

Participation of banks in the PPP project for R1 should be known in June

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The consortium led by French company Vinci is on the best track to agree with banks for their participation in the financing of the construction of stages of the fast highway route R1 according to its president Fadi Selwan information. By his opinion the financial closure on the share of individual banks in the financing of the second package of PPP for R1 should be finished in June this year. The consortium led by Vinci is negotiating with 17 banks about the support of the project and most of them have shown interest to participate in the financing of the R1 stages construction. Selwan admitted that the current financial and economic crisis caused problems in obtaining bank loans for PPP projects. Banks provide much fewer resources than before the crisis; their greater participation is necessary. The lack of liquidity of banks was a major problem in ensuring the financing of highway projects according to his opinion. This is reflected in higher margin, for which banks are willing to lend money.

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