JOINT DECLARATION

BETWEEN

THE MINISTER OF TRANSPORT OF THE REPUBLIC OF FINLAND THE MINISTER OF ECONOMIC AFFAIRS AND INFRASTRUCTURE OF THE REPUBLIC OF ESTONIA

THE MINISTER OF TRANSPORT OF THE REPUBLIC OF LATVIA

THE MINISTER OF TRANSPORT AND COMMUNICATIONS OF THE REPUBLIC OF LITHUANIA

THE MINISTER OF INFRASTRUCTURE AND CONSTRUCTION OF THE REPUBLIC OF POLAND

ON THE ENHANCED COOPERATION FOR THE IMPLEMENTATION OF THE RAIL BALTIC/RAIL BALTICA PROJECT

The Minister of Transport of the Republic of Finland,

the Minister of Economic Affairs and Infrastructure of the Republic of Estonia,

the Minister of Transport of the Republic of Latvia,

the Minister of Transport and Communications of the Republic of Lithuania,

the Minister of Infrastructure and Construction of the Republic of Poland

met on 20 June in Rotterdam and adopted the following Joint Declaration.

Recalling that the Republic of Finland, the Republic of Estonia, the Republic of Latvia, the Republic of Lithuania, and the Republic of Poland are the partner countries involved in the implementation of the Rail Baltic/Rail Baltica project (further - the Project);

Recalling that the Project is one of the most strategic missing links to the trans-European transport network (TEN-T) as well as a vital element of the North-Sea Baltic Corridor which has an important impact in providing for the free movement of people and goods within and across borders, reducing CO2 emissions, fostering regional socio-economic development, creating additional employment and generating GDP growth;

Recalling that the Joint Declaration of the Prime Ministers of Estonia, Latvia and Lithuania of December 5th 2014 reiterated the importance of implementing the Rail Baltic/Rail Baltica as a continuous line, crossing their territories as fast conventional double track 1435 mm gauge electrified railway line with the maximum design speed of 240km/h on the route from Tallinn through Pärnu-Riga-Panevezys-Kaunas to the Lithuanian-Polish border as proposed by the AECOM study with a connection of Vilnius-Kaunas as part of the Route.

Recalling that the shareholders of the Joint Venture have agreed on the connection of Vilnius-Kaunas as part of the railway's route in order to interconnect all the capitals of the partner countries and to deploy joint efforts to make the Vilnius-Kaunas section equally eligible for European Union co-funding, including CEF, as the North-South connection from Tallinn via Pärnu - Riga - Panevezys - Kaunas to Warsaw; whereby the parties to the Joint Venture understand that such parts of the Railway will be phased so that the entire Project would not be delayed or stopped;

Recalling and welcoming that the Joint Venture RB Rail AS (hereafter: the Joint Venture) has been set up in October 2014, and that several joint and coordinated applications for Connecting Europe Facility funding by the Baltic States and the Joint Venture were submitted to date, confirming that the Joint Venture acts as coordination, implementation and facilitation body for the Rail Baltic/Rail Baltica project in the Baltic States;

Recalling that the Joint Declaration signed in June 2015 in Riga expressed the common will of the partner countries to complete the Rail Baltic/Rail Baltica infrastructure, which is essential for the connection of the Baltic States to their neighbours and the rest of the EU's internal market, as foreseen in the TEN-T and CEF Regulations and to jointly plan the sequencing of studies and works to enhance their continuity and coherence.

Recalling that Finland and Poland are observers to the Rail Baltic Task Force and to the Joint Venture's Supervisory Board and that the Shareholders' Agreement of the Joint Venture foresees the possibility for Finland and Poland to become shareholders of the Joint Venture;

Recalling and welcoming the ongoing process of adopting an intergovernmental agreement between the three Baltic States to stipulate the responsibilities of the participating states with regard to the Joint Venture and the development of the Rail Baltic/Rail Baltica railway connection;

Taking into account that the line from Bialystok to the PL-LT border already exists and that the feasibility study for its improvement is ongoing;

Welcoming that the national studies to define the detailed alignment of the Project in the Baltic States are on track to be finalised in 2016.

The Ministers, supported by the European Coordinator:

- 1. Emphasize the joint gains to be made through a streamlined Rail Baltic/Rail Baltica Project implementation in good coordination and cooperation and through developing this railway infrastructure as a backbone for the most efficient transport of goods through the region;
- 2. Emphasize the structuring effect that the project in its continuity will have on the transport network in the area, allowing for a more sustainable transport system and enhancing its attractiveness to businesses and travellers;
- 3. Highlight the need for substantial further funding and financial support in the next financial period, in order to complete the project in the Baltic States by the target date of 2025, and to reach the efficient connection up to Warsaw;
- 4. Highlight the potential for freight traffic on the Rail Baltic/Rail Baltica line stemming from its connection to Finland, which is currently being improved in the ports of Tallinn and Helsinki and the potential of which could be further enhanced by the extension of the North Sea-Baltic Corridor to include the Bothnian Gulf, considering the rising economic importance of the Arctic Region; also highlight the potential for freight traffic on the Rail Baltic/Rail Baltica line stemming from the enhanced connection to the Baltic-Adriatic Core Network Corridor;
- 5. Welcome the completion of the projects for the reconstruction and upgrading of the existing 1520mm gauge lines and construction of the 1435mm gauge railway section in Lithuania in October 2015, as a first step in connecting the Baltic States to the 1435mm gauge railway network and opening up the possibility to build up the traffic on the North-South axis, and continue efforts in order to fulfil the TEN-T Regulation's standards and the parameters of the Rail Baltic/Rail Baltica project;

- 6. Emphasize that the Rail Baltic/Rail Baltica has the potential to become a showcase for efficiency and innovation, both in terms of infrastructure characteristics and in terms of operational services in the future;
- 7. Agree to cooperate in the framework of the Rail Freight Corridor North Sea-Baltic in order to build up traffic on the route from Tallinn to Warsaw by offering train slots, and to consult with potential customers on their needs, including by cooperating in the organisation of national or transnational business fora;
- 8. Agree to jointly analyse and draw the conclusions of the outcome of the study on the development of the section "Polish/Lithuanian state border Kaunas" submitted under the 2015 call of the Connecting Europe Facility and to be tendered bz the Joint Venture in order to comply with the global project definition as referred to by the Prime Ministers of the Baltic States and as included in the Shareholders' Agreement and the TEN-T Regulation's requirements;
- 9. Agree to jointly analyse the outcome and draw the conclusions of the feasibility study prepared by PKP PLK for the section from Białystok to the PL/LT state border, for which Poland commits to complete the detailed studies by 2020;
- 10. Based on the step-wise approach agreed in 2015 to conduct the appropriate investments on the railway section between Białystok and Kaunas, partners will jointly define the milestones, including technical parameters on design speed, ERTMS and the timeline of their implementation, for the development of the cross-border section.

Furthermore, the Ministers of Estonia, Latvia and Lithuania:

11. Agree that the Joint Venture together with the Estonian, Latvian and Lithuanian parties will jointly submit additional applications under the next calls for proposals for funding under the Connecting Europe Facility, in order to fund additional activities to be carried out in the current financial period, in accordance with the availability of further financial means from CEF Cohesion Fund;

Such activities may include, amongst others, further land acquisition in all three countries, raw material supply studies, archaeological studies, updates of the operational plan, the development of the section south of Kaunas, further embankment and construction of a bridge north of Kaunas, detailed technical design and construction in Latvia and construction of embankment and railway superstructure in Estonia, all with a focus on advancing towards the border-crossing sections;

- 12. Following the completion of the relevant national studies on the detailed alignment of the Project, agree to strive for an acceleration of the timetable of the project and to aim at starting the construction works as of the year 2018 on all major sections of the Project as defined in the Joint Venture's Shareholder Agreement and in line with the TEN-T and CEF Regulations;
- 13. With a view to streamlining and accelerating the implementation of the Project, as well as to the necessity of an efficient and coordinated project management, agree to empower the Joint Venture as coordination and implementation body and thus to actively support a quick adoption of the contracting scheme and common technical standards, as well as the recruitment of qualified management and technical staff;

14. Declare their support if Finland and Poland as observers to the Joint Venture took concrete steps in the coming year to become shareholders of the Joint Venture.

Signed in Rotterdam, on June 21st 2016 Mr K. Michal pp Att KUNINGAS Ms A. Berner Minlister Minister Mr U. Augulis Mr R. Sinkevičius Minister Minister, Mr A. Adamczyk Ms.C. Trautmann . Minister European Coordinator