





Kilometer Tolling in Denmark

28 Sep 2022

Information meeting for EETS Providers



Agenda

- **01** Welcome & introduction
- **O2** Implementation status of the Kilometer Tolling Scheme
- **O3** Technical requirements
- **O4** Accreditation procedure and documents
- **05** Contractual terms and remuneration
- **06** Q&A

Welcome & introduction

Participants from Sund & Bælt

Presenters



Marie-Louise Brønager
Project Manager
EETS onboarding



Ole Lykke Christensen Managing Director, Tolling



Lise Jonasen Programme manager



Martina Zabic Technical lead, GNSS

Support



Philip Bøje Houlberg Head of Legal, Tolling



Søren Rasmussen Senior Tolling Specialist



David PommerSolution Architect

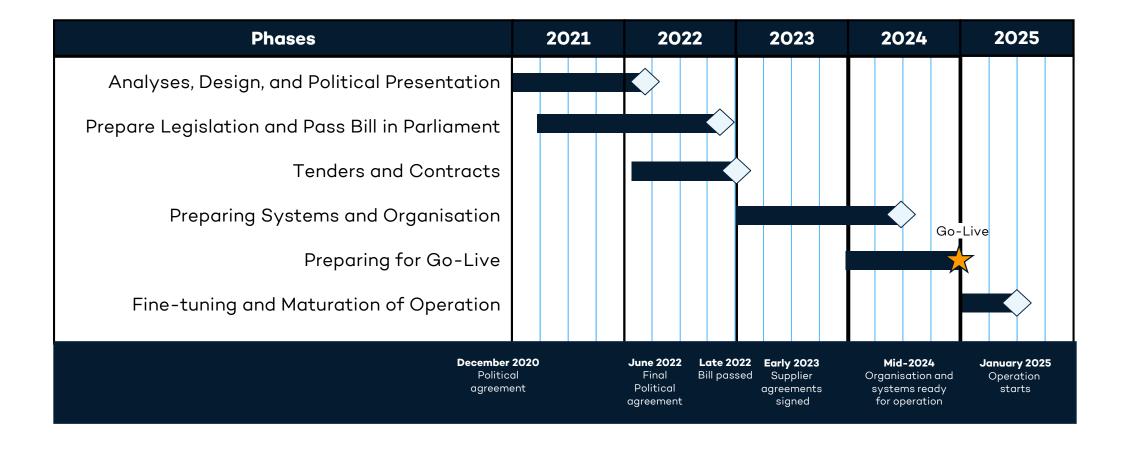


Jacob A. Døjholt Service Delivery Manager

Implementation status of the Kilometer Tolling Scheme

The Kilometer Tolling Programme

Overall timeline



Political agreement as guidance for

The main principles of the solution

Political agreement 24 June 2022

- 1. Tolled road network of about 7,300 km, which includes the state road network and selected municipal roads including environmental zones
- 2. Trucks with a max authorised weight of 12 tonnes and above are included. Trucks between 3.5 12 tonnes are included from 2027.
- 3. CO2 differentiated tax with reduction of 0.3 Mt in 2025 increasing to 0.4 Mt in 2030.
- 4. Increased tax rates in current environmental zones
- 5. Satellite-based vehicle equipment used by users to collect vehicle data
- 6. Route purchase solution made available to users without satellite vehicle equipment
- 7. The scheme is enforced through administrative fines issued by the Danish Road Administration
- 8. Calculation and collection of toll is carried out by S&B
- 9. Gross revenue of approximately DKK 2.5 billion in 2025 increasing to DKK 3.5 billion in 2030.

Main principles of the solution

- 1. Scalable to handle different types of vehicles and a larger tolled road network
- 2. Based on EU methods within the Eurovignette and EETS directives
- 3. Easily manageable, cost effective, user friendly and based on well-proven innovative solutions
- 4. GNSS OBU supplied by EETS-registered suppliers
- Toll calculation based on 'one truth'
- 6. Climate differentiation and handling of externalities based only on digitally available data
- 7. Uniform control and administrative enforcement based on digitally available data



The Kilometer Tolling Scheme (KmToll)

Sund & Bælt is Toll Charger collecting toll (tax) on behalf of the Danish Ministry of Taxation

KmToll is a Toll Charger dominant scheme – centralized GNSS toll calculation

- GNSS OBE in vehicles for EETS users
- Segment-based solution with use of map-matching, incl. road map
- Distance-based toll ticket

Fixed and flexible enforcement units - strategic placement in DK

- ANPR and vehicle classification
- DSRC is used for compliance check

Cooperation with EETS-registered providers

No Main Service Provider and no point-of-sale or vendor machines

DG Move (the EU Commission) is informed

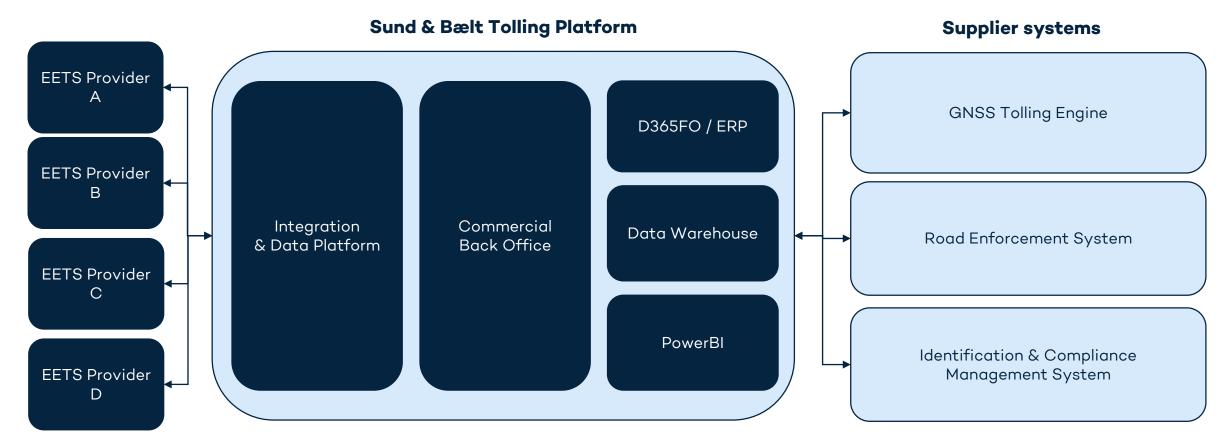
The scheme will be harmonized with similar solutions from other European Toll Chargers to the greatest extent possible

- The scheme will comply with the EETS and Eurovignette Directives
- The scheme will be based on applicable legislation and standards. Deviation from published standards will only be where absolutely essential, e.g. to address specific requirements of Danish law.

Technical requirements

The Kilometer Tolling

Core system



Integration to S&B Tolling Platform

- Directly through a built-in proxy solution
- All data (back/forward) to EETS Providers will be sent through S&B Tolling Platform
- Based on CEN 16986 (2022/23 version), Section Autonomous TC Dominant profile
- Interface type: REST API (deviation from standard)

Sund≈Bælt

Technical requirements

EETS compliant OBE

- GNSS positioning frequency (expected 1-10 sec)
- Toll Declaration rate (expected 10-60 min)
- No dynamic information will be required from users (axles, trailer etc.)

Payment Process

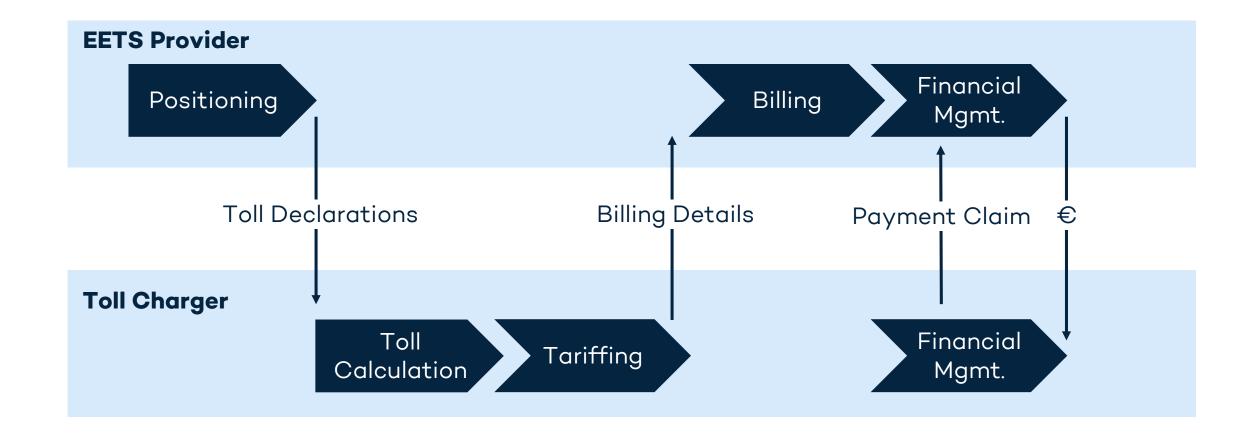
- Billing Details (once per day)
- Separate Payment Claim will be used (expected monthly)
- Full and incremental blocklists and userlists will be required (expected 24h/15 min)

Performance measurement

EETS Provider performance will be measured using KPIs (technical/service level)



Primary tolling data flow



Accreditation procedure and documents

The "accreditation model"

The accreditation procedure is structured in rounds (First round, second round etc.)

The first round of accreditation causes for a special approach since accreditation take place simultaneously with the KmToll scheme being implemented.

An EETS Provider approved for the first round of accreditation commits to go-live on 1 January 2025.

No participation fee is charged if the EETS Provider chooses to participate and successfully complete the requirements within the first round of accreditation.

This model places high expectation on the EETS Provider contributing with the necessary resources, meet agreed deadlines etc.

- A contract between S&B and the EETS Provider will be signed prior to testing. The contract will include the EETS Provider's obligations during the first round of accreditation.
- Delay of critical milestones or non-compliance with the terms in general equates contractual breach. In such cases, S&B will have the option to terminate the contract for cause.

Application for the second round of accreditation will not open until mid 2025. EETS Providers applying for the second round cannot expect to be accredited until 2026.



Coverage of EETS domains in Denmark

With the new KmToll scheme, two EETS domains will exist in Denmark per 2025:

- EETS domain for A/S Storebælt
- (New) EETS domain for kilometer-based toll for trucks in Denmark (KmToll)

Article 5 (1) in the EETS Directive states the following regarding coverage:

"Member States [...] shall take the measures necessary to ensure that those EETS providers conclude contracts covering all EETS domains in a given Member State within the 24 months following the conclusion of the first contract in that Member State, except for those EETS domains in which the responsible toll chargers do not comply with Article 6(3)"

NEW EETS providers in Denmark:

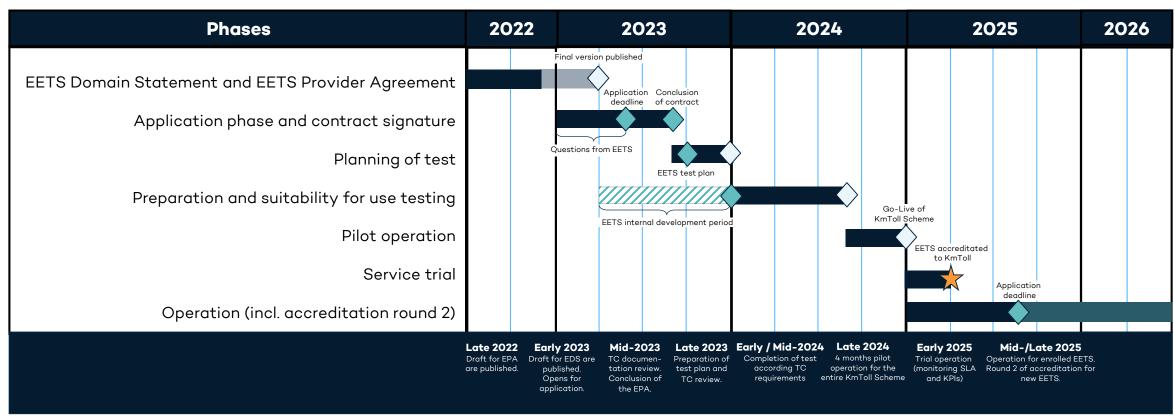
In order for EETS providers to achieve coverage in Denmark, the EETS provider shall conclude contracts with *both* Danish EETS domains 24 months following the conclusion of the first contract with one of these EETS domains.

EXISTING EETS Provider in Denmark (already covering the EETS domain for A/S Storebælt):

In order for the EETS providers to maintain the coverage in Denmark, we believe that above article shall be interpreted that the EETS provider shall conclude contract for the new KmToll scheme within 24 months from the time of the operational launch of the new scheme. Though, we need to state that this is not completely well described in Article 5.

Accreditation

Expected timeline for first round of accreditation



All phases and dates may be subject to change.



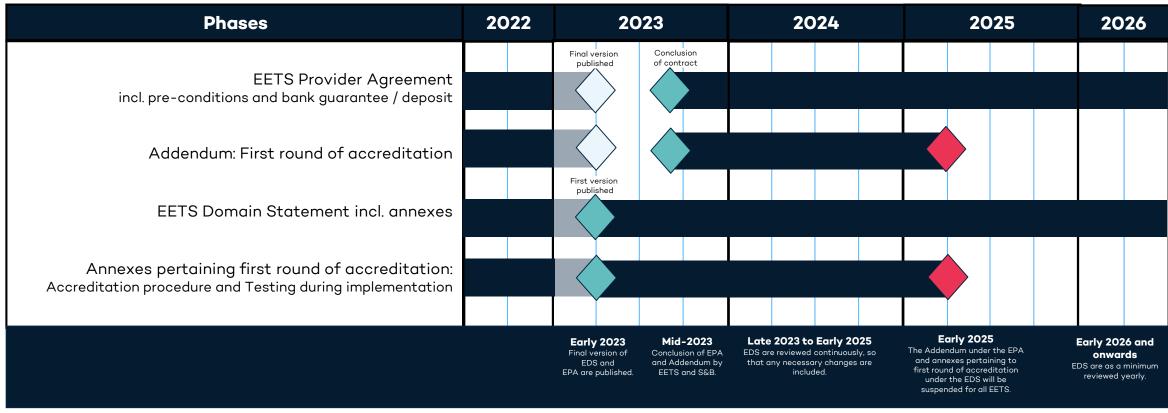
Documents

The EETS Provider Agreement and Addendum are considered contractually equivalent and shall both be concluded in order to initiate testing, both documents contains legal terms and conditions. For any and all technical and procedural requirements references will be made to the EETS Domain Statement including annexes.

Documents		Explanation
	EETS Provider Agreement (EPA)	Agreement between the EETS Provider and Sund & Bælt. The contractual framework for delivery of services concerning the Danish KmToll Domain.
	Addendum: First round of accreditation	Addendum to the EPA describing the specific project requirements pertaining the EETS Provider during the first round of accreditation.
 	Pre-conditions	Check-list for the EETS Provider to prove fulfilment of required preconditions.
	Bank guarantee / deposit	Template for the EETS Provider to provide Sund & Bælt with a bank guarantee or deposit.
	EETS Domain Statement (EDS)	The official document in which technical and other requirements for the KmToll Domain will be published by Sund & Bælt.
	Annexes to the EDS	Several annexes containing the toll domain specific requirements, technical and procedural, pertaining to the EETS Provider.

First round of accreditation

Validity period of documents



All documents and timing may be subject to change.

Contractual terms and remuneration



Contractual terms

- The contractual terms and conditions will be the same for all EETS Providers.
- The contract will not be subject to negotiation.
- The contract are based on the EETS Directive
- The contract will also be subject to other applicable legislation, including specific provisions in the KmToll Law and S&B Law
 - Requirements concerning data exchange (timing, type etc.)
 - Compliance with specific KPIs according to requirements from the Danish ministries
 - Requirements related to the complaint handling procedure
 - Invoicing requirements:
 - No VAT are to be placed on the amount invoiced, since it is a tax.
 - The EETS provider shall issue an invoice stating the name of Sund & Bælt Holding A/S for the purpose of collecting the toll under the Danish KmToll law.

Remuneration

- The remuneration is expected to fixed between 2,0-2,5% of tax revenue from 2025.
- Additionally, there is expected a fixed amount pr. active OBE pr. month
 amount not decided yet.
- No possibility of discount/subsidy during implementation and after golive because the toll is a tax.







Questions and/or feedback are welcome

Contact information and links

Official mailbox of the Danish Kilometer Tolling Programme

EETS-KmToll@sbf.dk

Web page with relevant information for EETS Providers

EETS at the Danish Kilometer Tolling Scheme

Hearing portal with link to the bill (in Danish)

Proposal for the law on road toll (KmToll Law)



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