

Infrastructure Projects in Guatemala

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Following is a brief summary of the 7 projects that the National Agency of Partnerships for the Development of Economic Infrastructure (ANADIE, due to its acronym in the Spanish language) promotes.



Metrorriél



Massive Public
Transportation System



North - East
Express Road



Tecún Umán II
Intermodal Dry Port



Modernization of the La Aurora
International Airport



State's Administrative
Center



Escuintla - Puerto Quetzal
Highway





METRORRIEL

This project consists of building a railway transportation system of passengers, which shall bring together persons from the north side (Centra Norte) and south side (Centra Sur) of the metropolitan area to downtown, in a fifth of the time. This service shall make a quality leap from the current public transportation system; it shall reduce the long hours on buses and traffic jams.

Some of the objectives of the project are the modernization of the public transportation system of Guatemala City through the construction of an urban electric passengers' train.

Some of the main benefits of the project are: reduction in travel times; safety and comfort for users; and integration of the new transportation system with the already existing ones (Transmetro and Transurbano).

The prefeasibility studies were made in 2016, in which preliminary data about the demand, design, amount of the investment, and financial benefits, among others, were obtained.

- **Term of the contract:** The term of the contract is 30 years, which are divided in 3 years of construction and 27 years of operation.
- **Income:** Its income shall come from rates to the user of the train, toll of a multimodal bridge, commercial income and State participation. This contract shall be made with co-participation of the State.
- **Current status:** The prefeasibility studies have concluded. The advanced engineering consulting is about to begin, with the support of the Millennium Challenge Corporation (MCC), through PRONACOM. The assessment of the environmental and social impact and the involuntary resettlement plan are currently underway, with the support of the Inter-American Development Bank (IADB).
- **Next phase:** The making of the advanced engineering studies, which shall last for 10 months.
- **Contracting Institution:** Ferrocarriles de Guatemala and Municipality of Guatemala
- **Amount of the Project:** \$,772.00 Million (estimated investment)
- **Category:** DBOT Contract



MASSIVE PUBLIC TRANSPORTATION SYSTEM OF THE EAST-WEST AXIS OF THE METROPOLITAN AREA OF GUATEMALA

The project intends to develop and implement a project to design, finance, build, operate, maintain and transfer a massive public transportation system for the Metropolitan Area of de Guatemala.

The study subject of the tendered consulting is composed of the following corridors of the East - West axis:

- a. Calzada San Juan and Trébol
- b. Calzada Roosevelt
- c. Trébol and Bulevar Liberación.
- d. Obelisco and Bulevar Los Próceros

ANADIE has requested the engagement of consulting to make a prefeasibility study, which would allow to make an integral diagnosis of the movement of the zone, which would include the urban and extra-urban public passengers' transportation system, a prognosis of the demand, a property study, an assessment of a possible mapping, determination of the type of transportation system, and the technology to be implemented.

It is intended to address the study in 2 phases, which would allow the assessment and determination of the project's technical, financial and legal structuring.

- **Term of the contract:** To be determined.
- **Income:** To be determined.
- **Current status:** The prefeasibility study was awarded to Grupo Innovaterra, Sociedad Anónima; and the prefeasibility study is about to begin.
- **Next phase:** The presentation of the prefeasibility study; and if a feasibility study is not needed, the authorizations or opinions mandated by law shall be requested to the Finance Ministry, the Planning and Programming Secretariat of the Presidency and the Environment and Natural Resources Ministry.
- **Contracting Institution:** Municipality of Guatemala.
- **Amount of the Project:** To be determined.
- **Category:** DBOT Contract



NORTH – EAST EXPRESS ROAD

The project intends to make a road section to provide a road alternative to the users of light and freight vehicles, which would reduce the traffic congestion in Guatemala City, through the interconnection between CA-09 Norte (road to the Atlantic) and CA-01 Oriente (road to El Salvador) with an estimated length of 30 kilometers. Thus, it is requested the development of a proposal in the conceptual level of the mapping of a road section.

This road section shall communicate with the second phase of the Alternative Road to the South (VAS, due to its acronym in the Spanish language) Private Project, through the Road to El Salvador.

Possible financial structure and income:

- Fund contributions from the private participant
- Banking financing of the private participant
- State participation (payment for construction progress, payments for availability or for initial investment).

- **Term of the contract:** The term of the project shall be 4 years of construction and 24 years of operation.
- **Income:** Toll collection from the user.
- **Current status:** The prefeasibility studies have concluded.
- **Next phase:** ANADIE is analyzing the possibility of bidding the feasibility studies.
- **Contracting Institution:** Communications, Infrastructure and Housing Ministry
- **Amount of the Project:** \$.300.00 Million
- **Category:** DBOT Contract





TECÚN UMÁN II INTERMODAL DRY PORT

The project consists of designing, financing, building and operating a railway and freight truck terminal in the current property of the bordering bridge Ingeniero Juan Luis Lizarralde Arrillaga (border with Mexico). The “dry port” consists of a railway connection between Guatemala and Mexico to promote commerce between the two nations.

The objective and main benefits of this project are the offering of logistical services and the improvement of the crossing infrastructure at the border. Thus, the user may carry out a more efficient port operation, and he (she) shall improve operation times and reduce costs.

The investor must:

- Build and rehabilitate a section of 11.8 kilometers of railway line. For such purpose, it must renovate the Doctor Rodolfo Robles Bridge to connect through the railroad the Ferrocarriles de Guatemala yard in Ayutla, San Marcos, with Tecún Umán II.
- Acquire the equipment for the development of the train and freight transportation logistical services.
- Improve the infrastructure, technology and safety in the import and exportation cross-border processes.
- Administer and operate the Ingeniero Juan Lizarralde Port Area, FEGUA’s yard and the railway interconnection.

- **Term of the contract:** The term of the contract shall be 23 years, which shall be divided in 2 years of construction and 21 years of operation.
- **Income:** Its income shall come from the provision of logistical services.
- **Current status:** It is in the process of the implementation of the project’s first phase (rehabilitation of the railway interconnection with Mexico, which existed until the year 2005).
- **Next phase:** It is in the process of developing the second phase’s strategy.
- **Contracting Institution:** Economy Ministry
- **Amount of the Project:** \$.40.00 Million
- **Category:** DBOT Contract





MODERNIZATION OF THE LA AURORA INTERNATIONAL AIRPORT

This project intends to increase the service level of the La Aurora International Airport, improve the existing infrastructure and make the processes more efficient.

The objectives of the project are the provision of a quality solution so that the users may enjoy decent, comfortable and safe facilities, besides having infrastructure at the level of other air terminals in America and in the world. Furthermore, it is assessed the development of an air connection services component to promote local trips.

It is a contract through which the private partner carries out the design, financing, construction of airside infrastructure, and the preservation, maintenance and operation of the airport's airside and landside infrastructure.

Possible financial structure and income:

- Fund contributions of the private participant (30%), banking financing of the private participant (70%).
- Its income shall come from airport rates and commercial income.
- The State does not provide funds for the construction and operation of the works.

- **Term of the contract:** 20 years, returning the facilities to the public sector at its conclusion.
- **Income:** Airport rates and commercial income.
- **Current status:** The feasibility study was concluded in 2019 and it was financed by the Millennium Challenge Corporation (MCC).
- **Next phase:** The socialization of the technical proposal is being carried out in 2019, financed by the IADB.
- **Contracting Institution:** Communications, Infrastructure and Housing Ministry
- **Amount of the Project:** \$.117.00 Million (estimated investment) for the airside and landsides.
- **Category:** DBOT Contract





STATE'S ADMINISTRATIVE CENTER

The objective of the project is to optimize the administration expenses that the Executive Branch of Guatemala currently has, through the concentration of the location of several interrelated public institutions. It shall be located at the former main station of the Ferrocarriles de Guatemala (FEGUA) company, which includes real estate with heritage, cultural and historical value to the country.

Therefore, ANADIE requested the conduction of an Archaeological Rescue Study at FEGUA's property, which would allow ANADIE and the Finance Ministry to definitively determine whether or not there are relevant cultural features at the underground of FEGUA'S property, so that the Anthropology and History Institute of Guatemala (IDAEH, due to its acronym in the Spanish language) may determine and authorize its release, preservation or value. This study has concluded, and IDAEH has already presented it.

The study determined that there are several heritage structures that must be considered in the project.

It is intended to have 12,000 persons as users.

- **Term of the contract:** The term of the project shall be 3 years of construction and 20 years of operation.
- **Income:** The payments shall be made due to the availability and commercial income.
- **Current status:** The preselection process has concluded, and 6 companies have been preselected. Furthermore, technical studies and local authorizations, such as presenting to IDAEH a new zoning proposal, are being obtained.
- **Next phase:** The presentation of a national contest to determine the architecture of the buildings.
- **Contracting Institution:** Public Finance Ministry
- **Amount of the Project:** \$.240.00 Million
- **Category:** DBOT Contract



ESCUINTLA – PUERTO QUETZAL HIGHWAY

This project comprises the rehabilitation, construction of returns and adequate overpasses for a highway of approximately 40 kilometers, as well as the operation and maintenance of the road section. The road section communicates the departmental capital of Escuintla with Puerto Quetzal, from Kilometer 60 + 900 to Kilometer 101 of the Sur “A” CA-09 Route.

The objectives of the project include the conversion of the current road to a first-rate highway, through a partnership between the State and a private company. This company shall invest, modernize, operate and maintain with high-service standards the road section for a specified period of time.

Some of the main benefits of the project are the users' safety and comfort; tow truck assistance and signaling; savings in maintenance costs and vehicle operation.

- **Term of the contract:** The term of the contract is 25 years, which is divided in 1 year of pre-construction, 2 years of construction and 22 years of operation.
- **Income:** Its income shall come from toll collection.
- **Current status:** It was tendered, and it has already been awarded to the Autopistas de Guatemala Consortium. The contract that was heard by Congress of the Republic was not approved on October 29th. ANADIE must analyze whether it should present a new Bill for its approval or any other action that it may consider applicable.
- **Contracting Institution:** Communications, Infrastructure and Housing Ministry
- **Amount of the Project:** \$.80.00 Million (estimated private investment)
- **Category:** DBOT Contract