



TRACECA Investment Forum
Brussels, 28th February 2012

ID: ROM1

TRACECA PROJECT FICHE

TARGU SECTION

MURES–IASI–UNGHENI

MOTORWAY

1. BASIC INFORMATION

TITLE: Targu Mures–Iasi–Ungheni Motorway section

SECTOR: Road

LOCATION: Romania

- North-eastern part of Romania, connecting the central part of the country with the Romanian/Moldavian border.
- The section connects two Pan–European Corridors, no. IV and no. IX, thus creating the following indirect benefits: Connects Bulgaria to Hungary, partly through Pan–European Corridor no. IX and the Transylvanian motorway, as well as using existing national infrastructure.
- The route is also considered to be an exit to Ukraine, using the national road infrastructure.
- The section will become part of the extended TEN–T and at the same time part of TRACECA corridor. Romania has a strategic position, linking Europe with TRACECA countries.

2. OBJECTIVES

2.1 OVERALL OBJECTIVES

- The direct link to the Moldavian border will be the main attraction for traffic from Bulgaria, to Romania and further to the Republic of Moldova or to Hungary. The route that will be fully operational after finalising Corridor no. IV is: Nadlac (Hungarian/Romanian cross border)–Arad–Timisoara–Lugoj–Deva–Orastie–Sibiu–Pitesti–Bucuresti–Cernavoda–Constanta, and the Pan–European Corridor no. IX and the Transylvanian motorway.
- The location of the future motorway sections also creates a benefit for regional development along the Moldavian/Romanian cross-border as the economic environment could be stimulated and eligible for European Regional Funds.

2.2 PROJECT PURPOSE

- To create a quicker link to the Eastern border with the Republic of Moldova and further on to Hungary by using the Transylvanian motorway.
- To create a quicker link to Bulgaria through a part of the Transylvanian motorway and a part of Pan-European Corridor no. IX.
- To link, through the existing and future motorway network, with Constanta Multimodal Terminal.



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- To link with the integrated transport system (Danube river).

2.3 CONTRIBUTION TO NATIONAL DEVELOPMENT PLAN

- At least 3 years for construction, based on the experience of similar contracts; The length will be divided into 3 sectors: Targu Mures–Ditrau–Targu Neamt-Ungheni
- 10 years to cover the initial costs.

2.4 CROSS BORDER IMPACT

The new motorway Targu Mures–Iasi–Ungheni will assure a direct exit to the Republic of Moldova and will connect with the Moldavian road infrastructure network through the future bridge Ungheni.

It will also create a high level connection, on the motorway profile, between an EU member state and a Non-EU member state at the Hungarian border, through the Transylvanian motorway.

3. DESCRIPTION

3.1 BACKGROUND AND JUSTIFICATION

At a national level, the legal frame for the road development is represented by the National Arrangement Plan approved by Law no. 363/2006.

The promotion of this project is also justified by the traffic registered in 2010 and the forecast for 2015.

Social impact: the motorway will connect the central part of Romania with a region framed as NUT 2 and it will promote regional economical development. It will divert the traffic flow from the Pan-European Corridor and Transylvanian motorway towards the cross border with the Republic of Moldova.

3.2 LINKED ACTIVITIES

- Design phase: 2011–2012.
- Tender procedure for concession: 2012–2013.
- Concession works: 2013–2016.

3.3 LESSON LEARNT

- Promote and approve at high level cross border agreements in order to be able to implement the project in the best manner;
- Assure the continuity of the infrastructure over the national border;
- Have the opportunity to plan and implement projects at the same technical level on both sides of the border.

3.4 ACTIVITIES

- Finalising the Feasibility Study – February 2012
- Approving the technical and economical leaders – Government Ordinance, June 2012



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- Preparing the documents for the PPP process launch – 2012-2013
- Construction – type DBOT (Design/Build/Operate/Transfer) – 2013-2016

Activity 1

Deadline: February 2012 – submitting to RNCMNR the Feasibility Study according to the contract requests.

Activity 2

February – June 2012 – approving the Feasibility Study and technical and economical leaders through the Government Ordinance.

Activity 3

Starting the procedures for PPP implementation.

Activity 4

PPP implementation of the project.

Activity 5

Transfer the infrastructure after Design, Build and Operation.

3.5 RESULTS/DELIVERABLES

- 310 km of new motorway profile infrastructure with intelligent transport systems implemented on it.
- High technical level: improved geometrical elements reduce the travel time and increase the security of the traffic participants.
- Regional development.
- Access to a better quality of infrastructure.

4. PROJECT ORGANIZATION

4.1 INSTITUTIONAL FRAMEWORK

Ministry of Transport and Infrastructure – National Company of Motorway and National Roads from Romania.

4.2 OWNERSHIP/IMPLEMENTING PARTY

Ministry of Transport and Infrastructure – National Company of Motorway and National Roads from Romania – final owner of the infrastructure.

The implementing party: Design, Build and Operate the infrastructure.

Responsible: the initial investor that has assured integrally the budget for project implementation.

4.3 ORGANISATION STRUCTURE

Final Beneficiary:

Ministry of Transport and Infrastructure – General Directorate for Concession.



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General Manager – Romanian National Company of Motorways and National Roads from Romania

Department for Concession

5. DETAILED BUDGET (EUR)

No.	Description	Investment	Financing	Co-Financing	Total
1	Execution of work	8.631,62	100% - private		8.631,62
Total					8.631,62

6. RISK ASSUMPTIONS AND CONSTRAINTS

Taking into consideration the length of the motorway and the dimension of the traffic, the construction should be divided into two parts: Firstly, it will be built and fully operational on one side of the central reservation for both directions of traffic, and then on the other side, in accordance with the current traffic estimations.

7. IMPLEMENTATION SCHEDULE

- Design phase: 2011–2012 – budget fully assured from the state budget.
- Tender procedure for concession: 2012–2013.
- Concession works: 2013–2016.

8. ENVIRONMENT

According to the preliminary information from the Feasibility Study (Environmental Impact Assessment) there is no high level impact from this point of view.

9. RATES OF RETURN

FINANCIAL RATE OF RETURN (30 YEARS): 100% (after the end of period)

ECONOMIC INTERNAL RATE OF RETURN (30 YEARS): 15%/year

HAVE THE FEASIBILITY STUDIES BEEN COMPLETED AND WHEN: The Feasibility Study will be completed in February 2012.

ECONOMIC ASSESSMENT: This part will be available in a preliminary form/fully available in February 2012.

10. INVESTMENT CRITERIA

10.1 SOURCES OF FINANCING

PPP

10.2 CO-FINANCING

No

10.3 ADDITIONALITY



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Feasibility Study – covered from the State Budget.

10.4 PROJECT READINESS AND SIZE

Feasibility Study – technically mature project.

10.5 SUSTAINABILITY

100% - taking into account the social and economical results.

11. CONDITIONALITY AND SEQUENCING



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e.g.

TENTATIVE WORKS PROGRAMME

10	1	2	3	4	5	6	7	8	9	10	11	12
ACTIVITY												
TENDER (2012)												
MOBILISATION (2013/1 st trimester)												
GROUND WORKS (2013-2016/4 th trimester)												
HANDOVER 2016 - 4 th trimester												