



**PROJECT TREN DE CERCANÍAS  
DEL VALLE -TCV  
(VALLE DEL CAUCA COMMUTER  
TRAIN PROJECT)**

|  |  |   |
|--|--|---|
| <b>Thematic Focus</b>  | Rail Transport   |   |
| <b>Sector</b>  | Transportation   |   |
| <b>Entities/Areas</b>  | National Government, Valle del Cauca Governorate, Santiago de Cali Mayor's Office, Jamundí Mayor's Office  |   |
| <b>Contributing Partner</b>                                  | Private  |   |
| <b>National Development Plan Strategy to which it points</b> | Human Security and Social Justice (Catalyst A. Enablers that enhance human security and opportunities for well-being (3) Urban and regional public transportation systems to take advantage of urban agglomerations)<br><br>Productive Transformation, Internationalization and Climate Action (Catalyst C. Fair, secure, reliable and efficient energy transition (5) Technological rise of the transportation sector and promotion of active mobility. |   |
| <b>SDG to which it points</b>                                | SDG 9. Industry, Innovation and Infrastructure; SDG 11. Sustainable Cities and Communities   |   |
| <b>Project Description</b>                                   | <b>Project Purpose</b>   | <p>The Valle del Cauca Commuter Train is part of the "Green Corridor" project, which, based on the Territorial Management Plan (POT), is conceived as a comprehensive urban project that will position itself as the new development axis of the city, structured around a regional mass transportation system accompanied by the urban renewal of the area of influence, articulating green areas, public space and facilities. In turn, it will connect and recover the old railway line as a massive regional integration project.</p> <p>TCV Benefits: Average 33% reduction in travel times (expected average travel time: 40 mins between external areas), Approx. 2900 fewer road accidents, Approx. 1.2 million tons/CO2 of emissions avoided, 1200-1500 direct jobs (execution personnel), 1,000,000 people benefitted, greater dynamism in buildability (approx. 167,000 m2/year of absorbed areas)</p> |
|  | <b>Objectives</b>  | <ul style="list-style-type: none"> <li>• Implement an efficient transportation system that articulates the region and is environmentally friendly.</li> <li>• Build green areas and generate public spaces</li> <li>• Re-densify cities around the new services offered by public transportation.</li> <li>• Achieve greater efficiency in mobility and increase the competitiveness of the City-Region.</li> </ul>   |



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|                           |  | <ul style="list-style-type: none"> <li>Develop cities oriented towards transportation and the new public services generated</li> </ul>   |
|                           | Geographic Area of Influence   | Municipalities of Yumbo, Jamundí, Palmira and Cali. Surrounding area in southern Valle del Cauca.  |
|                           | Is it included within the goals of the National Development Plan (NDP)   | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>  |
|                           | Structuring Phase  | <p>Prioritized section (Cali - Jamundí / 23.14 km) Feasibility stage<br/>Next stage: Bidding, detailed engineering and construction</p> <p>Cali - Yumbo section Current stage: Pre-feasibility Next stage: Feasibility<br/>Palmira - Center section Current stage: Pre-feasibility Next stage: Feasibility<br/>Airport Branch Current stage: Pre-feasibility Next stage: Feasibility</p> |
|                           | Target (km), (panels, etc.):   | Construction of 73.4 km of sustainable rail transportation system. Distributed in 3 lines: North-south line, between Yumbo and Jamundí (~37.8 km - 31 stations) East-west line, between Palmira and downtown Cali (~30.6 km - 16 stations) and Airport Branch (5 km)   |
|                           | Is it located in a protected area or with indigenous/Afro-descendant communities:  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Which  |
| <b>Duration by Phases</b> | <p>Pre-feasibility phase: ~ 24 months</p> <p>Feasibility phase: 36 months</p> <p>Detailed engineering phase: 19 months</p> |  |



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Construction phase: 56 months

**Contributions**

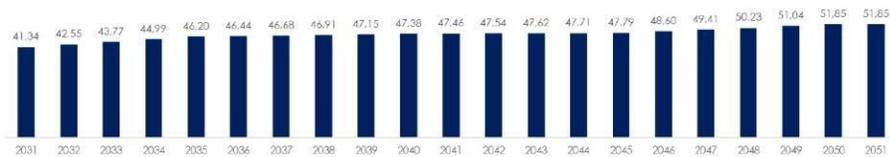
|  |   |
|--|---|
| Total Value                            | COP \$10.790 Billion  |
| Nation Contribution                    | COP \$7.5 billion   |
| Contribution from Territorial Entities | Contribution by Valle del Cauca Governorate: \$1.560 trillion Colombian pesos (COP) (14.46%)<br>Contribution by Santiago de Cali Mayor's Office: \$1.554 trillion Colombian pesos (COP) (14.40%)<br>Contribution by Jamundí Mayor's Office: \$123 billion Colombian pesos (COP) (1.14%) |
| Private Contribution                   | Amount to be determined   |

**Investment Opportunity**

| Remuneración de la concesión                   |   |  |
|--|---|--|
| Preoperativa - Infraestructura                 | Preoperativa - Sistemas y Material rodante                                | Operación y Mantenimiento  |
| Remuneración por la infraestructura construida | Remuneración por la provisión de material rodante y sistemas ferroviarios | Remuneración por la operación y mantenimiento de infraestructura, material rodante y sistemas ferroviarios |
| <b>CAPEX:</b><br>COP 1,9 billones              | <b>CAPEX:</b><br>USD 479 millones   | <b>OPEX:</b><br>COP 3,1 billones   |

**Market Analysis**

**Demanda de Pasajeros (Millones de pasajeros/año)**



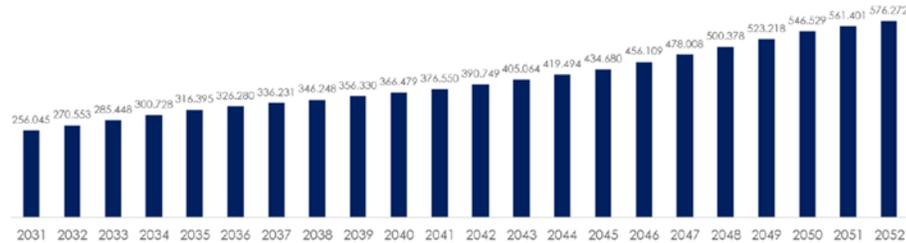
Fuente: Estudio de demanda (IDOM, 2022).

\* La demanda de pasajeros corresponde al tramo priorizado Jamundí – Centro de Cali, con un diseño operacional preliminar que consta de 23,5 km de recorrido, 21 estaciones y 36 trenes (IDOM, 2022).



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**Ingresos (COP millones corrientes)**



Fuente: Elaboración propia con base en el estudio de demanda (DOM, 2022).

**Financial Projections**

The basic financial data (revenue projections, cost estimates and expected investment returns per year) have been established according to the modeling carried out by the structuring entity. The investment model will be presented under the bidding modality, for a concession contract regulated by Law 80, which includes remuneration for detailed engineering studies, construction and operation.

Fare revenues are mainly subject to user demand for transportation between the two municipalities of the prioritized section (Cali-Jamundi)

On the other hand, the project contemplates structuring a Public-Private Partnership of public initiative, for the construction of the so-called "Underground Pan-American Parking Lots" with a capacity of 388 spaces for cars and 88 for motorcycles, which solves one of the structural problems of the sector, and guarantees an income for the financing and maintenance of the project.

**Sustainability and ESG Considerations**

Social component:

**Ahorro en Tiempo – Inputs**

| Insumo                                   | Valor                                 | Fuente                                     |
|--|---------------------------------------|--|
| Ahorro en tiempo                         | Disponible en la herramienta de Excel | Modelo de demanda                          |
| Ingreso medio por persona en Cali y A.M. | COP 1.336.487                         | DANE (2023)                                |
| Contribuciones                           | COP 626.214                           | Ministerio del Trabajo (2023)              |
| Horas laborales a la semana              | 42 horas                              | Ley 2021 del 15 de julio de 2021           |
| Valor del tiempo                         | COP 11.683 por hora                   | Cálculo a partir de las anteriores fuentes |
| Crecimiento del valor del tiempo         | 1,0% anual                            | De Rus et al. (2006)                       |

Environmental component



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**Ahorro en Emisiones – Inputs**

| Insumo                            | Valor                                 | Fuente  |
|-----------------------------------|---------------------------------------|---|
| Ahorro en distancias recorridas   | Disponible en la herramienta de Excel | Modelo de demanda                             |
| Factor de emisión carro           | 168 gCO <sub>2</sub> /Km              | U.K. Pact (2023)                              |
| Factor de emisión taxi            | 238 gCO <sub>2</sub> /Km              | U.K. Pact (2023)                              |
| Factor de emisión moto            | 57 gCO <sub>2</sub> /Km               | U.K. Pact (2023)                              |
| Factor de emisión camión pequeño  | 612 gCO <sub>2</sub> /Km              | Área Metropolitana del Valle de Aburrá (2017) |
| Factor de emisión taxi vacío      | 238 gCO <sub>2</sub> /Km              | Igual al factor de emisión de taxis           |
| Factor de emisión camperos        | 1.164 gCO <sub>2</sub> /Km            | Área Metropolitana del Valle de Aburrá (2017) |
| Factor de emisión pretroncal      | 1.164 gCO <sub>2</sub> /Km            | Área Metropolitana del Valle de Aburrá (2017) |
| Factor de emisión alimentador     | 1.164 gCO <sub>2</sub> /Km            | Área Metropolitana del Valle de Aburrá (2017) |
| Factor de emisión troncal         | 1.164 gCO <sub>2</sub> /Km            | Área Metropolitana del Valle de Aburrá (2017) |
| Factor de emisión intermunicipal  | 1.164 gCO <sub>2</sub> /Km            | Área Metropolitana del Valle de Aburrá (2017) |
| Costo Social del Carbono (CSC)    | 143.502 COP/TonCO <sub>2</sub>        | CEPAL (2019)                                  |
| Crecimiento CSC en el largo plazo | 2.0%                                  | Banco de Desarrollo de Asia (2017)            |

**Risk Assessment  
and Mitigation**

| Classification of Risk                | Identification of Risk  | Treatment   |
|---------------------------------------|---|---|
| Commercial                            | Favorable and/or unfavorable effects related to higher or lower income than estimated, due to variation in the actual number of passengers using the system and/or the fare charged to passengers | The tariff revenues of the Project will depend on the entity in charge of the system, as it will set the fares and frequencies. Additionally, it is understood that the level of operational integration with the MIO system implies better management of risk by the public. |
| Construction and Commissioning Period | Favorable and/or unfavorable effects derived from the interfaces or proper integration between the rail systems, other technological systems, rolling stock, infrastructure, and fare collection  | The private party, having prepared the studies and designs and being an expert in rail projects, has sufficient information, knowledge, and experience to manage interfaces, develop detailed scheduling, and control the execution of contract activities and ensure         |



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|  |   |   | <p>proper integration of the entire system, thus having greater capacity for risk management and administration.</p>  |
|  |   |   | <p>The private party must deliver the contracted construction works per the technical specifications and other contractual provisions. Therefore, it is responsible for processing, obtaining, and complying with the licenses, permits, authorizations, and plans required to carry out construction activities, other than those covered in the environmental, social, and cultural heritage areas, as well as assuming the effects derived from this as the expert and being better positioned to manage and administer this risk.</p> |
|  | <p>Availability and Acquisition of Land</p> | <p>Favorable and/or unfavorable effects derived from higher costs and time for executing the land management and acquisition activities on those properties included or outside the Project's right-of-way or for utility networks.</p> | <p>The Management Entity has the necessary legal tools and will be responsible for acquiring, recovering, and making available to the Project the required properties included in the Project's right-of-way, delivering them to</p>  |



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the private party. Thus, it is responsible for assuming the risks related to (i) the higher or lower value of the properties and (ii) the longer or shorter time required for land management, compared to the initial estimate.

The Management Entity has the necessary legal tools and is responsible for acquiring, recovering, and delivering to the private party the properties within the Project's right-of-way, which is previously established and published within the selection process. Thus, at the time of submitting its offer, the private party is aware of and accepts the properties within the Project's right-of-way that the Management Entity will deliver. Accordingly, if the private party sees the need to have additional land beyond those included in the Project's right-of-way under the Contract, its acquisition will be at its own cost and risk.



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|                                    | Social  | Favorable and/or unfavorable effects related to higher costs and time to carry out actions derived from social agreements and compensations | It will be a contractual obligation for the private party to implement the agreements reached with the communities within the framework of the prior consultation(s) carried out.   |
|                                    | Social  | Favorable and/or unfavorable effects associated with resettlement management.   | Since the Management Entity is responsible for land management, it must also handle resettlements.  |
|                                    | Maintenance operation costs and   | Effects derived from the positive or negative variation of input prices, whether in local or foreign currency.                              | Given that the private entity is an expert in railway system operation and has developed the Project, it possesses sufficient information to budget, cost, and seek appropriate mechanisms for the mitigation of this risk, being in a better position to manage and administer it. |
| <b>Project Team and Experience</b> | <p>Project formulation and structuring team (Executing Agency): Financiera de Desarrollo Nacional (FDN)</p> <p>Supervision and Governance team: Regional Transportation Authority - ART (RPG-ART-ASOVC) Valle del Cauca Governorate, Santiago de Cali Mayor's Office, Jamundí Mayor's Office</p> <p>Managing Entity: SITREN GV S.A.S</p> <p>International promoters of structuring: British Embassy of Colombia</p> <p>Contact information:</p> |   |   |



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**Additional  
Information**

N/A