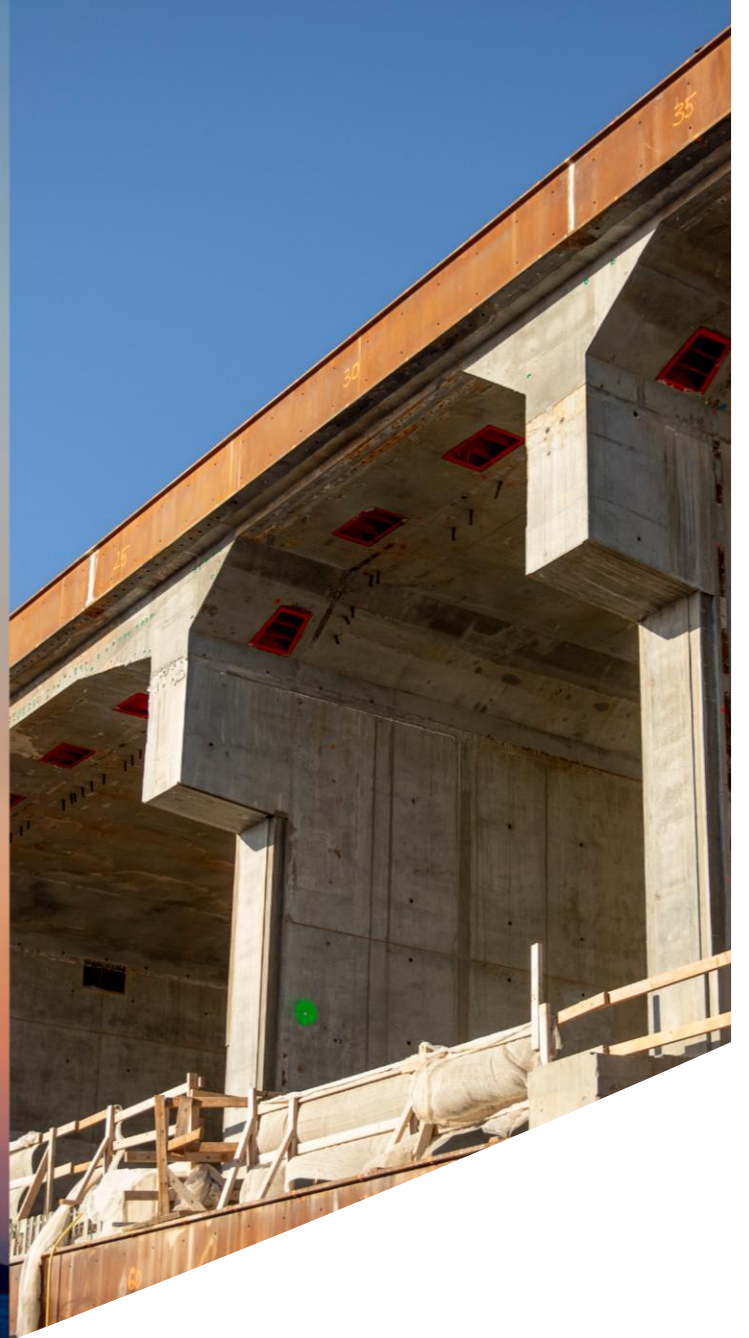
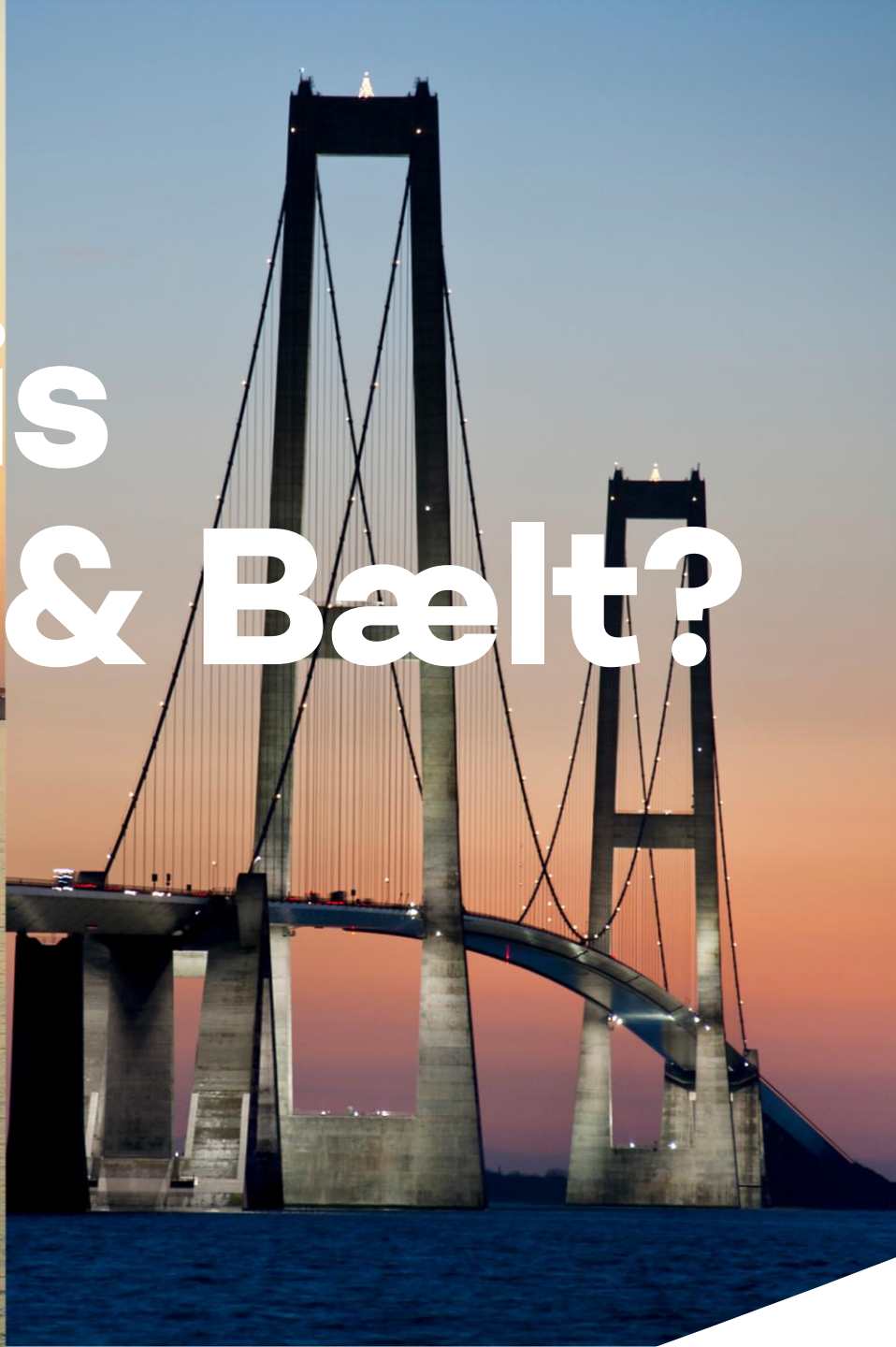
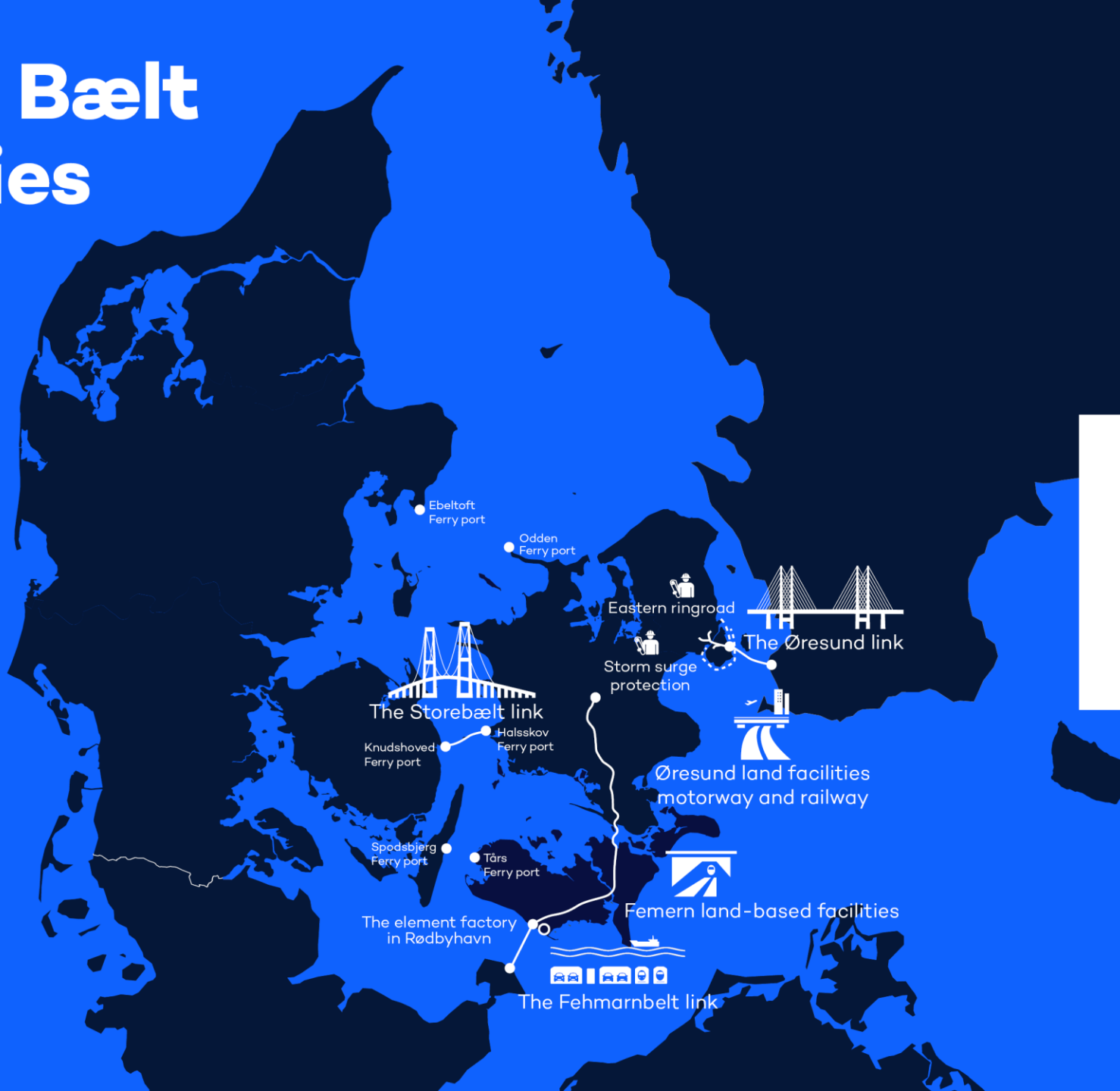


Sund ≈ Bælt

Who is Sund & Bælt?



Sund & Bælt activities



—
Vejafgifter
— — —

MILJØZONER



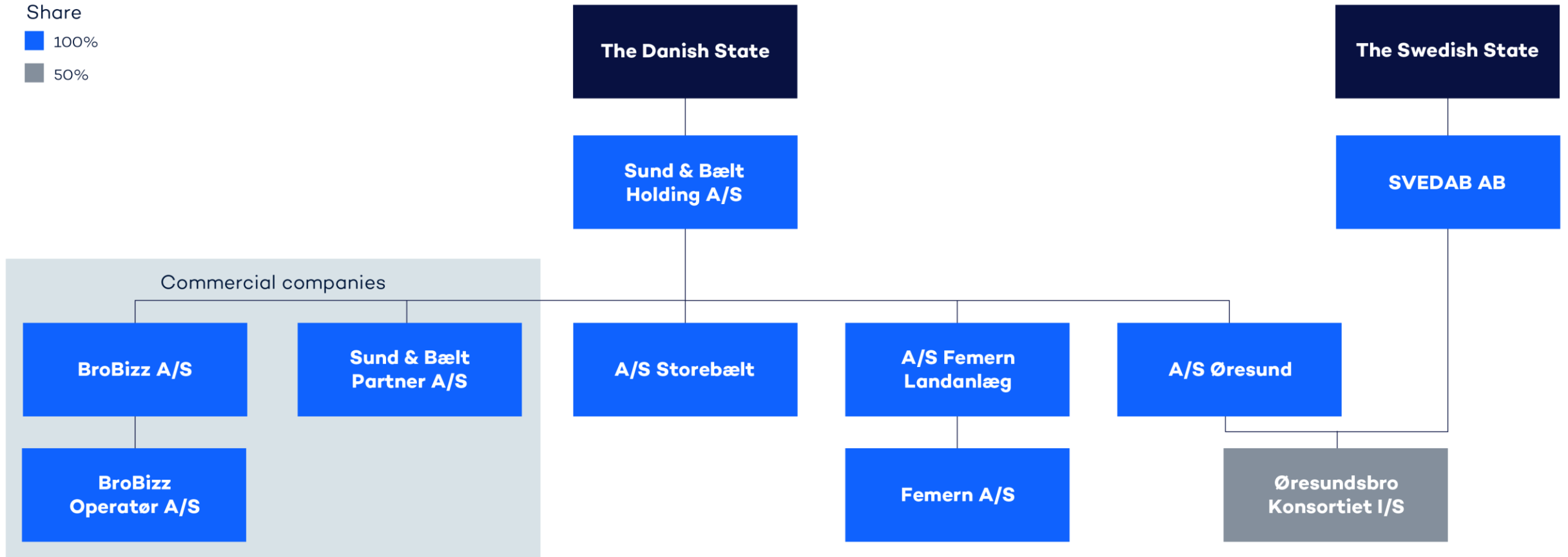
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**Sund & Bælt plans, finances,
builds and operates "best in class"
marine infrastructure projects
with land facilities and
general tolling solutions
for the Danish government**

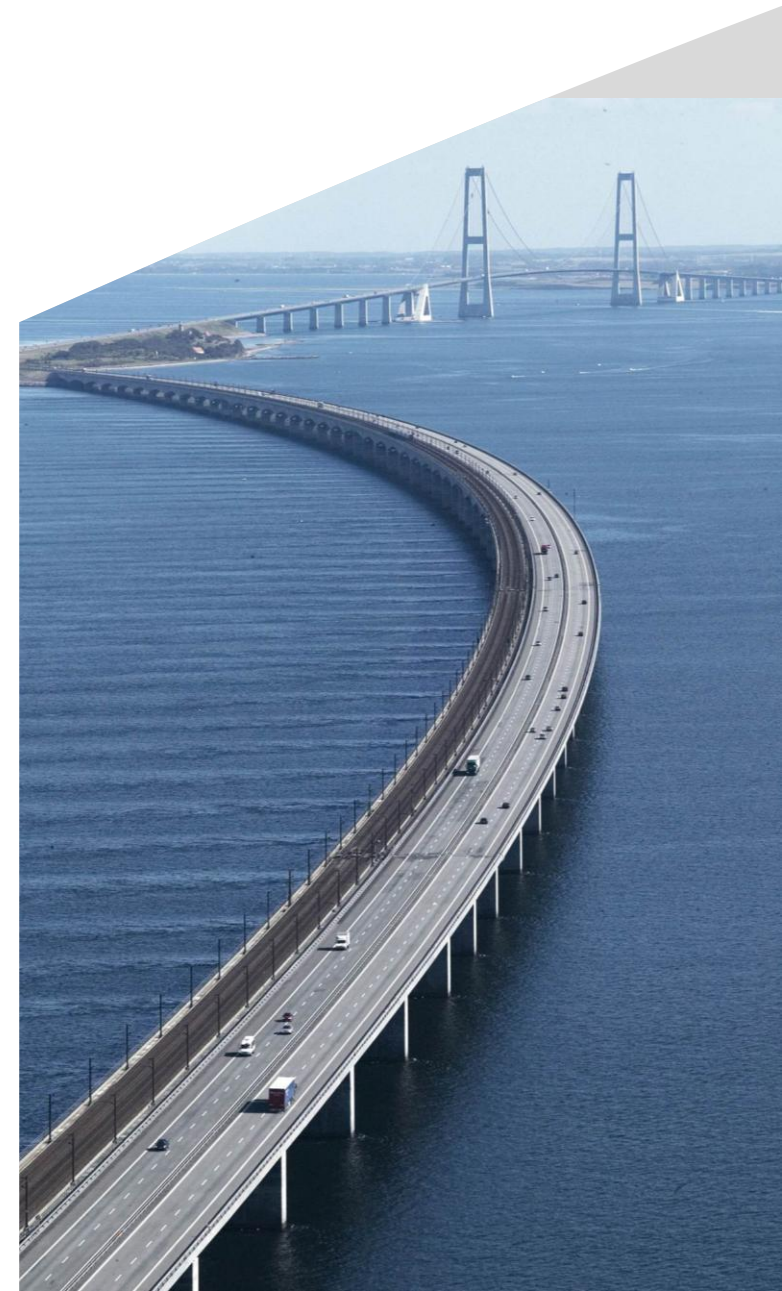


Ownership structure of Sund & Bælt incl. Swedish part

Share
■ 100%
■ 50%

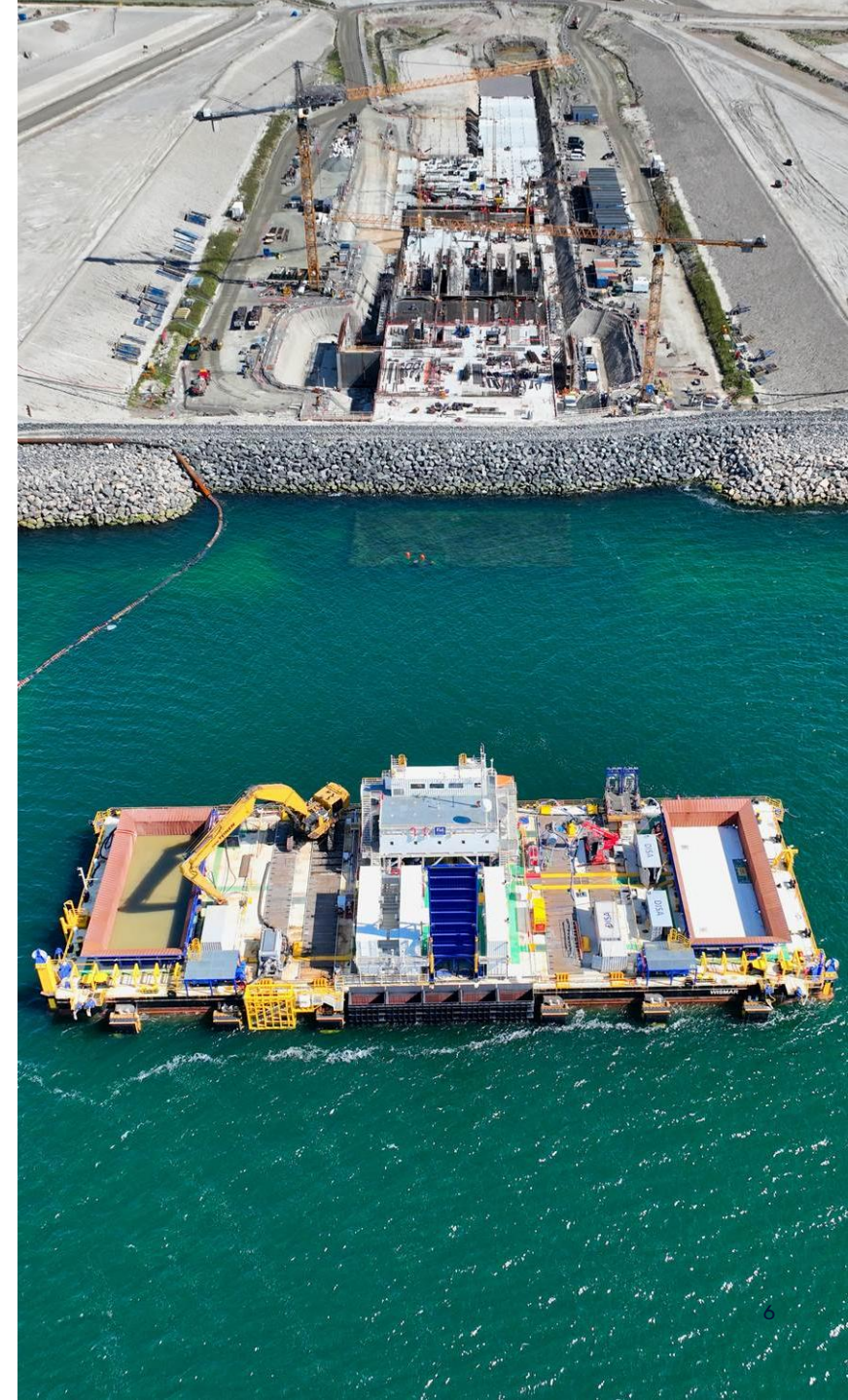


The State Guarantee Model



Main characteristics of sgm

- Design, Build, Operate, Financing etc. is carried out by a SPV, owned by the state
- CAPEX financed almost 100 pct. by debt, raised in the capital market or state loans
- Cost not necessarily a burden to state budget (off-budget)
- Funding on state guarantee (irrevocable guarantee for the full and timely repayment, on-demand)
- Low funding cost with backing from the state (high credit rating compared to private sector) – liquidity premium
- Debt is repaid by the users with income generated in the project (from toll and railway fee)
- State keeps strategic control (toll setting) and carry the risk plus upside potential
- Tender contract for construction with risk sharing with private sector
- Total lifecycle cost
- Repayment ranging from 20-40 years



Clear roles – clear responsibility

Society

Owens the construction and operating company

Bears the risk through state guarantees for the loans

The guarantees are only triggered if the project goes off track

Has political control

The publicly owned A/S

Takes out the loans

Builds the infrastructure

Operates and maintains the infrastructure as a business

Has visible management and a public financial statement

Repays the loans

Capital Markets

Provides the funds

Offer, due to the guarantee, the same low interest rate as government loans

Receive repayment of the principal and interest



Five advantages of the state guarantee model



Do not burden the public budgets

The model makes it possible to realize large infrastructure projects without having to compete with welfare in the annual negotiations on public budgets.

It is possible because the state "only" provides guarantees. The bill is paid by the users and therefore does not burden the financial budgets.



Frees taxpayers

The model ensures that the bill ends up with those who use the bridges – not with all taxpayers.

It is possible because it costs money to cross the bridges – also for foreign traffic. Those who do not use the bridge do not pay.



Make financing cheaper

It requires large and long-term loans to build a bridge. With the state guarantee model, the financing becomes cheaper than otherwise.

It is possible because the state bears the risk and provides a guarantee for the necessary loans in both the construction and operational phases.



Ensures democratic control

The model ensures a clear division of roles and a good balance between democratic control and efficient operation.

It is possible because the state owns the operating company and, among other things, sets the rates. At the same time, the operating company has the freedom to make decisions regarding operations. The model is stable across election periods and changing governments.



Promotes sustainability

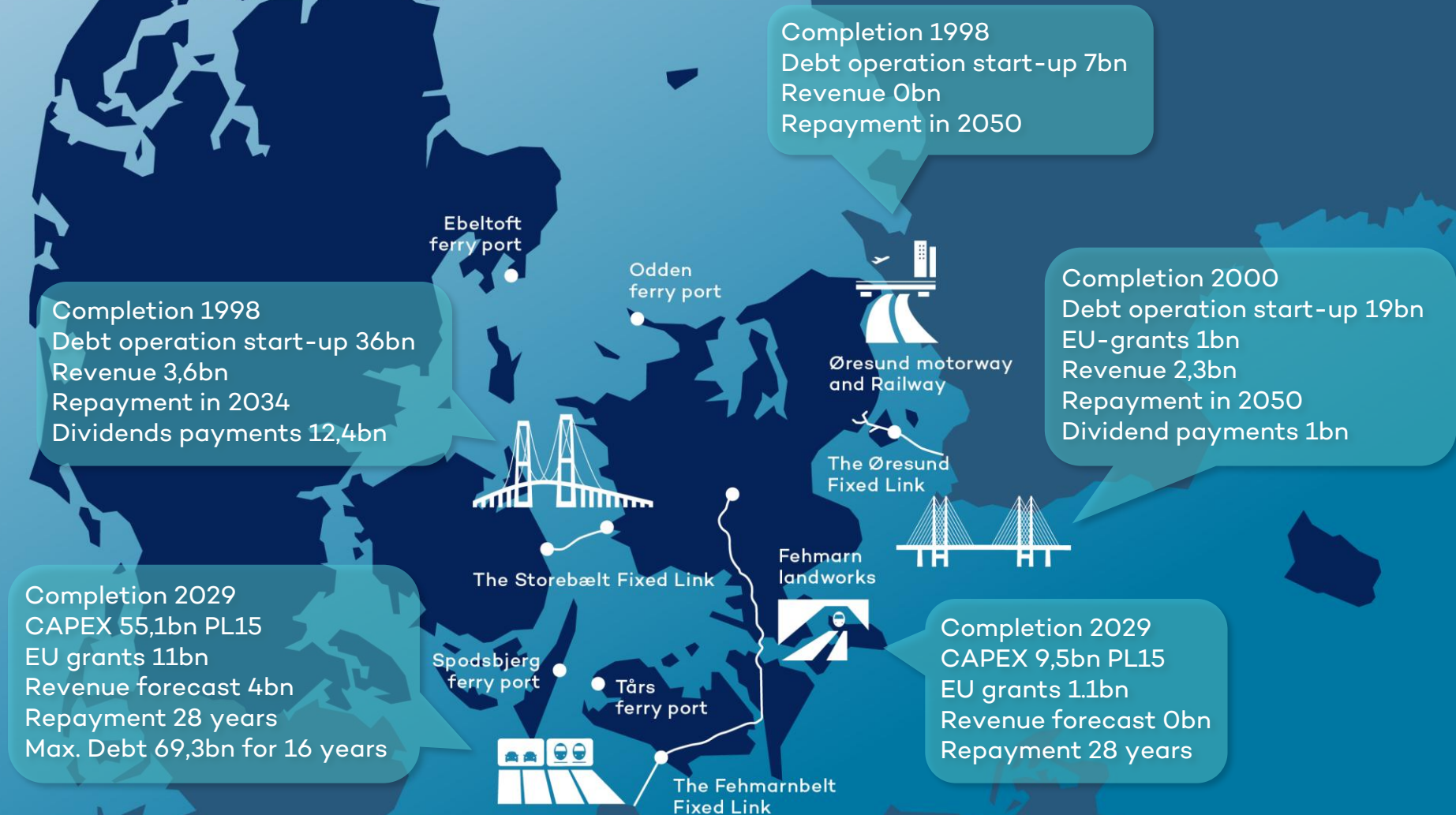
The model promotes sustainability.

It does so because the state and the operating company, as long-term owners, have an interest in ensuring that the bridge lasts as long as possible.

Since Storebæltsbroen was built, new maintenance methods have extended the bridge's lifespan from 100 to 200 years. This results in a CO2 saving of 750,000 tons.



Mega Projects based on the state guarantee model



Contact

Web: <https://sundogbaelt.dk/en>

Follow us on social media: [Instagram](#) - [LinkedIn](#)

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