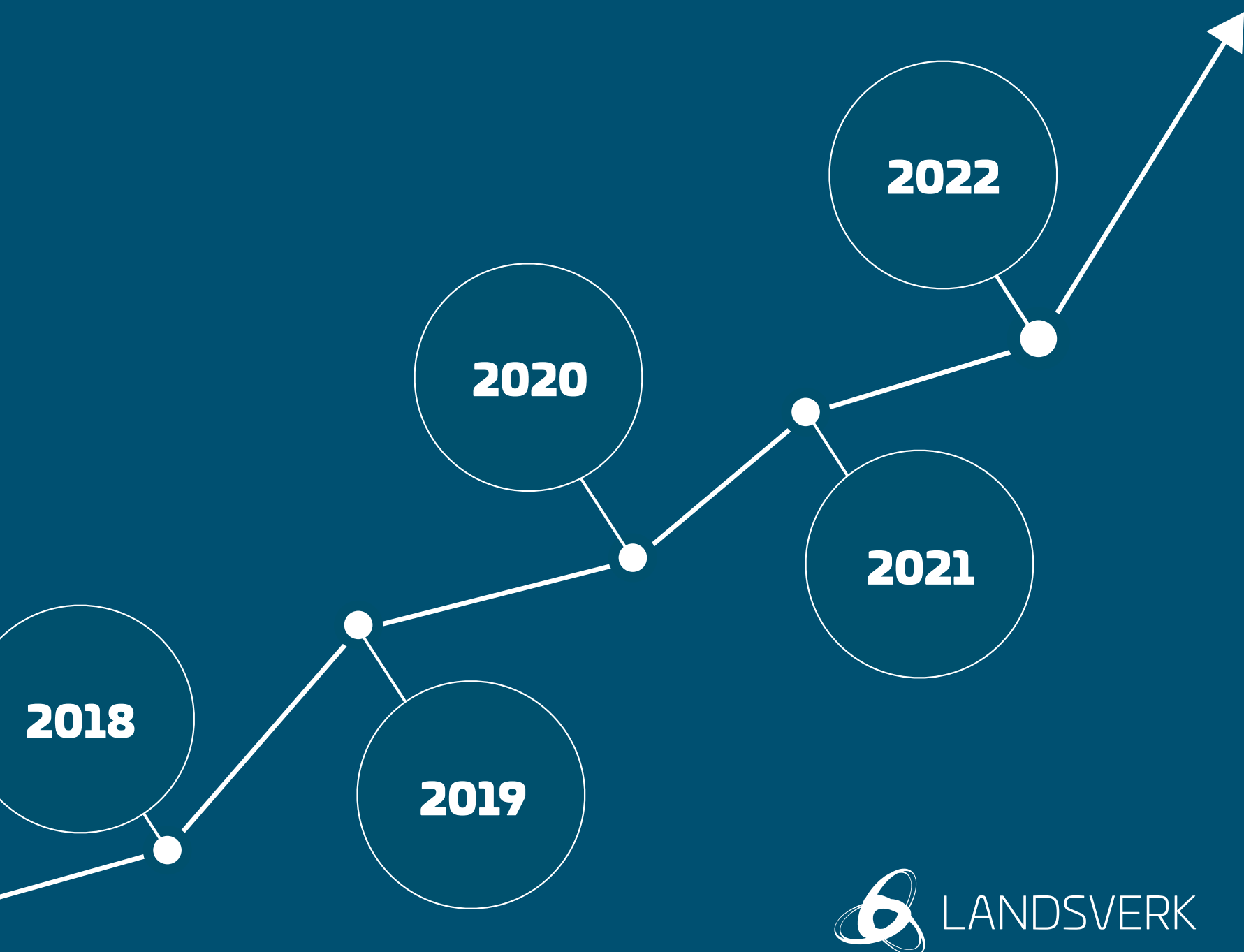


THE WAY FORWARD

ANNUAL REPORT

2016–2017

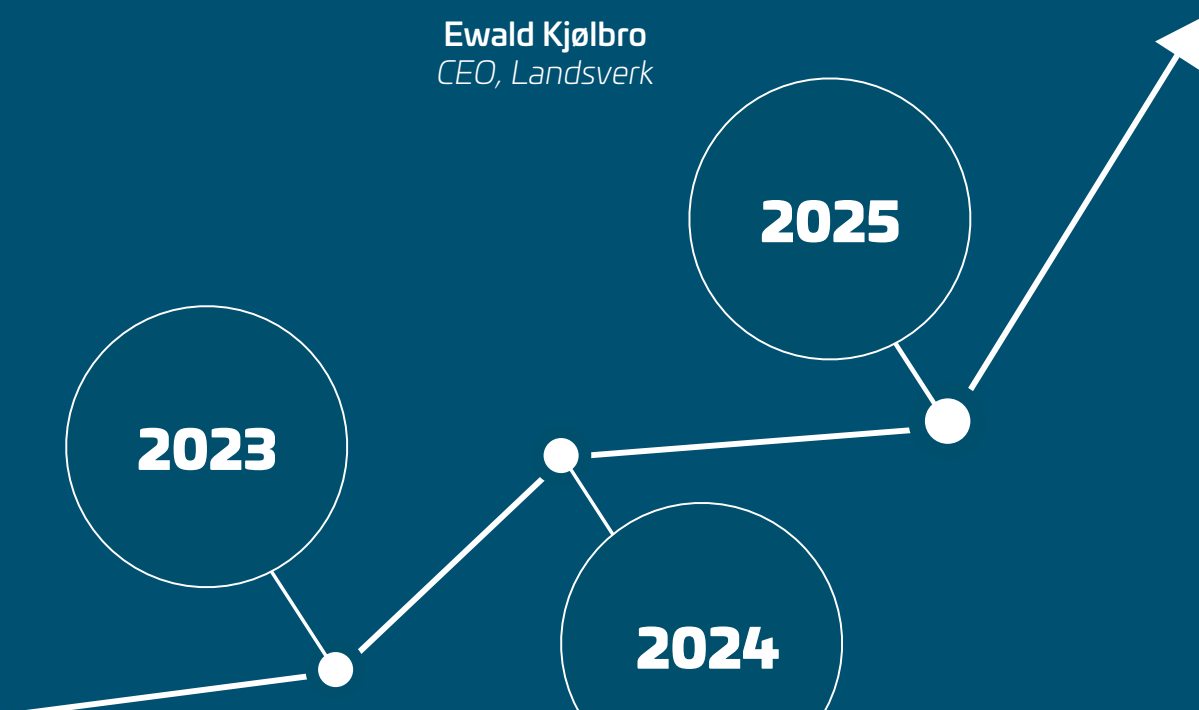




LANDSVERK PREPARES FOR THE FUTURE

In the coming years changes will be made in Landsverk's industrial sector. For instance, with regards to construction projects, the licensing approach will be reorganized so that contractors are involved in the process at a much earlier stage. Adjustments will also be made when it comes to operational and maintenance tasks offered for longer tendering periods at a time. In its production area, Landsverk decided in 2016 to withdraw from bidding when it comes to the laying of asphalt and to discontinue this activity. Instead, more attention will be focused on the production of asphalt, stone and broken stone. With regards to this, Landsverk is working on documenting the quality of Faroese stone so that it can be used for all asphalt and concrete productions, as well as stone production for road construction, among other things. Landsverk will continue improving its industrial sector as well as other sectors in the years to come.

Ewald Kjølbro
CEO, Landsverk



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Ewald Kjølbro, CEO

Society is undergoing many changes these days and there are great challenges ahead for an institution like Landsverk. Making adjustments that work for the times we live in is something Landsverk sees as an important task.

In last year's annual report, we emphasized the need for the maintenance of both public buildings and infrastructure, where the backlog is growing each year. This is why it is of utmost importance that the political authorities start looking at alternative solutions to financing maintenance work in order to prevent further dilapidation. Landsverk has suggested various templates for financing and has informed the related directorate about these possibilities.

With respect to the running of public buildings, Landsverk is looking at centralizing this task using a designated maintenance or caretaking service that would be responsible for this task. As the word implies, the institution's maintenance service would see to the basic, everyday maintenance tasks, which are for a large part not taken care of today. A service like this would prevent disrepair, because it would be possible to keep an eye on things on a daily basis and take action immediately when minor or major repairs need to be done. The government appropriation for maintenance of public buildings has decreased by 1 million kroner and is now 21 million kroner. This number has to be measured up against the 128 million kroner cost in urgent maintenance, while the total backlog, which was approximately 250 million last year, is now close to 280 million kroner. This is due to the fact that Landsverk has taken over several more buildings that are in a questionable state.

OPEN BIDDING FOR MAINTENANCE

The plan is to make maintenance agreements for both buildings and infrastructure through an open bidding process offered out to contractors. The offers will consist of larger package deals where contracts will be made on a 5–10 year basis. Hence, Landsverk would be less of an entrepreneur and more of a professional buyer who sets a course for what needs to be done and then offers out the assignments.

On behalf of the directorate, Landsverk administers approximately 230.000 square metres of buildings and each year several buildings are added to the administration. Landsverk's goal is to not only maintain the country's buildings but also to improve their quality and condition. In the government's coalition agreement

it is pointed out that new public buildings are to be heated through green energy and that a plan must be made for energy saving and energy renovations for older buildings. Landsverk has received political approval to embark on its campaign "Orkutak", which involves energy improvements in buildings, for example through insulation, changing energy sources, systems and more. This will improve the overall operational management of each building due to the decrease of energy consumption as well as the fact that each building will be raised to a higher standard of quality. This will also be beneficial with regards to constructional and artistic quality as well as have a positive effect on operational costs, indoor climate control, emissions and other things in this area. "Orkutak" will also include a request for offers with regards to oil supplying, so that oil can be purchased at the lowest possible price and subsequently have more money for operations and maintenance of the buildings.

At the beginning of the year the new building notification took affect, which includes all construction in the Faroes. This will no doubt have positive effects on construction in general, which will be raised to a higher standard, just as the regulations will become more standardized and therefore equal for everyone. This will also mean that the construction authorities' administrative procedures will be more exact than, for example, insulation regulations.

ALTERNATIVE FINANCING METHODS

In addition to building maintenance, last year's annual report talked about alternative financing methods for infrastructure maintenance. The maintenance of tunnels is especially costly, since tunnel maintenance is about three times more expensive to operate per metre compared to regular roads. I therefore mentioned in the previous report a possible solution where one toll would cover all the tunnels and not just the undersea tunnels. The fee would of course be adjusted according to how often each individual uses the tunnels. This would mean that the total fee would be higher for those who daily or regularly use the tunnels and lowest for those who seldom use them. This can be done for example by using an electronic monitoring system.

There are also other possibilities for financing the operational costs of the road network, for example, increasing fuel tax and then using the income specifically for road maintenance.

CONTRACTORS INVOLVED EARLIER IN PROJECTS

When it comes to construction, it is of course the larger construction projects that have the biggest challenges. On the other hand, no project is the same and therefore there are always different challenges attached to each new project. Fortunately technology and equipment is improving, which in turn also improves the planning of large projects from start to finish. And here is where we plan to organize the request for tender in such a manner that the contractor is involved earlier on than usual. Technology will help both consultants and contractors to fully understand the project from the get go, preventing mistakes and misunderstanding.

The new working template that Landsverk plans on using will demand more from both the consultants and the contractors who embark on larger construction projects. In connection with requests for tender and project design, Landsverk will require that projects be designed in 3D before construction commences.

THE TIME HAS COME FOR ALTERNATIVE FINANCING

Financing for the running of infrastructure and public buildings has always been a direct part of the government’s annual budget. The problem with this agreement is that the appropriation is not sufficient with operational and maintenance needs, because the total annual appropriation at best remains the same or decreases yearly. When you do the math, you can see something’s very wrong when you add inflation to the equation as well as the growing amount of kilometres of road maintenance, new tunnels and buildings. Now more than ever it’s time to start using alternative means of financing. Here Landsverk points out a few alternative financing possibilities to that of the government’s annual budget.

With the amount set aside over the past years for running and maintaining infrastructure and public buildings, it’s impossible to get the total appropriation to stretch. Already in last year’s annual report, Landsverk’s CEO pointed out that innovative thinking will be necessary when it comes to the running and maintenance of both the infrastructure and public buildings that Landsverk, on behalf of the country, administrates.

In addition to continual maintenance, the huge backlog needs to be taken care of, which keeps growing year by year so long as the necessary financing isn’t available. The total backlog on the road network is presently estimated to be 375 million kroner. This is 8.5 times more than the annual operations appropriation, while other Scandinavian countries have a backlog somewhere between 1.2 and 2.6 times more than their appropriation. Hence, the Faroe Islands have a backlog 7 times bigger than the countries we compare ourselves with. Landsverk estimates that a 30 million kroner increase in today’s appropriation would make the situation manageable.

“As an institution related to a major part of the country’s property, it is both my job and responsibility to shed light on these problems, but at the same time to come with available solutions. The backlog situation remains a problem and is only getting worse. We must therefore look at other financing methods for operations and maintenance,” says Ewald Kjølbro, CEO of Landsverk.

FACTS

	Appropriation	Backlog	Suitable Appropriation
Roads, tunnels and bridges	42	375	72
Public buildings	21	279	50
Total	63	654	122

(MM kroner)

TUNNEL TOLL

There are several alternative ways to finance and run the road network. One method is to put a tax on all of the tunnels and not just the undersea tunnels. A so-called toll for both land and undersea tunnels could potentially be lower than the current toll for the undersea tunnels, because with this type of strategy, the number of users would be significantly greater.

There is nothing hindering us either from setting up more tollbooths that collect from the motorists. It might be sensible to have tollbooths elsewhere than just at the mouth of the tunnels. Reason being it might be tempting for some motorists to take an older and less safe route in order to avoid the toll. For example, the Leirvik road and the road along Hovsegg and along Hestin to Sumba are not as safe for driving as the tunnels.

There’s also the possibility of creating a more solidary system, where for instance, in a day each vehicle would pay only once when driving past a tollbooth, allowing them to pass through all other tunnels free of charge on that same day. This would be a type of fixed payment system. Another method would be to set a maximum amount per day, for example, not charging more than a maximum of 50 kroner per day despite how often one uses the tunnels.



RENTAL FEES ON PUBLIC BUILDINGS

The CEO at Landsverk believes it’s also time for alternative financing methods when it comes to maintenance of government-owned buildings, which, like the infrastructure, are in a state of disrepair. If these buildings were transferred to Landsverk to administer, prioritize, run and collect rent, then it would be possible to keep these building in good condition (see more on this matter elsewhere in the report).

“The present situation is one where institutions and other public building occupants don’t pay rent for buildings that are owned by the government. At the same time, Landsverk and other public institutions are paying rent for buildings that are not owned by the government, for instance, private lessors. The fact that there is a difference between whether a public institution occupies a government-owned building or a private one is directly anti-competitive,” says Landsverk’s CEO.

All things considered, Landsverk’s latest account rendering shows that just to stop dilapidation and maintain public buildings and infrastructure, it’s necessary to increase the appropriation to 122 million kroner. The current amount of 63 million is only slightly more than half of a suitable appropriation.

FACTS

The financing methods below can be used to acquire financing for the running of the road network. Each of these methods will give approximately 30 million kroner in income:

Toll tunnels (5 tunnels)	6.20 DKK for each passing
Toll booths (7 stations)	4.80 DKK for each passing
Increase in fuel tax	0.82 DKK/litre
Increase in road tax	1.111 DKK /litre
Duty on foreign vehicles	7500 DKK per visit
Duty on tourist visit	260 DKK per day
Increase in tourist duty	187 DKK per tourist
Duty on vehicle rental	857 DKK per day

As you can see from the above suggestions, some of these calculations are rather unrealistic. For example, having solely foreign vehicles finance an increase in appropriation for infrastructure. It would be more appropriate to create a system that was made up of various taxes. For example:

Increase in fuel tax	0.25 DKK/litre
Increase in road tax	500 DKK per vehicle
Duty on foreign vehicles	100 DKK per visit
Increase in tourist duty	50 DKK per tourist per visit

Or we could just stick to the present tax system for transit and vehicles by updating these costs:

Increase in fuel tax	0.50 DKK/litre
Increase in road tax	500 DKK per vehicle

By implementing some of these strategies we would have a well-running and well-maintained road network.

NEW CONSTRUCTION REGULATIONS

At the beginning of the year, new regulations were implemented that set a minimum quality standard in construction in the Faroes, with regards to both functional and technical requirements. Landsverk has no doubt that these new regulations within construction will benefit both the citizen and society with higher quality building standards.



Construction Regulations 2017 – Faroese abbreviation – BK17 – is the latest notification when it comes to instructions and regulations within construction in the Faroe Islands. The new conditions have been well on their way and on January 1, 2017 the regulations were announced, which, are based on construction regulations from 2012. BK17 implements minimum quality standard regulations for everything that is to be built in the Faroes.

Landsverk, which administers this department, has a consultative role in notifications and regulations and must answer questions in connection with these regulations and their implementations. This is so the citizen, industry and municipalities have somewhere to turn when questions arise.

A lot of preparation has been done with regards to the new rules, which to a large extent are based on Danish construction regulations but are however adjusted to fit Faroese conditions where necessary. A group of experts and representatives for the parties

involved have prepared the Construction Regulations so that it can best suit Faroese conditions. The eight chapters that the Construction Regulations is comprised of are diverse and take into consideration energy, insulation, safety, health, fire safety, strength and various other things related to construction.

INFORMATION ON NEW REGULATIONS

In connection with the coming into force, Landsverk and the Builders Association organized a briefing event on the new Construction Regulations. The largest briefing event was held in the Nordic House on March 17, where roughly 200 people from the construction industry, respective authorities and other related parties were informed about the new rules.

Here, Ólavur J. Hansen, legal advisor at Landsverk, explained the role Landsverk has, which was given the job of administrating the Construction Regulations starting January 1, 2017. Among other things, he described what administrative tasks were involved in this duty and which services Landsverk could offer municipalities and other concerned parties in this area.

It's predicted that the new building rules could be difficult to administer and abide by in practice, but Eyðfinn Lenvig, technical director at J&K Petersen is not fearful of this.

"I don't expect it will be a problem whatsoever for us as a construction company to administer and live up to these new regulations. Neither do I see it being more expensive in general to have these new regulations to adhere to," says Eyðfinn Lenvig.

One of the people who have been on the board of members involved in preparing and making suggestions for the new construction regulations is Marius Müller, director at the construction and environment department at Tórshavn City Council. He explained how the municipalities will experience changes and how it is necessary for the construction authorities to make certain adjustments in order to live up to the new standards.

ORGANIZE COURSES

There are programs available that are used to calculate both energy demands and energy requirements in buildings. For example, there is one developed by SBI, Danish Building Research Institute, called Be10. Ragnar K. Mouritsen, civil engineer and director of the company Ram, talked about this program at the Nordic House. He did however also mention that there were other programs available that did the same job.

The Consulting Association and the Builders Association are going to offer courses in the new Construction Regulations, where participants will receive a course certificate certifying that they've completed one or more of the courses. The Centre for Seminars will also offer courses that can help those interested to get off on the right foot with regards to the new regulations. The first course focuses on the new rules in the Construction Regulations 2017, the second course is on energy systems for houses, while the third course focuses on the prevention of mold, which is a big problem in the Faroes.

In connection with the construction rules, Landsverk, which also organizes various informative meetings across the country, printed the Construction Regulations publication – BK17, which can be purchased as a handbook for 150 DKK. It can also be downloaded as a PDF free of charge at landsverk.fo.

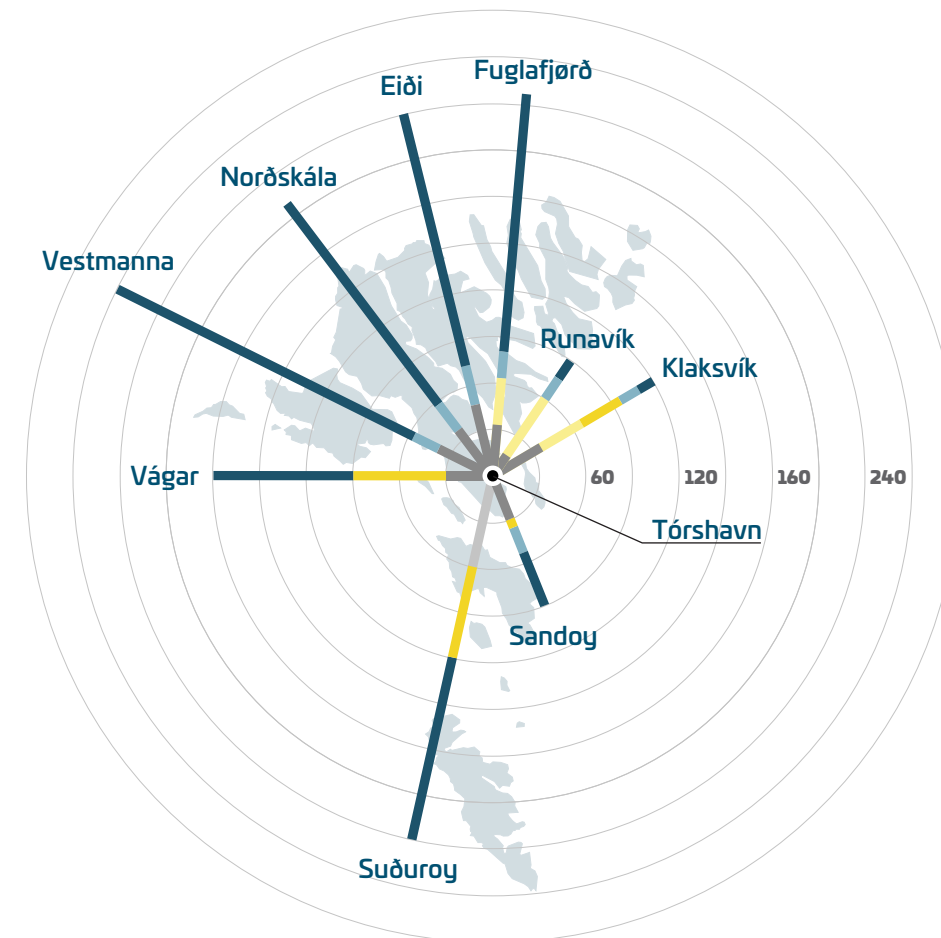


TECHNOLOGICAL BREAKTHROUGHS REVOLUTIONIZE TRAFFIC SECTOR

If we are to believe those who daily work with predicting the future of the traffic sector, transit and transportation are now seriously at a crossroads. Armgarð E. Steinhólm, director at Landsverk's Department of Infrastructure explains that the regular traffic tendencies and mindsets within this area are going to fundamentally change over the coming years – namely, “disruptive technologies” or revolutionizing technology, which to a certain degree can already be seen here in the Faroes.

We see today in many areas of industry revolutionizing changes. One of the largest accommodation services, Airbnb, has no hotel – and one of the largest transportation services, Uber, has no car. In the area of communications a major revolution has already occurred. Telephones aren't just telephones anymore. Most telephones are also computers, cameras, banks and more. Some researchers believe that technological development and availability of new services will create larger changes within the

road and traffic sector over the next few years than it has over the last fifty years put together. In countries such as Finland, Sweden and Norway, they've begun testing self-driving vehicles in regular traffic. We haven't come quite that far in the Faroes, but the cars on Faroese roads have generally more technological possibilities to help the driver. In order for a vehicle to be self-driving it has to have sensors, a camera and radar for reading road signs and road markings, vehicles and other things on the road – and these sensors are already on Faroese roads. At the weather stations these sensors measure for example road temperature and slipperiness and with the traffic counters, the number of vehicles, speed and size is measured. The weather stations at the roadside also measure wind and other factors that can affect traffic and send the information further to Landsverk and those driving. Also various traffic control systems are in use, so-called ITS systems (Intelligent Traffic System), which measure and control traffic – for example the traffic control system to the tunnels “Norður um Fjall” and the radar speed signs indicate the drivers' speed.



Travel Times Shortened

1950 1976 2000 2015 2025 2035

Now that construction on the Eysturoy tunnel has begun and with work soon commencing on both the Sandoy tunnel and Suðuroy tunnel, we can finally say that we have succeeded in connecting the Faroes. When the Suðuroy tunnel comes into place, 99 percent of the population will have constant island connection and travelling times will be shortened even more. When the Suðuroy tunnel one day becomes a reality, people living in Suðuroy will have approximately the same travel time to Tórshavn as the travellers from the north have today. These means it would take at most one hour to get to Tórshavn from Tvøroyi.

Aside from the Suðuroy tunnel and the other tunnels that are already on the wish list, infrastructure in the future will not be extended to such a large degree. Rather, the current routes will be made safer and will be prepped for future technological challenges.

“We will also experience a more diverse infrastructure. For example, by reconstructing the roads into 2 Minus 1 roads, which Landsverk has already made in Hvalba (see comments elsewhere in this report), by improving conditions for cyclists and pedestrians and by creating more space for buses and commuters,” says the director of the Department of Infrastructure in closing.

So far the general goal has been to tie the infrastructure together with the new construction of roads and tunnels. In the future the goal will be to find suitable systems for updating and managing the current road network, so it doesn't fall into disrepair but continues to fulfill transportation demands.

“In the future the road systems, vehicles and travellers will be in constant communication in order to make the journey easier and safer,” says Armgarð E. Steinhólm, director at the Department of Infrastructure.

The weather stations across the country today are used for updating drivers about wind and slippery road conditions. The information is sent directly to the National Radio and also to Landsverk's website and weather app. In the future, these updates will not only be sent to the media, but directly to your vehicle as well as from vehicle to vehicle. A car that experiences slipperiness on the road can send a warning to other vehicles in the area. Cars will practically be weather stations on wheels.

“All in all, it can be said that these trends within the traffic sector will no doubt be relevant here in the Faroes. Electrical cars can already be seen here, self-driving cars are on their way and they will change traffic, giving us a safer and easier traffic environment,” says Armgarð E. Steinhólm.

COMPLETELY NEW DEMANDS IN INFRASTRUCTURE

Technological changes are going to create completely new demands as to how infrastructure should be managed and developed. For over 100 years, we Faroese have built roads, tunnels, bridges, dams and harbours in order to make it easy to travel from village to city. We have systematically worked towards making it possible to live in one area of the country and travel to work, school, activities or use the services in another part of the country. To a large degree we can already say that this is possible for many people. Travelling time has been shortened significantly. Routes that used to take half a day now take half an hour, and Faroese people are commuting more now than ever. Presently 4.000 people spend more than 30 minutes travelling to work and over half of them do so using their own vehicles. Statistics from “Manntal” also show that 85 percent of Faroese households have an average of 1.5 cars per household.

3 MAIN TRENDS

1. On-Demand Mobility

Today people use various systems to find and order transportation. It can be through an app where you reserve a trip with a shared car or a bus. Many people don't own a car but choose rather to pay for a trip. This can be easier and better for the environment. This trend is expected to be popular mostly in big cities.

2. Self-Driving Cars

Another trend is the self-driving car, also with regards to “On-Demand Mobility”. Self-driving cars are safer and more effective, traffic is safer and you can use the time to do other things while on the road rather than steer the vehicle.

3. Electric Cars

Electric cars are now a technological alternative to regular passenger vehicles and today's consumers want environmentally friendly transportation. Electric motors are more dependable, require less maintenance, have a longer lifespan and are cheaper in the long run.

ALL PUBLIC PROPERTY TO LANDSVERK

The hospital service takes care of people who are sick; the social services take care of those with certain needs; TAKS – the Faroese tax bureau, collects taxes, while Strandfaraskip Landsins organizes ferry and bus transit. So why not put all government construction and public building administration under one institution so that construction quality and management are administrated under the same organized conditions.

Each year the government uses twice as much in renting from the private sector as it does in maintenance of public property.

“While the public building maintenance account is suffering and the appropriation for maintenance of public buildings only decreases, the government is paying large amounts of maintenance money to private leases,” says Arne Debess Madsen, director at Landsverk’s Building Department.

The situation today is one where public institutions are responsible themselves for how they organize their working accommodation. In most cases, the institutions need help estimating the workspace requirements in relation to use and size, because building and construction isn’t their expertise. This is something Landsverk wants to help them with. The best solution for this would be to put all governmentowned buildings under Landsverk, which can have more overview and more easily determine for the various needs of each institution and stipulate rental costs for each building. This could be

a much cheaper solution for the country, and the money saved could be used for prioritizing the maintenance of government-owned buildings.

STIPULATE RENT COST ACCORDING TO MAINTENANCE NEEDS

According to Arne Debess, if all government-owned buildings are put under Landsverk’s administration, Landsverk can guarantee government institutions a much lower rent than on the private market. This is because the government has already paid for the property it owns. The rent price would therefore only take into consideration repairs and future investments, with the goal of having financing for future expansions and renovations. It would then not be necessary with construction laws for the minor renovations or extensions of public buildings.

Besides lower rent cost, there are also other advantages in having all public institutions rent from an institution like Landsverk.

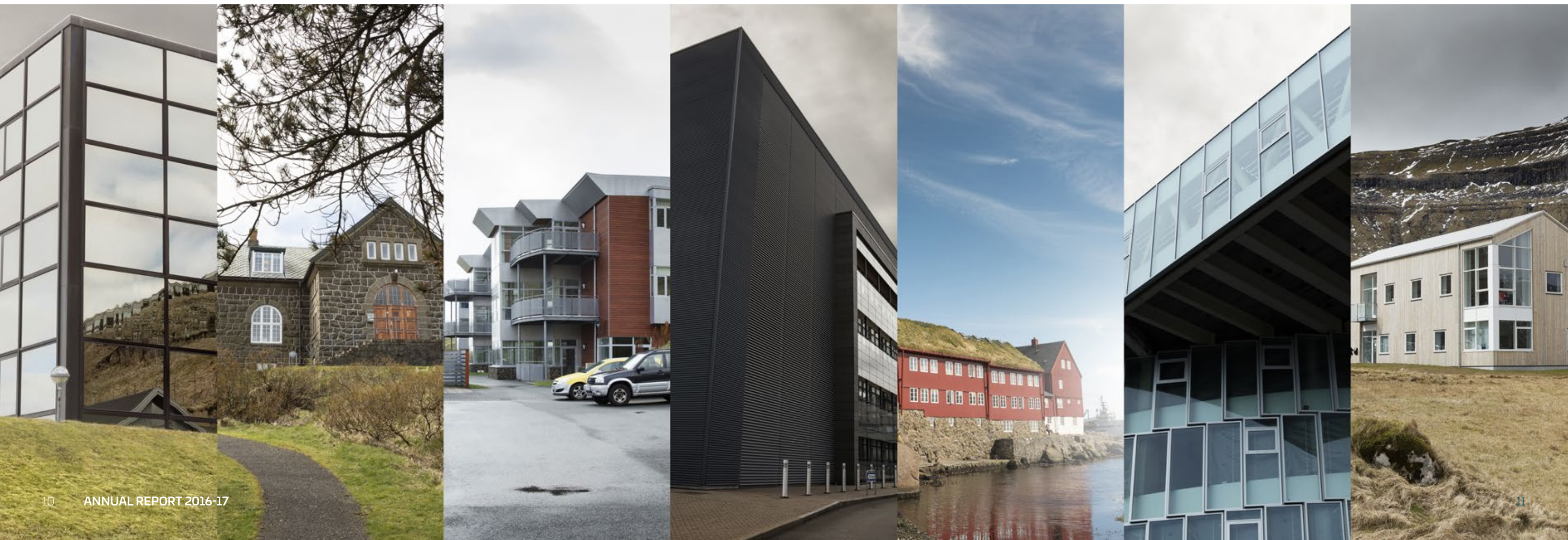
“If you have to pay for each square metre you rent, then institutions will be more conscious of not have too much unnecessary

space. Today there is no one who makes sure that the country’s institutions use their working premises rationally, because most institutions today pay no rent,” says Arne Debess Madsen.

Another advantage, which the director of the building department points out, is that if the rent cost is specified according to maintenance requirements, then there will always be a balance between wear and tear and maintenance. The price of rent would then be set according to maintenance needs, making it finally possible to keep the value of government-owned buildings stable, rather than declining.

In addition to this, it would be much easier to decrease energy consumption within the public sector if all public buildings were under Landsverk’s administration. For example, all purchases of oil and services could be managed together, giving several economical advantages.

According to Arne Debess Madsen, the reason for gathering all energy administration of buildings under one roof is to make it possible to work strategically and systematically towards an energy consumption goal, where the Faroes uses not only less energy – but greener energy.





CHANGES WITHIN THE ASPHALT SECTOR

In the fall of 2016, Landsverk made some changes with the purpose of strengthening the production of asphalt in the Faroes. The changes were made with the acknowledgement that there just isn't room for more than one asphalt producer in the country. In addition, the demand for asphalt has steadily decreased over the past years and so the time had come to make some necessary readjustments within the asphalt industry.

The quality of asphalt has continued to improve over the years and coupled with the fact that there are fewer areas being asphalted, the demand for it has steadily declined. Landsverk estimated it was therefore necessary to make changes and to concentrate activity in asphalt production and discontinue in the area of asphalt paving. Not least keeping in mind the fact that there are several private suppliers.

Last fall Landsverk decided to rent the asphalt works at Sund, which has a better location with regards to infrastructure than the works in Hunsarabotnur. One advantage is that the asphalt works in Sund isn't located as high up in the mountains as Hunsarabotnur. This is especially convenient during the winter. There is also a landing quay there, which makes it easier to receive and ship material to and from production.

With this change, Landsverk is now responsible for all of the country's asphalt production. The plan is also to increase broken stone production and to develop and increase the use of Faroese material for asphaltting.

This reorganization is expected to have a positive effect on production since the import of the light-coloured broken stone from Norway will decrease somewhat, because the Faroese broken stone from the high-quality stone in Suðuroy will, to a large extent, be mixed together with this. The Faroese stone used for asphalt production comes from the quarry in Porkeri, and with

the landing quay in Sund, it will be much easier to transport the stone from Suðuroy north to the asphalt works in Sund.

TOTAL COMPETITION INCREASED

The result of the readjustments also means that now there are private suppliers within the asphalt-paving sector who have been hired without any competition from Landsverk, due to the fact that Landsverk has withdrawn from asphalt paving. The institution estimates that with the current private suppliers, which are three in total, competition will be sufficient enough to secure that these jobs are done for a suitable price.

Landsverk believes that these changes bring a win-win situation, where all parties involved in the asphalt sector – including the Faroese land infrastructure – will benefit. While Landsverk is now responsible for all asphalt production and has even better opportunities to strengthen and develop Faroese stone production, all asphalt paving will be offered out to the private companies on the market.

Large-scale production and the fact that a public institution like Landsverk doesn't have the same demands in production profit as a private company does, is expected to result in buyers getting their asphalt for the lowest possible price. It will therefore be an advantage for the total cost of asphaltting in the Faroes, since the production cost will be the lowest possible.

COMPLETED PROJECTS AND CURRENT PROJECTS

As public works contractors, Landsverk is responsible for the majority of the construction and rebuilding that takes place under the government – that is to say under directorates, institutions and other public proprietors. Here is an overview of the projects that are either completed within the last year, are underway or are on the drawing board and will soon be underway.



BUILDINGS

- // The School Centre at Marknagil – new construction, underway
- // Activity and Respite Care Centre in Sandoy – new construction, completed
- // Sheltered Housing in Runavík and Klaksvík – new construction, completed
- // The National Hospital's H-Building – new construction, underway
- // Eiragarður 14 -16 – rebuilding, underway
- // Kringvarp Føroya (Faroese National Radio) – rebuilding and expansion, completed
- // Upper Secondary School at Kambsdalur – rebuilding and expansion, completed
- // Technical School in Klaksvík – rebuilding and expansion, completed

ROAD AND TUNNEL PROJECTS

- // New route to Viðareiði – tunnel and road construction, completed
- // Tjørnunes at Skálafjørður – broadening of road, temporarily completed

- // Entry roads to Tórshavn – new road construction, underway
- // Crossroads in Sørvágur – traffic safety measures, readjustments, completed
- // Entrance to Kvívík – traffic safety measures, readjustments, completed
- // Hvalba Tunnel – new construction – under project engineering

HARBOURS

- // Ferry berth at Krambatanga – lengthening of the landing quay for Smyril, completed

SMALLER PROJECTS

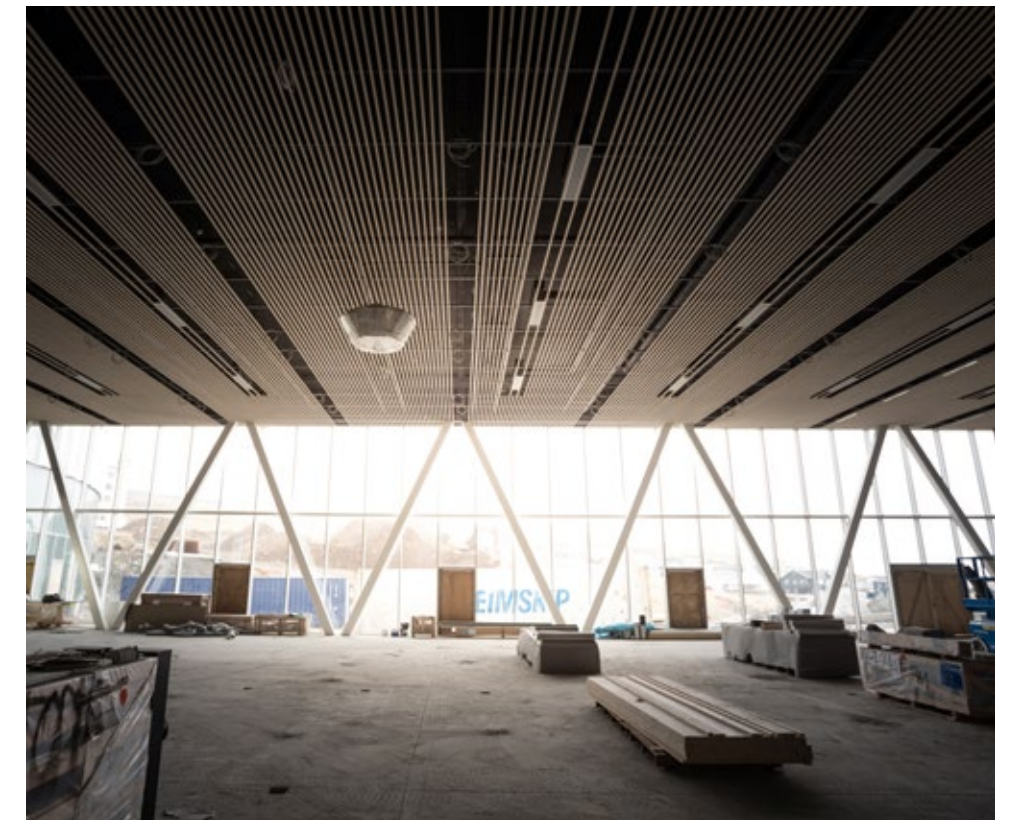
Each year Landsverk embarks on several smaller projects that are intended to increase traffic safety. For example, setting up street lights, road marking, improving road signs, setting up radar speed signs, putting safety equipment in tunnels, repairing crash barriers, removing objects from the roadside, securing areas along the road and so on. Several smaller projects like these have also been done this year.

NEW UPPER SECONDARY SCHOOL **IMMENSELY INSPIRING**

"There is no doubt that it will be immensely inspiring for students, teachers and other employees to have new and modern premises to work in," says Herleif Hammer, one of the education directors at Glasir, who sees many exciting opportunities in moving into the great building at Marknagil.



Herleif Hammer,
Education Director at Glasir



The day is fast approaching when the three Upper Secondary schools in Tórshavn – the Studentaskúla (high school), the Business School and the Technical School, which administratively have already been merged, will function under the same roof at Marknagil, where the magnificent building, Glasir, continues to make progress.

Herleif Hammer, who is one of the three new education directors at Glasir, sees great opportunities for the 1500 students and 250 employees who will be here.

"Just the fact that the building is so physically transparent will change the attitude of most people coming to this school, because both students and teachers will experience the school environment and each other in a new and different way. It will be significantly easier to see what other parts of the school are doing, rather than just seeing what you are occupied with," says Herleif Hammer.

Another advantage with the great transparency is that it will help break down some of the prejudices that exist between, for example, the skilled trades field and the academic field.

"Even though it might be limited, I still believe that having so many subjects under one roof will allow us to make better use of the resources which are on the premises."

MORE OPTIONS

Herleif Hammer explains that already today students have significantly more options than they had just a few years ago. And even though it is not as a matter of course, he hopes their options will only increase.

"We must bear in mind that often it's the subjects the student chooses in addition to their main subjects that might be the highlight of their school year," says Herleif Hammer.

MERGING IS A BIG CHALLENGE

Up until the merge of the three upper secondary schools in 2016, Herleif Hammer was the rector of Studentaskúlanum í Hoydølum. When asked how important he thinks the new school is for Faroese society, the education director answers, "I'd rather turn it around and say we must not get less out of the new school than we have gotten out of the three schools so far. The biggest job is to get the new school functioning as best as possible. If we can manage that, then the rest will follow."

He warns against being too ambitious, because then there is the danger of things not coming to fruition.

"It's fine to dream big dreams, but we must be careful not to set our expectations too high, because it's a big challenge in itself to merge all these people and have them work together," says Herleif Hammer.

The education director doesn't hide the fact that he's looking forward to working in Glasir, even though it might not be as sheltered weather-wise as the tucked away valley of Hoydalar.

A SCHOOL CENTRE WITH BIG CHALLENGES



When construction planning of the new upper secondary school in Tórshavn went underway approximately ten years ago, it gradually became clear that this was probably the biggest and most complex construction project in Faroese history. This presumption was right, because it is no secret that the process of creating Glasir has been turbulent. Now things are looking better.

Sara L. F. Winther,
project manager at Landsverk's Building Department

From the very beginning, the School Centre at Marknagil, Glasir, has received a lot of critique, both positive and negative. It's evident that both the preparations and the construction of the school itself has faced big challenges almost as far back as February 2010, when the contract was signed with Team Fuglark, with BIG – Bjarke Ingels Group – as the front runner. This was two months after the committee in December the year before had appointed this joint venture as the main consultant for the project.

A lot has happened since then, but it serves no purpose to mention the many circumstances and events that have affected the project's process. As the public works builder, Landsverk has always had the impression that the project is in good hands, despite the fact that there have been many circumstances they haven't been solely responsible for and haven't had complete control over. That said – it's worth mentioning that the project is now in good progress and we can all look forward to the day when the school will be completed.

As most people have seen, the school is situated well in the landscape, where it stands beautifully and dignified by Marknagil. There's no doubt that Glasir will be a clear feature in the cityscape, where it will characterize and represent the capital city many years to come. Its distinct features can be seen from both land and sea.

FACTS

Proprietor: **Ministry of Culture**

Builder: **Landsverk**

General Consultants: **BIG (Team Fuglark)**

Schedule: **According to plan, the school is scheduled to be ready for use at the beginning of the school year 2018**

Size: **Glasir is approximately 19.500 square metres in size and will accommodate circa 1500 students and 250 employees**

Appropriation: **515 million DKK, including furnishings**



GOOD TEAM OF EMPLOYEES

Sara Lundorff Fekih Winther explains that many contractors are on site as well as a great number of other suppliers.

"I'm online and receive emails and telephone call 24 hours a day. From security people who are on the premises to suppliers who are offering a service of some kind to a worker who wishes to speak to me about a certain situation. I also have the overall schedule of the project, which I must continually inform management at Landsverk about, just as management also wishes to inform me about other matters regarding the project," says Sara Lundorff Fekih Winther.

The project director points out that she has a very good team of employees and that management at Landsverk is always available for consultation regarding questions big or small that are significant to the project.

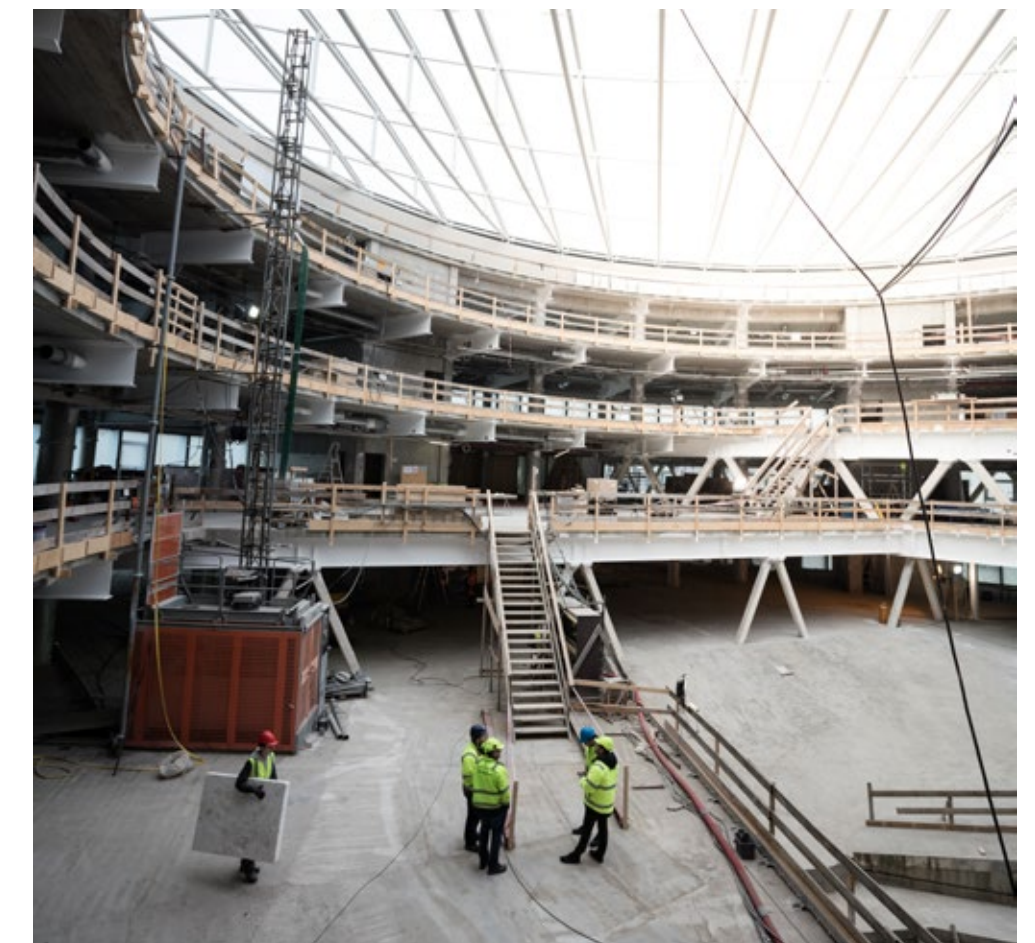
Presently, the construction status is such that the first indoor walls have been put in, so the form of the many classrooms is beginning to take shape.

SEVERAL BALLS IN THE AIR

Over the past months, Sara Lundorff Fekih Winther, on behalf of the general contractor – Landsverk, has been the project manager for the building of Glasir. Her role is to be a general supervisor and manage Landsverk's employees on the construction site, who coordinate and direct the project.

"Besides having daily communications with the workers, I am – together with the team of construction managers – involved in every step of the building process. Be it the daily operations at the construction site, security and cleaning, management of the regular construction meetings and building committee meetings, as well as organizing daily meetings where my role is to make decisions based on the initiative of the construction," says Sara Lundorff Fekih Winther.

"When you have the supervising job of the general contractor on your shoulders, it means that you on a daily basis must work across the board, in all aspects and with all tasks that both immediately affect and will later affect the workplace. Together with the team at Landsverk I have to be ready to catch all the balls that are in the air," says Glasir's project director.



A VERSATILE CENTRE IN SANDUR

Needs within the social services sector are not the same everywhere in the country. It is especially in the smaller places that it's important to have versatile buildings, because the consumers are diverse. It was with this in mind that the construction of the "Virknis- og Umlættingardepilin á Sandi" or Activity and Respite Care Centre in Sandur went underway – and so far the building has lived up to its expectations.

Jóhanna Jancyardóttir,
manager at the Activity and Respite Care Centre on Sandur



When designs for the Activity and Respite Care Centre in Sandur were on the drawing board, the main goal was to create as versatile a building as possible, since needs of those who were going to live there were very different. The job was therefore to build a multi-functional building that could be used for almost any purpose.

The building is furnished as an activity unit and a respite unit, providing day care services and activities, physical activities, physiotherapy, ergotherapy and other opportunities. The centre is first and foremost designed to accommodate children and youth with various needs and that's why the facility has been built to serve various purposes, all according to what future needs will arise.

In addition to offering children from the local area living at home an afterschool activity program, the centre also has room for eight people needing respite care.

The building is also designed in such a manner that it can transform four respite care rooms into two living quarters, should there be a need for this in the future.

GOOD CONDITIONS

The manager at the Activity and Respite Care Centre is very satisfied with the conditions they have created there.

"Initially our job is to gradually develop the services we offer according to the existing needs. We have to adjust the services at the centre to fit the needs here in Sandoy as well as be ready to admit people for respite care, both from the local area and elsewhere in the country. To begin with, we're focusing on adults suffering from brain injury who live at home and come here for a week at a time," says Jóhanna Jancyardóttir, manager at the centre, who has a degree in pedagogy.

The Activity and Respite Care Centre also offers care for children and youth in Sandoy with physical impairments or mental impairments. They are offered to stay at the centre every other weekend in addition to two weeks during the summer vacation period.

"Our main job is to create a daily environment that is as natural as possible and to give our occupants the challenges they need," says Jóhanna Jancyardóttir.

The area belonging to the Activity and Respite Care Centre is 2.646 square metres in size and the building itself is 481 square metres. The centre has eight bedrooms, six of them having bathrooms, and the rooms are connected to two communal areas.

Construction on the building has gone extremely well after the turning of the sod on June 11, 2015. In connection with the opening of the new centre November 11, 2016, Arne Debess Madsen – director of Landsverk's building department, emphasized that the work and cooperation in this project had gone exceptionally well for all parties involved. In addition to this, both the budget and the timeline were kept.

FACTS

Proprietor: **Ministry of Social Affairs**
 Builder: **Landsverk**
 Consultants: **Kontrast**
 Sub-consultants: **SMJ and LBF**
 General Contractor: **Sp/f Valbjørn Dalsgarð**
 Sub-contractors for ground/terrain work: **Tórhallur Hansen, and representing HVS – Rólant Vidtfelt**
 Electricity: **EL.FO**
 Painters: **Niels Sørensen**
 Interior/Furnishings: **Blika**
 Cost: **14.4 million DKK**



VIÐAREIÐI TUNNEL FULFILLS ITS PURPOSE

It's a relief and safety assurance to know that you don't have to drive along the old Viðareiði road, now that the new route has been made to the village via tunnel and a new road stretch through Dalar on the other side of the mountain. The owner of the hotel in Viðareiði expresses his satisfaction, being one of the people who largely rely on the route being safe.

Jógvan Heinesen – also known as “Egga” – owns and runs Hotel Norð in Viðareiði. His business to a large degree depends on the route to the village being safe and secure, and like most everyone in Viðareiði, this hotel owner is very pleased with a much safer route.

“There's no doubt that this is extremely good for us Viðareiði folks. Even though the road distance is roughly the same, the main difference is first and foremost that you feel more at ease along the new route, because there was often a lot of wind along the old road. You don't have to be afraid of loose stones rolling down and hitting your car. It's also a relief to not have to yield to oncoming cars,” says Jógvan Heinesen.

The hotel owner thinks this new route is an extremely impressive construction, despite a few problems with the quality of the asphalt, which crumbles and loosens. Landsverk has looked at a possible solution where the base is strengthened and new asphalt laid on top. This work will begin in 2017.

When asked if they have had more visitors in Viðareið since the tunnel opened, Jógvan Heinesen says yes, they have.

“Although the route is now significantly better, another reason for more visitors is due to the fact that they are curious to see and try the tunnel. That's pretty obvious. But another reason for more people coming this way is surely because it feels much safer to drive. Now we just hope that it won't be long before new tunnels will be built Norður um Fjall, because then it'll be exceptionally good to drive to and from Viðareiði,” says Jógvan Heinesen.

A YEAR AHEAD OF SCHEDULE

Construction of the new Viðareiði route went very well. When the tunnel first opened in September 2016, it was nearly a whole year ahead of its original schedule.



Jógvan Heinesen, hotelowner at Viðareiði

“Landsverk is of course pleased that despite the great challenges with getting the appropriation to stretch, the work has gone swiftly and effectively. The appropriation was well under the lowest bid and so we were forced to make as many cost cuts as possible so that we could make it possible to complete this project,” said Ewald Kjølbro, CEO of Landsverk, during the opening celebration on September 6, 2016 – where close to a thousand people had gathered at the mouth of the tunnel on the Hvannasund side.

After the CEO at Landsverk had said a few words, Aksel V. Johannesen, Prime Minister, gave a speech. He said he was delighted to see that with the new Viðareiði route, the Faroese road network was now even safer.

“We continuously strive towards making our society more modern. A fundamental prerequisite in making that succeed is having good transportation systems. We must be able to live in one part of the country and work in another. By shortening the distance, we lengthen our possibilities. There's no better way to do this than by tying together our country in the best and safest way possible, said Aksel V. Johannesen, among other things.

When the Prime Minister had finished, Hendrik Old – Minister of Transportation – officially

opened the tunnel by cutting the ribbon with a pilot whale knife, a Faroese tradition when tunnels are officially opened to the public.

SENIOR VIÐOY RESIDENTS FIRST TO DRIVE THROUGH THE TUNNEL

The first people to drive through the tunnel were two seniors who live in Viðareiði and Hvannasunds municipality. It was 99-year-old Fía Sørensen and 85-year-old Jógvan Thomassen who drove the new route to Viðareiði together with the CEO of Landsverk at the wheel and the Prime Minister and the Minister of Transportation.

After this, other cars tried the new route alongside Rynkeby cyclists and runners from Treysti in Klaksvík. At their heels were several hundred people who set out to walk towards Hotel Norð, where a public reception was being held in connection with the tunnel celebrations. A tent was also set up outside for the celebration.

The first person to make a speech in the tent was the mayor of Viðareiði, Hans Jákup Kallsberg. He was of course extremely happy that the people of Viðoy finally had been given a safe and well-made route. Also the CEO of Articon, Jón Sigurdsson, and a representative for the Norwegian LNS expressed their satisfaction in seeing the project now completed.

According to the original schedule, the tunnel was to be completed towards the summer of 2017. However, the route was completed nearly a year ahead of schedule.

It was on June 23, 2014 that the respective minister at the time, Jørgen Niclasen, turned the sod. July 15, 2015, Elinborg Thomassen fired the last shot and the route between Hvannasund and Dalar – close to Viðareiði – was open.

In addition to the great challenge of keeping within the budget, there were some troubles at the beginning with loose rocks, among other things. Moving the mouth of the tunnel approximately 30 metres and extending the concrete opening on the Viðareiði side however quickly solved this.

The newest passenger tunnel in the Faroes is 1939 metres in length and the entry roads are circa 3700 metres in total. Hence there is nearly six kilometres of asphalted road.

FACTS

Proprietor: **Ministry of Transportation**

Builder: **Landsverk**

Builders consultant, technical consultant and road inspection: **LBF**

Tunnel inspection: **Spenn**

Contractor: **Association Articon/LNS**

Appropriation: **162 million DKK**

BEST-EQUIPPED KITCHEN IN THE COUNTRY

At the newly rebuilt and expanded Technical School in Klaksvík it's possible to have two separate classes of 12 students or a total of 24 students cooking in the kitchen at the same time. The rector has no doubt that the school has the best-equipped kitchen of its kind in the country, not considering industrial kitchens. In addition to the Food Product Development courses and other skilled trades, the upper secondary degree – HF – has also been given modern conditions to work in at the school.

*Rúni Heinesen,
Rector at the Technical School in Klaksvík*

In the statement of requirements for the expansion of the Technical School, it was mentioned that following the new degree in Food Product Development, there was a need to prioritize better facilities. In connection with this the conditions for the upper secondary degree – HF – would also improve after the expansion and the Technical School could accommodate both these areas of education. In addition to this, improvements and updates have been made on the general functions of the school.

Despite the fact that not everything regarding the expansion went according to plan – it seldom does with larger construction projects – Rúni Heinesen, rector at the Technical School is very satisfied with the end result.

“The students in the skilled trades field have been given modern premises for theoretical education, and for the food product development courses we’ve now got an extremely well-equipped kitchen for practical teaching, and which is without a doubt the best of its kind in the country,” says Rúni Heinesen.

The kitchen is divided into various areas; for example, the bakery area, the kitchen area with stoves and ovens for cooking, and an area where produce comes in, for example seafood products, meat and vegetables. The school also has a good cooler and freezer area as well as a storage area for dried goods and things like that.

FACTS

Proprietor: **Ministry of Culture**

Builder: **Landsverk**

Main Consultant: **Arkitektur 99**

Sub-consultants of main consultants:
HMP Consult, PB-Consult and KJ-Elráð

Contractors: **Kanjon, Maltek, Jan Ellebye Andersen, Blikksmiðjan, El-In and Magni Jacobsen**

Appropriation: **36.2 million DKK**

whom become employed in restaurants and hotels. And the other one is a food scientist, mostly used in for example hospitals, nursing homes and other institutions with large kitchens.

The rector at the Technical School in Klaksvík explains that the school used to be quite bewildering to come to at first because there was no main entrance.

“We’ve solved the problem by building a main entrance, which also unifies the school. Before that it was quite complicated for people who weren’t familiar with the school to come here. The school is now more centralized with a main entrance and a new parking area,” says Rúni Heinesen.

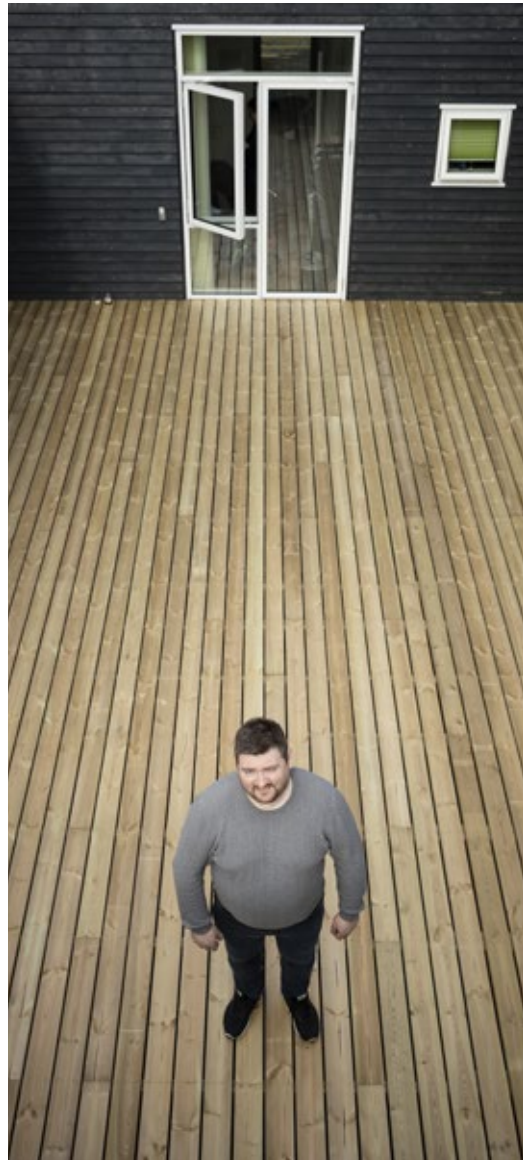
The rector at the Technical School in Klaksvík also mentions the fun fact that the artist and Klaksvík native, Edward Fuglø, has decorated the school with his pieces.

The expansion of the school is approximately 1450 square metres as well as 80 metres of adjoined buildings. At the Technical School in Klaksvík there are about 200 students attending per year and 45 employees working throughout a year.

NEW ENTRANCE UNIFIES THE SCHOOL

The layout is designed so that there is room for two classes of 12 students in the kitchen premises, meaning 24 students can cook at the same time. There are two types of degrees. The one is a cook’s degree, which is now called a gastronomist, most of





Hugo Leo, unit manager.

WELL-FUNCTIONING RESIDENTIAL HOME IN RUNAVÍK

Both manager and residents are very pleased with the living conditions at the Residential Home in Blikagøta in Runavík, which was ready for use in May 2016. The new institution houses 12 citizens who have either mental impairments or physical impairments. According to both the manager and one of the residents, people thrive very well here.

Ever since the political authorities a few years ago decided to stop buying regular houses and renovate them into community housing facilities, many residential homes have been built. One of these is on Blikagøta in Runavík with a view over Toftavátn. The nicely built residential home is the result of the initiative to build new, modern living quarters, which would gradually replace the current residential homes that are not built for such purposes.

When the Residential Home in Blikagøta – “Sambýli í Blikagøta” in Faroese – opened at the end of May – beginning of April 2016, one of the first people to move in was Jørgin á Vøllanum, who is mentally challenged. He doesn’t hide the fact that he is extremely satisfied with having moved to the institution in Runavík, which can accommodate 12 residents who either bear mental challenges or physical challenges.

“There’s a big difference between living here and living in Hoyvík, where I used to live. I really like living here and have no plans to go anywhere else,” says Jørgin á Vøllanum who comes from Vatnsøyr.

Prior to this he worked at the activity centre, Vón, in Argir, but now he works three hours four times a week in a grocery store in Glyvur. His job is to make sure enough paper towels, toilet paper, diapers and other things are on the shelves.

“We have a very good social life at Blikagøta because we have a communal kitchen and living room, but I also like having my own apartment, where I can have time alone and play Playstation. I also like going on the bus trips that we often take. There’s also work to do at the residential home because we have to clean our apartments ourselves,” explains Jørgin á Vøllanum.

STRONG SENSE OF UNITY BETWEEN RESIDENTS

The respective unit manager from social services – Almánnaverkið – Hugo Leo, agrees with Jørgin á Vøllanum in that the home has so far functioned very well.

“We have four residents who are confined to wheelchairs and eight residents who are mentally impaired. So we were quite excited to see

how it would work having everyone under the same roof. There are of course some disadvantages, but we feel there are many more advantages than disadvantages,” says Hugo Leo.

He points out that the residents have a lot of compassion for each other. For example, those with mental challenges are very helpful towards those who are physically challenged or have multiple disabilities and they often go for walks with them. They also sit and eat together during the main meals and therefore everyone experiences something positive in living together. This is congruent with Almánnaverkið’s code of ethics regarding equal status and well-being.

“These kinds of things wouldn’t be possible if, for example, the home was only for people with multiple disabilities. We have made some valuable trials, which were difficult to estimate before hand that they would be so successful. I’m certain that this has been a decisive factor in why the sense of unity is strong between the residents. I also need to mention our enthusiastic team of employees who have broad professional competencies and who take our goal seriously. Namely, creating secure living conditions and good independence for the residents where we strive to make a difference using the best and most advanced social services,” says Hugo Leo.

VERY GOOD EXPERIENCES THE FIRST YEAR

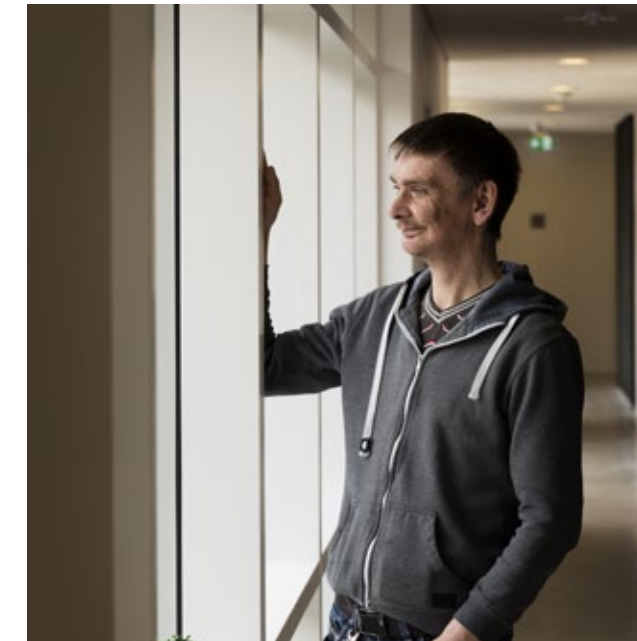
Many stop by the Residential Home in Blikagøtu and especially on Sundays many families and friends come for a visit.

“There are good conditions for cooking in the apartments, allowing families to spend quality time together in a home-like way,” says Hugo Leo.

There are of course always changes and adjustments that need to be made when opening a new institution, but according to the unit manager, the first year has gone very well. “We have now gotten more or less everything in place. For instance, we wanted a terrace outside and so we got people from the activity centre, Stíggi á Høgaból in Saltangará, to build it together with a manager, so now we have an amazing terrace,” says Hugo Leo.

At present, the plan is to have a one-year anniversary celebration for the Residential Home on Blikagøta one fine day in May, under an open sky with a barbecue and the works.

Jørgin á Vøllanum, resident at “Sambýlið í Blikagøtu” – the Residential Home



FAKTA

Proprietor: **Ministry of Social Affairs**
 Builder: **Landsverk**
 Consultants: **Kontrast, LBF, SMB**
 Contractors: **Kanjon**
 Size: **112 apartments totaling 730 square metres**
 Appropriation: **19,0 million DKK**

THE WEATHER AND DRIVING FORECAST IN THE PALM OF YOUR HAND

Just before Christmas, Landsverk's new app came on the market. Now it's possible to download the app from the App Store and receive the latest updates on weather and driving conditions from Landsverk. Every 10 minutes, 24 hours a day, information is updated regarding, for example, wind direction, wind, whirlwinds and temperature. The information is derived from Landsverk's weather stations and weather cameras throughout the country.

The possibilities in which you can access information from Landsverk on weather are altogether increasing and improving. The institution has a total of 26 weather stations throughout the country that inform us about, for example, wind direction, wind, whirlwinds and temperature every 10 minutes, 24 hours a day. In addition to this, the institution also has 27 weather cameras, making it possible to see the conditions on the road from your mobile phone. This most likely isn't as necessary during this time of year, but when winter arrives, these weather photos will be very convenient for drivers who have a long distance to work or school. The new app is first and foremost a convenient medium to use during the winter months in connection with driving conditions, flying conditions, fishing weather and more.

With Landsverk's new app you get an even better overview of what the weather is like across the country at this very moment. You can also inform the app where you live, or which area you are interested in so that it appears first on the overview and on the front

page. If there are warnings regarding driving conditions, you will immediately see them too on the weather map.

POSSIBLE TO GIVE NOTICE

As a new function, you can now quickly and easily let Landsverk know if you've seen something you think Landsverk should improve or make safer. You can either send a text message, a photo, or both. All notifications are processed during the weekdays in working hours. It is however worth mentioning that any emergency notifications must be directed to 112.

FIND THE SUN

The weather forecast can also be useful during the summer if you want to know where the best summer weather is. If there is fog where you are then you can check the weather map in the app or see the photos from the weather camera, then you'll see what the weather's like throughout the country and exactly where the sun might be out.

OTHER FEATURES



Get all news from Landsverk straight to your mobile phone.



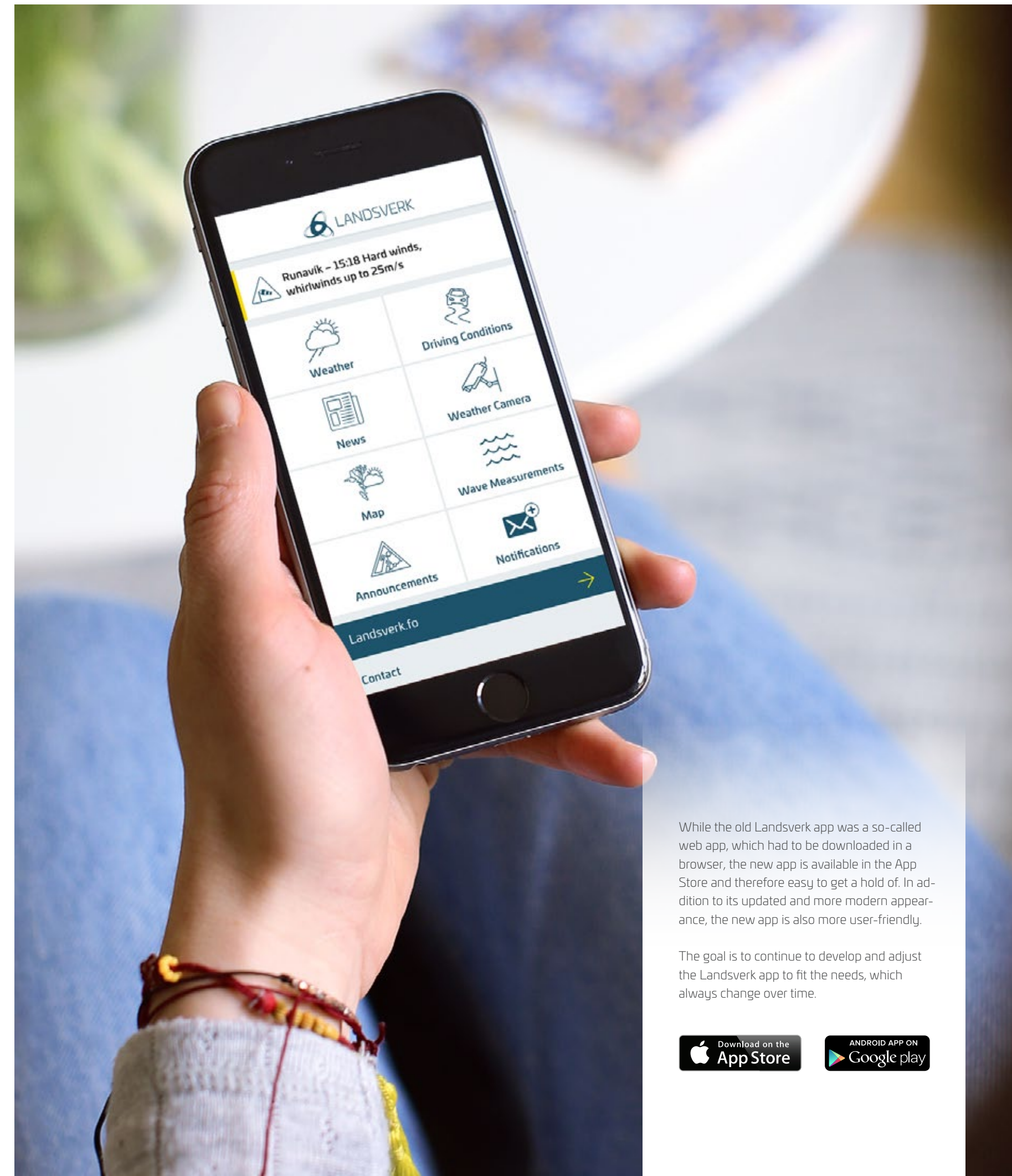
If you wish to follow the news concerning closed roads, tunnels, roadwork, roadblocks and changes on the main road, then you will find this under notifications in your app.



The app gives you direct images from the entire Faroe Islands.



Wave measurements let you know how the waves are at present, if you are thinking of going out fishing or just for a sail.



While the old Landsverk app was a so-called web app, which had to be downloaded in a browser, the new app is available in the App Store and therefore easy to get a hold of. In addition to its updated and more modern appearance, the new app is also more user-friendly.

The goal is to continue to develop and adjust the Landsverk app to fit the needs, which always change over time.



TWO MINUS ONE ROAD IN HVALBA IS SAFER

Just before Christmas last year, the new “2 Minus 1” road in Hvalba was finished. This is a new type of road and the intention is to have more of them in the Faroes. In Hvalba they are very pleased with the solution, because now visibility is better for pedestrians and there’s more space on the road for larger vehicles.

Trúgví Guðmundarson, former mayor of Hvalba

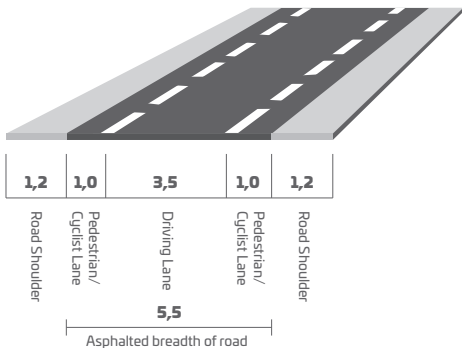


The so-called “2 Minus 1” road can now be found in nearly every Danish municipality as well as in other Scandinavian countries, and so far this type of road has been a success. Cars decrease their speed, pedestrians and cyclists feel safer, and generally people are more satisfied.

In Hvalba people have been dissatisfied with the main road along the beach in the village for quite some time, because it has been far too narrow for both cars and people.

“The road was extremely narrow before. You have to keep in mind that the longest trailer in the Faroes, which is 25 metres, drives on that road with a 40-foot container. It requires a lot of space. It has been quite a problem for traffic, but now that’s solved,” says Trúgví Guðmundarson, former mayor of Hvalba.

When a regular road such as the one in Hvalba is transformed into a 2 Minus 1 road, you also improve the conditions for pedestrians and cyclists. The road in Hvalba was broadened approximately one metre in order to make room for this solution, which now moves people off the traffic part of the road and onto a broad sideline on the road, creating a larger distance between vehicle and pedestrian traffic.



BRIGHTER AND SAFER

Along the road in Hvalba, Landsverk has also set up new lights, making it safer for both pedestrians and drivers at night. This is something Hvalba residents are particularly happy for.

“It’s much brighter now for people to walk because there’s a shorter distance between each lamppost. It was far too dark before when there was a 100-metre distance between each lamppost. Some lights were damaged in last winter’s storm, but that’s now being fixed. Before it was also far too narrow that if a truck came you had to get off the road and walk out in the grass. This is also much better now,” says Trúgví Guðmundarson.

In connection with the opening of the new road in Hvalba, Landsverk sent a leaflet out to each household in the village explaining the new solution and the new driving patterns that people were to adhere to. As a main rule, vehicles on a 2 Minus 1 road must share the driving lane and when there is no oncoming traffic, the vehicles are to drive in the middle of the lane inside the broad dotted sideline. Should oncoming traffic come, vehicles can move slightly over the dotted line.

EVERYONE MUST YIELD

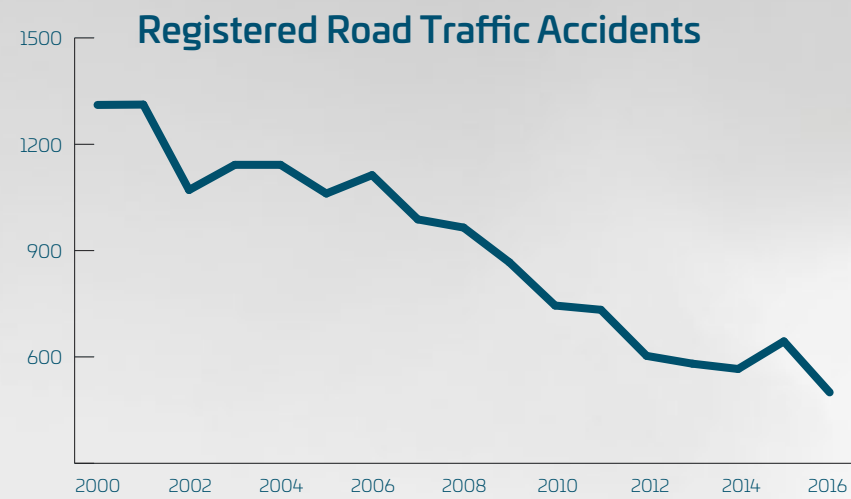
The driving pattern is similar to that of a single-lane road, because the cars must yield for each other as well as for pedestrians and cyclists. In addition to the leaflet, the municipality of Hvalba was also given an instructional film with the same information from Landsverk to put on the municipality’s website. According to Trúgví Guðmundarson, this type of information is always useful.

“The municipality of Hvalba has no complaints about this new road solution. It looks like people have responded well to it, despite the fact that most of them wanted a two-lane road with a footpath. Information is always a good thing,” says Trúgví Guðmundarson.

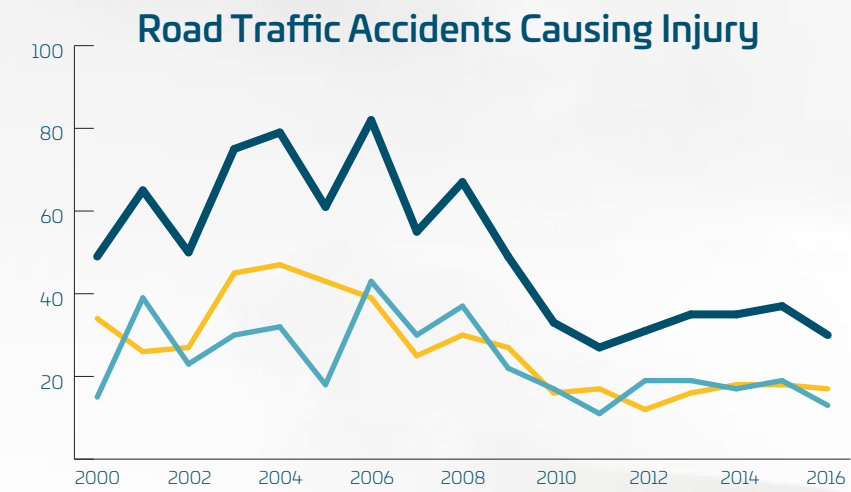
The winter took a toll on the painted road markings and so it has been necessary to remark the road.

REGISTERED ROAD TRAFFIC STATISTICS

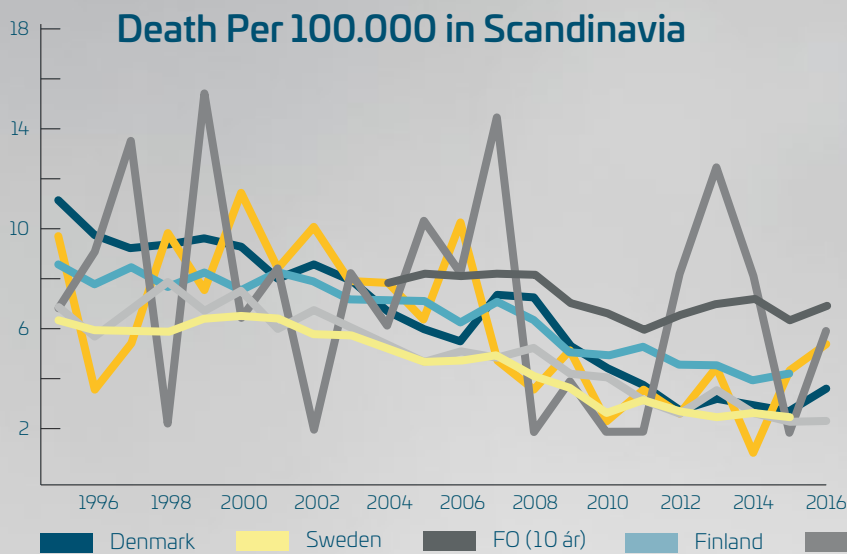
Road traffic statistics are made in order to see what traffic conditions are like. How much do we drive and how safe are we in traffic? Each year several people are seriously injured or killed on Faroese roads. The numbers below, which depict the trend over the last 15 years, are derived from police records of road traffic accidents.



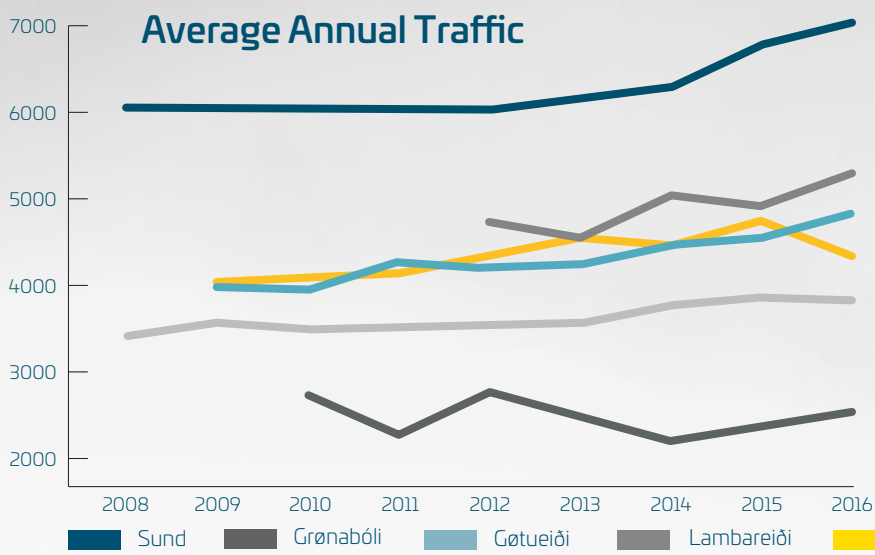
The trend over the last years shows that the number of registered road traffic accidents has fallen. However, in 2015 it rose again but decreased again in 2016. The overview is comprised only of accidents that have been reported to the police.



Total registered road traffic accidents the last 15 years causing injury, either on main roads or municipal roads. The degree of seriousness of injury is not registered, but the numbers can be used to measure the amount of how many serious road traffic accidents occur.

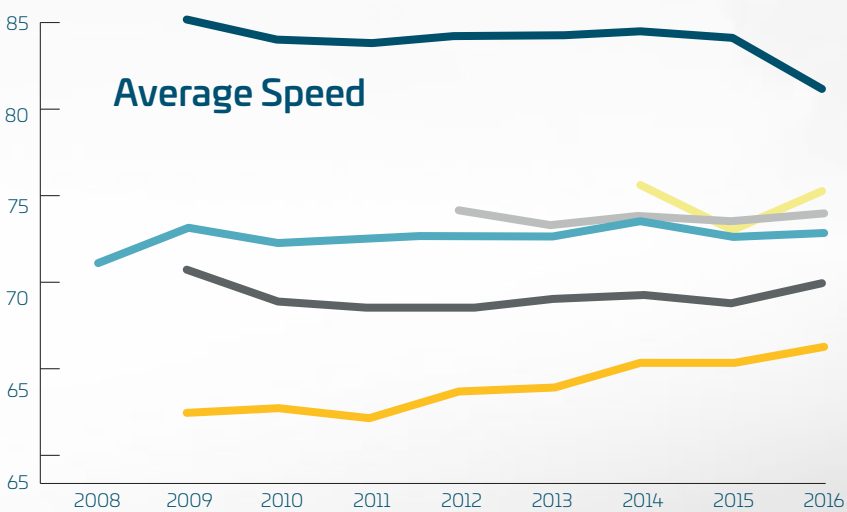


Concerning deaths per 100.000 citizens, it's possible to make comparisons with the other Scandinavian countries. In 2015, the Faroe Islands were in that category, but due to such small numbers, the curves were so great, and in 2016 we were again on top. Hence calculating using an average number over several years. These numbers show that the average over a ten-year period is well above the other Scandinavian countries, because comparatively nearly twice as many people are killed in Faroese road traffic as in the other Scandinavian countries.



Traffic counters and radar speed signs are also used to depict traffic. The traffic counters are used on all main roads from time to time, but these past few years more emphasis has been put on counting traffic on the main roads, where permanent traffic counters have been placed along various parts of the road network, counting traffic 24 hours a day – so exact numbers are produced. Below are graphs that show the average annual traffic and the average speed in designated areas.

The average annual traffic is based on both directions, 24 hours a day, an average day per year. As shown on the graph, average annual traffic has a steady growth in most of the designated areas.



The average speed on some main road stretches. As shown on the graph, the average speed is slowly increasing, however the average speed has reduced somewhat on the main road between Kollafjørður and Hósvík, where it has been and still is quite high. The average speed is above the speed limit in these road stretches.

LANDSVERK WILL BE BUILDING TUNNELS ONCE AGAIN

Since construction on the Gásadalur Tunnel, all tunnel work in the country has been offered out to private companies. Prior to this, it was Landsverk who administered and built most of the tunnels. Now it looks like a “tunnel team” will be reestablished under Landsverk, which will be given the task of boring smaller tunnels.

Landsverk has a lot of experience when it comes to tunnel construction, but over the past years the institution has more or less removed itself from the actual building of tunnels and has kept to the maintenance and reparation of tunnels. This work generally entails making sure the tunnels are free of loose rocks and doing cementing work where necessary.

The Gásadalur Tunnel, which opened in 2006, was the last tunnel Landsverk built. Prior to that, Landsverk built many tunnels and had both tunnel equipment and a tunnel team. After the Gásadalur tunnel was finished, a large part of the tunnel equipment was sold and today Landsverk only has equipment for the maintenance of tunnels.

A TUNNEL TEAM FOR NEW CONSTRUCTION

In the Annual Budget for 2018 there is now 7 million DKK set aside for Landsverk, which is to be used to establish a tunnel team for the construction of smaller tunnels. This money is to first and foremost be used on preparation work and the buying of tunnel equipment. Although Landsverk over the past years has only been in charge of the maintenance and repair of tunnels, the CEO still has employees on board with a lot of experience in tunnel construction. The fact that Landsverk already has a tunnel team used for maintenance tasks can be an advantage, since some of the procedures are the same. The teams can then work together and benefit from each other's work experience. Another advantage is that Landsverk is active throughout the entire country.

FINANCIAL FLEXIBILITY

When it comes to tunnel construction, the enterprise is the most significant parameter for cost, since it is so expensive to have a private tunnel team working. This means that the jobs need to be done quickly and large appropriations must therefore be granted each year, and that is a problem. It's politically difficult to set aside such large amounts for tunnel projects over such a short period of time. On the other hand, if you let Landsverk build the smaller tunnels, it will be possible to spread the 20–30 million DKK per year over a longer period of time, because after all the

equipment is purchased, Landsverk is going to work for low cost. The lower cost will mean that the tunnel work can be stretched out over a longer period of time, where the tunnels won't be as quickly finished but the job can be done for a smaller appropriation, which is easier to find in the Annual Budget.

Operational costs for the tunnel team have been calculated and it is expected that Landsverk's team can make approximately 750 metres of two-laned tunnel length each year for about 20 million DKK, not including tunnel mouths, electronics and entrance roads. If Landsverk receives an annual appropriation of 15–20 million DKK for tunnel construction, this can keep the tunnel team at work.

With this solution it is possible to attain financial flexibility in relation to an appropriation, which is otherwise difficult to receive when the work is requested for tender, because that requires in

most cases a significantly larger appropriation because it is for a shorter period of time.

TUNNELS TO THE SMALLER VILLAGES

It is first and foremost tunnels to the smaller villages in the Faroes that Landsverk's tunnel team plans to build. No political prioritization has been made yet as to which tunnels are to be made, but several tunnels have been mentioned, for example to Tjørnuvík, Cjógv, Fámjin and Dalur. In most cases these are shorter tunnels between one and two kilometres in length.

In some cases, geological work has already been done and various drawings have been made, for example with regards to the Dalur Tunnel. Nearly all of these tunnel projects are still in the drawing board stages, where further evaluations are necessary before boring can begin.



