
MEMORANDUM OF UNDERSTANDING on the TEN-T Priority Project No 27 "*Rail Baltica*"

The Ministries responsible for transport of the Republic of Poland, the Republic of Lithuania, the Republic of Latvia, the Republic of Estonia and the Republic of Finland

Hereinafter referred to as the "Parties to the Memorandum" or "the Parties,"

- REFERRING to the '*Rail Baltica*' project implementation terms set out in the Decision No 884/2004EC of the European Parliament and of the Council of 29 April 2004 on the *Community guidelines for the development of the trans-European transport network* and considering the importance of coordinating the efforts of the Parties in order to secure the common European interest in the "*Rail Baltica*" project,

- BEING AWARE of the importance of a north-south transport infrastructure axis for the economic development of the EU Member States and their integration into the internal market, as well as the potential for growth, jobs and improved competitiveness that the construction of the "*Rail Baltica*" project will bring,

- EMPHASIZING the fact that the implementation of the project "*Rail Baltica*" will contribute to the re-connection of the rail system of the Baltic States with the Republic of Poland and the rest of the internal market and that its construction will facilitate the movement of people and goods within the entire European Union,

- SUPPORTING the promotion of the use of sustainable railway transport as well as noting the benefits each Party will gain from the safety aspects and environmental protection by reducing road congestions in the Parties', countries

- BELIEVING that the recent Icelandic volcanic ash cloud crisis and the resultant problems in air transport has focused the need to improve the rail connections both passenger and freight, both between the Baltic States and with the rest of Europe,

- RECOGNIZING the importance of inter-modality and inter-operability for the project, underline the necessity of developing inter-modal terminals along the corridor which can bring synergy to the development efforts by linking the various key hubs and also stressing the importance of efficient, modern and effective gauge changing facilities at the break-of-gauge point (wherever that may be), so as to ensure effective inter-operability on the corridor between the 1435 mm and 1520 mm gauge networks,

- TAKING NOTE that besides the infrastructure improvement activities it is necessary to make the organizational arrangements for enhanced corridor operation by fully exploiting the opportunities given by European Union railway liberalization policy,

- CONSIDERING that the meeting in Saragossa, coming as it does mid way through the current Financial Perspective (2007-2013), provides an excellent opportunity to reassess and refocus the commitment of each of the Parties to the project,

HEREBY DECLARE:

1. that the Republic of Estonia undertakes to complete its works according to the Infrastructure Investment Plan of "*Eesti Raudtee*" as agreed with the Estonian administration and which is attached in Annex 1 to this Memorandum.

2. that the Republic of Latvia undertakes before the end of 2011, to pass the decision regarding resumption of work on the *Rail Baltica* corridor as detailed in the postponed TEN-T project 2007-LV-27060-P the decision of which is attached in Annex 2 to this Memorandum.

3. that the Republic of Lithuania undertakes to complete its works in accordance with the Action Plan adopted by the government of the Republic of Lithuania on 12th May 2010 and which is attached in Annex 3 to this Memorandum.

4. that the Republic of Poland undertakes to complete its commitments as outlined in the Indicative List of major projects presented by the Minister of Regional Development (the managing authority in the Republic of Poland) of February 2010, as attached in Annex 4 to this Memorandum.

5. that the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania will continue elaboration of the joint Feasibility Study for a European standard gauge (1435 mm) new railway line for the "Rail Baltica" route, with the aim of determining the most feasible development option.

6. that the Parties will consider the launching of a new joint passenger rail service Tallinn/Riga/Kaunas/Bialystok/Warsaw making use of up-to-date gauge changing facilities both on the train and on the track, so as to ensure a service that is fast, comfortable and competitive with road transport on the route and in any case will work together towards introduction of the one stop shop principle, so that efficient and friendly interaction between infrastructure managers and railway undertakings in all the Baltic countries is ensured.

7. that the Parties fully support the initiative launched by the Baltic Metropolises network for "Rail Baltica" to be viewed as a development strategy - the "Rail Baltica" Growth Corridor' bringing the major cities along the route into closer collaboration in the use of EU development funding.

8. that the Parties to the Memorandum urge the European Coordinator and the European Commission to continue their efforts to support the development of the "Rail Baltica" project in the future European transport financing framework so as to contribute to fostering infrastructure modernisation and encouraging traffic flows on the "Rail Baltica" corridor."

9. this memorandum shall remain in force unless terminated in writing by any of the parties.

Signed at Saragossa on the Eighth of June 2010 in five originals in English, all texts being equally authentic:-

For the Ministry of Transport and Construction of the Republic of Poland

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For the Ministry of Transport and Communications of the Republic of Lithuania

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For the Ministry of Transport and Communications of the Republic of Latvia

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For the Ministry of Economic Affairs and Communications of the Republic of Estonia

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For the Ministry of Transport and Communications of the Republic of Finland

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Mr. Siim Kallas, Vice-President of the European Commission responsible for transport and Mr. Pavel Telička, European Coordinator for Priority Project No. 27 "Rail Baltica," welcome the signature of this Memorandum of Understanding and invite the five Member States to put in place the necessary measures so as to guarantee the success of the project.

The European Commission will continue to support, within the framework of its competences and the procedures of the TEN-T policy, the development of the "Rail Baltica" in particular with the active collaboration of Mr. Pavel Telička, the European Coordinator for Priority Project No. 27