

## THE CZECH PPP KICK-OFF IN TRANSPORT INFRASTRUCTURE

16th of April 2015 – Prague

### Possible PPP project „Expressway R4“ – brief info

R4 is partially built expressway connecting Prague and south-west Bohemia region, continue to Bavaria as 1<sup>st</sup> class road #4. Based on the Czech Transport Sector Strategies and based on finished feasibility study, it is goal to finish it at least until 2022. **From planned 84 km is 47 km in operation, 4,8 km under construction and 32 km remains to be built.**



Section	Length	Status
Prague - Jíloviště	8,6 km	S 24,5/100 in operation, 4-lane, non-expressway parameters, built between 1966-1972.
Jíloviště - Příbram	32 km	S 24,5/100 in operation as expressway, built between 1971 – 1989
Příbram - Háje	4,8 km	S 22,5/80 under construction 04/2015 – 2017
Háje – Mirotice	32 km	Planned R 25,5/100 (120), all zoning permits issued (5 construction parts). 80% of documentation for building permits finished, ongoing land acquisition. <b>CAPEX = 275 mil. EUR</b> excluding taxes.
Mirotice – End of R4	6,6 km	S 22,5/80 in operation as expressway, built between 2005 – 2010.



The R4 is not a part of TEN-T network. Due to this reason, it is not possible to use the Cohesion funds from EU program period 2014 – 2020 for its construction (one of the main reasons why all the modifications of the “PPP D3 project” has been cancelled before). There remains possibility to use the national budget or very limited sources from European regional development fund (only few parts of R4 can be built in this way) **or the PPP model.**

Currently the **Outline Business Case with Public Sector Comparator is tendered**. It will address the above possibilities and compare them. Based on the outputs from the OBC (PSC) the **government should decide** if the PPP procurement will be started or not. There will be market soundings done during preparing the OBC (PSC).

If the results for PPP will be positive, Czech Ministry of transport is prepared to announce pre-qualification for the concessionaire between end 2015 / start of 2016.

The PPP model will be based on availability payment mechanism (some modifications based on traffic flows will be discussed during market soundings).

The **core of the project** will be implementation of DBFOM model for unfinished parts Háje – Mirotice (see the table above), concession period estimated to be 25-30 years. During the market soundings there will be discussion about possibility to implement the O&M model for already operated parts of the R4. Structuring of financing of the project will be based on the recommendation from OBC.

The state road asset manager (Ředitelství silnic a dálnic) is working on the land acquisition and technical preparation phase continuously.

Design possibilities: The documentation for building permit will be transferred to concessionaire with the opinions of authorities. Any change done by the concessionaire should respect the national law which implements the EIA directive.