

RAMYGALA - LT/LV STATE BORDER AGREEMENT AMENDMENT'S SUMMARY

Agreement

Design and design supervision services for the construction of the new line from Ramygala to Lithuanian/Latvian state border, No 8.1/2019-04, dated 14 June 2019 ("Agreement").

Amendment's description

This Agreement amendment is related to Value Engineering late approval which produced a variation. It has been initiated by the consultant to update Agreement service schedule since review and approval of Value Engineering (contractual deliverable) took longer than it was initially planned and stipulated in the Agreement due to the reasons that were not attributable to the Consultant.

Amendments are made under the provisions of Clause 3 of Section 3 of Article 61 of Public Procurement Law of the Republic of Latvia, i.e., the amendments to the procurement contract are necessary due to such reasons which the contracting authority could not foresee in advance (Value Engineering late approval).

1. Regarding Value Engineering late approval amendments

Value Engineering, services were performed by the Consultant according to the requirements set forth in the Agreement – analysis of different technical options from the perspective of Rail Baltica Global Project to increase functionality for the increased value of the infrastructure and provide the most cost-effective and efficient ways to achieve the required result, without jeopardizing safety, quality, and overall integrity. The results of the analysis as a precondition for the subsequent development and preparation of the Design, were delivered and presented to the Client – RB Rail AS, Implementing Body – AB "LTG Infra", and Beneficiary Ministry of Transport and Communications of the Republic of Lithuania. It was not possible to perform review and approval of the contractual deliverables within the set timeframe due to the high complexity of the comparison of different options and conceptual alternatives, many criteria, as well as large amount of stakeholders. It directly and detrimentally impacted the Consultant's timely performance to further planned activities that directly depend on the approval of Value Engineering. Precisely quantified and justified extension of time was established as the result:

| Contractual Deliverable | DPS | Extension of time, days |
|---|---|-------------------------|
| Master design (after technical review report approval and obtaining building permits) | Design priority section 1 (Ramygala - Berčiūnai) | 95 |
| | Design priority section 2 (Berčiūnai - Joniškėlis) | 73 |
| | Design priority section 3 (Joniškėlis - Vaškai) | 213 |
| | Design priority section 4 (Vaškai - LT/LV state border) | 182 |
| Detail technical design (after technical review report approval) | Design priority section 1 (Ramygala - Berčiūnai) | 95 |
| | Design priority section 2 (Berčiūnai - Joniškėlis) | 73 |
| | Design priority section 3 (Joniškėlis - Vaškai) | 213 |
| | Design priority section 4 (Vaškai - LT/LV state border) | 182 |

Agreement amendments related to VE late approval are implemented in line with Clause 3 of Section 3 of Article 61 of the Public Procurement Law of the Republic of Latvia as it is evident that neither the Client nor the consultant couldn't foresee necessity of such amendments in advance. Thus, amendments would occur regardless of the selected Tenderer, therefore subject of the amendments does not impact the context of the evaluation. As a result, implementation of amendments related to VE late approval situation will result in extension of Design Services completion overall deadline for 6 months.