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FINAL FINDINGS

EDP dialogue visit to Austria

30 November – 1 December 2009

Executive Summary

A regular EDP dialogue visit to Austria took place on 30 November - 1 December 2009 in order to review the implementation of ESA95 methodology and to assure that provisions of the ESA95 Eurostat Manual on Government Deficit and Debt and Eurostat decisions are duly implemented in the Austrian EDP and Government Finance Statistics (GFS) data. The recording of specific government transactions in the Austrian national accounts and EDP notification was also discussed during the visit.

The meeting was very constructive and Eurostat thanked the Austrian authorities for the openness and transparency shown in the meeting and the quality of documents provided prior and during the visit.

First, in the context of the institutional arrangements and division of responsibilities for the compilation and reporting of data under the EDP and ESA95 Transmission Programme, the foreseen changes in responsibilities for financial accounts compilation were discussed. In addition to the change in responsibilities, changes in the methods and procedures for financial accounts compilation will be introduced via establishing and using a system of direct, integrated data on flows and stocks. This change would improve GFS data quality and would potentially reduce/eliminate currently observed problems of a technical nature. The related ongoing actions should be completed by July 2013.

Next, EDP notification tables and the questionnaire relating to the EDP notification tables (October 2009 reporting) were analysed and the outstanding issues were examined in detail. Eurostat appreciated the progress in the field of completeness of EDP tables 2B and 2D (for state government and social security funds), since Statistics Austria has started with reporting a real working balance and transition items between public accounts and the deficit. In this respect, further progress was expected for the April 2010 EDP notification including completion of EDP table 2C (for local government)¹. As regards EDP table 3, it was acknowledged that the introduction of a new production system for financial accounts compilation should generally improve the quality of financial accounts; it would reduce the noticeable discrepancies and would provide the requested details on financial transactions which are recorded on a net basis for the time being.

Regarding the October 2009 EDP reporting, the outstanding problem on the recording of cash collaterals on financial derivatives was examined. The issue was whether a liability linked to the receipts from the collateral should be treated as Maastricht debt or as other accounts payable, as currently recorded in the Austrian financial accounts and balance sheet. The issue of recording of cash collaterals on financial derivatives has not been concluded during the meeting and it will be further discussed at the FAWG level².

Concerning the issues of sectoral classification, Eurostat took note that at present, the 50% criterion in relation to sector classification is applied only for groups of units and not on an individual basis. Eurostat invited the Austrian statistical authorities to perform regularly the

¹ EDP table 2B has been completed in April 2010 for 2006-2008 and EDP table 2C for 2007; both EDP tables 2B and 2C have been completed in October 2010 for the whole reporting period 2006-2009.

² A note on cash collaterals in financial derivatives, prepared by Eurostat, was discussed during the FAWG meeting in June 2010. Subsequently, a questionnaire was elaborated by Eurostat and sent to Member States in July 2010. The issue has not yet been closed.

market/non-market test for hospitals, preferably on individual basis. The test is to be performed also for other public corporations when there is a ground for doubt on the sector classification.

As far as the recording of specific government transactions is concerned, numerous issues were discussed, as described below.

Regarding specific government transactions in the global economic crisis, the Austrian authorities have been invited to provide, in the coming weeks, additional information on the restructuring of Kommunalkredit bank, where a new institution (with features of a "bad" bank) has been established in 2009. In this respect, an issue of the sector classification of this bank came out, and will be analysed further as follow-up of the 2009 mission³.

Concerning the treatment of the sale of housing loans at discount, the issue was re-discussed during the meeting and the discussion will continue at the FAWG level⁴.

In relation to the application of the capital injection and superdividend tests, Eurostat invited the Austrian authorities to monitor closely the issue, since the tests have been undertaken for big amounts only. On the other hand, Eurostat appreciated that only capital injections into profitable quasi-corporations have been recorded as financial transactions, as foreseen by the revised MGDD.

As regards Public-Private-Partnership projects (PPPs), Eurostat stressed that the issue should be brought to the attention of the relevant Austrian authorities and that PPPs should be monitored on a regular basis, which is not the case for the time being.

In addition, some further methodological issues have been briefly reviewed during the meeting: debt assumption and cancellation, government guarantees, recording of taxes and social contributions, EU grants, interest, financial derivatives. In this respect, Eurostat took note on the explanations provided by the Austrian authorities.

³ The Austrian authorities provided on 15 December 2009 factual information on the entity, its preliminary accounting view based on ESA95 rules and other supporting document on KA Finanz AG. The issue was further discussed with Eurostat in the context of the April 2010 EDP notification. Since an agreement on the classification has not been reached on a bilateral basis, Eurostat prepared a note on the restructuring of public banks which was discussed at the FAWG meeting in June 2010. The discussion at the FAWG level continues.

⁴ The issue was further discussed at the FAWG meetings in December 2009 and in June 2010. However, an agreement of FAWG members on the most appropriate treatment of low interest rate loans has not been reached yet.

Final findings

Introduction

In accordance with article 11(1) of Council Regulation (EC) No 479/2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community, Eurostat carried out an EDP dialogue visit to Austria on 30 November – 1 December 2009.

The delegation of Eurostat was headed by Mr. Luca Ascoli, Head of the Eurostat Public Finance Unit (C3). A representative of the European Central Bank (ECB) also participated in the meeting as observer. The Austrian authorities were represented by Statistics Austria (STAT), the National Bank of Austria (OeNB), the Ministry of Finance (MoF) and the Austrian Federal Financing Agency (AFFA).

In relation to procedural arrangements, Eurostat explained that, in accordance with article 11(4) of Regulation 479/2009, *Main conclusions and action points* would be sent within days to the Austrian statistical authorities, who may provide comments. Within weeks, the *Provisional findings* would be sent to the Austrian statistical authorities in draft form for review. After possible adjustments, the *Final Findings* would be sent to the Economic and Financial Committee (EFC) and published on the website of Eurostat.

Eurostat carried out this EDP dialogue visit with the aim to assess the existing statistical capacity, to review and clarify outstanding issues relating to EDP tables raised in the context of the latest EDP dialogue visit in 2007 and previous notifications, to discuss sector delimitation issues and to ensure that the provisions from the ESA 1995 Manual on Government Deficit and Debt and recent Eurostat decisions are duly implemented in the Austrian EDP tables and national accounts.

The meeting was very constructive and Eurostat thanked the Austrian authorities for the openness and transparency shown in the meeting and the quality of documents provided prior and during the visit.

1. Statistical capacity issues

1.1 Institutional responsibilities for the reporting of data under the ESA95, EDP and other government finance statistics

Introduction

Institutional responsibilities for compilation of government finance statistics (GFS) in Austria have not been changed since the last 2007 EDP dialogue visit. EDP tables are compiled (current data) and reported by STAT, planned deficit and debt data are compiled by the MoF. STAT is also responsible for compiling and reporting GFS according to the ESA95 Transmission Programme and according to the EU Regulations on quarterly government non-

financial accounts. Financial accounts, which are also used for EDP table 3 compilation are compiled by the OeNB.

Eurostat enquired about the foreseen changes in institutional responsibilities in financial accounts compilation.

Discussion

STAT distributed, during the meeting, room documents detailing responsibilities of the Unit Sector accounts and Public Finance. This unit is acting under the Macro-Economic Statistics Directorate of Statistics Austria (STAT). Eleven people are involved in the compilation of EDP tables, ESA95 Transmission Programme tables (table 1, 8, 2, 9, 11, 25 and 28), as well as in compilation of government related statistics for IMF and OECD. In addition, the unit is involved in other tasks related to government statistics, including processing and verification of data sources based on public accounts. It means that, for the time being, STAT compiles all statistics related to government except for annual and quarterly financial accounts, which currently is under the responsibility of the OeNB.

According to the agreement between STAT and OeNB, the compilation of financial accounts will also be moved to STAT by July 2013. During a transitional period (2010-2013), personnel capacities and technical infrastructure devoted to this task will be built in STAT. The intention of the Austrian authorities is to use to a maximum possible extent, integrated and direct data sources for financial accounts compilation, while for the time being, mainly indirect sources are used. Nevertheless, indirect data sources, such as money and banking statistics and security-by-security database, will always be used for verification of the quality of financial accounts. The objective is also to produce an integrated set of stocks and flows including annual and quarterly data. The Austrian authorities pointed out that these changes would increase the quality of financial accounts and balance sheets and would contribute to the harmonisation of non-financial and financial accounts.

Findings and conclusions

- Eurostat took note of the foreseen changes in financial accounts compilation in terms of institutional responsibilities, data processing and data sources, which should be fully implemented by 2013 and would lead to an increase of data quality. (**Action point 1**) *Deadline: 2013*
- Eurostat welcomed the intention of Statistics Austria to increase the use of direct data sources for the government financial accounts compilation, to develop data on stocks and to improve the stock-flows integration. To verify the quality of financial accounts, the indirect data sources such as money and banking statistics and security-by-security data compiled by the OeNB should be further used for cross-checking the new administrative sources. (**Action point 2**) *Deadline: 2013*

1.2. Data sources and revision policy

Introduction

Statistics Austria presented during the meeting the production procedure of government data and described the available data sources, as well as data processing procedures. Related room documents had been distributed by STAT to participants.

Discussion

As explained by the Austrian statistical authorities, STAT is responsible not only for compilation of statistics and conducting of statistical questionnaires, but also for collection, processing and verification of administrative data sources based on public accounts for all government units. This is not a common arrangement, since this task is in most Member States usually undertaken by the Treasury or by the Ministry of Finance, which is responsible also for accounting standard used in public accounts, its implementation, quality checks, etc.

Regarding administrative data for central, state and local authorities, their accounts are based on the following legal provisions: „Kontenplan der Gebietskörperschaften (KoG)“ (central government units) and „Voranschlags- und Rechnungsabschlussverordnung (VRV)“ (state and local governments). It was understood that both systems present data (i) on inflows and outflows (“Haushalt”), (ii) according to institutional/functional classification (“Ansatz”) and (iii) according to economic classification (“Post”).

Social Security Funds have their own set of accounting rules. For other government units (chambers, Funds, outsourced units etc.), data are very heterogeneous as they use different accounting rules depending on their legal form.

Statistics Austria uses a bridge table(s) to convert basic data sources into ESA95 codes for economic transactions and COFOG. All the data, including attributed codes, are stored in a database. Statistics Austria performs also data quality checks. When any irregularity is identified, the involved institutional unit is contacted in order to clarify the issue and amendments in the system are done accordingly. The last step in the production process is the implementation of adjustments according to ESA95 requirements (e.g. consumption of fixed capital), as well as inclusion of estimated data, when actual annual sources are not available. Regarding adjustments due to consolidation, the Austrian authorities explained that while balancing intergovernmental flows, inconsistencies with counterpart data sources do not lead to amendments of totals of revenue and/or expenditure. In this respect, some reclassifications are done, as appropriate, between different revenue items or expenditure items, thus keeping the deficit unchanged.

As far as timeliness is concerned, in March, actual annual data are available only for central government (Bund). Data for other units are calculated on the basis of quarterly national accounts, using also available counterpart information from the “Bund”. These estimates are replaced in September by actual annual data except for the social security funds (results are available at the end of the year).

The revision policy covers a time span of 2 years. Data might be slightly revised due to completion of databases, or as a result of implementation of Eurostat decisions or due to further analyses performed by STAT.

Regarding the Austrian inventory of the methods, procedures and sources, the version of 2007 is available. As foreseen by CR 479/2009, the inventory is nationally published. It is also posted on the Eurostat website. It was agreed that STAT will provide Eurostat with an updated version of the inventory, since some changes in the methods and sources occurred.

Findings and conclusions

- The Austrian statistical authorities will provide Eurostat with an updated EDP inventory, incorporating the most recent changes in data sources and methods used for EDP data calculations. (**Action point 3**) *Deadline: April 2010 EDP notification*⁵

2. Follow-up of the EDP dialogue visit of 10-11 September 2007

Eurostat undertook an EDP dialogue visit in 2007, resulting in a number of action points. Extensive bilateral contacts between STAT and Eurostat took place in the context of the follow-up of the 2007 EDP mission. These were focused on the following issues:

- Restructuring of the railway company (ÖBB)
- Sales of low interest rate housing loans at discount
- Sector classification of public hospitals
- Capital injections into quasi-corporations
- Completion of EDP tables 2B-2D

Following communication with Eurostat, STAT recorded in April 2008 the debt assumption/cancellation of government towards ÖBB as government expenditure for 2004 and, in October 2008, the capital injection provided to ÖBB in 2004 was also reclassified into capital transfer expenditure, closing the issue of the recording of ÖBB restructuring operations. In addition, capital injections to loss-making public hospitals organised as quasi-corporations have been classified as capital transfers in April 2009. Some progress had been achieved in EDP table 2 compilation, since a transition from a real working balance into the ESA deficit has been reported for social security funds since October 2008 and, for state government, since October 2009 (for 2007 only). The issue of housing loans has not been closed, since the treatment of low interest rate loans is still being discussed at the FAWG level. See also the related items of the agenda.

3. Follow-up of the October 2009 EDP reporting

Statistics Austria provided the EDP tables and related questionnaires in time, sent to Eurostat explanatory notes, responded to clarification questions within the set deadline, and promptly provided requested details in the context of the October 2009 EDP reporting. Nevertheless, some outstanding issues remained. These related mainly to incompleteness of some EDP tables, to the noticeable statistical discrepancies, and to the issue of the recording of cash collaterals on financial derivatives.

Statistics Austria prepared, before the meeting, explanatory notes on the compilation of EDP table 2B and 2C, as well on the issues relating to financial accounts. The notes presented detailed information on individual items recorded in the newly reported EDP table 2B (describing the content of the working balance and a rationale of individual adjustments) and provided some information on the foreseen changes in EDP table 2C reporting. In addition, current and future institutional arrangements in financial accounts compilation were described. The main reasons for discrepancies and the plans on how to overcome this problem were explained as well.

⁵ An updated inventory has been provided by Statistics Austria in March 2010

In the meeting, the EDP tables were analysed one by one, focusing on the outstanding issues.

3.1. EDP tables 2A-D (working balances, adjustments)

Introduction

In the past, one of the most important issues relating to the Austrian EDP notification tables reporting was the absence of a "real" working balance in EDP tables 2B, 2C and 2D, as these were compiled using a bottom-up approach. It should be stressed that the issue is not only of a technical nature, since the reporting of a working balance based on public accounts and the reporting of transition items between the working balance and the deficit is a legal obligation based on CR 479/2009, as amended, as these are important elements for assessing EDP data reliability.

Discussion

As a follow-up of the 2007 dialogue visit, STAT made an effort and started to provide a completed EDP table 2D since the October 2008 EDP reporting, including a working balance and adjustment lines showing transition from public accounts to the deficit. The working balance is accrual based and represents a balance of revenue minus expenditure from the "Finance Statistics of Association of Austrian Social Security Funds". Clarification of individual adjustment lines in EDP table 2D took place in the context of the October 2008 EDP notification requests for clarification.

In October 2009, a real working balance and transition items were reported also in EDP table 2B for 2007. The working balance represents a sum of the working balances of the eight main state government units ("Länder") and refers to the so called "Maastricht" balance reported in the annex ("Rechnungsquerschnitt") to the printed "final government closed accounts". It does not cover extrabudgetary units. The working balance is on a mixed accounting basis and it contains financial transactions such as receipts from sale of equities, build-up and withdrawals from reserves. These financial transactions have been excluded from the working balance via respective adjustment lines in EDP table 2B. Statistics Austria provided an explanatory note describing all the adjustment items in EDP table 2B. In addition to the exclusion of financial transactions from the working balance, other adjustments refer mainly to imputations of government expenditure benefiting public hospitals (quasi-corporations). The adjustment items were discussed with Eurostat in the context of the requests for clarification in October 2009 and were briefly reviewed during the meeting. Eurostat has found the implemented records in EDP table 2B appropriate and encouraged the Austrian statisticians to apply this approach for the whole reporting period.

It was agreed during the meeting that the same approach, as was used in EDP table 2B, will be used for the compilation of EDP table 2C. The Austrian authorities stressed that for local government, the situation is more complicated, since the working balance and adjustment items should summarise about 2300 local governments, while for the state government level, only eight state governments are to be summarised. It was also explained that some financial transactions will appear in the working balance in EDP table 2C, but values will be less significant than in EDP table 2B. Statistics Austria intends to provide a note/table explaining details of individual adjustments in EDP T2C. Such analytical information would be very much welcomed by Eurostat.

Eurostat noted that “L” is reported in EDP table 2B in the line for other accounts receivable/payable F.7 (meaning that data are not available), but the deficit figure, as reported in the last line, seems to be accrual based (which means that F.7 is reflected there). So, one would expect that the missing information on F.7 would lead to a discrepancy in EDP table 2B, which was however not the case. It was agreed that Statistics Austria will investigate which items are recorded on an accrual basis in the working balance and in the deficit, in order to identify and quantify adjustments in F.7 which are to be reported in EDP table 2B.

EDP table 2A for central government was also briefly reviewed during the meeting. Eurostat enquired whether any non-monetary transactions could be included in the working balance (which is marked as a *cash* based balance), since it seems that some flows on debt cancellation appear there, as observed in table 9.3 of the questionnaire relating to the EDP notification table. The Austrian authorities will investigate the issue. In addition, it was agreed that STAT will provide Eurostat with an explanation of the adjustment “Secondary market transactions of own securities above/below par”.

Findings and conclusions

- Eurostat found the recent approach used by the Austrian statistical authorities for EDP table 2B compilation appropriate, and took note that in the April 2010 EDP notification, the transition from the working balance to B.9 will be reported for 2006-2008 for state government⁶. In this respect, Statistics Austria will provide Eurostat with a list of the revenue/expenditure which are recorded on accrual basis (i) in the working balance (ii) and in B.9 (compiled using different data sources), in order to identify what adjustments in F.7 are to be reported in EDP table 2B. (**Action point 4**) *Deadline: April 2010 EDP notification*
- Statistics Austria will complete EDP table 2C for 2006-2008, using the same approach as in EDP table 2B. *Deadline: (Action point 5) April 2010 EDP notification*⁷
- Statistics Austria will provide further details on the accounting basis of the working balance in EDP table 2A, in order to clarify what kind of non-monetary transactions, such as debt cancellations, might be included in the working balance. (**Action point 6**) *Deadline: April 2010 EDP notification*⁸
- Statistics Austria will clarify further the nature and the reason for the adjustment in EDP table 2A for “Secondary market transactions of own securities above/below par”. (**Action point 7**) *Deadline: April 2010 EDP notification*⁹

⁶ EDP table 2B has been completed in April 2010 for 2006-2008; in October 2010 for the whole reporting period 2006-2009.

⁷ EDP table 2C has been completed in April 2010 for 2007; in October 2010 for the whole reporting period 2006-2009.

⁸ It has been confirmed by Statistics Austria in March 2010 that the working balance in EDP T2A is on a pure cash basis including cash transactions which took place until 20 January of the following year.

⁹ Statistics Austria provided the following explanation in March 2010: "This item refers to cash receipts/payments of premium/discount in the context of secondary market transactions of own securities. It is included in the working balance and has to be eliminated because it's a financial transaction."

3.2 EDP tables 3A-E (reporting of financial transactions, statistical discrepancies)

Introduction

The discussion was focused on the noticeable discrepancies reported in EDP table 3 for the whole reporting period. The issue has been regularly pointed out by Eurostat during recent years. The size of the discrepancies fluctuates in individual years, showing positive and also negative values, but the final impact is neutralised over time to a large extent. Highest discrepancies have been recorded for 2007 and 2008 (-0.62% and +0.78% of GDP respectively). The discrepancies are located mainly in EDP table 3B for central government. Regarding local government, the discrepancies are not significant but one could observe that these are always negative, which might indicate overestimation of the deficit for the subsector.

In addition, Eurostat enquired on the issue of non-reporting of the required split of transactions in financial assets into acquisition and disposal in EDP table 3.

Discussion

Discrepancies

The Austrian authorities explained that there are two main reasons for the discrepancies. The first reason reflects differences in time of recording of some non-financial transactions and the related cash settlements. It is assumed that this issue might relate also to intra governmental transfers leading to discrepancies among government subsectors. The second reason relates to the correlation between the data on transactions in financial liabilities and on the change in stock of Maastricht debt.

In order to reduce the discrepancies, OeNB has intensified its co-operation with the Austrian Federal Financing Agency (AFFA) and Statistics Austria. The co-operation with AFFA was focused on verification of the central government data quality (government debt versus security by security data base; direct data on loans granted by central government to other government and public units; financial derivatives and cash collaterals; deposits abroad and foreign loans). Regular meetings of statisticians responsible for compilation of non-financial accounts (Statistics Austria) and financial accounts (OeNB) were focused on analysing data sources under the terms of harmonisation of accounts, as well as on methodological issues. The MoF and AFFA often participated at the meetings relating to specific methodological questions in order to assist in analysing the issue and defining a possible solution.

As it was explained by the Austrian authorities, the problem with discrepancies should be significantly reduced/eliminated after the foreseen changes in institutional arrangements are implemented, a new system is built and financial accounts are compiled by Statistics Austria using preferably direct data sources. The new system of financial accounts compilation should be introduced by July 2013 (see also item 1.1).

In the meantime, Statistics Austria will intensify the work in order to ensure that, after the transition period, the whole sequence of national accounts will be derived from integrated, direct data sources.

Split of financial transactions

Eurostat noted that, due to unavailability of relevant data, the required split of transactions in financial assets into acquisition and disposal has not been reported in EDP table 3 so far.

Eurostat also pointed out that some direct data on financial inflows and outflows should already be available from public accounts, as reported in the working balance in EDP table 2. This data could be used also for the questionnaire relating to the EDP notification tables, so its completeness could be improved further.

Finally, the Austrian authorities confirmed that the requested data on interest flows attributable to swaps and FRAs will be reported in EDP table 3B in April 2010¹⁰.

Findings and conclusions

- Eurostat encouraged the statistical authorities to consider providing a split of financial transactions in EDP table 3B into "increase" and "reduction", in particular for transactions in shares and other equities, using available direct data sources from the budgetary reporting. (**Action point 8**) *Deadline: April 2010 EDP notification*¹¹
- Eurostat took note that after the foreseen changes in financial accounts compilation are introduced, the Austrian statistical authorities would be in the future in a position to report a split of financial transactions into "increase" and "reduction" (F.4 and F.5) in all EDP tables 3. Main interim results will be integrated into the EDP notifications as appropriate during the transition phase. (**Action point 9**) *Deadline: 2013*
- Eurostat invited the Austrian statistical authorities to continue the investigations on the high statistical discrepancy for central government for 2007-2008¹² and to analyse why the statistical discrepancy for local government is always negative¹³. (**Action point 10**) *Deadline: April 2010 EDP notification*

3.3 Questionnaire relating to EDP notification tables

Statistics Austria completed in October 2009 the revised questionnaire relating to the EDP notification tables (questionnaire) which was endorsed by CMFB in August 2009. Compared to the previous version of the questionnaire, it requires numerous additional details.

Eurostat pointed out during the meeting that the effort made by the Austrian statistical authorities in completing the questionnaire is evident.

Findings and conclusions

- Eurostat congratulated the Austrian statistical authorities for the completion of the new EDP questionnaire and for the improvements in data coverage, and encouraged additional efforts in this respect. Eurostat took note that further developments are expected in the coming months. (**Action point 11**) *Deadline: April 2010 EDP notification*¹⁴

¹⁰ Data has been reported in April 2010 in EDP table 3B for the year 2009.

¹¹ The requested split of transactions in shares and other equities has been reported in April 2010 for the whole reporting period in EDP table 3B.

¹² The statistical discrepancy for central government, in April 2010, has been noticeably reduced for 2007 and to a lesser extent for 2008, while it increased for the year 2006. Finally, the impact has been reallocated among years, which may relate to a time of recording issue.

¹³ As explained by STAT in April 2010, the issue will be addressed in the context of the transition period when changing financial accounts compilation.

¹⁴ Some further improvements in completion of the questionnaire have been noticed in April 2010.

3.4 Recording of cash collaterals on financial derivatives

Introduction

Eurostat observed, in the context of the October 2010 EDP notification, that transactions relating to cash collaterals on financial derivatives are reported in other accounts payable (F.7) in 2006-2008. An issue arose whether such flows should be recorded as Maastricht debt, rather than other accounts payable.

Discussion

Eurostat stressed during the meeting that, according to ESA95 §5.46e and §5.81c, when cash is used as a collateral in derivative transactions, repayable margin payments related to financial derivatives are to be treated as other deposit (F.29) or loans (F.4) depending on where a collateral receiving counterparty is classified. It was noted that the guidance of ESA95 §5.81c has been followed by some Member States and government liability relating to received cash collaterals was recorded as F.4, thus impacting Maastricht debt.

The Austrian authorities explained that they followed SNA 2008 §11.124 and BPM5 guidance which allows recording of F.7. They argued that government cannot actually use the *cash* funds which are placed as collateral, the collateral doesn't have the nature of a loan and the related transactions fluctuate significantly on a daily basis depending on the performance of the underlying financial derivative. In addition, the Austrian authorities argued that when *securities* are used as collateral, nothing is to be recorded in national accounts.

It was acknowledged that the issue should be investigated further and a clear guidance should be elaborated in this respect in order to ensure that such flows are consistently recorded by all Member States.

Findings and conclusions

- The Austrian statistical authorities will provide Eurostat with a description of the case of cash collaterals relating to financial derivatives. Based on this information, a short questionnaire will be designed and sent by Eurostat to Member States in order to investigate the recording of such cases in other countries. (**Action point 12**) *Deadline: mid January 2010*¹⁵

¹⁵ Some additional explanations on cash collaterals in financial derivatives has been provided by the Austrian authorities. Eurostat prepared a note on the issue which was discussed during the FAWG meeting in June 2010. Subsequently, a questionnaire on cash collaterals in financial derivatives was elaborated by Eurostat and sent to Member States in July 2010. The issue has not yet been closed.

4. Methodological issues and recording of specific government transactions

4.1 Delimitation of general government sector: classification of institutional units according to ESA95- application of 50% test in national accounts

Introduction

One of the crucial issues in the assessment of the correctness of general government deficit and debt figures is monitoring whether the coverage of the general government sector is in line with ESA95 rules. Eurostat enquired during the meeting about the general approach applied by STAT in the classification of public institutional units and about the sector classification of some specific public units: hospitals, quasi-corporations, universities, TV and radio, utility companies.

As a preparation for the meeting, the Austrian authorities sent a document describing the procedures for classifying an institutional unit inside or outside the general government sector in the Austrian National Accounts. Special notes were prepared on the issues of sector classification of hospitals and quasi-corporations.

4.1.1 Classification of institutional units - general approach, the market/non-market boundary, classification of public units having "commercial" legal status (e.g. joint stock companies, limited companies)

Discussion

Representatives of Statistics Austria explained that numerous public extrabudgetary units exist in Austria. There is an ongoing process of reclassification of such units "in a legal sense" in Austria, currently more on state and local government level. "Reclassification in a legal sense" refers to cases when a unit previously performed "in-budgetary" activities become an "extra-budgetary" unit given "more autonomy of decision" in order to "improve efficiency". The identification of new extrabudgetary units and the analysis of their status (non-market or market, institutional unit or not) is a permanent task which is fulfilled in Statistics Austria by national accountants in co-operation with the enterprise register unit.

Some extrabudgetary units are only "accounts" of the main government unit, i.e. they are not institutional units in the sense of ESA 95. Expenditure, revenues, financing, assets/liabilities of these units are part of the government transactions and stocks.

Extrabudgetary units which fulfill the criteria of institutional units in the sense of ESA 95 (decision-making autonomy, complete set of accounts) undergo the 50% test. In almost all cases, sales are clearly below the 50% threshold (for instance theatres, museums, funds promoting economic and social development, general research institutions funded almost exclusively by government, statistical institute, universities). Therefore, "reclassification in a legal sense" has no consequence for ESA 95 sector classification and the units remain in the government sector.

There are also cases when "reclassification in a legal sense" means that the unit concerned remains in the corporation sector. This refers to cases when a quasi-corporation becomes a corporation. In the 1990ies, nearly all quasi-corporations of the Federal government became

legal units of their own (for instance Federal Forests, Post and Telecom, Federal Railways, State Printing Office).

In principle, public units having a commercial legal status (e.g. joint stock companies, limited companies) are classified outside the general government sector in the Austrian national accounts. When such a unit is established, it is automatically registered in the corporation sector. In rare cases a unit with a commercial legal status has been reclassified into the general government sector (for instance “sale and lease back” units on state government level).

It should be recalled that a legal status of an entity defined by national legislation is generally not an overriding or even a key criterion for determining the sector classification of the entity. For example, entities with “commercial” legal status (e.g. joint stock company) would be classified in the general government sector when they are public owned non-market entities, following the rules on sector classification defined by the ESA95 and by the ESA95 Manual on Government Deficit and Debt (MGDD). It was also worrying for Eurostat that the enterprise register of Statistics Austria does not allow distinguishing between public and private corporations.

Hospitals

The issue of sector classification of public hospitals has been regularly discussed during EDP dialogue visits. Most public hospitals are classified outside the general government sector by Statistics Austria, since according to the ESA95 manual on government deficit and debt (MGDD), “payments made by the general government to public hospitals according to a system of pricing applied to both public and private hospitals can be considered as sales.” The second issue relating to hospitals was the recording of the transactions between government and public hospitals (see also item 4.2.3).

It was noted during the Eurostat visit in 2007 that, “a question on the sectorisation of hospitals in Austria remains based on two elements characterising the situation:

- the small number of private hospitals
- the importance of state funding and subsidising (as most of the hospitals make losses)”.

Subsequently, an intensive exchange of views between Eurostat and statistics Austria on the issue took place as a follow-up to the 2007 visit.

During the meeting, STAT recalled that the same pricing system is applied for both public and private hospitals and that the 50% test shows that the ratio “sales” to “production costs” is between 63% and 65% in the period 2005 and 2007. However, the test is not done for individual units but on an aggregated basis.

The market output (P.11) of public hospitals has been calculated as the sum of individual final consumption expenditure both of general government sector (S.13) and households (S.14). It is assumed that production costs are equal to market output plus subsidies. Subsidies paid by the state governments, as the owner of the public hospitals, can be observed by a single unit.

Eurostat took note on the explanations and stressed that the results of the 50% test which is done on an aggregated basis might cover profitable but also loss-making hospitals and the test should be preferably done on an individual basis.

Statistics Austria stated that as regards the second issue, all transactions from government units to public hospitals are classified as non-financial transactions (subsidies, social benefits in kind, capital transfers).

Quasi-corporations

According to the information provided by the Austrian authorities, all main units (Bund, Länder, Gemeinden) may contain establishments regarded as quasi-corporations to be reclassified outside the general government sector. The national regulations specify units with a certain organisational independence from their parent unit as “Bundesbetriebe”, “Betriebsähnliche Einrichtungen”, “Betriebe mit marktbestimmter Tätigkeit” and “Wirtschaftliche Unternehmungen”. Their accounts can easily be identified inside the whole budget of the government unit. From an ESA95 point of view, they can be interpreted as institutional units. Their “sales” and production costs are then compared using the 50% test in order to classify them as market or non-market producers.

As regards the federal government, nearly all former quasi-corporations have adopted the legal status of a corporation (Federal Railways, Post and Telecom, Federal Forests). One “Bundesbetrieb”, the Federal Theatres, which also shifted to a “commercial legal status”, remained a non-market producer in the ESA95 sense.

On the level of state and local government, the quasi-corporations are units shown in special sections of the budgets called “Betriebe mit marktbestimmter Tätigkeit” and “Wirtschaftliche Unternehmungen”, respectively. They cover economic activities of water supply, sewage and garbage disposal, construction of residential buildings, agricultural and forestry establishments, energy providers, public traffic, pharmacies and so on.

Public universities, public TV and Radio

STAT had completed special one-off questionnaires on public universities and public TV and Radio, conducted by Eurostat in 2009 and 2008 respectively. It was shortly recalled during the meeting that public universities are classified in the government sector, while public TV and Radio are outside the government sector (the license fee is considered to be a sale of service).

Public utility companies (water, heating companies, etc.)

From an organisational point of view, there are three types of units: (a) market producer but not institutional unit classified in S.13, (b) public quasi-corporations classified in S.11 and (c) public corporations, often servicing more than one municipality, classified in S.11.

The sales/production costs ratio is, as regards types a) and b), about 150% (e.g. water supply companies). As mentioned above, no comprehensive economic data for the public corporation sector as a whole are available, but the setting of the price is similar for all three types of units.

Findings and conclusions

- Eurostat took note that, at present, the 50% criterion in relation to sector classification is applied only for groups of units and not on an individual basis. Eurostat invited the Austrian statistical authorities to perform regularly the 50% test for hospitals,

preferably on individual basis. The test is to be performed also for other public corporations when there is a ground for doubt on the sector classification. (**Action point 13**) *Deadline: continuously*

4.2 Recording of specific government transactions

4.2.1 Specific government transactions in the context of the global economic crisis

Introduction

The Austrian authorities prepared, prior the mission, a note on the Austrian measures to support financial institutions, including quantitative information. In addition, an updated table on the financial support to financial institutions was provided. The MoF representative presented the main relating facts during the meeting.

Discussion

To stabilise financial markets, the Austrian authorities have adopted several measures, including guarantees up to € 65 billion for interbank loans and bond issues by commercial banks. Government has also allocated up to € 15 billion for capital injections and asset relief measures for financial institutions. As was stated by the Austrian authorities, the Austrian package of measures (Financial Market Stability Act - FinStaG, Interbank Market Support Act - IBSG) entered into force on 27.10.2008 and was approved by the European Commission, under EC Treaty state aid rules, on 9.12.2008.

The discussion was focused mainly on transactions with the newly established institution (Kommunalkredit). Kommunalkredit Austria AG was nationalised by the Republic of Austria in January 2009 after a liquidity squeeze in November 2008. The bank has been retroactively split by 30th June 2009 into a going concern entity (the "new" Kommunalkredit Austria AG) and a company which holds all non-strategic assets on its balance sheet. The latter entity changed its name to KA Finanz AG, but is a legal successor of the "old Kommunalkredit". The split of Kommunalkredit was part of a restructuring plan which was handed to the European Commission for approval in June 2009, the approval process was still ongoing.

The question arose whether the "bad bank", KA Finanz AG, is to be considered as an SPV being part of the government sector, or as a bank classified outside government. The Austrian authorities stated that this entity has a banking license and is included in the list of Monetary Financial Institutions. Eurostat expressed its preliminary impression that this government owned entity has features of a defeasance structure and if this was so, its debt should be part of the government debt. It was agreed, that the issue needs to be examined further and that the Austrian authorities will provide Eurostat with a note describing further facts and analysing the issue from ESA95 point of view.

Findings and conclusions

- The Austrian statistical authorities will send to Eurostat a note, describing factual information provided by the MoF on the newly created "bad bank" (Kommunalkredit). This note should also include a first assessment from Statistics Austria on the classification of this entity. In addition, provision of information on other transactions relating to operations in the context of the financial crisis was welcomed. (**Action**

point 14) Deadline: 15 January 2010¹⁶

4.2.2 Sale of housing loans

Introduction

The recording of sales of low interest rates housing loans at large discount had been intensively discussed during the EDP dialogue visit in 2007 and as a follow-up to the visit. The issue was how to record a discount representing a difference between the nominal value of the loan and the sale price. The discount has been recorded by the Austrian authorities as other change in assets (revaluation), without impact on the deficit. Eurostat expressed doubts about this treatment. Its opinion was that the discount could represent a transfer (to be recorded as government expenditure).

Since an agreement on the recording was not reached, the issue was presented at the FAWG level. The issue was found more complex than initially thought. It was generally agreed by FAWG members that firstly, it should be decided whether government expenditure benefiting debtors should be recorded when a low interest rate loan is granted by government, and if yes, whether it should be recorded as one-off transaction at the time of loan issuance, or whether the impact of the benefit should be spread over the life of the loan. The second issue, on how to record a discount at time of sale, would depend on the general treatment of low interest rate loans since inception.

The treatment of low interest rate loans has been discussed at the FAWG meetings since January 2009. In this respect, a special questionnaire had been completed in September 2009 by countries, expressing their opinion on the appropriate treatment.

Discussion

The Austrian authorities recapitulated their view on the issue during the meeting, arguing that there is no intention of government to convey a benefit to the bank when a loan is sold at discount. The sale is based on a bilateral agreement between the government and the bank and the sale price could be considered as a market price of the loan. Government sells such loans at discount with a view of restructuring its assets. The Austrian authorities also recalled that if a benefit for the debtor of low interest rate loans was imputed, the same treatment should be applied for all loans and all sectors. They stated that it is also not clear, what should be recorded in the accounts of the bank.

Eurostat concluded that, according to the results from the questionnaire, it seems that the Eurostat proposal was supported by a majority of countries. It was concluded that the issue will be further discussed at the forthcoming FAWG meeting in December 2009.

Findings and conclusions

- Regarding low-interest rate housing loans, the Austrian statistical authorities and

¹⁶ The Austrian authorities provided on 15 December 2009 factual information on the entity, its preliminary accounting view based on ESA95 rules and other supporting document on KA Finanz AG. The issue was further discussed with Eurostat in the context of the April 2010 EDP notification. Since an agreement on the classification has not been reached on a bilateral basis, Eurostat prepared a note on the restructuring of public banks which was discussed at the FAWG meeting in June 2010. Discussion at the FAWG level continues.

Eurostat exchanged views on the recording of the related transactions. It was concluded that further exchange of views on this issue will take place at the next FAWG meeting on 7-9 December 2009. (**Action point 15**)¹⁷.

4.2.3 Capital injections in public corporations, dividends/superdividends and interim dividends

Introduction

Eurostat enquired about the general application of the capital injection test and the classification of dividends/superdividends. Particular attention was given to recording of government payments benefiting hospitals/quasi-corporations. A note relating to these issues was provided by STAT as a preparation for the visit.

Discussion

The conversion of the basic data sources based on the final closed accounts of the main units into the ESA95 items is done on the basis of a bridge table.

Regarding **capital injections**, the following public accounts items are relevant:

- a) 74 and 75 (“Transferzahlungen an Unternehmungen” – transfers to enterprises)
- b) 080 and 081 (“Beteiligungen” – shares)

In general, “transfers” are classified as subsidies and capitals transfers (D.3 and D.9). “Shares” are recorded as transactions in shares and equities (F.51). Investment grants to quasi-corporations are however treated as purchase of equities when the quasi-corporations are profitable (e.g. public utility enterprises). Investment grants to non-profitable quasi-corporations (e.g. certain public hospitals) are classified as capital transfers. No further systematic analysis is done on whether the “transfers” should be reclassified into financial transactions. Exceptions in the recent years in this respect were the injection of participation capital into the Hypo Alpe Adria Bank in the context of the financial turmoil (year 2008, 900 mio €) and a one-off purchase of shares of energy enterprises by the Land Oberösterreich (recorded as financial transactions).

As it can be seen from table 10.2 of the questionnaire relating to the EDP notification tables that, apart from the investment grants to profitable quasi-corporations and the two big capital injections mentioned above, the main transactions in equity are payments to international organisations (ESA95 §5.95c).

Eurostat expressed appreciation for the implementation of the rules established in the new chapter on public quasi-corporations of the forthcoming 3rd edition of the MGDD, since all “investment grants” to public loss-making hospitals organised as quasi-corporations have been classified by STAT as capital transfers.

On the other hand, Eurostat noted that the capital injection test is conducted by STAT on an aggregated level as far as quasi-corporations are concerned and regarding corporations, it is

¹⁷ The issue was further discussed at the December 2009 FAWG meeting, but an agreement on the most appropriate treatment has not been reached. In the meantime, another questionnaire was conducted by Eurostat, aiming at collecting qualitative and quantitative information on low interest rate loans granted by government in individual countries. The results were presented to FAWG members at the June 2010 meeting. However, FAWG members have not come to the conclusion on the treatment.

done only for big units and big amounts.

As regards **dividends**, they refer primarily to the public accounts items 822/823 (“Dividenden”). Reclassifications of dividends into financial transaction (withdrawal of equity) are done systematically for the transfers of the Oesterreichische Nationalbank to the Bund. For state and local governments, the time series of the “Dividenden” are carefully and regularly reviewed and the extraordinary amounts are discussed with the related state and local units, which leads in some cases to reclassification of government revenue into superdividends (F.51).

The Austrian authorities stated that they are not aware of cases of interim dividend payments.

Findings and conclusions

- Eurostat took note that the new MGDD rules have been applied by Statistics Austria for the recording of government transactions with quasi-corporations and in particular that only capital injections into profitable quasi-corporations have been recorded as financial transactions.
- The Austrian statistical authorities will improve completeness of tables 10.1 and 10.2 of the EDP questionnaire and will check the reasons for the recording of negative values in table 10.2, relating to the distributions from the Central Bank of Austria. (**Action point 16**) *Deadline: April 2010 EDP notification*¹⁸
- Regarding the recording of capital injections and dividends, Eurostat took note that the capital injection and superdividend tests are undertaken only for big amounts and invited the Austrian statistical authorities to monitor closely the issue. (**Action point 17**) *Deadline: continuously*

4.2.4 Debt assumptions, debt cancellations and debt write-offs, guarantees

Introduction

The issues of debt assumptions, debt cancellations, write-offs and guarantees were not discussed in depth during the meeting. According to the note which was provided by the Austrian authorities prior to the meeting, only few cases are to be mentioned as regards guarantees called or debt-relevant events, none of them has been on the local government level:

- a) Export financing system – central government (guarantees, fees collected, acquisition of claims, repayments of claims)
- b) Bank Burgenland (debt assumption in 2004 and debt cancellation in 2006; as discussed during the last EDP mission in 2007)
- c) Cancellation of financial claims of the federal government against Österreichische Bundesbahnen in 2004

Discussion

During the meeting, the representative of Statistics Austria recalled briefly the mechanism of export insurance guarantees. When a debtor (importer) does not pay funds to the exporter for

¹⁸ The recording was corrected in April 2010.

received goods/services, a guarantee is called and a claim against the importer, originally booked by the exporter, is assumed by government. Acquisition of the claim is recorded as financial transaction against the government payment to the exporter. Repayments of these claims are also recorded exclusively in financial accounts. Every year, some claims are cancelled due to non-recoverability. The latter transactions are recorded in national accounts as debt cancellations increasing the deficit. There have not been any other calls than those related to export insurance guarantees.

Regarding the questionnaire relating to the EDP notification tables, Eurostat noted that, completeness of table 8.1 on central government claims is insufficient, since stocks and flows are not reported apart from debt cancellations. Apparently, completeness of the table might be improved by using available data on acquisitions and repayments of claims relating to guarantees (as reported in table 9 of the questionnaire). In addition, Eurostat wondered about the reporting, in table 1.2.2 on revisions of debt, of debt assumption due to guarantees.

Findings and conclusions

- Statistics Austria will clarify whether the amount of 29 million euro, as reported for 2007 in table 1.2.2 of the EDP questionnaire, refers to a debt assumption due to guarantees. **(Action point 18)** *Deadline: April 2010 EDP notification*¹⁹

4.2.5 EU flows and Market regulatory agency

Introduction

The issue of EU grants recording was briefly reviewed during the meeting.

Discussion

Statistics Austria stated that all flows relating to EU grants pass through the working balance and the related adjustment is recorded on a net basis in other accounts receivable F.7 in EDP table 2A. Eurostat pointed out some inconsistencies in the above mentioned statement compared with the information reported in the EU related survey conducted in 2008. According to the survey, not all EU flows are neutralised via F.7. As it was pointed out during the mission in 2007, grants from structural funds are recorded on a cash basis, but the amounts involved are not significant.

Findings and conclusions

- The Austrian statistical authorities will clarify and confirm whether all EU flows are reported in the working balance and reflected in the relevant adjustments in EDP table 2A. **(Action point 19)** *Deadline: April 2010 EDP notification*²⁰
- Statistics Austria will clarify and inform Eurostat about the sector classification of agriculture intervention inventories (AMA). **(Action point 20)** *Deadline: April 2010 EDP notification*²¹

¹⁹ Statistics Austria informed Eurostat in March 2010 that there was not debt assumption due to guarantees in 2007.

²⁰ Statistics Austria stated in March 2010 that "all EU flows to or channelled through government units are reported in the working balances".

²¹ As confirmed in March 2010, agriculture intervention inventories are classified outside the government sector.

4.2.6 Public Private Partnerships – PPP

Introduction

According to the questionnaire relating to the EDP notification tables, information on PPPs is not available.

Discussion

The Austrian authorities do not examine PPPs projects on a systematic basis. So far, only one major PPP-contract has been identified in Austria - for the establishment of a digital radio network. The project is classified off government balance sheet, since construction and availability risks are with the private partner. Furthermore, the Austrian authorities are aware of the intention of some state governments (Styria, Lower Austria) to use PPPs in the construction of minor sections of state roads. These plans were discussed in the beginning of 2009 and would start in 2009 or 2010 at the earliest.

Eurostat stressed the importance of a systematic monitoring of PPPs projects and pointed out that the issue is to be brought to the attention of the MoF. Representative of the MoF stated that there are no PPPs at central level and agreed to investigate on the existence of PPPs projects at state level.

Findings and conclusions

- Regarding PPP projects, the Austrian statistical authorities will provide a list of the existing PPPs, including state and local government. This information will be obtained from the MoF. Eurostat also encouraged the Austrian statistical authorities to monitor the PPP projects on a regular basis. (**Action point 21**) *Deadline: April 2010 EDP notification*²²
- Statistics Austria will send to Eurostat, if needed, information on a planned PPP project in Lower Austria, including a first assessment of the related risks and the recording in national accounts.

4.2.7 Financial derivatives

Introduction

The issue of financial derivatives recording was briefly reviewed during the meeting.

Discussion

In Austria, cross-currency swaps, foreign exchange swaps and interest rate swaps are used. There have not been cases of swap cancellations, and off-market swaps have not been used. The Austrian authorities confirmed that swaps are reported net on the liability side. Eurostat noted that the requested data on flows attributable to swaps and FRAs have not been reported in EDP table 3.

²² STAT reported in the questionnaire in April 2010 two ongoing PPPs: TETRA on radio network at the central government level, and a school at the local government level. Both are classified off government balance sheet. In addition, there is one foreseen PPP relating to road construction at the state level.

Findings and conclusions

- As far as transactions in swaps are concerned, Eurostat took note that there have not been any swap cancellations and off-market swaps. The Austrian statistical authorities committed themselves to report data on "flows attributable to swaps and FRAs" in EDP table 3. (**Action point 22**) *Deadline: April 2010 EDP notification*²³.

4.3 Implementation of accrual principle

4.3.1 Taxes and social contributions

Introduction

The latest reply to the questionnaire on the methods used for recording of taxes and social contributions was provided by the Austrian statistical authorities in January 2008. Eurostat enquired further on the recording of taxes and social contributions.

Discussion

There is a mixture of cash, time-adjusted cash and assessment and declarations recording. Value added tax (D.211) and Duty based on fuel consumption (D.214A) is time-adjusted with two months. Other D.21 taxes are on a pure cash basis. The "wage tax" (D.51A) is time-adjusted with one month. D.51B, corporate income tax, is recorded on a pure cash basis. The same is valid for other current and capital taxes which are also recorded on a pure cash basis.

Concerning D.611 (actual social contributions), these are recorded on assessment and declaration basis. To adjust for the amounts never to be collected, a capital transfer is recorded, which is based on the evidence in the (business) accounts of the social security funds. The capital transfers refer in fact to the change in provisions, booked by accountants, which is not fully in line with the ESA95 rules, since provisions do not reflect only claims acquired in the reporting period, but mainly non-recoverable claims from previous years. This method is currently applied also by some other Member States and could be considered as a proxy to the requested treatment in ESA95.

Eurostat pointed out that table 5 of the questionnaire relating to the EDP notification tables is not sufficiently completed and encouraged the Austrian authorities to make an effort in order to improve completeness, in particular for receivables on social contributions.

Findings and conclusions

- As far as the recording of taxes and social contributions is concerned, the Austrian statistical authorities will complete table 5 of the EDP related questionnaire, including data on other accounts receivable for social contributions. (**Action point 23**) *Deadline: April 2010 EDP notification*²⁴

²³ The requested data was reported in April 2010 for the year 2009.

²⁴ Data on receivables for social contributions have been reported for 2006-2009 in April 2010.

4.3.2 Interest (including recording of premium and discount)

Introduction

The Austrian authorities provided, prior the meeting, a note on the recording of interest in government accounts, including some numerical examples of calculation of accrued interest. The note was prepared and presented by the Austrian Federal Financing Agency.

Discussion

The Republic of Austria calculates interest on an accrual basis according to the "debtor approach". The debtor approach records the accrual of interest from the perspective of the issuer and on the basis of conditions determined at the time of issue of a debt.

In general, the Republic of Austria records accrual of interest on securities on a single transaction basis. Securities denominated in foreign currency are expressed in Euro on the basis of the ECB Reference rate of the reporting date.

Some technical issues on interest recording in EDP tables have been discussed during the meeting. The discussion was based on the completed questionnaire on interest recording sent in September 2009. Eurostat pointed out to some unclear records in the questionnaire in parts II and III. It was agreed that AFFA will provide Eurostat with an amended version of the questionnaire.

Findings and conclusions

- The Austrian statistical authorities will provide Eurostat with an amended version of the questionnaire on the recording of interest in EDP tables, identifying adjustments made in EDP tables as well as the amounts of accrued interest in part II and III of the questionnaire. (**Action point 24**) *Deadline: April 2010 EDP notification*²⁵
- The Austrian statistical authorities will provide to Eurostat detailed data for 2007 on cash, as well as on accrued interest, relating to debt securities (separately for coupons and for flows on discount and on premium), financial derivatives and loans. Data are to be reconciled with the related adjustments in EDP tables 2A and 3B. (**Action point 25**) *Deadline: April 2010 EDP notification*²⁶

4.3.3 Other transactions

It was confirmed that there have been no securitisation operations in Austria.

Regarding transactions with emission trading permits, the Austrian authorities informed Eurostat that the first transaction took place in 2009 and that the amount involved has been insignificant.

²⁵ An amended questionnaire has been sent to Eurostat on 25 March 2010.

²⁶ Information has been provided to Eurostat on 4 June 2010.

List of participants

EDP Dialogue Visit to Austria, 30 November – 1 December 2009

Statistics Austria

- Walter Stübler
- Karl Schwarz
- Alexander Ninaus
- Claudia Hofer

Oesterreichische Nationalbank

- Aurel Schubert (30 November)
- Michael Pfeiffer (30 November)
- Michael Andreasch (1 December)
- Gerald Wimmer
- Eva Hauth (30 November)

Ministry of Finance

- Eduard Fleischmann (1 December)
- Alfred Lejsek (1 December)
- Stefan Schiman

Austrian Federal Financing Agency

- Markus Stix (30 November)

Eurostat

- Luca Ascoli
- Lena Frej Ohlsson
- Jean-Pierre Dupuis
- Viera Karol'ová

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- Dagmar Lojschová