

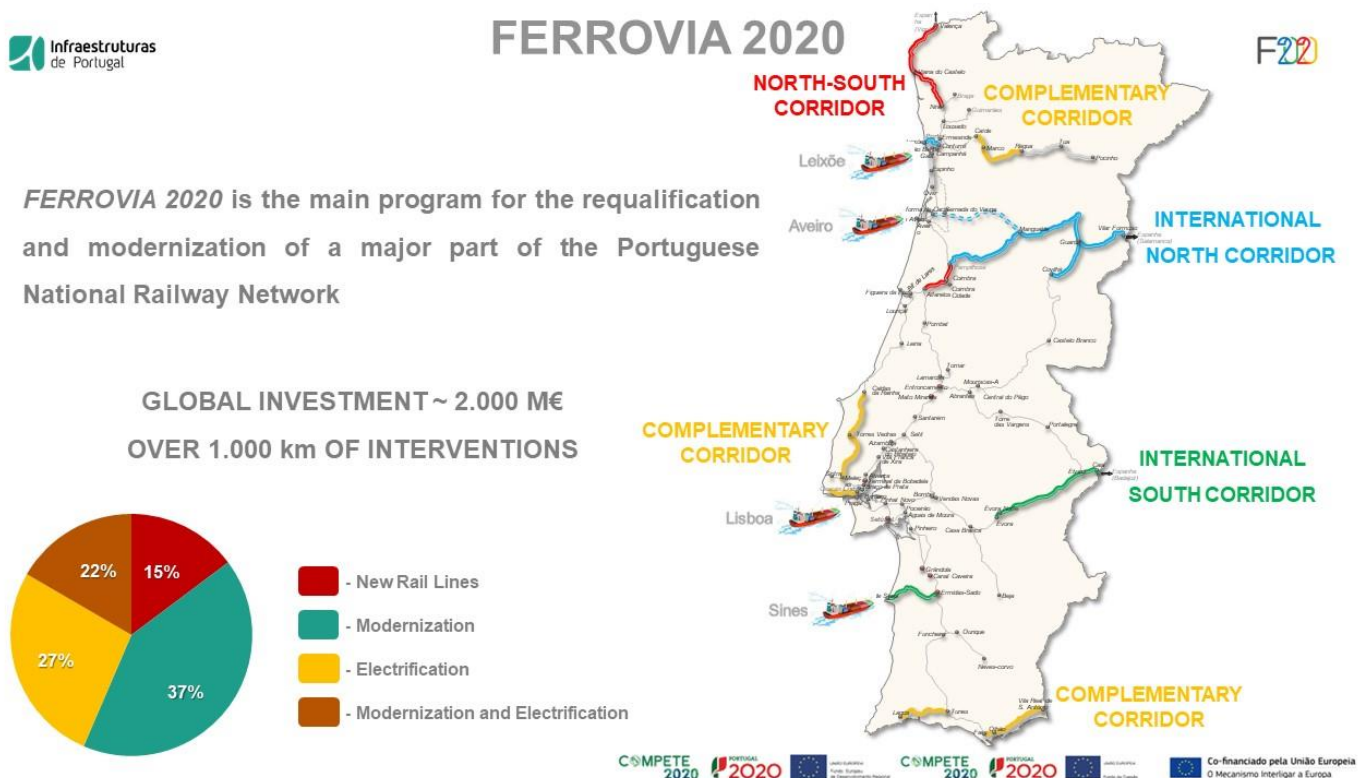
The contribution of Infraestruturas de Portugal to “FERROVIA 2020”, a major investment program in the Portuguese Railway Network

After years of focusing on expanding the road network, Portugal has made an about turn and increased the level of investment in rail sector. In February 2016, the Portuguese Government presented the **Ferrovias 2020 Investment Plan**, with the main goal of Connecting Portugal into Europe.

This comprehensive program, with an overall investment of more than € 2000 million, envisages the modernisation of more than 1000 km of rail lines, covering the main links to Spain and Europe: Aveiro-Salamanca and Sines/Lisbon-Madrid, the modernisation of part of the Lisbon-Porto North Line and the electrification of over 400 km of existing lines. These investments include the beginning of the installation of the European Railway Traffic Management System (ERTMS / ETCS), the extension of several train crossing sections, allowing the freight trains with a maximum length of 750m, as well as the preparation for a future migration from the Iberian gauge to the European standard gauge.

As shown in the map below, **Ferrovias 2020** includes interventions in four different corridors all over the Portuguese territory:

- **International North Corridor:** Leixões Line, Aveiro-Vilar Formoso Corridor and Beira-Baixa Line;
- **International South Corridor:** Sines/Setúbal/Lisboa-Caia Corridor;
- **North-South Corridor:** Minho and North Lines;
- **Complementary Corridors:** Oeste, Douro and Algarve Lines.



The objective is to ensure an increase in rail transport efficiency, namely the freight transport, by:

- (i) Increasing the capacity, both in terms of load and train number;
- (ii) Decreasing the transport costs;
- (iii) Decreasing the travel times and length;
- (iv) Improving safety and reliability conditions.

On the other hand, in addition to improving international connections, these investments will benefit the rail links between the coastline and interior regions and links of the inland to the Iberian market. The previous Portuguese Strategic Plan for Transports and Infrastructures (PETI 3+) has established several priorities duly identified by a wide number of stakeholders, amongst which we point out the following ones:

- International commitments, including bilateral agreements with Spain and those resulting from the Atlantic Rail Freight Corridor;
- Promotion of freight transport, particularly exports;

- Articulation between national ports and main land borders with Spain.

To achieve these goals, IP benefits from a package of European Union's funds, namely the Connecting Europe Facility (CEF) and the Juncker Plan, plus the Portugal 2020 Programme and the contribution of IP's own financial resources.

Five years after the official presentation of the program, nearly 80% of the investment initially foreseen is under construction or has already been concluded, with € 1,010 million underway or contracted. As a matter of fact, **Ferrovial 2020** is at a decisive stage in its development, in which the transition from the project to the construction work is evident. Currently, the evolution picture shows a real development, since 71% of the financial effort is under construction (under contract or on the ground) and 8% is already concluded.

In terms of contracts, a total of € 1,070 million is in progress or under contract, to which around € 200 million of signaling and telecommunications were added, under contract or already underway, in design or construction regime.