
VIFG VerkehrsInfrastrukturFinanzierungsGesellschaft mbH

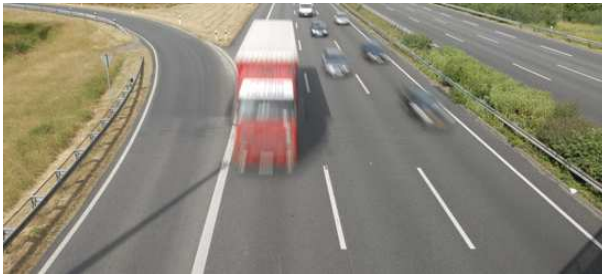
Opening statement, Session „Project Financing: delivering the new realities“

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Content



- 1. Overview of VIFG**
- 2. HGV-Tolling system in Germany & PPP**
- 3. Impact of the financial crisis on the PPP Market**

The role of VIFG

- **HGV-toll (> 12 t) on federal trunk roads, depending on vehicle kilometers traveled, number of axles and emission class**
- **Toll revenues 2010: 4,5 bn. €, Federal Budget 2010: 6,5 bn. €**
- **VIFG finances Infrastructural Road projects, completed by public and private sector (PPP)**
- **Earmarking of toll revenues for federal road network, Operating the System, Enhancement of transport infrastructure**

Federal trunk roads – Data and facts



- 12.800 km motorways – gross capital stock about 177 bn. €
- 39.900 km federal roads – gross capital stock about 184 bn. €

Federal budget for federal trunk roads 2008 to 2012* in bn. €

2008	2009	2010	2011	2012
6,0	7,1	6,5	6,0	5,8

* From 2009 until 2011 financial means from „KP II“ and „Arbeitsplatzprogramm Bauen und Verkehr“ are contained; system costs and harmonization measures are not included.

- **Requirements: at least 8 bn. € p.a. → Solution: User financing**

Toll-Revenues p.a.

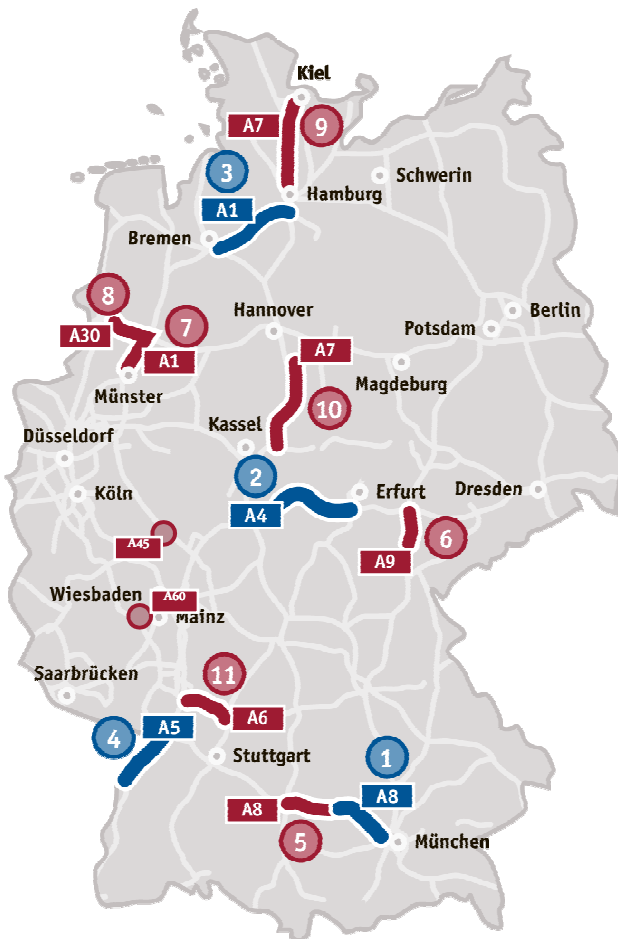
2009	2010	2011 (planned)
4,325 bn. €	4,510 bn. €	4,637 bn. €

- **System costs truck toll and expenses for harmonization measures:**
 - about 1,3 bn. €, and thus about 3,2 bn. € net toll

PPP on German Motorways - The A-Model

- **In the A-Model a concessionaire gets a 30 years contract and is required to widen an existing motorway or to construct a new section and to perform maintenance measures.**
- **Objectives / Key benefits:**
 - High efficiency and „user orientation“
 - Promotion of innovations
 - New impulses for public administration

The A-Model Projects



A-Model Pilot Projects awarded and Projects tendered in 2009

1. Bavaria	A8 (AS Augsburg West – AD München-Allach)	Awarded
2. Thuringia	A4 (State border Hesse/Thuringia – AS Gotha)	Awarded
3. Lower Saxony	A1 (AD Buchholz – AK Bremen)	Awarded
4. Baden-Wuerttemberg	A5 (Malsch – Offenburg)	Awarded
5. Bavaria	A8 (AK Ulm-Elchingen – AD Augsburg-West)	Awarded
6. Thuringia	A9 (AS Lederhose – State border Thuringie/Bavaria)	In tender

Tender expected (depending on public permission and pos. VfM)

7. North Rhine-Westphalia	A1 (Lotte – Münster)
8. Lower Saxony	A30 (Rheine – Lotte)
9. Schleswig-Holstein	A7 (Bordesholm – Hamburg)
10. Lower Saxony	A7 (Salzgitter – Drammetal)
11. Baden-Wuerttemberg	A6 (Wiesloch-Rauenberg – Weinsberg)

Further Projects expected A45 (Hesse) and A60 (Rhineland-Palatinate)

Risk and Responsibilities

- **Technology risk for toll collection**

It is not borne by the concessionaire. This is done by Toll Collect (distribution of On Board Unit and collection of the toll, i.e. as clearing house function)

- **Traffic risk**

In the first A-Model the traffic risk was borne by the concessionaire and he had to accept the evolution of the toll set up by the Federal Government. In the second type of model the tools had been agreed for all Motorways contractually. The only risk to the concessionaire is the amount of traffic and/or the availability of the Road

- **Acceptance of the toll**

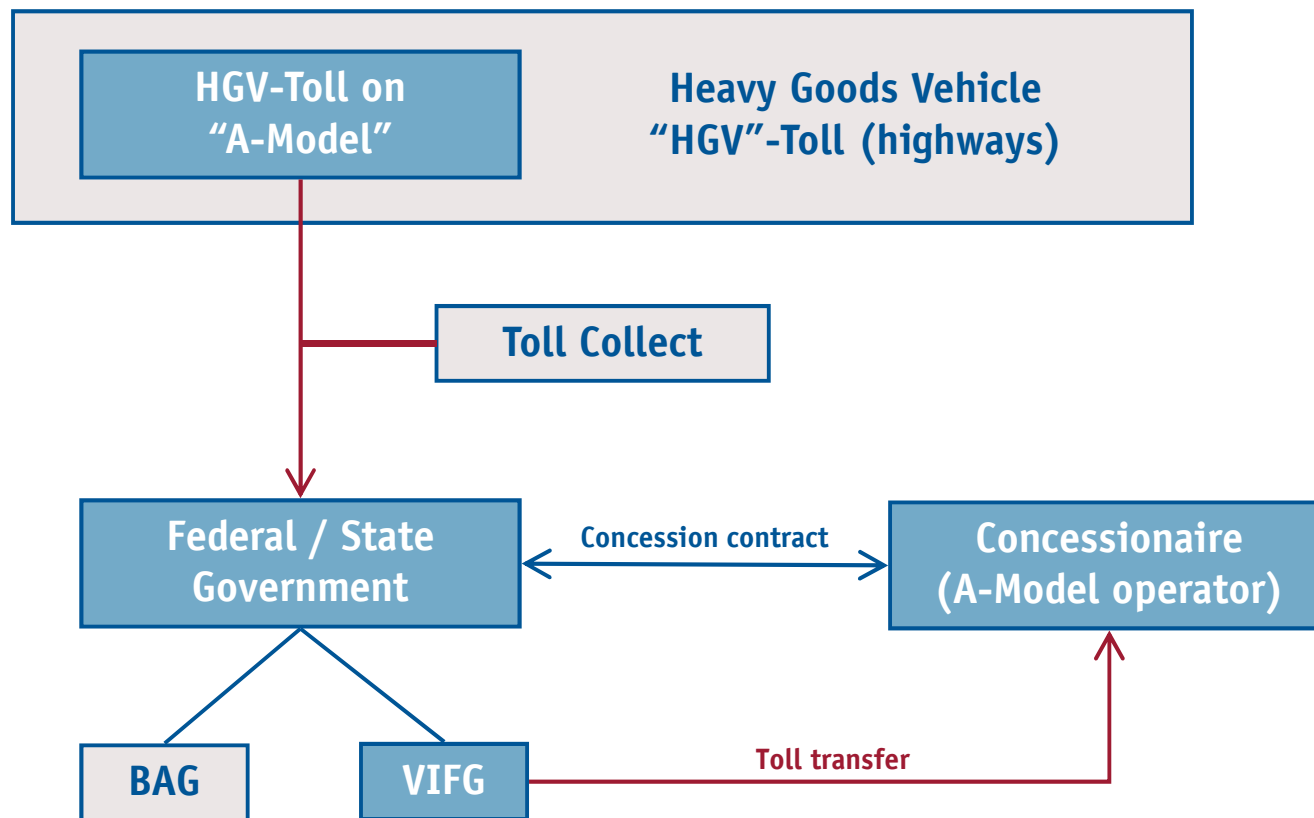
Only trucks pay the HGV-toll and this was in placed before the Concession were awarded

- **Finance, Construction and Management risk**




This remains with the concessionaire

HGV-Tolling system in Germany & PPP

Structure of Toll Transfer



Legend

	Toll forwarding
	Contractual relation
	Implementation of federal tasks
BAG	Controlling Entity for Toll Collect

The impact of the financial crisis on the European PPP Market

- **Reduced funding volume**
- **Club deals instead of Syndicated loans, shortening of binding periods (4-6 weeks)**
- **Increased credit margins, higher cover and equity ratios required**
- **Due to a better risk profile “availability models” as preferred structure for the financial institutions**
- **State guarantees or state bank involvement was required to attract private banks participation**

The impact of the financial crisis on the German PPP Market

- **In spite of the financial crisis planned road projects (A-Models) were completed successfully**

- **Liquidity was available due to**
 - Adequate project volume
 - Secured Cash Generation (brown field projects)
 - Positive results from the Value for Money testing

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