

**GENERAL REPORT TO BE PRESENTED BY EACH DELEGATION DURING THE ASECAP STUDY AND
INFORMATION DAYS
MARRAKESH 18 – 21 MAY 2008**

**Kapsch Telematic Services
GENERAL REPORT**

Introduction

The Czech Government discussed the introduction of the road toll shortly after the country joined the European Union (EU) in 2004. The primary reasons for this were:

- Change of time-based taxation to a more just performance-based charging where a user pays for the number of kilometres travelled
- Increase of funds flowing into road management;
- Attempt to balance the conditions for road and railroad transport as well as the related eventual reduction of increased truck traffic in the Czech Republic;
- Possibility to introduce telematic services.

The EU membership of the Czech Republic and the related expectations of highly increased transit truck traffic resulted in a demand for specifying an electronic toll collection system that would offer maximum user comfort.

The considered systems should not discriminate international carriers who occasionally use the chargeable road network in the country compared to the domestic carriers, who use it frequently. This is the reason why the competitors in the tendering process for the toll only included those who offered a system based on the microwave (DSRC) communication. One of the benefits of the microwave toll system is the use of low-cost and easy-to install onboard unit (OBU), which can be very easily distributed, installed and uninstalled into a vehicle. That this requirement was justified is confirmed by the experience from the first months of the system's operation, primarily by the continuously growing number of active OBUs. If we compare this system with the satellite-based one, there is no doubt that the acquisition costs of the first one are higher. However the savings on acquiring more affordable low-cost and easy-to install OBUs have entirely eliminated the extra cost by now. They have proven to be the right decision.

The Czech Government decided to cover the costs for upgrading and maintenance of the transport infrastructure by introducing a distance-based truck toll. This road toll applies to Czech and foreign road users alike. On January 1, 2007, the Czech nationwide electronic toll collection system for heavy vehicles with a maximum permissible laden weight of 12 tons and above started commercial operation. As mentioned above, the system is fully electronic, using DSRC technology to achieve multi lane free flow toll collection.

Within nine months from the date of contract signature, Kapsch, as the chosen supplier, was able to design, develop, manufacture, erect, integrate and implement this complex toll collection system, including setting up a nationwide distribution network for OBUs with pre-pay and post-pay capabilities, as well as establish multilingual services and a support network to enable technical and commercial operation of the system.

Network length

In 2007 the electronic toll system was implemented for one part of the network - on 950 km of motorways and expressways. After evaluation of technical and economical aspects the Czech Ministry of Transport decided to complete electronic tolling on the motorway and expressway network with microwave technology due to the undeniable benefit of this technology. That means, from 2008 approximately 180 km of selected 1st class roads used for transit and 50 km of new sections of highways and motorways have been tolled with microwave technology.

The length of the Czech tolled primary road network consisting of motorways and expressways reached 1180 km by January 1, 2008.

Financing

As of 11 July 2007, after only 6 months of operation the total amount of the tolls collected reached the total capital expenditure. This excellent indicator is in addition amplified by the fact that the system was built using the contractor's method, meaning that the general contractor bears the initial costs related to the construction – which is a type of PPP project! The state will reimburse the general contractor for those costs gradually within a horizon of 30 months after the launch of the system.

Traffic

Total number of truck km travelled with a permissible total weight of 12 tons and more reached over 1,35 billion km.

The average daily traffic of heavy vehicles with a maximum permissible laden weight of 12 tons per truck km amounted to 3 894 in 2007. It means total travelled km per 365 days and the total length of road network subjects to toll.

The good performance is demonstrated also by the number of OBU units – at the end of January 2008, almost 289.500 active OBUs were registered by the system, which exceeded even the highest expectations before the launch of toll system!

- pre-pay = 47 %
- post-pay = 53 %
- local lorries = 62 %
- foreign lorries = 38 %

The increase in toll revenues in 2007 and in January 2008 showed that the intensity of tractor-trailer traffic continues to rise in proportion to the growth of the economy and consumer consumption. This is a pan-European trend, but the introduction of toll has been able to slow down the increase. Without tolling the situation would be worse.

Toll statistics have shown that the highest movement of tractor-trailers takes place in the third decade of each month. Records usually occur between the 20th and 30th day of each month, which is most likely related to economic production cycles.

Tolls

Putting the motorways and expressways as a subject to toll charges is regulated by the amended Act no. 13/1997 Coll. for the Road Network.

The usage of motorways, expressways and selected roads in Czech Republic by heavy vehicles with a permitted total weight equal or greater than 12 tons is subject to toll (distance based charge). Such vehicles are not obliged any more to fix a vignette (time based toll sticker) on their windshields.

Tolled roads and sections are delimited by traffic signs

(Motorway — Expressway — Tolled Road)



Overview Emission Categories and Toll Rates

Time-based toll charge (motorway coupons)

The fees for the use of motorways and expressways by road motor vehicles are set by the Government Directive no. 484/2006 Coll., which came into effect on January 2007.

The fee for the use of a motorway and expressway by a road motor vehicle (hereinafter referred to as a "motor vehicle") with at least four wheels or for an articulated vehicle is:

a) For one calendar year for a motor vehicle or an articulated vehicle:

- 1) with the total weight up to 3.5 tonnes – CZK 900 (€ 32)
- 2) with the total weight over 3.5 tonnes and less than 12 tonnes - CZK 7,000 (€ 250)

b) For one calendar month for a motor vehicle or an articulated vehicle:

- 1) with the total weight up to 3,5 tonnes - CZK 300 (€ 10,7)
- 2) with the total weight over 3.5 tonnes and less than 12 tonnes - CZK 1,750 (€ 62,5)

c) For seven days for a motor vehicle or an articulated vehicle:

- 1) with the total weight up to 3,5 tonnes - CZK 200 (€ 7)
- 2) with the total weight over 3.5 tonnes and less than 12 tonnes - CZK 650 (€ 23,2)

Distance-based toll charge

Toll rates are stipulated by Czech Government Regulation No. 484/2006 Coll. The amount of toll for the use of a particular section of a tolled road depends on the length of the section and the category of the respective vehicle, depending on the number of axles and the emissions class of the vehicle.

Toll Rates [CZK/km]						
	Emission Class Euro0-2			Emission Class Euro3-5		
	Number of Axles					
	2	3	4+	2	3	4+
Highways and Motorways	2,30	3,70	5,40	1,70	2,90	4,20
The 1th class roads	1,10	1,80	2,60	0,80	1,40	2,00

Toll Rates [€ /km]						
	Emission Class Euro0-2			Emission Class Euro3-5		
	Number of Axles					
	2	3	4+	2	3	4+
Highways and Motorways	0,082	0,13	0,2	0,06	0,1	0,15
The 1th class roads	0,04	0,065	0,09	0,029	0,05	0,07

Notice: The exchange rate with Euro: 1€ = 28 CZ

Revenues

The yearly toll revenues in 2007 increased to EUR 198,5 million (224.212.033 tolling transactions). Only after 10 month of operation the collected tolls amounted to EUR 163 million – these revenues were expected for the entire year 2007.

In January 2008, trucks were charged for tolls approximately EUR 17,5 million – which is EUR 2,5 million more than in January 2007.

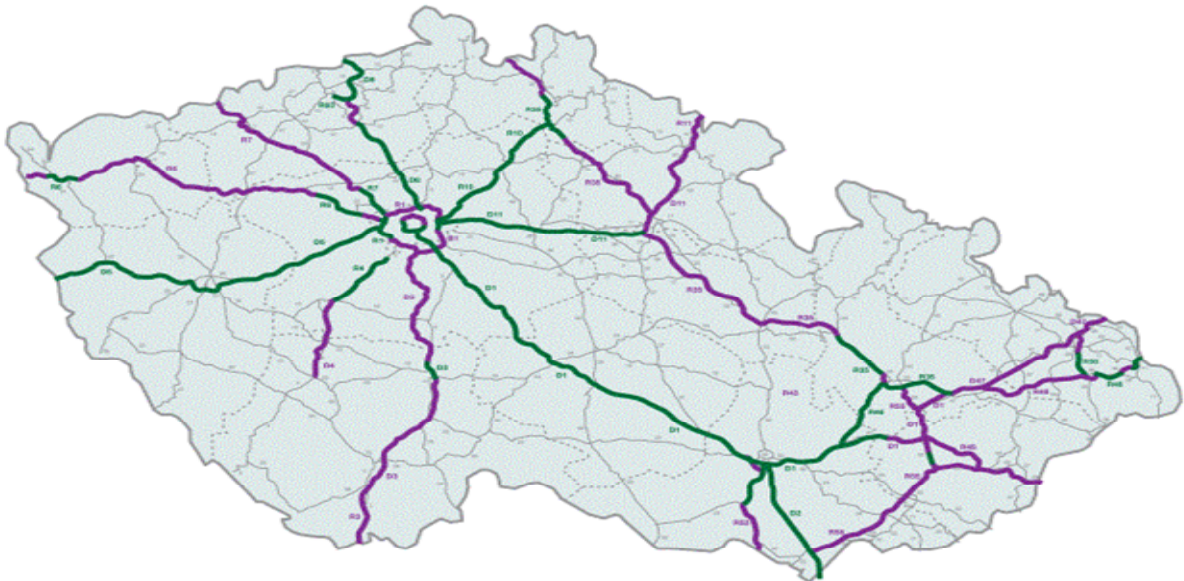
Toll revenues for 180 km selected 1st class roads for January 2008 amounted to approximately EUR 807.000, what represents only 4,6 % of total toll incomes for January. Estimations for truck toll revenues are to exceed EUR 231 million this year, which is EUR 35 million more than in 2007!

Significant actions already started (and/or to be achieved in 2007) and foreseen for 2008

According to the most current plans of the Czech Ministry of Transport the distance-related tolls are to be extended in order to cover all vehicles of 3.5 tonnes or more by January 1, 2009. Kapsch will make the necessary adaptations to the existing electronic toll system.

The Czech Republic recently decided, that Kapsch will upgrade the future toll system in order to include another approximately 1,000 km of future motorways. The construction or extension is scheduled to begin by the end of 2017.

Czech tolled road network by 2013 – 2015



The Czech Ministry of Transport and the Road and Motorway Directorate of the Czech Republic (Ředitelství silnic a dálnic, RSD), who is the owner of the Czech electronic toll system - made the decision to use the existing toll system for other purposes like traffic management, road safety & other telematic applications. Thus Kapsch will supply an interface for telematic applications and the implementation of the Traffic Management System for D1 motorway route. The project aims at improving road safety and optimizing traffic flow.

For the further extended use of the toll system the Czech Ministry of Transport has recently instructed Kapsch to implement the interface for a future satellite-based toll collection system on the 1st class,

2nd class and 3rd class roads. The goal is a so-called hybrid electronic tolling. Such a combination of the two technologies is conditional to reach the compatibility of both systems.

MAIN ASECAP KEY FIGURES

Country: Czech Republic	2008	2007
The length of the Czech tolled road network in Km	1 180	
Motorways and Expressways	1 000	950
The 1 th class roads	180	
No. of km in construction	-	-
Forecasts of opening motorways in Km	40	
Annual toll revenue in Million Euros		198,5
Permanent staff		100
Average daily traffic (LV)		
Average daily traffic (HV ≥ 12 tons)		3 894
Average daily traffic (LV+HV)		
Total number of accidents		
No. of personal injury accidents		
No. of dead		
Km travelled Trucks ≥ 12 tons (10 ⁶ x km)		1 350
No. of toll plazas		
No. of lanes		
No. of teletoll equipped lanes		
No. of active OBUs		280 000
No. of Contact and Distribution Points with Toll service		215
No. of rest areas		
No. of restaurants		
No. of hotels		