

## An Acuris company QUINTANA ROO ADVANCES TOURISM PPPS IN CANCÚN



15 July 2020 | 14:07 EDT

LatAm

Greenfield: Project procurement and development

**Sector:** Transport

Renewables

Country: Mexico

Published: 15 July 2020

Author: Jonathan Carmody

SparkSpread Renewables

Inframation

The state of Quintana Roo is preparing two transport PPPs to serve the city of Cancún's tourism sector, according to state director of projects, Eduardo Ortiz Jasso.

Jasso, who has led the Strategic Projects Agency of the State of Quintana Roo (AGEPRO) since June 2017, said that the plans involve tendering a MXN 4.46bn (USD 198.5m) bridge over the Nichupté Lagoon and a MXN 32.9bn 'Urban Tourist Circuit' LRT project, which will link the hotel zone island to the city and also the Cancún airport.

"When the current administration of Quintana Roo governor Carlos Joaquín González started in 2016, they prioritized, using a financial methodology, nine projects that later focused on three self- financing projects," Jasso explained. The two priority projects are the Nichupté Bridge, and the LRT of the Urban Tourist Circuit, while the third project was the fifth stretch of the Tren Maya rail project, which has been integrated into the federal system under the guidance of tourism agency Fonatur.

The state has focused on preparing the Nichupté bridge project because it supports sustainable development objectives through connecting the hotel zone, where almost a million inhabitants of Cancún work, with the city where they live, Jasso said.

The 20-year PPP project was presented by Empresas ICA's subsidiary CONOISA in 2019 as a private initiative and has attracted interest from several international consortia, Jasso said.

Bidding for the project is scheduled for August and AGEPRO expects to award the project in November.

"It is going to take 22 months to build, but construction should end before September 2022, so the governor can inaugurate it before the end of his term," Jasso said.

With regards to the 'Urban Tourist Circuit' LRT project, the idea is to connect the hotel zone to the airport via a train. The project would have elevated tracks in the hotel zone area and run at ground level along a stretch of the city, to provide service to hotel workers and local citizens.

Jasso said that there are currently European and Mexican consortiums carrying out studies on the project, which would charge lower rates for local citizens than it would for international tourists.

Jasso explained how the stretch that would run through the city could connect to a future expansion of the project that the municipality of Cancún has planned, which would see the construction of a broader network of LRT corridors stretching out from the center of the city into the suburbs.

The state is also evaluating the possibility of contributing land to the Tren Maya project to build stations. These could include a terminal in Tulum, as well as in two important areas; a cargo terminal in Chetumal and another in Cancún.

While the bridge and LRT projects are the most advanced in their development, Jasso also said that the state was considering other projects that could involve private investment, which include an upgrade of Highway 307, a package of small airports and a seaport project for the state.

According to Jasso, the numbers of vehicles on Highway 307 are very low for the state to consider a self-funding project, but they have submitted the project to the Treasury (SHCP) to see if it could become a federal project.

The road would connect the center of the state with the south, but the lack of traffic would make it hard to generate income through tolling. "We want it to be recognized within the portfolio of federal projects and thus be supported by the federal government," Jasso said. "It could obtain obtain support by structuring the deal as a road improvement PPP, like the conservation and maintenance PPPs tendered by the government for other roads."

The state government also owns 70,000 hectares of land where they are investigating the possibility to mount solar projects, Jasso said.

## **Deal Profile**

## Nichupté Bridge (Cancún)

MEXICO Transport | Bridges and Tunnels | PPP | Greenfield

## Trending News for LatAm

International investors eye Colombia's first 5G road tender 10 July 2020

Developers show interest in Blackrock-backed highway proposal 14 July 2020

UPDATED: CPPIB plans to increase Brazilian infrastructure investments 13 July 2020

Enel sub seeks debt for Chilean EV business 10 July 2020

UPDATED: GIP provides second lien loan for Uruguayan rail project 14 July 2020