



**Agreements based on existing toll contracts to
improve mobility**

www.asecapdays.com



Current Situation

a) Economic environment:

- ✓ Traffic dwindling (since 2008: ↓ 35%)
- ✓ Public entities with Budget constraints to:
 - Pay concessionaires
 - Promote required investments

b) Network:

- ✓ Imbalanced Network, not optimized
- ✓ Free alternatives and competitive means of transport
- ✓ Public policy preference for collective transport

c) Concessions:

- ✓ Tariffs not homogeneous



Need and voluntary to renegotiate:

- Unicat
- Trucks AP7



Agreements based on existing toll contracts to improve mobility

Unicat

Scope of agreement



Agreements based on existing toll contracts to improve mobility

Unicat

Negotiation objectives



- ✓ Tariffs / km homogeneous by territory
- ✓ Tariffs adjusted by the real route
- ✓ Discounts policies homogeneous and with an environmental goal
- ✓ Infrastructures use optimization and reduction of Public investments



Initiative

- ✓ Tariffs reduction (between 10% and 30%)
- ✓ Customers paying for the real route
- ✓ Recurrence (>15 times/month)
- ✓ VAO - High occupancy (>2 pers)
- ✓ ECO - Ecologic vehicles
- ✓ Environmental measures, improvement of mobility and connectivity initiatives,...

Compensation

Value lost by the concessionaire:

- ✓ Loss of revenues due to all discounts applied to customers
- ✓ Investments carried out by the concessionaire



Compensation to the concessionaire:

- ✓ Yearly recognition of the:
 - Revenues lost
 - Capex facilities accrued
- ✓ Capitalization of both amounts annually at a fixed IRR
- ✓ At the end of the concession period exchange of the amount accumulated by **additional concession period** or **cash** depending on grantor priority.

Agreements based on existing toll contracts to improve mobility

Trucks - AP7

Scope of agreement



Agreements based on existing toll contracts to improve mobility

Trucks - AP7

Negotiation objectives



- ✓ Reduce accident rate taking advantage of the toll road capacity
- ✓ Reduce congestion at the alternative route (free of charge)



Initiative

- ✓ Forbidden of Trucks with 4 or more axles driving through the conventional road
- ✓ Discounts:
 - Long-term trips: 35%
 - Short-term trips: 50%

Compensation



Value lost by the concessionaire:

- ✓ Loss of revenues due to discounts applied to truckers



Compensation to the concessionaire:

- ✓ Additional Traffic captured at the toll road pays automatically the loss of revenues generated by the discounts applied to existing truckers and maintenance costs for new trucks.

key success issues with PPP in long term agreements:

- ✓ Need of **Win-win** agreements for both parties
- ✓ **Voluntary** to put in place initiatives **quickly and efficiently**
- ✓ Promote initiatives to **improve mobility**
- ✓ **Satisfy local requirements**
- ✓ Show continuously the benefits of private partners



Mature concessions are alive and need to be reinvented to fulfill stakeholders objectives

Long life to PPPs!



Thank you