



**The Portuguese Government intends to launch two new road concessions until the end of the year, in connection with the completion of the National Road Program. The Pinhal Interior and the Ribatejo concessions will represent an overall investment of 880 million euros.**

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#### **Portuguese Government plans New Road Concessions**

According to recent news, the Portuguese Government is planning to launch two new road concessions until the end of the year: the Pinhal Interior concession and the concession for the construction and operation of several roads in the region of Ribatejo. These new road concessions, which are part of the National Road Plan (NRP), will represent an overall investment of around 880 million euros.

The Pinhal Interior concession will link the cities of Coimbra and Santarém and will include the construction of 158 Km of new roads and the operation of 164 Km of existing roads, in an aggregate investment of approximately 640 million euros. It is likely that the Pinhal Interior concession will be officially announced by the end of May.

The Ribatejo concession, which should be launched by the end of 2008, will comprise the construction of 73 Km of new roads and the allocation to private investors of 36 Km of existing roads, in an overall investment of around 240 million euros.

This announcement followed the launching in 2007 and 2008 of several calls for public tenders for the construction and operation of various roads and motorways in connection with the completion of the NRP. The road concessions planned by the Portuguese Government for the next few years represent an overall investment in excess of 3,000 million euros.

The calls for international public tenders in respect of the Transmontana Motorway, Douro Interior, Baixo Alentejo and Baixo Tejo concessions, which were launched in the end of 2007, are now in the bidding phase and the award of these concessions should take place before the end of 2008.

More recently, by the end of March, the Government launched new tender procedures for the concession for the rehabilitation of the National Road 125, the Litoral Oeste concession and the Centro motorways concession, in an aggregate investment in excess of 1,000 million euros. The call for public tenders for the construction and operation of the Alto Alentejo motorway concession will only be launched in the second half of 2008.

According to the Government plans, the new road concessions should be completed in 2011, except for the Alto Alentejo concession, which is expected to be completed in 2012. The time schedules for the Pinhal Interior and the Ribatejo concessions have not been announced yet.

The completion of the NRP has been attracting the attention of several local and international investors, contractors and banks, especially due to Portugal's long experience in road concessions under public private partnerships schemes. Some of the leading portuguese and Iberian players, such as Brisa, Mota-Engil, Iridium/Dragados, Edifer, Tecnovia, Conduril, Somague, Teixeira Duarte, Cintra and Soares da Costa have already formed consortia with the purpose to bidding in the current and the upcoming tenders.

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