ABSTRACT

The Municipality of Tirana (the “MoT”) intends to prepare a tender for the construction of Tirana Public Transport Terminal (TPTT). The winning bidder will be selected in an open international tender by the City, under a Design Build, Finance Operate Transfer (DBFOT) concession according to the Albanian concession law. Following a successful concession tender process, financing to the private party will be analysed by the European Bank for Reconstruction and Development (EBRD).

In structuring the project as a concession, the MoT will offer an 85,000 m^2 land plot situated along the main corridor leading north-westerly out of the city toward Durres to be contracted out on a long-term basis (+20 years) to a future concessionaire to build, operate and maintain the terminal for the benefit of operators and passengers. In exchange, all bus docking fees, retail rental revenues, and parking fees, will be collected by the concessionaire to amortize its initial capital costs, operational costs, and cover debt service.

The Feasibility Study, prepared by a Consortium led by Italferr, an Italian engineering company, has defined the forecasted transport demand requirements, a proposal for an adapted network of bus routes which should work in an optimized manner with the new Terminal, the Terminal’s functional organization, the utilities, the infrastructural needs, the capital and operating costs and the revenue projections.

The Project also includes the construction of a tram depot and a tram-train station that will be the head station of Tirana-Durres railway, replacing the current Central Station in Tirana, and one of the two terminal stations of the future tram line which will connect the terminal to the Tirana’s centre using the no longer in use railway. The tram-train infrastructure (railway tracks and platforms, water works, electric works, signalling, shelters, etc.) are not part of the Project.

Following international best practice, the Project incorporates retail space, taxi and taxi van parking to augment revenues to the concessionaire while providing shops and other services to passengers.

The Consortium has performed the financial and economic analysis of the Project. The initial investment cost is estimated at 40.9 million euro and the completion of the construction works is foreseen after two years and four months after the signature of the concession contract. The financial analysis of the Project results in a forecasted Net Present Value of 64.9 million Euro and an Internal Rate of Return of 17.2% considering an operational period of twenty years.

Economic operators, like Companies with significant experience in construction works, real estate and transport operation, are invited to participate in an information meeting organised by the Municipality of Tirana on Tuesday morning March 18, 2014, where the Project will be illustrated. There will be the possibility to meet senior representatives of the Municipality and of the EBRD in bilateral meetings during the afternoon.

Operators will have the possibility to give their contributions to the improvement of the tender documents as well as the draft concession contract at this time to increase the attractiveness of the Project for investors.

The tender will be preceded by a prequalification phase which start is foreseen mid-2014. The awarding of the Concession Contract is foreseen end 2014.

Place: The “Culture Palace”, second floor, Skanderbeg Square, Tirana, Albania

Time: **Tuesday March 18, 2014, at 10:00 a.m.**

Interested investors should contact:

Municipality of Tirana

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