



PROJECT: “DESIGN, CONSTRUCTION, FINANCING, OPERATION AND MAINTENANCE OF THE ‘MONTECRISTI—LA CADENA’ ROAD CORRIDOR”

MONTECRISTI - LA CADENA

Project Overview

This road corridor plays a crucial role in national development, as it is part of the E482 axis, which is a very fluid road in the State Road Network. The importance of this highway is based on the high number of users that use it, coming from the coastal provinces of Ecuador. In addition, it is a road axis that connects the cantons of Montecristi, Jipijapa, Paján and the La Cadena sector (provincial boundary between Manabí and Guayas), with a permanent and constantly growing traffic flow, as it is aligned with the Strategic Mobility Plan “PEM 2013-2037”. The length of this road is 96.20 km.

This road corridor has differentiated sections, two-lane and four-lane sections. In areas where the road is reduced from four to two lanes, especially in population centers, traffic speed decreases considerably, which leads to congestion and increases the risk of accidents during peak traffic hours. In addition, poor vertical signage, blocked culverts and accidents on certain sections of the road add to the complexity of the situation and highlight the urgent need to address these problems in order to improve road service.

Project Type

Brownfield.

Fundamental Criteria

Priority project duly aligned with the objective, policy and goal of the National Development Plan and sectoral-level strategic plan.

Delegating Entity: Ministry of Transportation and Public Works.

Delegation and Compensation Model

- Public-Private Partnership (PPP).
- User-pays.

Beneficiaries

Located in the area of affluence:

- Direct Beneficiaries: 219,933 inhabitants.
- Indirect Beneficiaries: 5'984,763 inhabitants.
- Induced Beneficiaries: 8,947 inhabitants.

Environmental Benefits

- * Reduction of Emissions.
- * Reduction in the use of non-renewable resources.
- * Minimization of Impacts on Sensitive Ecosystems.

Components

Alternative 1.
- Rehabilitation of the existing roadway (2 and 4 lane sections).

Alternative 2.
- Widening of the entire corridor to 4 lanes.

START: Abscissa: 0+000, East (longitude): 538,516.00, North (latitude): 9.883,936.00.
END: Abscissa: 96+200, East (longitude): 570.806,00, North (latitude): 9.807.772.00.

Current project status

- Phase: Structuring.
- Registration in Source: 04 - 06 - 2024.

Infrastructure Type

Road.

Socioeconomic Information

Positive Impacts of the Project:

- * Improved Road Safety.
- * Reduced vehicle maintenance costs.
- * Improved transportation efficiency.
- * Promoting economic development.
- * Access to essential services.
- * Local infrastructure development.
- * Increased property values.
- * Improved access to emergency services.
- * Reduced congestion.

Project Information

Potential jobs generated

3.811 aprox.

Potential Demand - Studies 2018

Year	Light vehicles	Buses	Heavy vehicles	Total
Year 2018	9.022	705	2.210	12.027
Year 2023	10.705	903	2.553	14.161
Year 2038	17.883	1.323	3.938	23.144

Comparative analysis of alternatives

Detail	Alternative 1	Alternative 2
Advantages	Reduced project execution time, maintenance costs, state contribution and environmental impact since the existing corridor is rehabilitated.	Increased road capacity and safety, capacity and reduced travel times.
Disadvantages	Increased travel time, increased claims and reduced service levels due to congestion.	Increased state contribution, construction time, maintenance costs and environmental impact.
Preliminary Decision Justification	There is less participation by the State. In addition, the results of the pre-feasibility studies show that there is no need for expansion.	This alternative is proposed in the event that, as a result of the prefeasibility studies, it is determined that traffic studies determine that the traffic meets the requirements to widen the road. The proposed CAPEX avoids making the project more expensive and the OPEX avoids determining a socially acceptable toll rate. The state's share of contributions is likely to be higher than in Alternative 1.

- Suggestion: The Procuring Entity concludes that Alternative No. 2 is the alternative that best meets the project objectives and selection criteria.

Financial information

Alternative 1		Alternative 2	
CAPEX (Reference)	\$ 54'699.684,67 millions.	CAPEX (Reference)	\$ 127'684.036,75 millions.
OPEX (Reference)	\$ 95'990.888,45 millions.	OPEX (Reference)	\$ 62'867.397,50 millions.
Project Value	\$ 150'690.573,12 millions.	Project Value	\$ 190'551.434,25 millions.

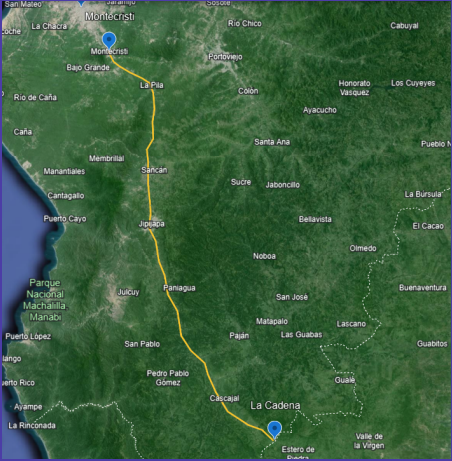
- NOTE: It is important to point out that the investment amounts shown in the different alternatives are referential, since they come from the initial screening report. These amounts will be updated as the phases of the PPP cycle progress, i.e., prefeasibility and feasibility, respectively.

Implementation time in years (reference)

Alternative 1	Alternative 2
CAPEX: 2 years	CAPEX: 4 years
OPEX: 28 years	OPEX: 26 years

Location

Provinces:
Manabí and Guayas
Cantons:
Montecristi, Jipijapa and Paján.



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