



EUROPEAN COMMISSION



EUROSTAT

Directorate C: National and European Accounts

Luxembourg, - 8 FEV. 2006  
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Mr Reinhold Schwarzl,  
Director  
Statistik Austria  
Guglgasse 13  
A-1110 WIEN

**Subject: Provision of loans by regional government to hospitals in Austria**  
**Ref.: Our letter No. 30352 dated 21 December 2005; your letter dated 18 January 2006**

Dear Mr Schwarzl,


Thank you for your above-mentioned and for the answers provided to our questions.

After having examined the detailed documentation attached to your note and after having carefully analysed the case, we agree that the principles indicated in your note for reclassification of the loans are in line with ESA 95 rules. We accept, therefore, that the amounts provided as loans by regional governments to hospitals in the past, will be reclassified as subsidies upon evidence that these loans will be repaid by hospitals through amounts provided by regional government itself, earmarked for that purpose. This can be derived, but not exclusively, through legally binding documents at the time at which they come into force. Eurostat's position is, of course, based on our actual understanding of the case and on the information which was provided to us at this stage.

We have taken note of the amounts of the data correction at stake between 2001 and 2005. We assume that the correction will be evidenced in the next April 2006 EDP notification.

In this context, please do not hesitate to inform us if new elements will appear in the next weeks, which could be liable to modify the information provided by Statistics Austria on this issue, both in terms of accounting rules to be implemented and in terms of quantitative effects on the government deficit and debt data of Austria.

Yours sincerely,



Laurs Nørlund  
Director