



# Lifecycle Contracts: Coaches for Underground Supply

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MOSCOW INVESTMENT PORTAL



Moscow  
Government

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# Moscow – PPP development leader of Russia

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**> \$14 bn** (₽ 876 bn)

volume of PPP project contracts  
from 2013 to August 2019

**1**  **st place**  
PPP Development Center

in PPP development rating of  
Russian regions **2016 – 2019**

## INCLUDING:

**\$ 1 bn**

Concession projects

**\$ 6.9 bn**

Life Cycle Contracts (LCC)

**\$ 3.7 bn**

Long-term contracts with an investment  
component

**\$2 bn**

Corporate PPP

**\$268 m**

Real estate lease with Investment commitments

# Public transport life cycle contracts

**Life cycle contracts (LCCs)** are an effective tool for budget expenditure optimization providing for products delivery and subsequent maintenance.



**\$7.4 billion**  
volume of LCCs concluded

	<b>Underground railway</b>		<b>Surface transport</b>	
<b>Scope of supply</b>	1,576 subway car	436 buses	300 trams	300 electric buses (3 contracts)
<b>Contract duration</b>	30 years	7 years	30 years	15 years
<b>Contract amount</b>	<b>\$6 billion</b>	<b>\$125 million</b>	<b>\$963 million</b>	<b>~\$327 million</b>

# Moscow Metro Development until 2022



## Metro Development Program until 2022:

- 57 new stations;
- Metro line length > 450 km;
- Purchase of 1 576 metro cars under the LCC.



# Life Cycle Contracts for metro cars in Moscow

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## Obligations of parties



### Contractor

- Cars production and maintenance costs
- Production localization



### City

- Regular payments for rolling stock availability

## Current status

### First life cycle contract

- **664** metro cars (**154 bn RUB**)
- Delivery time 2014-2017
- Maintenance for **30 years**.

### Second life cycle contract

- **768** metro cars (**177 bn RUB**)
- Delivery time 2017-2020
- Maintenance for **30 years**.

### Third contract

- Supply of **144** metro cars (**21 bn RUB**)
- Delivery time 2017-2018

### Purchase of cars with subsequent maintenance