



# Rail Baltica

Linking nations, people, places

## Main Procurement Challenges, Lessons Learnt & Supplier Survey Results

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Co-financed by the Connecting Europe  
Facility of the European Union

# Procurement in RB Rail

## What does it involve?



# Procurement Challenges 2018

01

## Planning & Resource

- High workload requires continuous improvement
- Growing Team & Developing roles
- Need to meet set deadlines
- Continuously balance & standardise (optimise resource)
  - Pre-set templates vs tailor-made document sets
  - Improvement of processes
- Average 4-5 proposals per procurement exercise
- Out of 32 procurement exercises launched in 2018
  - only 1 appeal \*
- 30 procurement contracts signed



02

## Procurement Policy Update

- Common Procurement Standards and Guidelines for the Rail Baltica Project
- Previously 6 documents → now 1
- 3 Procurement laws (Estonia, Latvia, Lithuania)
- 9 Stakeholders involved
- Considerations
  - Fairness & transparency
  - Also QUALITY, not only price
  - Best practice
  - Latest court practice
  - Developing and maintaining a high quality procurement practice
  - Added flexibility to Minimum Requirements

03

## Procurement Challenges

- Communication & Clarity
  - Requirements & expectations must be clear and understandable
  - *Example:* Suppliers meetings to improve awareness and increase competition
  - *Example:* Professional management of Q&A
- Ensure adherence to legal requirements in a changing environment
- Ongoing challenge ensuring the most optimum procurement approach
- Different suppliers & markets
- Different countries

# Detailed Technical Designs (DTD) Procurement Lessons Learnt

## Good & Open Market Feedback



- Good & Open Market Feedback in Q&A
- Tenderers have asked numerous questions
  - Project complexity
  - Amount of detail involved

## Improvement of conditions



- Developing and maintaining a high quality procurement practice
- Re-assessing the contract templates for improvement opportunities
  - Liability levels
  - Risk allocation
  - Cash flow

## Amount of information worked through



- 7 DTD packages
- Over **40 000** pages of documents, including
  - Work ongoing on over **6 500** pages of documents
- High value & high complexity
- Hundreds of checks
- Minutes in dual language

# Supplier Survey Results



vi. Comments: \_\_\_\_\_ (optional)

d) Were you able to meet the procurement requirements?  
i. Yes (both for application and proposal compliance stage)  
ii. Yes, but only for the application stage  
iii. No  
iv. Comments: \_\_\_\_\_ (optional)

e) In your opinion, was the time allowed for undertaking and completing the services / works  
i. Too much time was allowed  
ii. The time allowed was reasonable, but challenging  
iii. The time allowed was not sufficient to provide a quality delivery  
iv. The time allowed was not sufficient to provide a quality delivery  
v. Comments: \_\_\_\_\_ (optional)

f) In your opinion, were you treated fairly and equally throughout the procurement process?  
i. Yes  
ii. Mostly yes  
iii. Mostly no  
iv. No  
v. Comments: \_\_\_\_\_ (optional)

g) Would you participate in RB Rail procurement exercises in the future?  
i. Yes  
ii. Not sure  
iii. No  
iv. Comments: \_\_\_\_\_ (optional)

Total 91 (62) respondents

## Area of business

### Construction

24,2 %

16 %

### Supply of Materials

18,7 %

27 %

### Design

15,4 %

24 %

### Studies / Surveys

8,8 %

3,2%

### Commercial & Legal Services

5,5 %

13 %

### Other

27,4 %

20 %

IT, Software  
Energy & Railway Systems  
Supporting Services  
NoBo, Certification  
Other Consultancy  
Mobility & Innovations

## Size of organisation

### LARGE (250 or more employees)

36,3 %

52 %

### MEDIUM (50 to 249 employees)

24,2 %

16 %

### MICRO and SMALL (1 to 49 employees)

39,6 %

32 %

## Participated in RB Rail AS procurement

### Yes

40,7 %

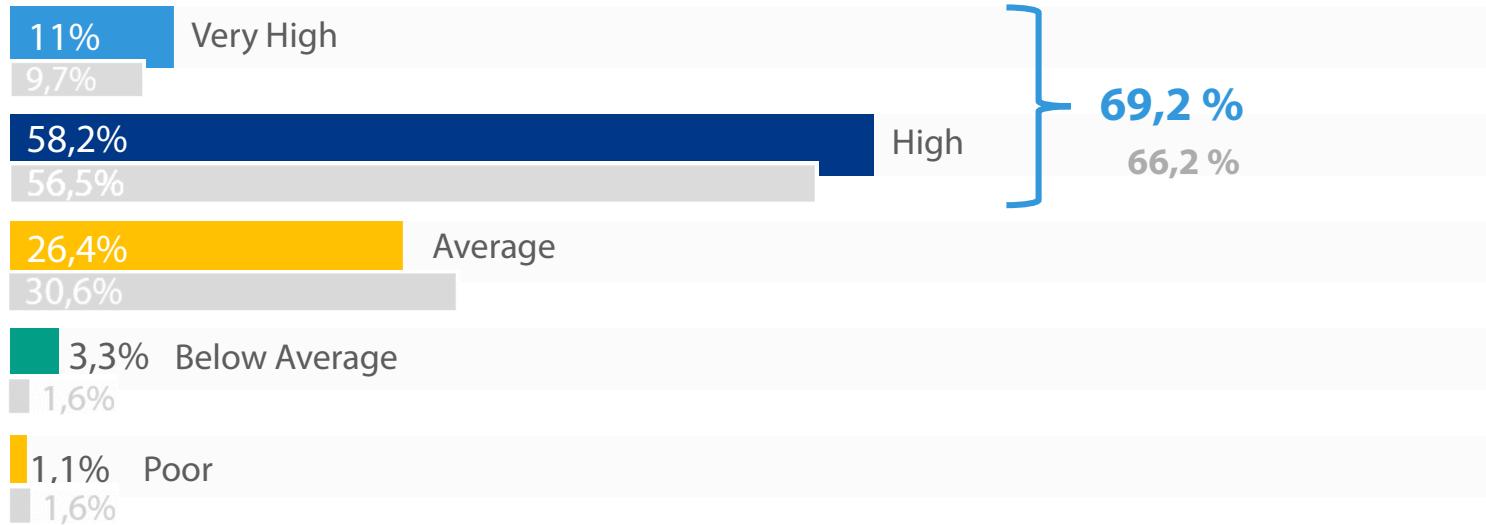
68 %

### No

59,3 %

32 %

# Overall quality of RB Rail tendering process



\* 2018 figures in comparison

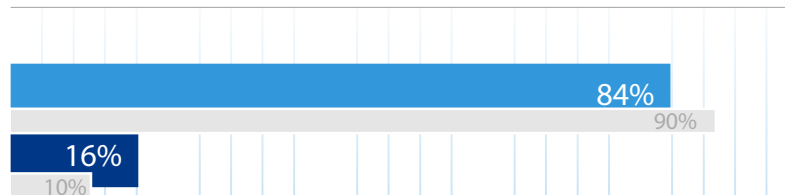
# Finding information regarding upcoming RB Rail AS procurement exercises



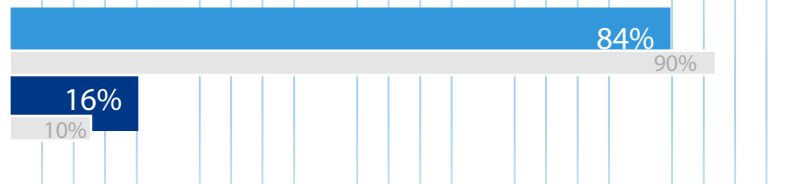


# Accessibility of Information & Clarity Regarding Approach

Do you have clarity regarding how to express your interest in any of the upcoming procurement exercises?

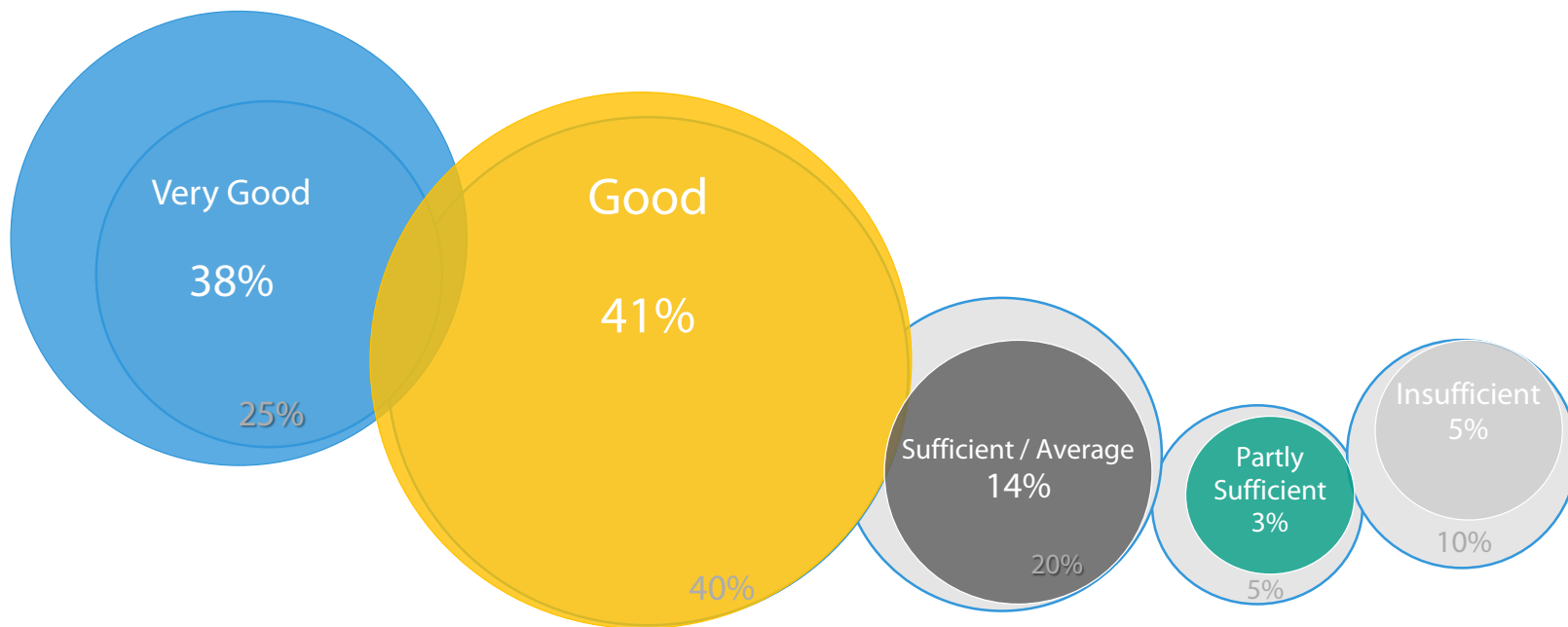


Is all the necessary information easily accessible on the website [www.railbaltica.org](http://www.railbaltica.org)?

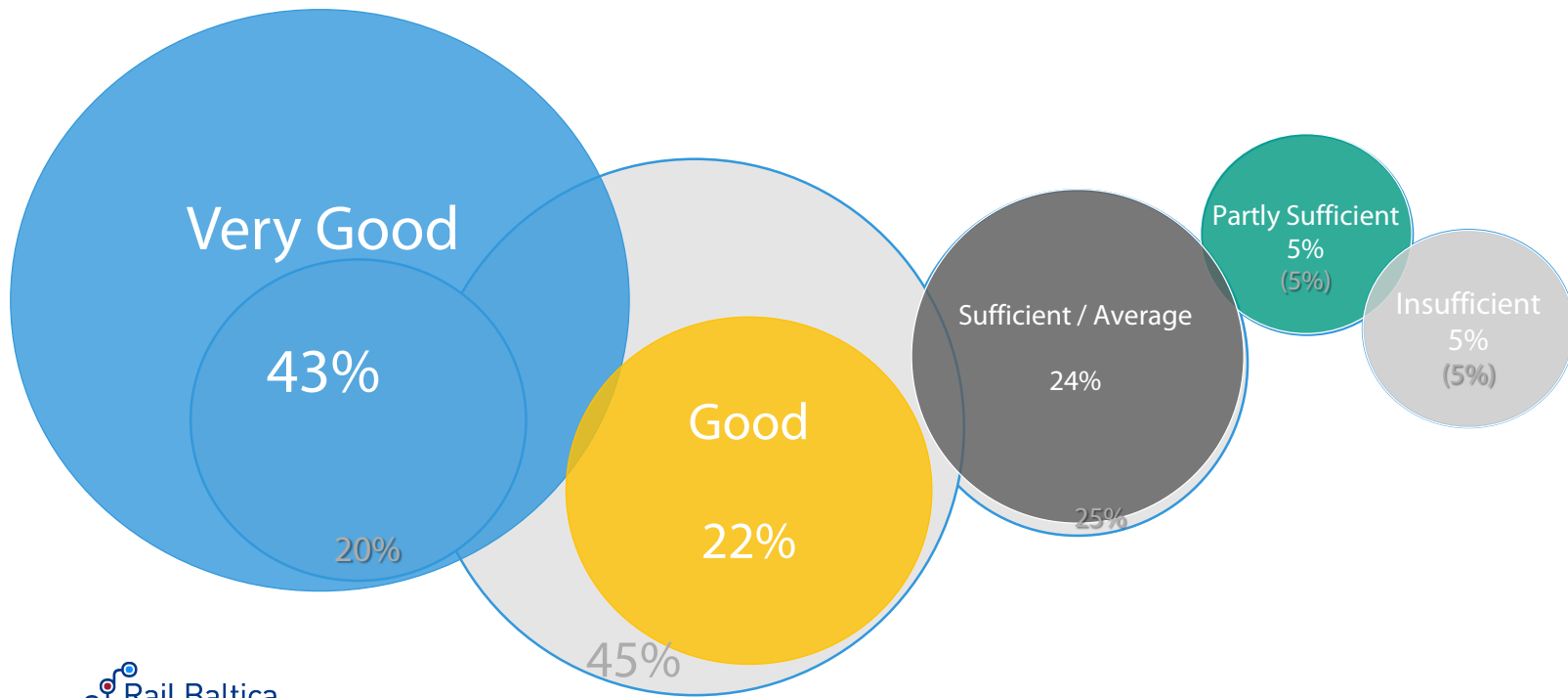


■ Yes ■ No

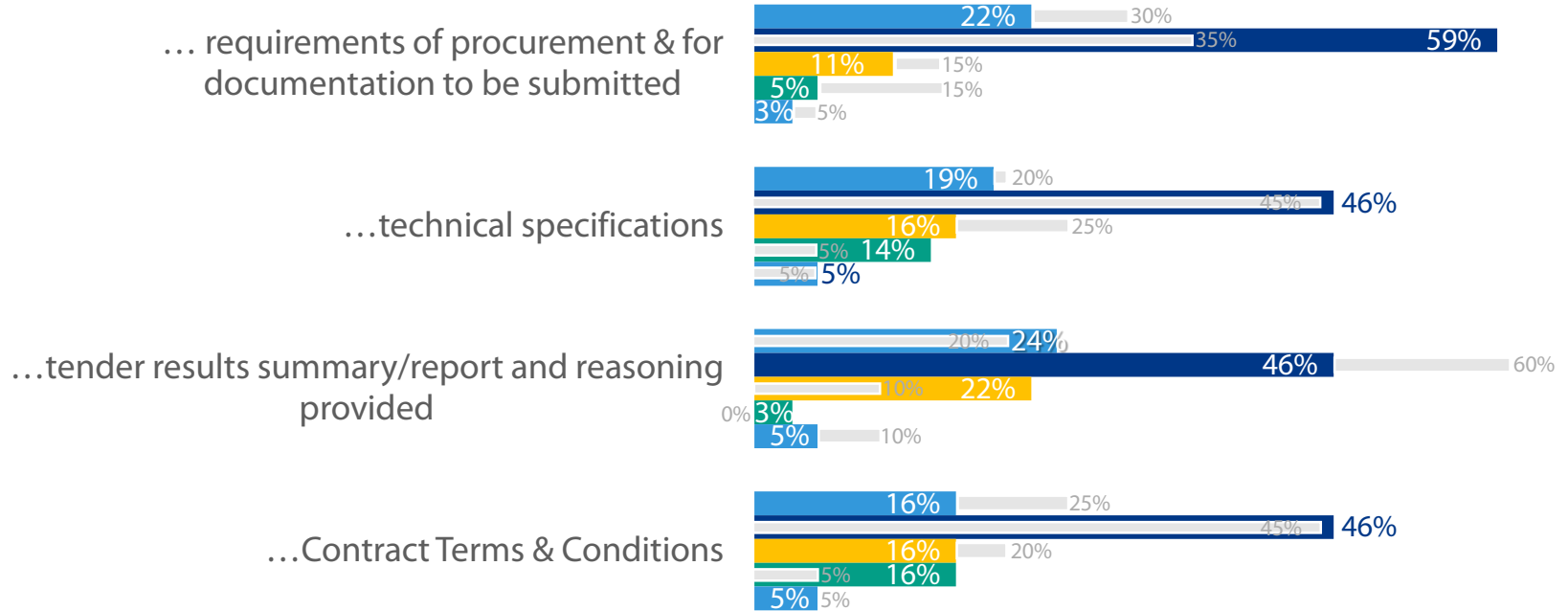
# Service quality of tender process administration



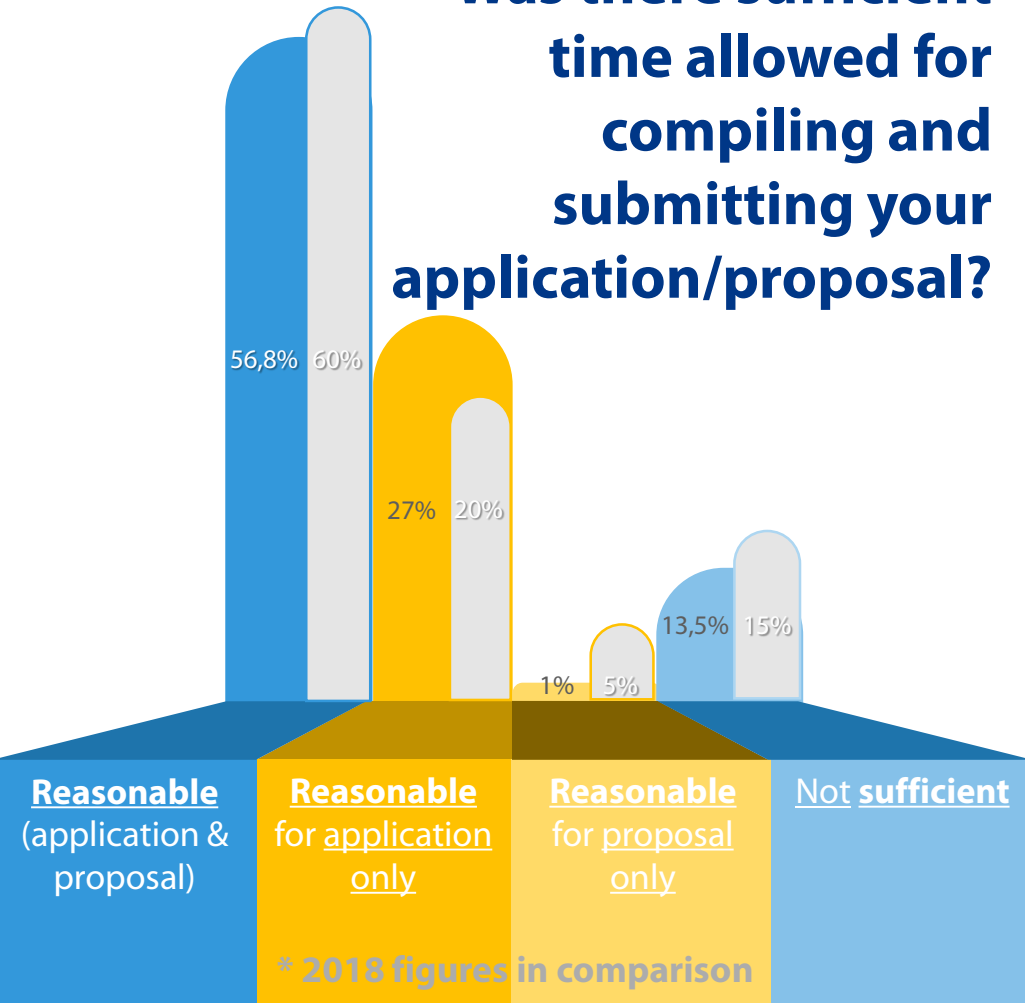
# Service quality of technical questions & responses



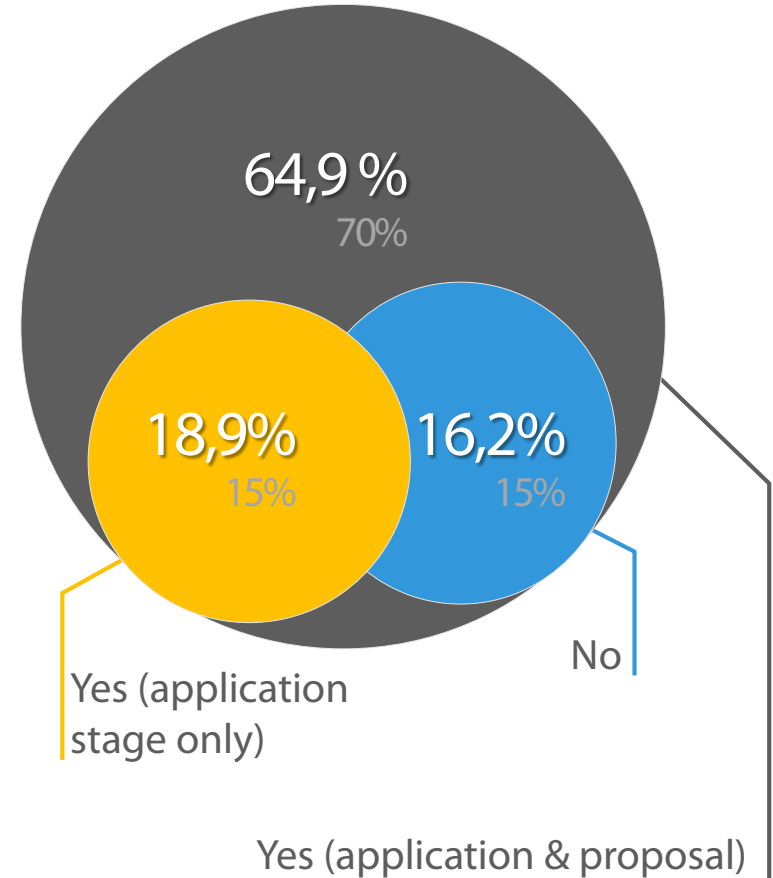
# Quality of procurement documentation



## Was there sufficient time allowed for compiling and submitting your application/proposal?

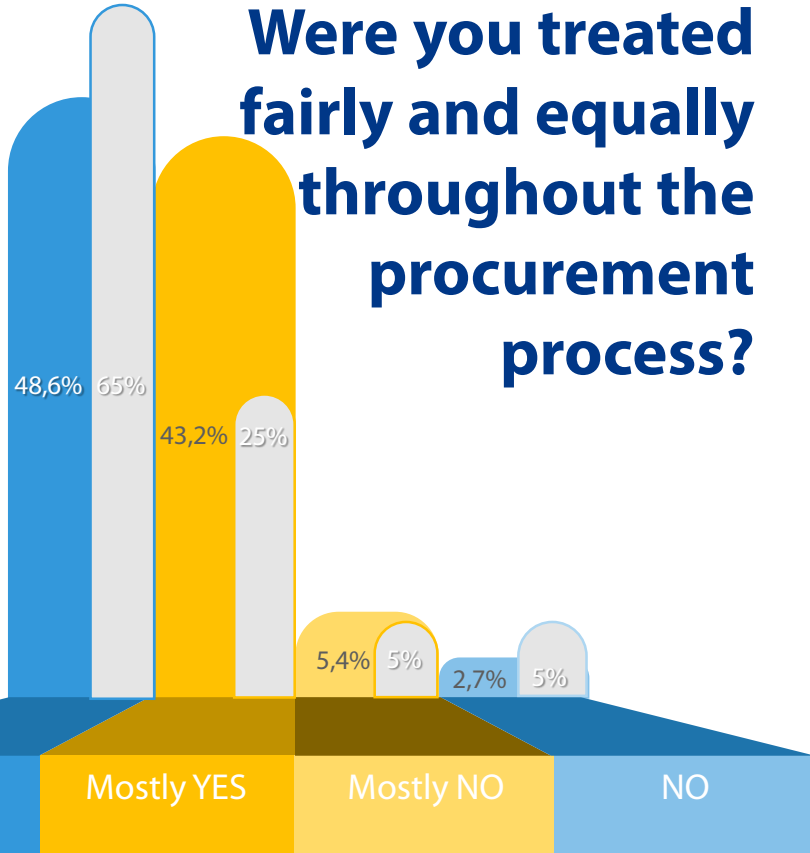


Were you able to meet the procurement requirements?



8,1% (10%) MAYBE

## Were you treated fairly and equally throughout the procurement process?



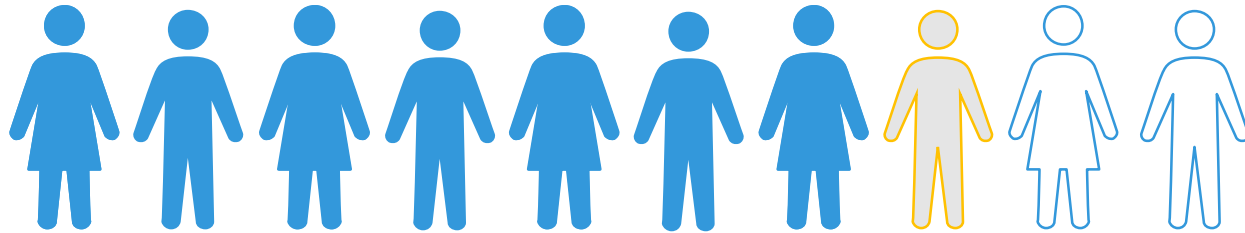
Would you participate in RB Rail procurement exercises in the future?

91,9%  
YES (90%)

\* 2018 figures in comparison

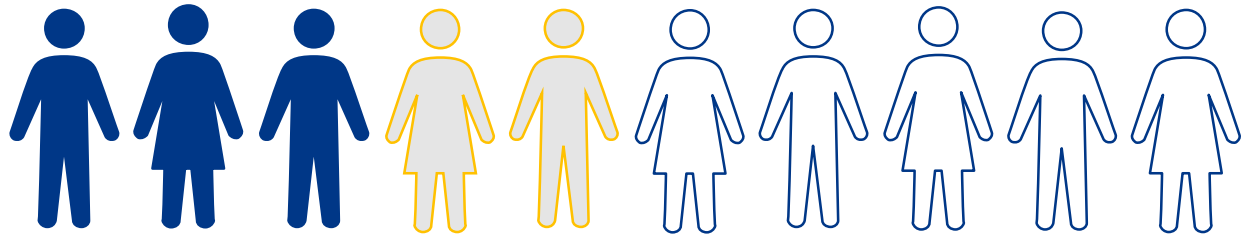
# Please tell us why you have not participated in the RB Rail AS procurement exercises?

There have not been any suitable opportunities



57,4 %  
(67 %)

We have not found the information regarding procurement exercises in sufficient time



25,9 %  
(17 %)



## Contact us

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**RB Rail AS is a multi-national joint venture of the Republics of Estonia, Latvia and Lithuania, which has been established to implement Rail Baltica**



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