

# Guidelines for the submission and admission for processing of co-financed private initiatives

## Frequently Asked Questions

### Regarding the measurement of the Technical Capacity

1. **With regard to the three experiences in “similar projects”: do they have to be in PPP contracts, or could they be in other type of contracts?**

*The three experiences in “similar projects” may be accredited through contracts of infrastructure and public service projects and, alternatively, they could be accredited through public work contracts and operation and/or maintenance contracts. Both contracts are not required to be about the same project.*

2. **Could the experience be accredited with projects structured in phases, as long as at least one phase has completed the construction?**

*Yes, provided the phase whose construction has been completed is in operation. To that end, proof shall be given of the successful completion of the phase by means of service conformities or similar documents.*

3. **Can a bidding company apply with outsourcing partners (appointed subcontractors) in the case of services, construction? In any case, the Bidder will always be responsible for the Co-Financed Private Initiative. Subsequently, during the project execution, can it subcontract?**

*As set out in Sections “2” and “3” of paragraph 77.1 of Article 77 of the Regulations of Legislative Decree No. 1362, PROINVERSIÓN shall assess the financial and technical capacity of the bidder of the private initiative. Therefore, if the bidder provides proof of its capacity to meet the main purpose of the proposed Co-Financed Private Initiative (CPI), it could present the “suppliers” for non-strategic services.*

*It should be noted that after the declaration of interest, it could be requested to include the “suppliers” in the special purpose entity established for the contract execution, if the service provided by them is considered strategic.*

4. **When the bidder has certificates or records issued by third parties in other languages, is it necessary to submit their translation? And, if it be the case, does it have to be a certified translation?**

*Documents submitted in a different language shall be accompanied by a non-certified translation into Spanish.*

5. **Would there be any problem if the bidding company has recently changed its company name and, therefore, contracts that give proof of its technical capacity are under a different corporate name?**

*In this case, it is possible to accredit the technical capacity with contracts that are under the previous corporate name, provided proof is given that the corporate name has been changed.*

## **Regarding the measurement of the Financial Capacity**

**6. Shall all the companies in a consortium submit their financial statements?**

*The financial statements shall be submitted only by the member or members that will accredit their financial capacity. It is also possible to submit the financial statements of one of their associated companies.*

**7. As set out in the guidelines, the financial capacity assessment of a consortium allows evaluating the member of the consortium that has the highest share among those accrediting their financial capacity. How can it be identified who will accredit their financial capacity?**

*Participants of the consortium that will accredit their technical and financial capacity shall be included in Table 3 of the Affidavit in Annex 03.*

**8. Shall the financial statements be submitted in a certified or non-certified copy?**

*The audited financial statements are submitted in a non-certified copy.*

**9. What are the formalities to submit the financial statements of non-domiciled companies? A non-certified copy or apostille?**

*The audited financial statements of non-domiciled companies may be submitted in a non-certified copy.*

**10. Is the Net Worth equal to the Total Worth?**

*The Net Worth is the balance of the equity accounts.*

**11. What happens if the CPI is rejected because it does not meet the financial capacity when reducing its capacity by a CPI, and then this CPI is rejected? Shouldn't this analysis be made after completing the process?**

*The indicator of Net Worth Percentage will be assessed in the Admission for Processing and will be in the strict order the CPI's are received at PROINVERSIÓN's reception desk, as specified in subparagraph v) of paragraph 7.2 of the "Guidelines for the Submission and Admission for Processing of CPI's".*

**12. In case the participation of the consortium members is 50%50%, how is the % of the worth required determined?**

*Subparagraph vii) of paragraph 7.2 of the "Guidelines for the Submission and Admission for Processing of CPI" foresees the following general case: when more than one of the consortium members has the largest participation percentage. One particular case is that the participation is 50%-50%: as set out for the calculation of the Debt Percentage indicator, both the Net Liability and Net Worth of both will be added.*

13. **Why is the compliance with the net worth ratios required if the PPP's are usually executed by a special purpose entity that is a legal person other than the one of the bidders?**

*As set out in Section "2" of paragraph 77.1 of Article 77 of the Regulations of Legislative Decree No. 1362, PROINVERSIÓN shall evaluate the financial and technical capacity of the CPI bidder, who will later sponsor the Special Purpose Entity if it turns out to be the successful bidder. The sponsor(s) of the Special Purpose Entity shall have the financial capacity to comply with the provisions of the Declaration of Interest of the CPI, if it be the case.*

14. **Shall the audited financial statements submitted be consolidated or individual? Is there any limitation for one of the consortium members to submit them consolidated and the other individually?**

*The audited financial statements may be consolidated or individual. There is no limitation for one of the consortium members to submit consolidated financial statements and the other individually; provided both members are not related companies.*

15. **Taking into consideration that in the case of consortiums the measurement of the Debt Percentage Indicator will assess only the member with the largest participation, will the worth of the companies not considered for this measurement be compromised for the purposes of the assessment of any other CPI submitted?**

*The worth of the companies not considered in the measurement of the Debt Percentage indicator in a specific CPI will indeed be compromised for other CPI when it has been stated in Table 3 of the Affidavit that they will accredit their financial capacity.*

### **General questions**

16. **What happens with the projects with terms longer than 10 years and amounts lower than fifteen thousand (15,000) UIT (Peruvian Tax Unit)?**

*The CPI shall meet both conditions (term and minimum investment amount) simultaneously in order to be accepted for processing.*

17. **Where can the needs for intervention of the sectors be consulted?**

*The needs for intervention of the sectors are published in the following link:*

*<https://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=6038&sec=22>*

18. **With regard to the confidentiality, is it not a violation of the CPI confidential nature when the members of the bidding consortium are required to reveal certain information about the previously submitted CPI that have not yet been declared of interest?**

*In accordance with paragraph 456 of Article 45 of Legislative Decree No. 1362, the Private Investment Promotion Agencies shall maintain the confidential and reserved nature of the private initiatives submitted, under liability. This obligation is also*

*applicable to public entities, public officers, advisors, consultants or any other person who, due to his/her position, role or service, is aware of the submission and content of the private initiative. The confidential and reserved nature of the private initiatives remains until the publication of the Declaration of Interest, except for the information that shall be published in accordance with the regulation. In view of this, PROINVERSIÓN will maintain the confidentiality of the information submitted in the CPI.*

- 19. In the case of consortiums, should a consortium contract be submitted or will a consortium promise be enough? Should it be submitted in a non-certified copy or the original?**

*In accordance with paragraph 45.1 of Article 45 of Legislative Decree No. 1362, private initiatives are submitted by legal entities of the private sector, national or foreign, by their consortiums, or by a consortium of natural and legal persons of the private sector, national or foreign. As a result, a non-certified copy of the consortium contract shall be submitted.*

- 20. Subparagraph i) of paragraph 7.3 of the Guidelines sets out the mechanism to verify the BIDDER's technical capacity. However, it states that a non-certified copy of the certificates or records issued by third parties other than the legal person accrediting them shall be submitted, as set out in Annex 08; however, such annex corresponds to the Affidavit of the expenses incurred during the preparation of the CPI.**

*It is stated that it complies with the content of Annex 07.*

- 21. Is there any basic information that should be contained in the conformity of works and services requested to accredit the technical capacity?**

*It shall at least contain the following information: name of the contracting party, description of the service provided, location where the service was provided, amount of contract, start and end date and, if applicable, indicate if there were any additions to the contract or extensions of the term. Also, it shall indicate if the service was provided at the client's satisfaction.*

#### **Questions related to legal matters**

- 22. Shall the consortium contract be recorded in a public deed?**

*It is not necessary to record the consortium contract in a public deed. A non-certified copy of the consortium contract with a non-certified translation into Spanish, if necessary, will be enough.*

- 23. In the case of consortiums whose members are not domiciled in Peru, what formality is required for the consortium agreement? Should it be apostilled or a non-certified copy?**

*A non-certified copy with the translation of the original contract creating the consortium is required. This non-certified copy of the agreement does not have to be apostilled or legalized by the Ministry of Foreign Affairs.*

- 24. Shall the status of the legal representative signing the letter of resources commitment be accredited? Shall it be apostilled?**

*A non-certified copy of the power of attorney shall be attached to the letter of resources commitment, recording the status of the representative and its authority to assume such commitment. This non-certified copy of the power of attorney does not have to be apostilled or be legalized by the Ministry of Foreign Affairs.*

- 25. Will at any point of the CPI's evaluation process be required that documents submitted in a non-certified copy meet any formality?**

*Yes, at the time of having the relevant opinion of the entity will be requested an affidavit of the authenticity of the documents submitted.*

- 26. With regard to the powers of attorney of the company, should these be specific, that is, have specific authority to act in the framework of Legislative Decree No. 1362?**

*No, it will be enough to have authority to submit proposals before national public entities (for national bidders) or foreign entities (non-domiciled bidders), as well as to form consortiums, appoint its representatives and, if applicable, sign contracts with such entities.*

- 27. What formality shall the power of attorney meet? Should it be submitted in a non-certified copy or original certificate of subsistence of powers?**

*It will be enough to submit a non-certified copy of the powers of attorney, without prejudice to the answer to questions No. 24 and 25.*

- 28. What happens when a company is not domiciled in Peru? Should the power of attorney be specific? What is the formality for its submission: non-certified copy or, failing this, certified by apostille?**

*See answers to questions No. 23, 24 and 25.*

- 29. How is the relationship between the related company and the bidder accredited?**

*It will be enough to present the Annex 06 of the Guidelines, which corresponds to the model of the letter of the associated company, and Annex 07 of the Guidelines, which indicates that the level of the relationship between the bidder and the related company whose technical capacity is presented shall be explained, indicating if it is an affiliate, subsidiary or parent company.*

*In this regard, it is specified that the technical capacity will be measured through the submission of at least three experiences in projects similar in importance; a non-certified copy of the certificates or records issued by third parties other than the legal person accrediting them shall be submitted, as set out in Annex 07.*

- 30. How do I inform that the technical or financial capacity of the associated company will be used?**

*By submitting Annex 06 of the Guidelines.*

- 31. Can the model of the letter of resources commitment of Annex 06 be modified?**

*Annex 06 contains a model of the letter; therefore, the drafting of the letter can be modified, provided it meets with the requirements set out in such Annex, as a minimum.*

**32. Is it necessary to attach the powers of attorney of the person signing the letter of resources commitment?**

*Yes, the power of attorney of the person signing the letter of resources commitment (Annex 06) shall be attached in a non-certified copy, recording the status of the representative and his/her authority to assume such commitment, without prejudice to the content of answer to question No. 24.*

**33. What effect does the commitment letter that shall be attached have in case the experience is accredited through associated companies?**

*It has the effect of an affidavit.*

**34. Is it necessary to additionally submit supporting documentation to the letter of resources commitment? Or will be enough the original copy of the affidavit signed? In case additional supporting documentation about the relationship is required, could it be submitted in a non-certified copy?**

*It is necessary to submit the letter of resources commitment (Annex 06), to which shall be attached a non-certified copy of the power of attorney of the person signing the letter, recording the status of the representative and its authority to assume such commitment, without prejudice to the content of answer to question No. 24.*

**35. In the case of experience accredited through concessions, how can I accredit the relationship between the associated company and the bidder?**

*See answers to questions No. 29 and 33.*

**36. Shall the powers of attorney of the legal representative explicitly indicate that it has authority to submit the CPI's?**

*See answer to question No. 26.*

**37. In what parts of the document shall be stamped the watermark of confidentiality referred to in the Guidelines for the Submission and Admission for Processing of the CPI?**

*The watermark shall be mandatorily in all the pages of the body of the proposal. With regard to the attached documents (powers of attorney, constituent documents, financial statements, contracts, conformity of work, etc.), the watermark shall be in all private documents. The watermark will not be mandatory in public documents (for example: the certificates of subsistence of powers of the financial statements of the companies listed on the stock exchange).*

**38. Confirm the formality required by the signatures required in the Annexes of the Guidelines of the representatives of the bidder or associated company, as the case may be.**

*For signing the Annexes, it is enough the signature of the Legal Representative, verifying it has the authority to do so, as set out in 24 and 25. It does not have to be*

legalized by a notary public or be certified by apostille, and can be sent from the country of origin, but in the original document.

39. **Confirm if since Annex 03 is an Affidavit of the relevant information of the CPI, it shall be signed by the Bidder's Representative.**

This understanding is confirmed.

**With regard to the situation of the Total Investment Cost or Total Project Cost (paragraph 2.1 of Annex 03)**

40. **What source shall be consulted for the Rf and Rm parameters?**

*The values of the Rf and Rm parameters shall be consistent with the latest information published in the website of Aswath Damodaran (<http://pages.stern.nyu.edu/~adamodar/>) in table Historical Returns on Stocks, Bonds AND Bills — United States.*

*The Rf parameter shall be consistent with the 10-year T-Bonds and the Rm parameter shall be consistent with the S&P 500. In both cases the arithmetic average of the period from 1928 to the most recent year of the CPI submission date shall be considered.*

41. **What source shall be consulted to obtain the levered betas of the industry or sector associated to the CPI?**

*The bidder is free to choose the source of information to be consulted with regard to the levered betas of the industry or sector, provided it is quoted, being able to consider those provided in sites such as Yahoo Finance, Bloomberg, of Aswath Damodaran (<http://pages.stern.nyu.edu/~adamodar/>), among others.*

42. **For estimating the premium for risk country (EMBIG PERÚ in pbs), do we have to necessarily consider the daily average comprised from January 1, 2010 to the date of project submission, considering that the update of the data of the Central Reserve Bank of Peru (BCRP, by its Spanish initials) will not necessarily have information available to that date?**

*If it be the case, it shall be considered until the date available in the series "Spread — EMBIG Perú" with code "PD04709XD" contained in the link mentioned in Note 17 of the "Guidelines for Submission and Admission for Processing of CPI's".*

43. **Section 2.1 of Annex 03 of the Guidelines indicates that the unlevered beta is obtained in terms of the risk associated with the nature of each business, the debt/equity structure, taxing conditions in the source country of the companies selected through the formula indicated; however, in the subsequent definition of parameter T is indicated that it corresponds to the Peruvian tax unit (income tax) plus the employee's profit-sharing rate.**

*The definition of parameter T corresponds to what shall be considered in the formula that determines the Weighted Average Capital Cost.*

*As set out in section 2.1 of Annex 03 of the Guidelines, for the specific case of estimating the unlevered beta, the taxing conditions of the source country of the*

companies selected must be considered in the formula. Finally, to determine the levered beta of the project, the Peruvian tax unit (income tax) plus the employee's profit-sharing rate shall be considered as  $T$ .

**44. How to determine the “ $E/(D+E)$ ” and “ $D/(D+E)$ ” ratios?**

According to the definition of the  $E/(D+E)$  ratio; it corresponds to the percentage of Own Resources above the total of the economic financial model funding sources; that is, it corresponds to the percentage of own resources at the time of the financial closing. It should be noted that the “ $D/F$ ” component used to estimate the levered beta of the project presents the same criteria. The  $D/(D+E)$  ratio is determined as  $1 - E/(D+E)$ .

**45. Confirm that for the calculation of WACC, the term  $K_e$  corresponds to the Cost of Capital (CAPM) estimated as  $R_f + p \times (R_m - R_f) + R_p$  and that the term “Que” indicated comprises a material error.**

This understanding is confirmed.

**With regard to the submission of CPI within the field of competence of the Ministry of Transport and Communications**

**46. What is the term to submit the CPI within the field of competence of the Ministry of Transport and Communications?**

As set out in Supreme Decree No. 021-2018-MTC, the deadline for submitting the CPI's to Proinversión is 01 April 2019 to 15 May 2019. It should be noted that the CPI's submitted shall consider the needs for intervention and the maximum budgetary capacity of the entity published in Proinversión's website (<http://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=6038&sec=24>)

**47. What guidelines will be used to measure the technical and financial capacity of the bidders of the CPI's submitted in accordance with Supreme Decree No. 021-2018-MTC?**

The technical and financial capacity of the bidders will be assessed considering the provisions of paragraphs 7.2 and 7.3 of the “Guidelines for the Submission and Admission for Processing of Co-Financed Private Initiatives” approved by Agreement CD PROINVERSIÓN N° 15-2-2017-DE and published in Proinversión's website (<http://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=6038&sec=24>)

**48. What minimum requirements shall be considered for submitting the CPI under Supreme Decree No. 021-2018-MTC?**

For the submission of the CPI shall be considered the provisions of Title V of the Regulations of Legislative Decree No. 1362, and paragraph 7.1 and Annexes of the “Guidelines for the Submission and Admission for processing of Co-Financed Private Initiatives”.



The minimum requirements set out in paragraphs 77.1 and 77.3 of Article 77 and paragraph 1023 of Article 102 of the Regulations of Legislative Decree No. 1362 are published in Proinversión's website://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&

**49. Has the methodology to estimate the Total Investment Cost or Total Project Cost changed, as the case may be?**

Article 5 of the Regulations of Legislative Decree No. 1362 has modified the definition of Total Investment Cost and Total Project Cost in order to include the General Sales Tax in the investment flows and estimated operation and maintenance costs. In that regard, the referential model has been updated to estimate the Total Investment Cost published in Proinversión's website (<http://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=6038&sec=24>)

**Answers to the questions asked in the event of January 31, 2019, related to the submission of Co-financed Unsolicited proposal Projects (CUP) under the MTC's competence:**

**50. What is the estimated total term until the Declaration of Interest?**

Considering that the last CPI is presented on 05/15/2019 (maximum term), Proinversión has 15 working days to inform the bidder if the CPI has been admitted to processing or requires correction or clarification. In case the CPI requires correction or clarification, the bidder has 10 working days, which can be extended in 10 additional working days, depending on the nature of the requirement. Once the correction or clarification has been made, Proinversión has 10 working days to admit the CPI. Subsequently, the MTC has 60 working days (extendable in 30 additional working days) to issue its relevant opinion.

It is estimated that the formulation and structuring phases, which begin with the opinion of relevance and end with the publication of the Declaration of Interest, will take 18 months.

**51. Have there been or are there previous market studies for CPIs?**

Yes, for the market studies prior to the CPI, studies are currently being used by the MTC, which in the last 10 years have served as the basis for other projects. These studies have as main characteristic the estimate of the demand for trips that take place between the main provinces of Peru. The following are the studies that can be used as a theoretical framework for new projects:

- Study of Cargo and Passenger Demand on Interprovincial Buses of the Intermodal Transport Plan 2004 -2023 - MTC; the study gives us an idea of how transport services are found in road, rail and maritime modes.
- Cargo and Passenger Demand Study 2010 of the Consulting Contract No. 174-2010-MTC/20 corresponding to the 1827/0C-PE loan prepared by CSI - Project Management Peru SAC, for the MTC. This study has as one of its final products matrices of trips for passengers and daily cargo.
- Studies of the Development Plan for Transport Logistic Services; Developed by Advanced Logistic Group (ALG) and the Inter-American Development Bank, 2014. Among the most outstanding products we have the analysis of the main logistics corridors regarding their current demand.

- *Study for the preparation of the Interurban Transport Model of Peru; Developed by the Consultant TYPESA on behalf of the MTC; 2015. The study contains demand for passenger travel between the main cities of the country.*
- *Study for the preparation of the Logistic Development Plan in subnational roads, Developed by CPS Ingenieros, commissioned by the MTC; 2015. This study defines the importance of subnational routes, as an infrastructural complement to the national road network, highlighting its current and potential demand, its benefit in the production and collection areas at the national level, as well as a matrix of load at national level by type of load and of heavy vehicles.*
- *2015 Logistics Chains, prepared by the Statistics Office of the General Office of Planning and Budget of the Ministry of Transport and Communications (MTC); 2015. In this document it is possible to analyze the movement of cargo by logistic chain and its estimated value according to its export price and/or internal consumption in some cases.*
- *2015 Railway Development Plan; prepared by the Directorate of Railways of the Ministry of Transport and Communications (MTC); 2015. This document indicates the railway projects necessary to promote the rail mode as an alternative transportation for cargo and passengers, so that long-distance transportation in Peru can be improved.*
- *Integration of the National Freight Transport Model and the model of interurban passenger land transport. Developed by CPS Ingenieros, commissioned by MTC; 2016. It is an update of the aforementioned studies.*

*In all the aforementioned studies, demand data for interprovincial trips (Cargo and Passengers), are included. Such data allows us to give a basic idea about the existing and potential demand of some proposed corridor as a railway project. It shall be noted that the Lima-Ica Railway will be of mixed traffic: cargo and passengers.*

*In this regard, the Sector has indicated that the studies are under the direction of the Roads and Railways Directorate, so that interested parties can process access to said documents through PROINVERSIÓN.*

**52. Is there a quantification of the risks associated with the projects?**

*Regarding the quantification of the associated risks, there are "Guidelines for the assignment of risks in the PPPs contracts", approved with Ministerial Resolution No. 167-2016-EF / 15 of May 31, 2016, which will serve as methodological instrument for the OPIP to structure and design future PPP contracts with the purpose of generating Value for Money.*

**53. On the Third Group of Airports: Is it possible to declare valid an CPI that includes only some (not all) of the airports?**

*The needs for intervention and the maximum budgetary capacity of the MTC are for the 8 regional airports; therefore, proposals that include only some of the airports will not be considered valid.*

**54. Have the extension of the deadline that expires on May 15, 2019 been considered? Can it be extended at the request of the interested parties?**

*The legal framework has not provided for an extension. Indeed, Supreme Decree N ° 20-2018-MTC, dated December 30, 2018, provided for the submission period of the CPIs of three (3) months, counted as from their publication, with the presentation of the CPIs during the thirty (30) Working days after the deadline established in said Supreme Decree, as established in numeral 103.4 of the Regulation of Legislative Decree No. 1362.*

**55. Is there a return of expenses involved? Until what amount?**

*In accordance with Article 93 of the Regulation of Legislative Decree No. 1362, with the Declaration of Interest, or exceptionally, at the time of acquiring the studies carried out by the bidder in accordance with paragraph 48.4 of Article 28 of the Law, Proinversión determines the cost of the studies developed by the bidder, including those carried out for the incorporation of extensions or modifications requested by Proinversión, which are paid in accordance with the provisions of article 48 of the Law. In any case, the total amount of the expenses to be reimbursed may be exceed 2% of the Total Cost of Investment or of the Total Cost of the Project in those projects that do not contain an investment component.*

**56. About the Lima-Ica Railway, how is the issue of expropriations handled?**

*In accordance with the Guidelines for the assignment of risks of Public Private Partnership's contracts, approved by Ministerial Resolution No. 167-2016-EF/15, it is considered as a risk assigned to the State. It is important to point out that the final treatment of this aspect will be a product of the structuring process.*

**57. What is the proposal to submit from 01/04 to 15/05? Descriptive memory? Preliminary design?**

*The content of the CPI presented should consider the minimum requirements demanded in the Regulation of Legislative Decree No. 1362, the intervention needs and the maximum budgetary capacity of the MTC, and the Guidelines for the presentation and admission of CPI, available in:*

<https://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=603&sec=22>

**58. The referential model of calculation of Total Cost of Investment, published on the Institutional Proinversión Portal shall be submitted by the Proponent or is it only referential?**

The calculation model of Total Cost of Investment (CTI) is referential and allows verifying that the CTI is greater than 15,000 UIT (Tax units). While it is true that it is not required as a minimum requirement in articles 77 and 102 of the Regulation of DL No. 1362, the calculation model of Total Cost of Investment (CTI) allows verifying the compliance with item 102.3 of article 102 of the Regulation, considering definition 11 (Total Cost of Investment) of article 5 of the Regulation. In this sense, it is recommended to present it.

**59. Regarding the Lima-Ica Railway Project, specify the following:**

- **Why the co-financing by the State begins in the year 2026?**  
*Corresponds to the budget capacity reported by the sector.*
- **Is it a double- track or single- track railway with crossings?**  
*It is a double- track railway, taking into account that: i) the growth of the city of Lima will be carried out mainly towards the South, for which it will be necessary that the railway system has enough capacity to meet the demand that it will experience under the user preference for the railroad due to its greater safety and reliability it offers in contrast to the road; and ii) in general terms, a double-track system has approximately four times more transport capacity than a single-way system, a feature that not only allows more passengers to be transported, but also in less time and with greater safety than with a single route. ; and iii) the double-track railway in addition to passenger trains will be used by cargo trains.*
- **Will the train be electrified or Diesel?**  
*The traction system will be electric because: i) it has less sound pollution, ii) they develop higher powers that are necessary to reach the design speed of 200 km/hour, iii) minimal environmental pollution due to the effects of the GHG that Diesel emits , iv) longer service life of the electric motor versus diesel, vi) lower maintenance cost per kilometer, vii) lower*

energy consumption, viii) electric trains have a braking energy recovery system that allows other trains in the sector consume the energy generated in braking by the other train, ix) possibility of using renewable energies.

- **Have studies been conducted on the user's purchasing power to decide whether to choose to travel by train or bus?**

*No information available.*

- **What is the legal situation on the land to be delivered?**

*It is part of the identification that the Bidder must make*

- **Will Previous studies carried out and in the possession of the Ministry of Transport and Communications be delivered or made available to the interested parties? For example, preliminary studies that serve as a reference for the calculation of lengths, number of tunnels, bridges, etc.**

*All the information available in this regard will be provided by the MTC for the preparation of the CPI proposal, however, the outline will be proposed by the proponent taking into consideration among others the following requirements: i) that covers the existing populations between Lima and the city of Ica (Lima - major beaches of the South, Asia, Mala, Cerro Azul, Callete, Chincha, Pisco, Ica), ii) that allows the exchange of passengers between the projected railroad and the greater number of Metro stations Lima- Callao; iii) permitting rail access to the Callao, Pisco maritime ports, as well as the Pisco international airport; and iv) that allows access to dry ports provided by the project in the entrances to the city of Lima.*

- **What public entity will participate in the process?**

*During the stages of planning, formulation, structuring and transaction of the process, public entities that will participate in the processes are: i) Ministry of Transport and Communications; Proinversión; iii) Ministry of Economy and Finance; iv) Supervisory Body of Investment in Public Transport Infrastructure and v) General Comptroller's Office of the Republic.*

- **How has the project layout been defined?**

*The layout will be proposed by the bidder taking into consideration among others the following requirements: i) that covers the existing populations between Lima and the city of Ica (Lima - major beaches of the South, Asia, Cerro Azul, Cañete, Chincha, Pisco, Ica ), ii) that allows the exchange of passengers between the projected railroad and the greater number of Metro Lima-Callao stations; iii) permitting rail access to the Callao, Pisco maritime ports, as well as the Pisco international airport; and iv) that allows access to dry ports provided by the project in the entrances to the city of Lima.*

- **What is the scope of the Logistic Platforms?**

*The Logistics platforms are strategic zones delimited with infrastructure and services of multiple logistic operators, of transport and owners of the cargo, that facilitate activities related to the transport, logistics and distribution of the internal trade or foreign trade load; and they are framed within the framework of Law No. 30809, which grants the MTC regulatory, planning, management, oversight and evaluation powers of the Logistic Platform System, as well as the Regulation that the MTC plans to publish this year.*

*In this sense, the CPI Tren de Cercanías Lima - Ica should take into account in its conceptualization and demand estimation the Logistic platform projects that the MTC promotes.*

- **How is the connectivity with the Lima Metro? Who assumes the risk in case of interference?**

The Lima-Ica railway "connectivity" with the Basic Network of the Metro will only occur in the case of passenger trains and will be carried out through exchange stations, whether shared by the Metro and the railroad, or connected independent stations.

- **What are the technological requirements?**

The Railway Transport Service will have at all times technological validity and will always adapt to the best technology tested and available in the market.

Technical parameters of interoperability of the Railway System:

Weight per axle: 25 tons

Trail: standard (1435mm)

Bridge design: Cooper E-080 bridge loading

No. of tracks: double

Traction system: electric

Maximum gradient: 2.5%

Minimum radius: 350m, exceptionally 250m

Technical requirements

Signaling and Communications System: ERTMS (Level 1 to 2), with implementation of a Central Emergency Post in case of Central Command Fall. Collection system or automated passenger control.

Regenerative brake system. This energy can be used by the next train that is on the road, or stored in the parking lots of the stations (system that is called Ferrolineras in Spain) for the recharging of the electric cars of the users of the Railway System.

Seismic Warning Technology. System of sensors located on the continental platform for the detection of seismic movements and their communication on land for the activation of the Contingency Plan.

Equipment to avoid the contamination of the ballast with the desert sand. Thus, the Consultant shall carry out the Study of the behavior of the movement of the sands (dunes), and its incidence in the zone of the railway layout, proposing measures and/or systems for the detection / cancellation / mitigation / cleaning of the ballast contamination; as for example the use of a plate route in areas with a greater presence of sand movement (...). A current reference of the movement of the dunes, we have it in the AVE of the dessert: High Speed Train that entered into commercial operation in Saudi Arabia.

Max. Speed with passengers: 200km/h

Max. Speed with cargo: 100km/h

**60. Will additional information be published that allows for more elements for the CPI preparation?**

It is the responsibility of the bidder to obtain the necessary information to prepare its proposal. The Ministry of Transport and Communications and PROINVERSIÓN will be available for the interested parties to attend the meetings required to solve their inquiries and access to public information.

**61. What protection mechanisms will be taken to avoid irresponsible proposals that eliminate the most serious companies and end up making more money with addenda?**

These aspects will be defined in the structuring process the project.

**62. Have the technical standards to be met by the Lima-Ica Train have been defined?**

They are identified in the MTC's research needs published in the institutional portal of Proinversión: <https://www.proyectosapp.pe/modulos/JER/PlantillaStandard.aspx?are=0&prf=2&jer=603&sec=22>

**63. Is it possible to obtain information of the companies or consortiums that submit the CPI?**

*The identification of each bidder submitting an CPI, is confidential information, this according to section 45.6 of the article 45 of the Regulation of the Legislative Decree N ° 1362, which provides that the Promoter Organizations of the Private Investment to keep the confidential nature and reserved of the private initiatives presented, under responsibility. This obligation extends to public entities, public officials, advisors, consultants or any other person who, by virtue of their position, function or service, becomes aware of the presentation and content of the private initiative. The confidential and reserved nature of private initiatives is maintained until the publication of the Declaration of Interest, with the exception of the information to be published in accordance with what the Regulation establishes.*

**64. Is it possible to reward the one who presents the initiative with a 10% bonus on the others? In this way, companies could be encouraged to present initiatives.**

*The current legal framework does not allow it. Comply with the provisions of Legislative Decree No. 1362 and its Regulations.*

**65. Is it possible for the layout to go over the right of way of the road system 6?**

*As established by the Concession Contract corresponding to the road system concession No. 6 - Road section: Puente Pucusana - Cerro Azul - Ica, the Concession Assets (including the areas covered by the Road and the Right of Way) are exclusive use of the Concession, which would imply that it is not possible for the outline of a work to occupy the concession area. Notwithstanding the foregoing, the Concession Contract establishes that any use that compromises the Right of Way shall have the approval of the Grantor, prior opinion of the Regulator and the Concessionaire.*

**66. Will the train have some type of subsidy or financing from the State? Will interprovincial or heavy-load transport lines compete with the train?**

*The State will co-finance the projects, that's why it was published the maximum budgetary capacity with which said Ministry has to assume the related commitments. The withdrawal of interprovincial transport lines or of heavy load is not foreseen.*

**67. What have been considered about the proximity between some airports? Considering there could be overlap to the areas of influence?**

*For this Third Group of Airports, the MTC, under the analysis of the Formulation Phase, plans for all transport infrastructures to be interconnected under a Logistics System. In that sense, the overlap of influence areas only occurs for the construction and operation of new airports, however, those of the Third Group are already existing airports, therefore there would be no overlap of influence area with respect to the proximity to the adjudicated airports.*

**Any additional consultation related to the "Guidelines for the submission and admission of Co-financed Private Initiatives", send it to: [ssp@proinversion.gob.pe](mailto:ssp@proinversion.gob.pe).**

**Important: This is an unofficial translation. In the case of divergence between the English and Spanish text, the version in Spanish shall prevail.**