



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

Procurement Webinar 2023

30 March, 13:00-16:00 (EEST)



Procurement Webinar

	Subject-matter	Qualification (1st stage)	Bidding (2nd stage)	Results
Supply of multi-ducts, cable ducts, manholes and cable channels	5 500 km multi-ducts, 3 000km cable ducts, precast concrete, 9 000 manholes and 480 km surface cable channels	completed	negotiations	Q3/4
Supply of sleepers, fastening system and under sleeper pads	Design, manufacturing and supply of ~3,37 million sleepers with fastening system and factory equipped UPS	completed	initial bids	Q3/4
Supply of rails	Rails EN 60E2, R350HT and R260 ~250 000 tons	completed	initial bids	Q3/4
Supply of turnouts and rail expansion joints	Highspeed, conventional turnout systems ~1 133 sets ~250 sets of REJ	completed	initial bids	Q4
Supply of ballast	EN 13450, grading: 31,5/63 mm ~7,8 million tons	completed	ready	Q4
Supply of fence	~1`530`000 meters of fence	review		Q4
Supply of noise barriers	Steel posts ~ 245 750 m Aluminum panels ~ 366 000 m2 Transparent panels ~ 125 500 m2	review		Q4

Framework Agreements

Supplier

- Confirmed supplier for Rail Baltica project
- Planning and scheduling (rolling forecast)
- Contracted for the entire construction period

Client

- Supply chain (Availability of the materials)
- Predictable pricing strategy
- Improved collaboration, communication and trust

Outcome

- Material compliance with Rail Baltica Technical requirements
- Stock pile management
- Risk reduction



Successful cooperation in challenging markets

Procurement Phase

- Clarifications – use the advantage of Q&A and ask questions about procurement
- Technical proposal – approach, strategy and risk mitigation plan
- **Negotiations** – investigate the documents of the procurement dossier and negotiate

Framework agreements

- Flexible pricing model together with supply volume forecasting and planning from our perspective is one of the major aspects towards successful cooperation
- **Indexation** – i.e. raw materials, production cost key components, labor costs, transportation costs

Early involvement

- **Timely setup of cooperation**, exchange of the information, appointment of the respective resources and people in charge is important successor of future cooperation
- Information on work execution plans and required amount of the material for upcoming period required from Contractors to be delivered and inserted into the system to support manufacturers with the resource planning and logistics same time such approach shall address the risk of possible shortages of the material
- Material compliance, quality (and TSI where applicable) verification if completed with/before the initial deliveries shall serve as stable grounds for successful construction work implementation



Delivery and Distribution

Material Storage Location / Main Delivery Places

Future Infrastructure maintenance facility locations in the construction phase shall serve as main construction material bases with the connection to the existing 1520 mm gauge railway network

Servicing area

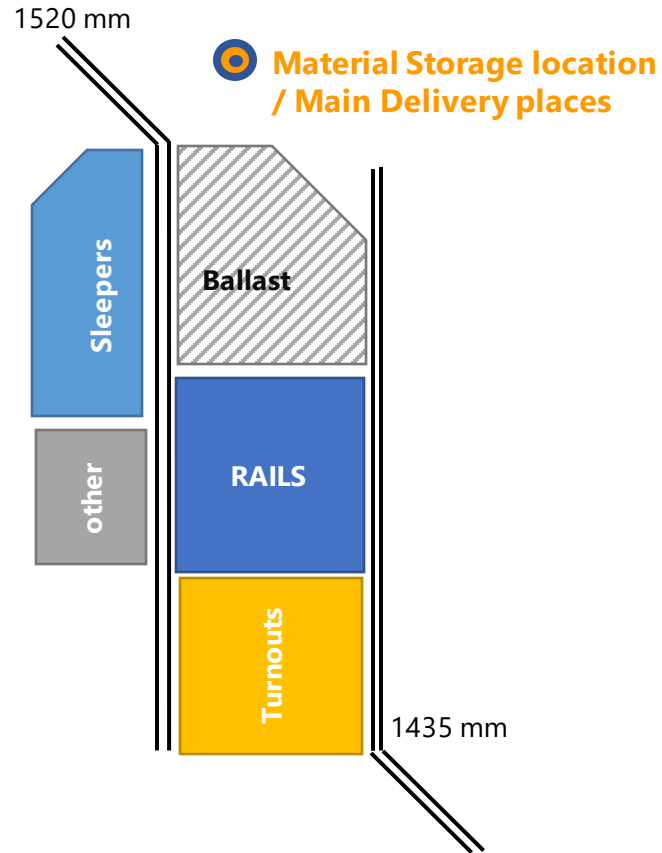
- Distance between the material bases ~ 100 km
- Distribution of the material from one material base ~ 50 km to both directions from the base
- For certain groups of the materials where the handling conditions allows delivery locations may be within the servicing area ensuring delivery at the construction site

Flexibility

- Supply framework agreements to foresee possibility for the alternative delivery locations in the event if the alternative location shall meet the material handling and unloading conditions



Planning and Ordering



Ordering system

- To manage orders, follow-up the quantities and to align the ordered volumes with the expected work execution plan
- System to ensure that suppliers have confirmed the orders placed, to deliver in time and/or to address any changes with placed orders

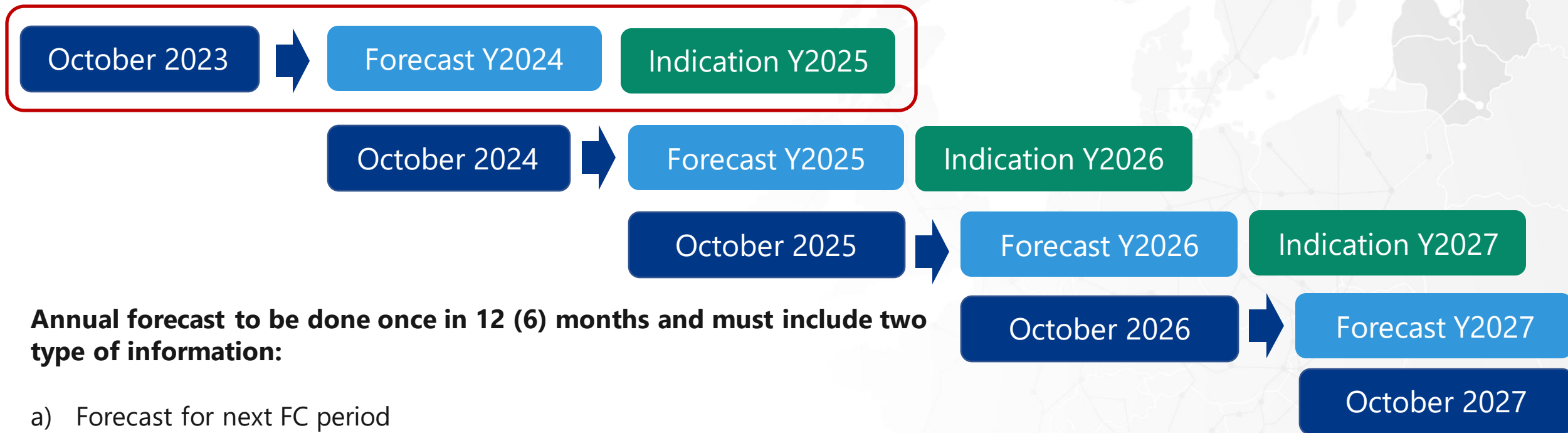
Rolling forecast schedule

- Information on work execution plans and required amount of the material for upcoming period required from Contractors to be delivered and inserted into the system to support manufacturers with the resource planning and logistics same time such approach shall address the risk of possible shortages of the material

Stockpile

- Material bases shall serve as a stockpile for certain groups of the products to ensure that sufficient amount of the material is available through out the construction works

Rolling forecast: key principles



Annual forecast to be done once in 12 (6) months and must include two type of information:

- a) Forecast for next FC period
- b) Indication for period following the next FC

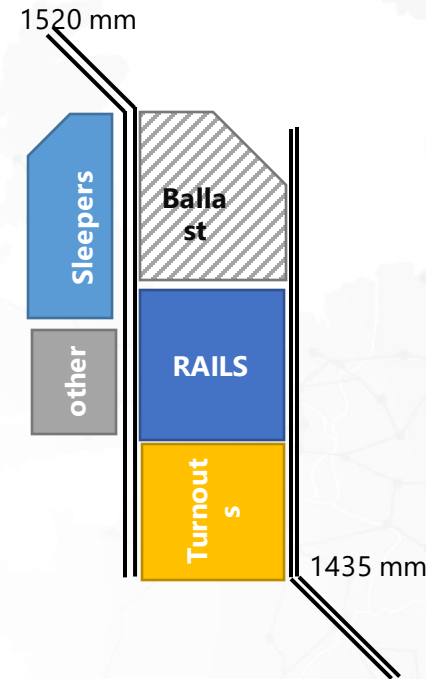
To ensure more accuracy it is being proposed that regular update (especially for indicated quantities) to be done on 6-month basis

Opportunities (subcontracting options)

- Logistics
- Transportation
- Handling
- Storage
- Equipment
- Security

Questions received before the Webinar:

- Cranes, container handling equipment?
- Procurement of sleepers for track, bridges, switches/crossing?
- Steel rails and accessories supply?
- There will be one common requirement from the three countries involved in Rail Baltica for every good or system to be provided? Or there are different requirements or specifications?



Procurement Webinar

