



iconvienna 2017

27 April 2017, Alois Steinbichler, CEO Kommunalkredit Austria AG

The European Infrastructure Market

High demand for infrastructure investments



- Massive investment needs in Europe:
EUR 150 bn to EUR 200 bn¹ per annum until 2020
- High demand also in Austria:
schools, hospitals, waterways etc.
- Limited debt capacity of public sector
- Restrictive regulatory framework limits banks' capacity to carry long-term assets
- Institutional investors require long-term stable cashflows (Solvency II)

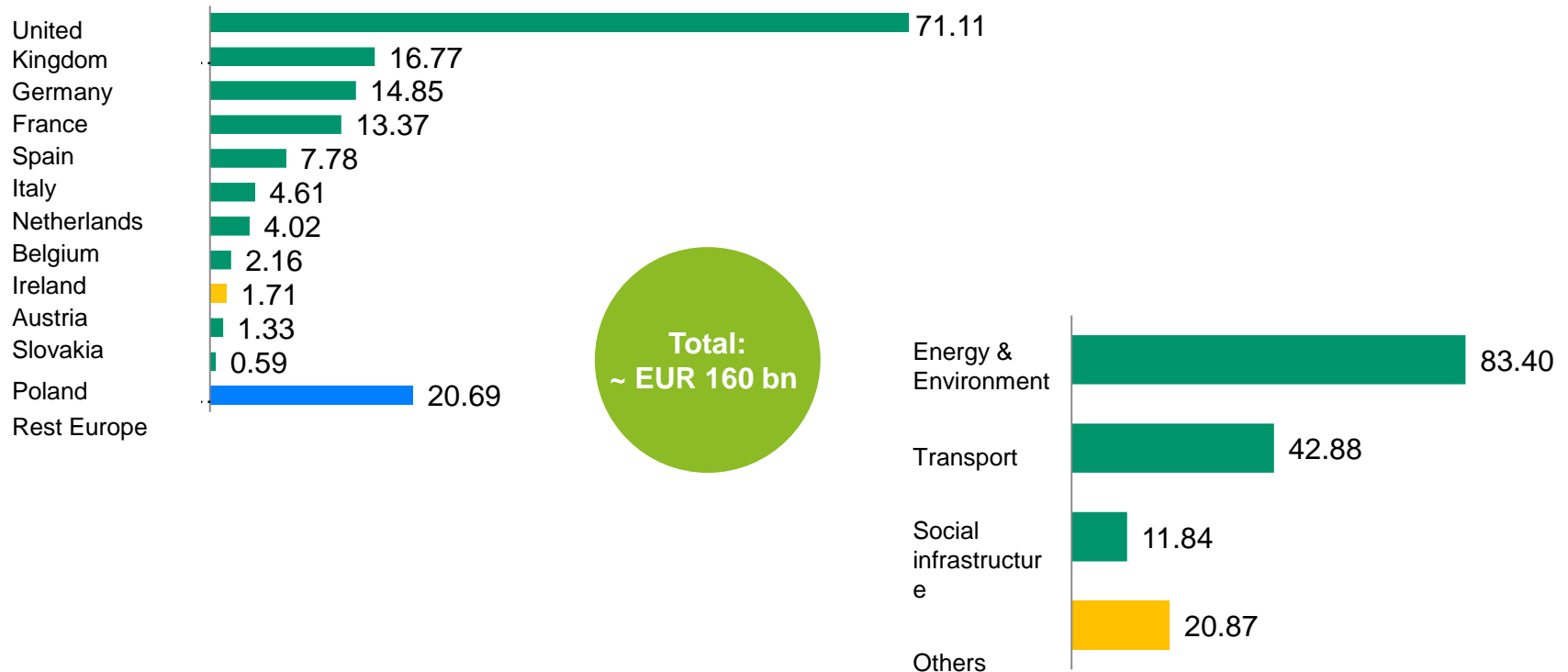
¹ Source: EIB, 2017

The European Infrastructure Market

High demand for infrastructure investments



Infrastructure investments in Europe 2015¹



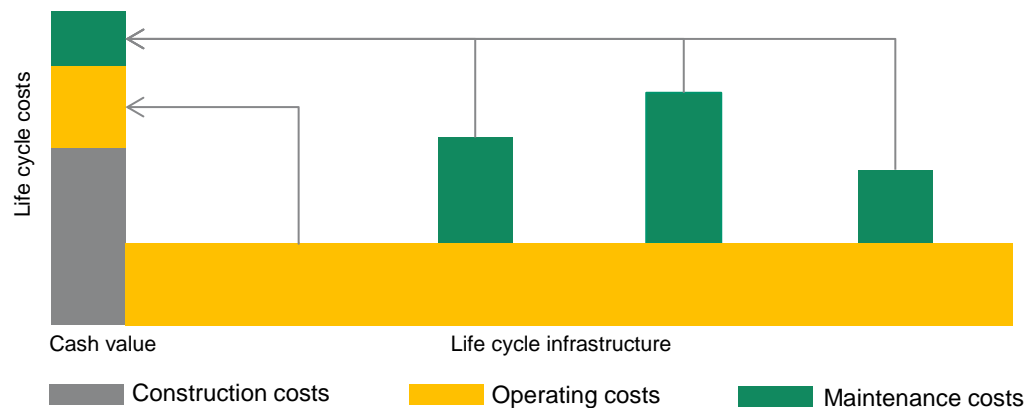
¹ InfraDeals, Kommunalkredit, closed deals, figures in EUR bn.

Availability-based Concept / Life Cycle Approach

Project-budget covering operating costs and maintenance

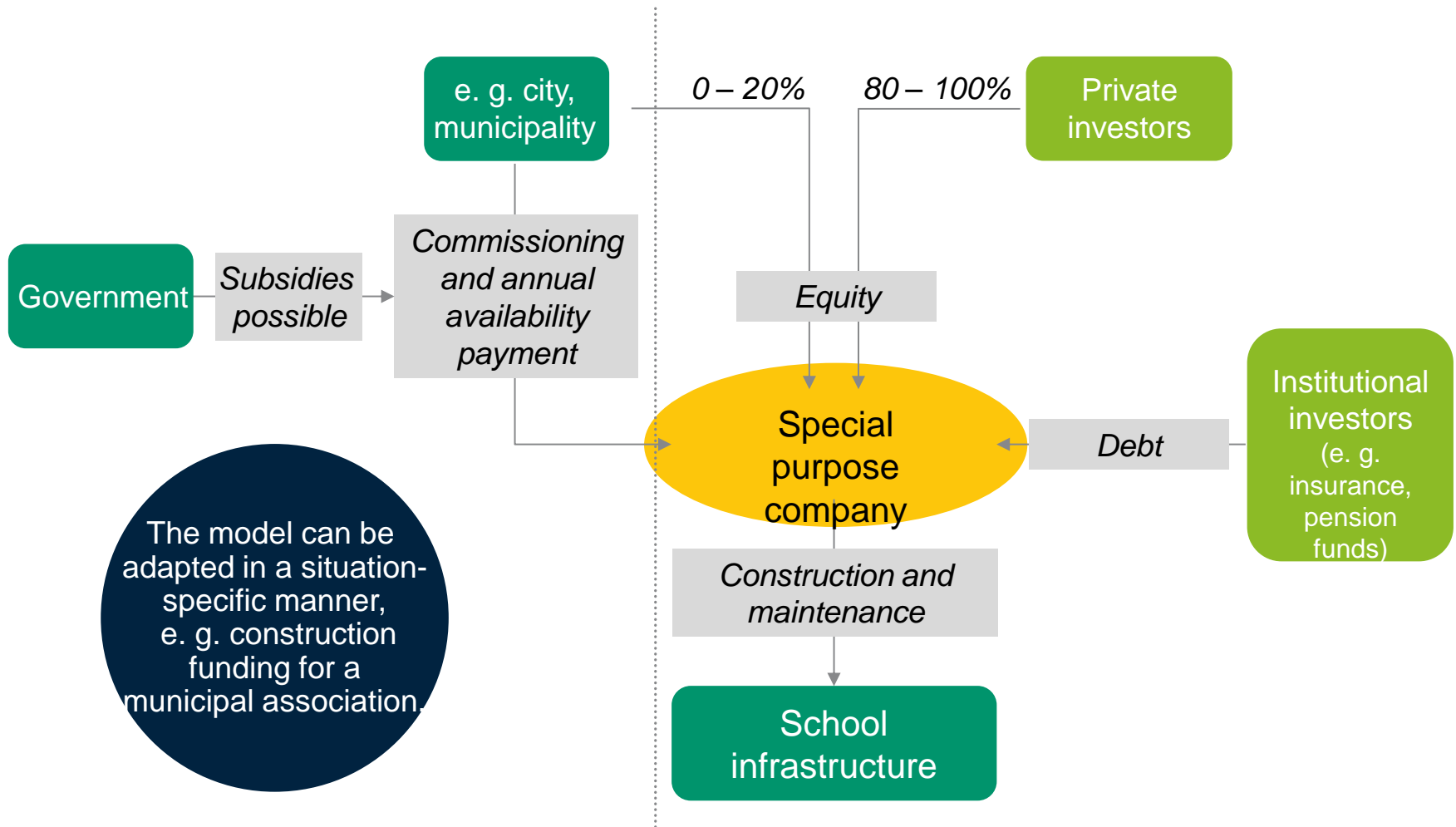


- Project company carries construction and operating risk
- Investment of private / institutional funds
- Public subsidies possible
- Maastricht-neutral construction costs; public deficit from availability payment; consent of local statistical authority needed
- Procurement process – not only funding



Availability-based model for public infrastructure

Example: schools





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