

Market to be 'flooded' with project tenders – What is expected in 2020

The projects' pipeline is rich for the construction market. The title could be ironic as the industry is going through a dry season. However, we are at the end of this prolonged period and the long desired... rainy season, or in our case the projects, won't be too late.

This "investment shock" demanded by the construction market may not have arrived yet, but the projects that are in the bidding process are so many that all it takes is one by one to get in line for the contracts' signings in order to for a more sustainable period to begin.

What makes a great impression is the penetration of PPP projects in the construction sector. Among the ongoing competitions, almost half are PPPs which as we have mentioned in a previous article, have conquered the world of projects generation in the country.

The great project regarding the extension of the cruise pier in Piraeus Port, which is signed today, marks the start of the new period.

It is a 160m euro project and is expected to give a first big relief. Many tenders that have been accumulated since 2018 are largely the result of a period of litigation. But let's see exactly what happens to the most important of them.

'Mature' projects

Athens Metro Line 4: The two finalists AKTOR and AVAX have filed appeals to the Council of State. Depending on the decisions, we will proceed -sooner or later- to the signatures

of the largest Metro project of all time in the country. This will probably happen towards the end of the year, provided that there won't be further setbacks.

Thessaloniki Port Pier 6 completion: This is a 170 million euro project has attracted the interest of 7 consortia, which is -admittedly- a great success. By the summer (as it is an entirely private project), the contract is expected to be signed. It will be the first major project for the city, since 'Makedonia' Airport, which will be completed this year.

Paleofarsalos-Kalambaka and Kiato-Aegio electrification: These two projects, at a cost of approximately 140m euros have been stuck due to legal disputes. ERGOSE is awaiting the verdicts of the Council of State in order to move forward and complete the procedures. One possibility is for that to happen in the summer.

Crete-Attica electrical interconnection: A major energy project that is at a very advanced tender stage. According to recent information the construction phase will begin in the summer. The total cost of contract exceeds 1.3bn euros.

Eight PPP School Units in Chania: The tender was launched a year ago and a total of 4 companies expressed interest. We are now expecting the tender to mature. Signatures could be expected sometime during this year. Its cost reached up to 50m euros.

Thriassion Freight Center: This turbulent tender is at the end of its course. After a process full of suspense and many letters with the European Commission, it all shows that we are getting close to the 'happy end'. Here we have a 120m euro projects that Mytilineos has secured.

'Immature' projects

PPP Student Dorms at the University of Crete: The tender started yesterday with strong participation of seven figures.

The cost exceeds 250m euros and is the largest building project in many years. It's too early to talk about signatures.

Kalamata-Pylos-Methoni Road Axis: The tender started last summer with 5 consortia. This year, the project is expected to 'mature' and consequently to be signed in 2021.

Salamina-Perama Underwater Road Link: An 'ancient' competition that has been running since 2016. Three J/Vs claim this great 400 million-euro project. Signatures are expected in 2021.

There are also smaller projects such as Thermi-Galatista and AEK F.C. Stadium, for which INTRAKAT is the underbidder.

Tenders that are 'in the queue'

On March 18, the tender will be launched for the large-scale PPP project for the Research Center of the Athens Academy with 89m euros. By the summer, it is estimated that the tender for Aktio-Amvrakia Motorway 'sweep'-contract will be also launched again.

The tender for the connection of Pier 6 to PATHE Axis, Havria Dam in Chalkidiki and 17 schools in Thessaloniki-Katerini (both PPPs), Phase 2 of Faliro Bay and Athens Central Railway Station renovations and the electrification for Aegio-Rio and Larissa-Volos railway sections.

Projects being prepared

The biggest of all is that of Hellinikon which has its own peculiarities. In terms of preparation, there are also three major hospitals in Komotini, Athens and Sparta by Stavros Niarchos Foundation and the northern part of E65 Motorway, from Trikala to Egnatia.

For these two projects, we will probably see the beginning of construction in 2021. Preparations are also underway for flood protection projects, worth 350m euros, by the Ministry of

Infrastructure and Transport. These projects are expected to be activated in 2020.