

Riga

19.08.2019

Our Ref: 6.1p/272

**Answer to question from the interested supplier  
in open competition "Audit services for 2019 - 2021",  
identification number RBR 2019/8**

RB Rail AS presents following answers to the questions received until 19 August 2019 from the interested supplier:

Nr.	Questions	Answers
1.	<p>We would like to draw attention of the Procurement Commission to the restricting requirement for the potential Tenderers stated in RB Rail tender for Audit services for 2019 – 2021, RBR 2019/8:</p> <p>According to the regulation of an open competition, Tenderer's or all members of the partnership together (if the Tenderer is a partnership and confirms the average financial turnover jointly) average financial turnover within the last 3 (three) financial years (2016, 2017, 2018) is not less than 380 000 EUR (three hundred eighty thousand euros) per year.</p> <p>We would like to note that the limitation of average turnover of 380 000 EUR imposes significant restrictions to competition by limiting significantly the potential scope of tenderers. According to our rough estimates, this requirement prohibits participation in the tender of approx. 75-90% of the audit companies registered in Latvia. We estimate that only 10-25% of the Latvian audit companies meet this criteria of average turnover of 380 000 EUR. We suggest Procurement commission to revise the average financial turnover requirement and lower this limit to 200 000 – 300 000 EUR that would significantly reduce the current</p>	<p>Procurement commission indicates that requirement regarding the average financial turnover will not be changed (Section 8.3.1 of the open competition "Audit services for 2019 – 2021" (ID No RBR 2019/8) regulations, hereinafter – Regulations).</p> <p>Procurement commission has assessed and, in the Regulations, has included requirements that are reasonable, objective and commensurate to the subject-matter, that do not unreasonably restrict the competition. Requirement mentioned in the Section 8.3.1 of the Regulations is set in accordance with Paragraph 2, Section 45 of the Public Procurement Law of the Latvian Republic.</p>

<p>significant restriction to competition in this tender. We believe that other qualitative criteria for Tenderers included in regulations are more important (than average turnover criteria) to ensure high quality of the Tender result.</p> <p>Is it expected to change the requirement of average turnover of 380 000 EUR, or, alternatively, will the criteria of average turnover of 380 000 EUR be treated as not compulsory criteria to participate in the tender if all other requirements are met?</p>	
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Procurement commission chairperson



A. Benfelde