



For release

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## Citytunneln in Malmö costs 1 billion less than budget

**A new final-cost prognosis calculated by Citytunneln shows that the project will cost 8,565 billion instead of the budgeted 9,450 billion SEK.**

There is just one year left now before the opening of the Citytunnel and costs from all the major contractors can now be summarised, also the cost of the remaining work can be estimated more accurately. The new calculation shows that the cost of the whole project will finish at 8,565 billion SEK at 2001 prices, which is almost 1 billion (885 million) less than the project budget.

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This impressive figure is the result of thorough planning at the beginning of the project and during the procurement of the major contracts.

"We took plenty of time and we were very thorough with the tender documentation. We also managed to create a good climate of cooperation between ourselves and the contractors who won the procurements. The focus has always been on solutions and we have solved most of the problems together, which has prevented increased costs" says Citytunneln's project manager, Örjan Larsson.

Risk management is another reason for the cost reductions in the project.

"All imaginable risks have been identified and minimised early on in the project. By being aware of problems that might occur, we have avoided costly consequences, both technically and through loss of time. This has also contributed to the high quality of the building work in Citytunneln" says Örjan Larsson.

The total sum for all contracts, according to the new calculation, will be 6,257 billion, 553 million less than budget. The building proprietor

*The Citytunnel Project in Malmö is owned by the Swedish National Rail Administration.*

costs for Citytunneln will also be lower, 2,308 billion instead of 2,640. These include costs for the larger technical investigations, project planning and the extensive environmental investigation, as well as the administrative costs for forming the organisation in 1998.

	Budget	New final cost	Difference
Contracts	6,810	6,257	- 0,553
Building proprietor costs	<u>2,640</u>	<u>2,308</u>	<u>- 0,332</u>
Total	9,450	8,565	- 0,885

The greatest cost savings can be found in Banverket's projects. (*Banverket is the authority responsible for rail traffic in Sweden*) Region Skåne and Malmö City, who are among the project financiers, will also save money based on the new final cost calculation.

The Citytunnel is a 17 km railway track that connects Malmö C with the Öresund bridge and joins the railway networks in Skåne together. It also increases the capacity for future rail-bound traffic. 6 km of this is in a tunnel under central Malmö, and 11 km is conventional surface railway.

Malmö C is extended with an additional underground station and new stations are built at Triangeln and in Hyllie.

The cost of the project is estimated at 8,565 billion SEK according to monetary value in 2001.

Citytunneln will be opened in December 2010.