, the "estimated value" of financial assets is reported in terms of Total Assets of the country's PSHs as weighted by the stake(s) owned by the Public sector into the PSHs themselves².
- (3) In this chart the estimated value of Other natural resources only includes the estimated value of lands.
- (4) In this chart, the value of railways is not represented as it has already been accounted for in Pillar 1.
- (5) In Austria, ports are not included among the Non-financial assets identified in this Study as there are no ports in this country.
- (6) Value of Dwellings was directly retrieved from Eurostat, while values for other Non-financial assets were estimated according to the valuation approaches explained in the Methodological Notes for Pillar 2.
- (7) Since roads are an illiquid asset we applied a Perpetual Inventory Method (PIM). However, this valuation method tends to slightly overestimate the value of the asset. Therefore the chart shows the lower bound figure of the range of road and railways valuation estimates only.
- (8) The estimated value for Mineral and Energy reserves refers to the estimate computed on 2015 average prices. Since the prices of Oil and Natural Gas can present many fluctuations over the year, the average of all price points was used as an accurate representation of the annual value of this assets, in order to better account for possible outliers.

¹ As explained in the Methodological Notes for Pillar 2, Non-financial assets that are owned by PSHs are evaluated through the equity method. Therefore their value is not represented in this Pillar as it has already been accounted for in Pillar 1. The allocation of Non-financial assets between Pillar 1 and 2 is listed in Table A in the Appendix to the EU Fiche.

² For more details on how Total assets for Financial assets are calculated, please see Pillar 1.

2. DWELLINGS

Eurostat provides a comprehensive coverage of data on the value of Dwellings; therefore, data on Austrian dwellings is retrieved from Eurostat only.

As shown in Table 1 below, the value of the Austrian General government's dwellings in 2015 was equal to about 0.6 Eur Bn, accounting for 0.1% of the value of all the Dwellings within the country.

Table 1 General government's dwellings (Eur Mn), Austria, 2010-2015

Data in Eur Mn	2010	2011	2012	2013	2014	2015
General government	540	533	539	548	555	562
Share of the total economy	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

Source: Eurostat database, 2010-2015, Balance sheets for non-financial assets, Available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=nama_10_nfa_bs&lang=en [downloaded in July 2017].

(1) The share of Dwellings in the economy refers to the value of Dwellings (rather than the number of Dwellings).

3. OTHER BUILDINGS AND STRUCTURES

- Buildings other than dwellings

Eurostat and other sources do not provide the value of Buildings other dwellings for Austria, as Austria was granted a derogation to start transmitting relevant data in 2020.

The value of non-residential buildings has been estimated through a market approach, as outlined in Methodological Notes. As Table 2 shows, the estimated value of Austrian non-residential buildings is equal to 49 Eur Bn in 2015.

Table 2 Estimated values of General government's Buildings other than dwellings (Eur Mn), Austria, 2010-2015

Data in Eur Mn	2010 (€)	2011 (€)	2012 (€)	2013 (€)	2014 (€)	2015 (€)
General government	53,944	55,900	51,573	52,812	48,413	49,010
Share of the total economy	29.5%	29.5%	27.9%	27.9%	26.7%	26.6%

Source: KPMG calculations on ENTRANZE and Eurostat data, 2010-2015 [downloaded in July 2017].

(1) The share of Buildings other than dwellings in the economy refers to the estimated value of Buildings other than dwellings (rather than the number of Buildings other than dwellings).

- Ports

Austria does not have maritime ports³.

- Roads

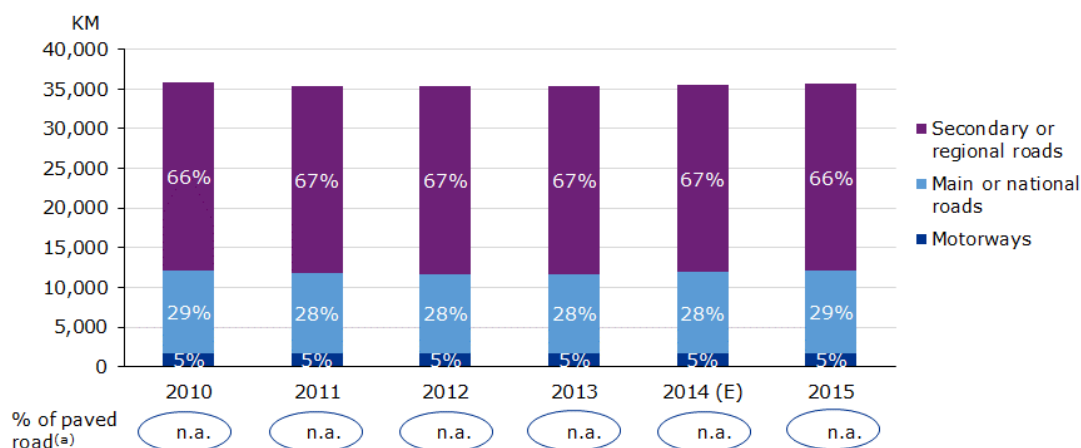
The *Autobahnen- und Schnellstraßen-Finanzierungs-(ASFINAG) AG* is the company in charge of planning, financing, building and maintaining the whole of the Austrian motorway and high-speed road network with the help of its two subsidiaries: *Alpen Straßen (ASG) AG* and *Österreichische Autobahnen- und Schnellstraßen (ÖSAG) AG*.

As the owner of the entire Federal road network, the Federal Government has granted rights to manage it to *ASFINAG*⁴ (a PSH fully owned by the Federal Government of Austria).

³ Fluvial ports are not considered in the analysis. For further detail please see Methodological Notes.

⁴ <http://www.asfinag.at/about-us/core-areas> [Accessed 17th May 2017].

Figure 2 Length (in km) of Motorways, Main or national roads and Secondary or regional roads, Austria, 2010-2015



Source: Directorate-General for Mobility and Transport (DG MOVE) database, 2010-2015 [downloaded in September 2017]. Values for percentage of paved road were calculated using Eurostat data on length of other roads by type of surface.

- (1) DG MOVE's data does not report the length of Main or national roads and Secondary or regional roads for year 2014. Therefore, the values for the year 2014 have been estimated as average between 2013 and 2015 values.
- (2) For the sake of accuracy and comparability among the EU28 Member States, the valuation includes Motorways, Main or national roads and Secondary or regional roads only.
- (3) According to DG MOVE's data, the extension of the Austrian road network is equal to 138,207 Km (including the length of Motorways, Main or national roads, Secondary or regional roads and Other roads) in 2015.
- (4) Eurostat does not report the length of paved road network for years taken into account.
- (a) The percentage of paved road has been calculated based on the total extension of the road network (including other roads). It represents the length of paved road network over the total length of road network.

Table 3 reports the results of the valuation exercise carried out according to the valuation procedure described in the Methodological Notes for Pillar 2. In this respect, please be reminded that, to ensure accuracy and comparability, the valuation includes Motorways, Main or national roads, and Secondary or regional roads only.

In 2015, the estimated value of roads in Austria ranged from 91 Eur Bn to 103 Eur Bn. Main or national roads and Secondary or regional roads take the lion's share with a total value between 75 Eur Bn and 86 Eur Bn, almost evenly distributed among them.

Table 3 Estimated road value for Motorways ,Main or national roads and Secondary or regional roads only (Eur Mn), Austria, 2010-2015

Data in Eur Mn		2010	2011	2012	2013	2014	2015
Motorways	Min	12,799	13,349	13,801	14,230	14,659	14,994
	Max	14,351	14,931	15,399	15,835	16,262	16,583
Main or national roads	Min	36,462	37,166	37,515	37,695	37,631	37,321
	Max	45,048	45,917	46,349	46,571	46,492	46,109
Secondary or regional roads	Min	37,323	38,043	38,401	38,584	38,519	38,202
	Max	39,464	40,226	40,604	40,799	40,730	40,394
Total	Min	86,584	88,558	89,717	90,510	90,810	90,516
	Max	98,864	101,075	102,352	103,205	103,484	103,085

Source: KPMG calculations on Directorate-General for Mobility and Transport (DG MOVE) and Eurostat database [downloaded in July 2017].

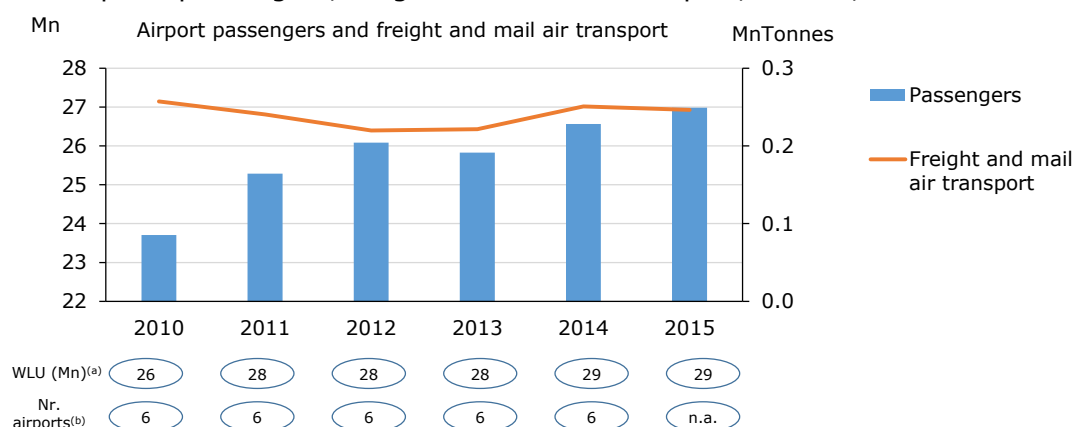
- Airports

According to *Luftfahrtgesetz (LFG)*⁵, Austrian airports are publicly owned and managed through companies, both PSHs and private companies.

For instance, the infrastructures of the *Vienna International Airport* are state-owned and operated by the PSH *Flughafen Wien AG* as reported in its annual report⁶.

As shown in Figure 3 below, airport traffic in Austria has been increasing over the 2010–2015 time period⁷.

Figure 3 Airports passengers, freight and mail air transport, Austria, 2010-2015



Source: Eurostat database, 2010-2015, [downloaded in March 2017]. Air passenger transport by main airports in each reporting country (available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=avia_paoa&lang=en), Freight and mail air transport by main airports in each reporting country (available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=avia_gooa&lang=en), and Number of commercial airports with more than 15,000 passenger units per year (available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=avia_if_arp&lang=en).

(1) The number of passengers refers to all on board passengers.

(2) All freight and mail air transport is included.

(3) Eurostat does not report the number of commercial airports for 2015.

(a) A Workload Unit (WLU) is defined as one passenger or 100 kg of cargo.

(b) Total number of airports (with more than 15,000 passenger units per year).

To assess the value of airports, an income approach was applied (for more details, please see the Methodological Notes for Pillar 2).

According to the estimates reported in Table 4, in 2015, the overall estimated value of state-owned airport was equal to about 2.5 Eur Bn, with an increase of about 10.6% since 2010.

Table 4 Estimated value for airports (Eur Mn), Austria, 2010-2015

Data in Mn Eur	2010	2011	2012	2013	2014	2015
Airports	2,282	2,390	2,437	2,413	2,497	2,524

Source: KPMG calculations on Eurostat database, 2010-2015 [downloaded in May 2017].

(1) The WLUs used to calculate the value of airports do not match those represented in Figure 3 as they were calculated by adding the WLUs of all airports considered within the scope of this Pillar (see Table A in Appendix).

- Railways

⁵ Federal Law of 2 December 1957 on aviation. Available at: <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10011306> [Accessed 17th May 2017].

⁶ Flughafen Wien AG, Annual Report 2015. Available at: http://www.viennaairport.com/jart/prj3/va/uploads/data-uploads/Konzern/Investor%20Relations/Geschaeftsberichte/GB_2015_en.pdf [Accessed 17th May 2017]

⁷ For the list of Airports included in this Study, please see Table A in Appendix.

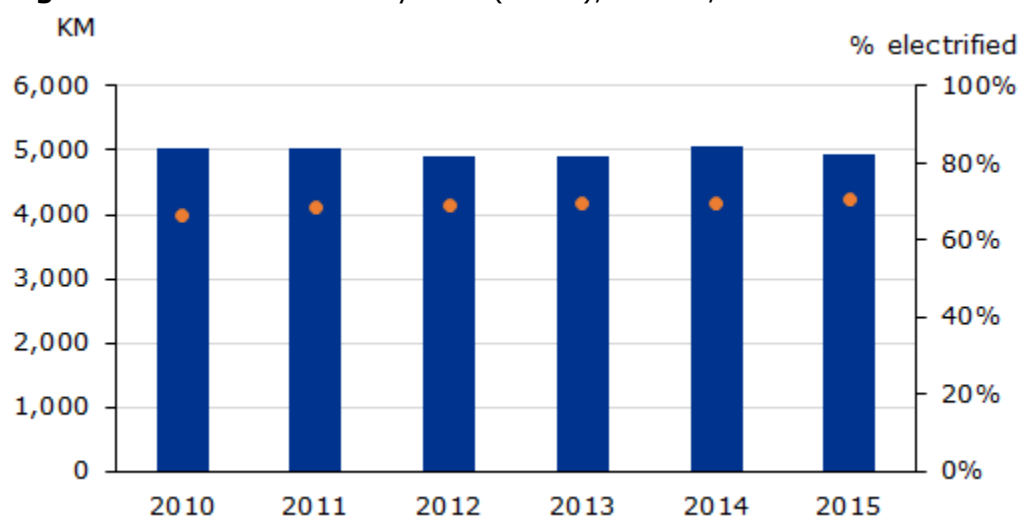
The property of the Austrian railway network belongs to *Österreichischen Bundesbahnen (ÖBB)-Infrastruktur AG*⁸, a subsidiary of the Austrian *PSH ÖBB*.

The *ÖBB-Infrastruktur Group* operates 1,097 railway stations and railway infrastructures in Austria, which are used by *ÖBB-Personenverkehr AG*, *Rail Cargo Austria AG*, two other companies belonging to the *ÖBB Group*, and other railway operators not belonging to the *ÖBB Group*.

All these companies belong to the *ÖBB-Holding AG*, whose only shareholder is the Federal Republic of Austria.

As shown in Figure 4, the extension of the railway network in Austria was equal to about 5,000 km in 2015.

Figure 4 Extension of railway lines (in Km), Austria, 2010-2015



Source: Directorate-General for Mobility and Transport (DG MOVE), 2010-2015 [downloaded in October 2017]. The percentages of electrified lines were calculated using Eurostat database "Railway transport - length of tracks" available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=rail_if_tracks&lang=en [downloaded in October 2017].

(1) The percentage of electrified network represents the length of electrified railway tracks over the total length of railway tracks for year.

Since the Austrian railway network is owned by a PSH (i.e. *ÖBB-Infrastruktur AG*), then its value is assessed using the equity method (please see the Methodological notes for Pillar 2 for more details), and results are reported in Pillar 1 of this Study.

4. NATURAL RESOURCES

- *Mineral and Energy reserves*

Please be reminded that, across Europe, the property of the ownership rights over the land from which Oil and Gas can be potentially extracted is separated from the ownership rights assigned to the Oil and Gas reserves extracted from it.

In Austria, the *Mineralrohstoffgesetz*⁹ establishes that oil and natural gas are considered to be federal state-owned mineral resources. Therefore, the Austrian

⁸ ÖBB-Infrastruktur AG, Annual Report 2015. Available at: http://presse.oebb.at/file_source/corporate/presse-site/Downloads/Publikationen/OEBB_INFRA_AnnualReport2015.pdf [Accessed 17th May 2017].

⁹ *Mineralrohstoffgesetz*. Available at: <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008040&ShowPrintPreview=True> [Accessed 17th May 2017].

federal state has the right to search, explore and produce oil and natural gas; the same holds for the search of hydrocarbon-bearing geological structures which shall be used as storage for oil or natural gas.

However, the federal state is authorised to transfer the exercise of these rights to individuals or other private entities. Such agreements are concluded and finalised by the *Federal Ministry of Science, Research and Economy* in consultation with the *Federal Minister of Finance*.

Table 5 reports the capacity of the Austrian proven reserves for Oil and Natural gas in 2015.

Table 5 Proven reserves of mineral and energy reserves, Austria, 2015

Data	Oil (Barrels)	Natural gas (cubic meters)
Proven reserves	47,500,000	7,900,000,000

Source: Central Intelligence Agency (CIA). World Factbook Database, 2015 [downloaded in March 2017].

As shown in Table 6, the estimated value for Oil reserves in Austria in 2015 was equal, on average, to 2.3 Eur Bn. With regard to Natural Gas, the estimated value was instead equal to an average of about 0.6 Eur Bn.

Table 6 Estimated value of oil and natural gas proven reserves (Eur Mn), Austria, 2015

Data in Mn Eur	Min	Max	Average
Oil	1,547	2,903	2,296
Natural gas	428	840	640
Total	1,975	3,743	2,937

Source: KPMG calculations on World Factbook Database, 2015 [downloaded in March 2017].

(1) Proven reserves are valued using average prices for 2015.

(2) Range is calculated using the minimum and the maximum prices for 2015.

- *Other natural resources*

Eurostat and National Statistics do not provide the figures for the cluster "Other natural resources" in Austria.

The value of Other natural resources has been estimated through a market approach, as outlined in Methodological Notes. As Table 7 shows, the estimated value of Other natural resources is equal to 159 Eur Bn in 2015.

Table 7 Estimated values of General government's Other natural resources (Eur Mn), Austria, 2010-2015

Data in Eur Mn		2010 (E)	2011 (E)	2012 (E)	2013 (E)	2014 (E)	2015 (E)
Land (net)	General government	165,343	169,751	161,881	153,274	153,109	159,350
	Share of the total economy	13.0%	13.0%	13.2%	13.1%	12.7%	12.4%

Source: KPMG calculations on Eurostat data [downloaded in July 2017].

(1) The share of the economy refers to the estimated value of natural resources (rather than the volume of the natural resources).

Appendix I Austria

Table A List of airports, Austria, 2015 (Number of airports: 6)

List of airports
Non-financial (Pillar 2) ^(a)
GRAZ airport
INNSBRUCK airport
KLAGENFURT airport
LINZ airport
SALZBURG airport
WIEN-SCHWECHAT airport

Source: Eurostat database, 2015 [downloaded in May 2017].

(1) The list above includes the airports defined by Eurostat as "main airports", which meet the following criteria: at least 150 000 passenger movements per year.

(a) Within the scope of this Pillar.

Table B Overview of the valuation approaches and the sources used to value Non-Financial assets in this Study, Austria

Clusters of Non-financial assets	Valuation approach	Sources
Dwellings	Market value	- Eurostat
Buildings other than dwellings	Market value	- ENTRANZE - Eurostat
Ports	Not present in this Country	n.a.
Roads	Perpetual Inventory Method (PIM)	- DG MOVE - Eurostat - EIB - Other sources
Airports	Market value	- Eurostat
Railways	Equity method (Pillar 1)	- Bureau van Dijk (BvD) Orbis
Mineral and Energy reserves	Market value	- World Factbook Database
Other natural resources	Market value	- Eurostat

Sources: KPMG elaborations

(1) For more details on "other sources" used to carry out road valuations, please see Table 3, Table 4 and Table 5 at the Annex.