

METROLINK

Integrated Transport. Integrated Life.



**Explainer following Cabinet's
Approval Gate 2 decision
September 2026**

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Introduction

AG2 approval signals the next phase for MetroLink – awarding contracts, commencing enabling works, and progressing the tender process for major construction and operations contracts.

Public investment projects are evaluated, planned and managed in line with the Infrastructure Guidelines. These guidelines include 3 Approval Gates (AGs) in the capital project development lifecycle. At each AG, decision makers provide approval, or not, for the project to progress to the next stage. AG1 relates to approval in principle and is informed by the Preliminary Business Case (PBC). AG2 relates to pre-tender approval and is informed by the Detailed Business Case (DBC). AG3 relates to approval to award major delivery contracts and is informed by the Final Business Case (FBC). AG decisions for MetroLink are taken by Cabinet due to the scale of the investment.

In July 2022, Cabinet granted AG1 approval for MetroLink. Today's AG2 approval allows the programme to award key advanced and enabling contracts, as well as to commence the tender process for the major construction and operation contracts. Pre-qualification stages for the major contracts are ongoing.



Benefits

For every €1 spent, MetroLink is estimated to return between €1.13 and €1.95 to the economy.

Ireland's transport infrastructure is under increasing pressure due to rapid and higher than expected population growth, rising housing demand, worsening urban congestion, and limited options to meaningfully increase public transport capacity. MetroLink is a central component of the solution to these acute existing issues in Dublin, and will deliver capacity to accommodate future demand.

MetroLink will provide a high-frequency, low-carbon metro system capable of transporting up to 20,000 passengers per hour per direction. It will integrate with public transport services, such as DART and other rail services at Tara Street and Glasnevin stations, the M1 motorway and Dublin Airport, and transform connectivity across the region. MetroLink will also directly support housing, enabling the delivery of approximately 77,000 additional homes along the route, and assist in the delivery of over 120,000 further units in the Greater Dublin Area.

The Transport Appraisal Framework (TAF) provides guidance on the assessment of benefits. When only the benefits directly attributable to the scheme are considered (e.g. faster journey times, congestion reduction, safety enhancements and environmental benefits), every €1 invested in MetroLink is expected to return between €1.13 and €1.78. This mean of these figures is broadly in line with the core scenario reported in the PBC. When the assessment is broadened to include wider economic impacts, the return on investment rises to between €1.26 and €1.95 for every €1 spent.

Many benefits are not monetised in the economic assessment, such as land value, journey reliability, journey quality and accessibility outcomes. Similarly, in line with the TAF, the benefits assessment period has been set at 60 years; however, the civils infrastructure has a design life of 120 years. International evidence also shows that metro appraisals can understate wider city-shaping benefits. These factors combined ensure that the overall assessment remains conservative and represents value for money.

Programme Development Since AG1

Planning approval is now in place and MetroLink's design has developed to a tender-ready stage.

Extensive development activities have been undertaken between AG1 and AG2. Critically, the programme has now completed the statutory planning process with a confirmed and operative railway order in place. This provides the statutory certainty required to move from planning into delivery.

The planning process has introduced additional constraints and obligations that must be incorporated within delivery plans. Further assessments, stakeholder engagement and design development have also been undertaken to ensure the design is tender ready. These factors have resulted in modifications to the scheme between AG1 and AG2 (explained further in the later sections).

Delivery Cost Estimate

The median delivery cost estimate is €15.75bn ex. VAT.

The delivery cost estimate, as contained in the DBC, is outlined in Table 1. Given the inherent risks associated with the delivery of mega-programmes, estimates are presented as a range, informed by statistical analysis. This results in a best reasonable case, a median case and a prudent planning case. Operating and renewal costs are estimated separately.

Date	Best Reasonable Case (P30)	Median Case (P50)	Prudent Planning Case (P80)
Delivery cost estimate, including risk, contingency and inflation (ex. VAT)	€14.44	€15.75	€17.49

Table 1—1: Delivery cost estimate (billions)

Cost Estimate Confidence

The estimate has been subjected to robust assurance and benchmarking, but the market will ultimately decide the cost via a competitive procurement process.

The cost estimate has been developed in accordance with the National Transport Authority's (NTA's) Cost Management Guidelines for Public Transport Projects. It has been subjected to independent assurance reviews, most recently by a team of experts engaged by the NTA, as part of the joint AG2 assurance process between the Department of Transport (DoT) and NTA.

Benchmarking exercises have also been undertaken to compare estimates against completed metro schemes worldwide. These have concluded that the scheme's per-kilometre estimate is at the upper end of the benchmarked range. This is due to factors such as a relatively high number of stations for the route length, the constrained urban environment, several stations with significant construction complexity, and Ireland's peripheral location relative to continental Europe impacting the flow of specialist resources and workforce.

It must be remembered that the figures presented are an estimate of costs. Tenderers will ultimately determine their tender price as they compete to deliver MetroLink.

Changes to the Cost Estimates from the Preliminary Business Case

Increased contractor costs, design development, the impact of the planning process, inflation and a prudent approach to risk are the primary drivers for estimate changes between AG1 and AG2.

It is not uncommon for cost estimates to change during the development stage of a mega-project. As the design matures, the requirements and scope become clearer. Table 2 presents the cost estimates at AG1 and AG2 against consistent cost heads. To allow a like-for-like comparison, AG1 costs have been uplifted from 2021 to 2025 prices. This uplift accounts for the high inflation during this period driven by COVID-19, the war in Ukraine and other geopolitical uncertainties. This high inflation period is clearly illustrated in AA Ireland's fuel price figures, with the price of diesel increasing by over 40% between 2021 and 2025.

The following paragraphs provide additional detail on the variance.

Direct Costs: Contractor costs, which include preliminaries, equipment, and fee components, have increased by €1.0bn. Contractor costs have risen across the sector since 2021, primarily due to construction inflation and market consolidation reducing competition. The updated estimate aligns with the contracting model and procurement approach and reflects the commercial structures associated with the selected forms of contract.

As previously noted, the MetroLink design has been further refined since AG1. These refinements enhance customer experience, strengthen system resilience, and streamline construction. The scope has also been updated to ensure technical specifications and construction methodologies are consistent with undertakings made during the

planning process and reflect revised stakeholder agreements, including with Dublin Airport Authority, Dublin Fire Brigade and Iarnród Éireann. Changes include accounting for restrictions on the disposal of excavated material, modifications to platform layouts, tunnelling approaches, operational updates due to fire and pedestrian modelling, escalator design, and mechanical and electrical systems. These refinements account for a cost increase of €1.2bn.

An additional provision of €0.5bn has been included for workers' accommodation and to address commitments made during the statutory planning process that were not incorporated into the design as of August 2025 when the baseline for AG2 was set.

Land & Property: Variance due to updated land requirements, further information on land interests, and current market conditions.

Indirect: Costs of managing the programme including staff costs, legal fees and office costs have risen. This reflects additional work undertaken to support the planning process, and the carrying costs of resources given the longer than anticipated approval timescale for the railway order. The estimate is also based on a revised resource schedule which accounts for the increased size and scale of the MetroLink organisation required to deliver the programme.

Risk Allowance: Contingency has increased to reflect the updated risk analysis. Oxford Global Projects found that first-of-a-kind projects tend to overrun their budget greater than subsequent projects. This work recommends that first-of-a-kind allowances be accounted for in contingency.

Inflation: Slight adjustment in forecast rates of future inflation.

Cost Head	AG1 (2021 Prices)	AG1 (2025 Prices)	AG2 (2025 Prices)	Variance (2025 Prices)
Direct Costs	€4.59	€5.20	€7.92	€2.72
Land and Property	€0.44	€0.49	€0.72	€0.23
Indirect Costs	€0.77	€0.87	€1.46	€0.59
Base Delivery Cost	€5.80	€6.56	€10.10	€3.54
Risk Allowance	€1.74	€1.95	€3.49	€1.54
Future Inflation	€1.96	€2.19	€2.16	-€0.03
Total	€9.50	€10.70	€15.75	€5.05

Table 1—2: AG1 vs AG2 delivery cost estimates (P50 in billions)

Delivery Schedule Estimate

Passenger services are estimated to commence between 2036 and 2038.

The delivery schedule has been developed using a similar approach to the costs. This results in a range for when MetroLink will open to passengers of between 2036 and 2038, with 2037 representing the median of the range. The delivery schedule has also been benchmarked against 16 other metro projects. This found that the range of construction periods was 8-11 years, which aligns with the MetroLink schedule estimate of 8-10 years.

Evolving Delivery Arrangements

Delivery arrangements have been refined based on lessons learned from similar rail programmes and market engagement.

The DBC contains details beyond benefits, costs and schedule. These include governance arrangements and the procurement and commercial approach, which have also evolved since AG1.

The programme continues to be delivered by Transport Infrastructure Ireland (TII). A MetroLink Programme Steering Committee has been established to support the TII Board. This committee includes senior representatives from TII and the NTA, as well as external members with relevant expertise and experience on similar programmes. In November 2025, the Government approved a proposal to establish a dedicated delivery body for MetroLink. DoT is leading on the establishment of the delivery body and currently anticipates that it will be operational prior to the award of major delivery contracts.

The procurement and commercial approach has been refined since the PBC. Key changes, informed by market consultation and lessons learned from similar rail programmes, include the consolidation of the two northern main civils contracts into a single package, the earlier delivery of elements of the main civils packages, resequencing the procurement of major delivery contracts, and the provision of partial bid cost compensation for unsuccessful tenderers on major delivery contracts. The latter is required to ensure strong market participation and effective competition to deliver best value for money to the State.

Conclusion and Next Steps

This high-capacity, high-frequency metro system is about more than moving people. MetroLink is nation-building infrastructure that will radically change national and international perceptions of the country.

Cost estimates have been prepared and assured by experienced teams. The investment required is significant, but the benefits are significantly greater. It will generate economic, environmental and social benefits that will be enjoyed by many future generations.

Today's decision allows the programme to begin its next phase. This includes awarding contracts and commencing advanced and enabling works, as well as progressing the tender process for major construction and operations contracts. These activities will now progress on a phased basis over the coming months.

Once tender processes for the major contracts have concluded and tender prices are known, there will be a further approval point prior to major contract awards. This approval point, AG3, is currently scheduled to commence in late 2027.



