



# Rail Baltica Procurement Updates and Plans for 2022



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Facility of the European Union

01

## Communication with the market

- Improved continuous communication with the supplier market
  - Mainline Construction in Latvia launched
  - Consolidated Materials procurements launched
- Continuous Supplier meetings
- Regular Market Research
- Market Outlook Survey (Q4'20)
- B2B market consultations (Q3 / Q4 2021)

02

## Key tenders

- ENE Engineering Services agreement
- RAMS Consultancy Services agreement
- Transport Demand Model being developed
- Design Review & Expertise LV
- AsBo Services agreement
- **Expert Services Framework**
- Ongoing
  - Shadow Operator Services
  - **Consolidated Material Frameworks:** Ballast, Cable Troughs, Rails, Sleepers & Fasteners, Turnouts
  - CBA and Business Plan

03

## Procurement Policy

- Study on Procurement Law and Systems Advantages in the Baltic Countries
- Procurement policy updated in June 2021
  - Common Procurement Standards and Guidelines for the Rail Baltica Project
- Negotiations practiced more
- Continuous improvement
  - Project development
  - Market Feedback
  - Market Condition

# Rail Baltica Procurement 2021 Implementing Bodies



01

## Estonia

- Main Achievements
  - Dynamic Purchasing Systems for
    - Structures
    - HV Line Crossings
- Structures tenders
  - Tagadi road viaduct
  - Künka road viaduct
  - Loone ecoduct
  - Urge ecoduct
  - Kalevi ecoduct

02

## Latvia

- Main Achievement
  - Biggest Tender in LV - Mainline construction in Latvia
  - RIX Construction
  - LV Regional Station Design
- Construction designs and author supervision of regional stations
- Spatial plans for IMF and Regional stations in Limbaži and Iecava municipalities
- Construction design and author supervision of Salaspils freight terminal
- Construction designs and author supervision of infrastructure maintenance facility in Skulte and Iecava

03

## Lithuania

- Main achievements
- First stage of dynamic purchasing systems for construction works in the section Kaunas - Panevėžys - LT/LV border:
  - Embankment and structures
  - Local access roads
  - Neris river bridge
  - Superstructure
- Second stage of the procurement of construction works of a major bridge over Neris river
- Procurement for technical supervision services for the construction of a major bridge over Neris river

# Market Outlook Survey Q4 2020

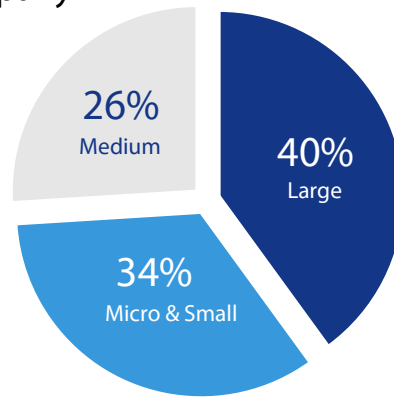
77

companies from Europe and beyond (34% Baltic)

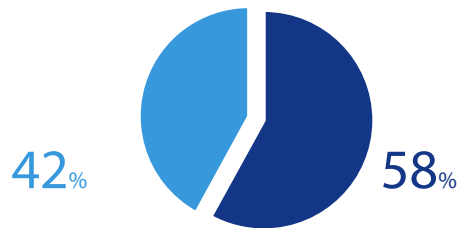
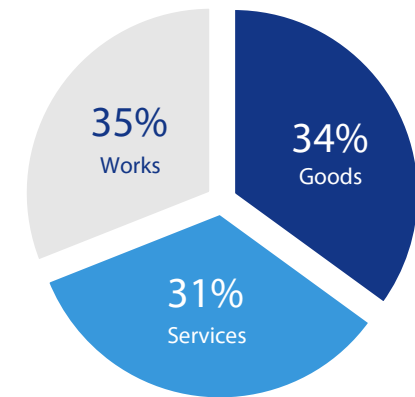
78%

Refer to CPSG conditions as reasonable

Company Size



Company Main Focus



HAVE participated in Rail Baltica procurement

Have NOT participated in Rail Baltica procurement

## COVID impact experienced (top 3 with significant impact to Suppliers)

- Suppliers have requested to improve payment terms
- Delays or suspension of works/services/deliveries
- Have lost incoming orders

## COVID impact expected (top 5)

- Payment terms need to improve
- Further delays in or suspension of works/services/deliveries
- Financing / insurances / guarantees more difficult to obtain
- Supplier prices will increase
- Logistics/deliveries problems

Suppliers do not support Price Only tenders, other criteria also seen as relevant

# TOP 10 Supplier Preferred Items in Tender Evaluation Criteria

1. Proposal Price
2. Time schedule quality, milestones, schedule logic
3. Terms of delivery (only for Goods)
4. Sustainability and business continuity
5. Warranty period
6. Description of quality management system and its implementation
7. Environmental and green requirements/aspects
8. Previous experience in 1435mm railway design / construction or related works/services
9. Description of environmental management system and its implementation
10. Description of occupational and work safety and its implementation

## Main conclusions and recurring themes from Construction Market B2B Consultations (November 2021)

Possible labour shortage risks to be addressed

Market overheating and supply & inflation risks to be addressed

Continued fair competition and Tenders in English

Ensure consistency across the Global Project for construction phase

Work packaging important to suppliers – involve small to large companies

Further improved contractual balance

Ensure clarity on financing and payments

Avoid Price-only tenders

## A Way Forward

### Procurement Policy improvements

- Requirements eased due to market circumstances
- Turnover requirements
- Transparency & avoidance of conflict of interest
- Flexibility regarding previous experience and technical abilities
- Data protection requirements

### Practice improvements

- More regular and directed market research
- Acceptability of procurement conditions & contract requirements – continuous Supplier Market feedback
- Advance payment mechanisms and price indexation
- More frequent and detailed clarification and briefing sessions (before, during and after)
- After-Tender questionnaire
- Openness to new top-quality tenderers

# Upcoming Key Tenders 2021/2022

Procurement Plan 2022 to be published on the [www.railbaltica.org](http://www.railbaltica.org) website in due course

RBR RB Rail AS The Joint Venture	RBE Estonia Rail Baltic Estonia (RBE)	EDzL Latvia Eiropas Dzelzceļa līnijas (EDzL)	LTGI Lithuania LTG Infra (LTGI)
<ul style="list-style-type: none"><li>• Consolidated Materials* (Concrete Elements, Fencing, Noise Barriers, Framework Management &amp; Ordering System)</li><li>• Detailed Technical Design<ul style="list-style-type: none"><li>• Kaunas-Vilnius</li><li>• Kaunas-Polish border</li></ul></li><li>• ENE Subsystem</li><li>• CCS Subsystem</li><li>• Latvia/Lithuania X-border sections</li><li>• Various Management Systems &amp; IT tools</li><li>• Insurance and Audit services</li><li>• Studies and other supporting services</li></ul>	<ul style="list-style-type: none"><li>• Railway Mainline Construction</li><li>• Ülemiste Terminal &amp; 1520 Infrastructure Construction</li><li>• Pärnu Terminal Construction</li><li>• Muuga Multi-modal Freight Terminal Construction</li></ul>	<ul style="list-style-type: none"><li>• Mainline Construction*</li><li>• Regional Stations Design*</li><li>• Mainline Construction Supervision</li><li>• Jaunmarupe rolling stock depot design</li></ul>	<ul style="list-style-type: none"><li>• Mainline construction (Kaunas-Panevėžys)</li><li>• Embankment construction (Kaunas-Panevėžys)</li><li>• Access roads construction</li><li>• Territorial planning of Regional Stations and Urban Nodes</li></ul>

\* ongoing



# Supplier Survey 2021 Coming Up



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  
iii. The time allowed was manageable, but challenging  
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)

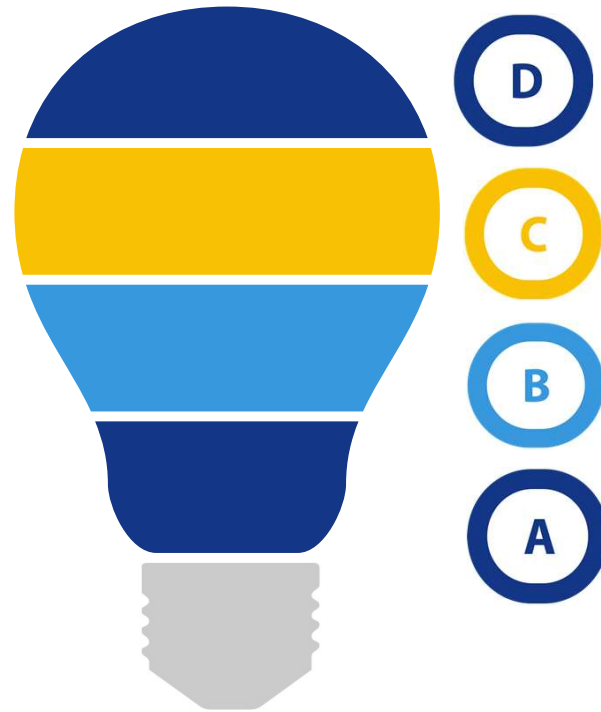
g) Would you participate in RB Rail procurement exercises in the future?  
i. Yes  
ii. Not sure  
iii. No  
iv. Comments: \_\_\_\_\_ (optional)

1. Keep informed of Rail Baltica tendering opportunities
2. Subscribe to our newsletter at [railbaltica.org/tenders](http://railbaltica.org/tenders)
3. Procurement Best Practice in the Baltic Region is continuously developing – let's develop it together for the common success of the Rail Baltica and the Supplier Market

# THANK YOU

## Main tips for Suppliers

- Register in e-procurement system
- Submit your tender once uploaded
- Information available at [railbaltica.org](http://railbaltica.org)
- Carefully manage deadlines
- Careful attention to tender requirements
- Send questions & feedback as early as possible on any tender documents and/or extensions



E-procurement



Supplier declaration

To be signed by winning contractor



Newsletters

(subscription advised),  
Website, TED\*



Procurement  
Policy

Available on the project  
website under the  
Procurement tab

\* Tender Electronic Daily