Approved by the RB Rail AS Management Board's Decision No. 2/19/2016 dated 02/06/2016



REQUEST FOR PROPOSAL

FOR PROCUREMENT NO P/2016-6

"COMMUNICATION STRATEGY FOR RB RAIL AS"



Co-financed by the European Union Connecting Europe Facility

2016

The Management board of the RB Rail AS, registration No.40103845025, registered address Gogoļa iela 3, Riga, LV-1050, Latvia (hereinafter - the **Company**) organises procurement "Communication strategy for *RB Rail AS*" (hereinafter - **Procurement**).

Rules of the Procurement:

1. Description of the subject-matter of the procurement:

The procurement is organised in order to procure services related to the development of a Pan-Baltic communication strategy for *RB Rail AS* global project Rail Baltic/Rail Baltica and its implementation in Latvia in accordance with the Specification (Annex No 2) (hereinafter - the **Services**).

2. Delivery of the Services:

- 2.1. The contract for provision of the Services shall be concluded for a period of 3 (three) years from the date when the contract shall enter into force.
- 2.2. The Services shall be provided in the Latvian and English language.
- 2.3. The Candidate, with whom the contract shall be concluded, shall have to deliver the Pan-Baltic communication strategy within 2 (two) months from the date when the contract shall enter into force.
- 2.4. The place of delivery of the Services shall be RB Rail AS, Kr.Valdemara iela 21, room 639, Riga.

3. Conditions for the exclusion of Candidates

The Company shall exclude the Candidates from further participation in the Procurement in any of the following events:

3.1. if they are bankrupt or wound up, have suspended their business activities or are in other kind of status, which prevents or might prevent the Candidates for proper implementation of the contract;

3.2. if they or persons having powers of representation, decision making or control over the Candidates have been convicted of a criminal offence relating to the professional conduct by the judgement of a court;

3.3. if they or persons having powers of representation, decision making or control over the Candidates have been convicted of an offence relating to fraud, corruption, involvement in criminal organisation, money laundering or any other illegal activity by the judgement of a court;

3.4. if they have misrepresented the information included in their Proposal and required for particular procurement procedure;

3.5. if the Company has obtained information that the Candidates have entered into unlawful agreements with competitors or have influenced in any unlawful way the person or group of persons appointed by the Company to select the proposals submitted for particular procurement procedure;

3.6. if they are in the situation of conflict of interests due to participation in related procurement procedures organised by the Company or due to other circumstances as described in applicable laws and thus have gained unfair competitive advantage;

3.7. if as a matter of applicable law or other regulation the Company is prohibited from

entering into commercial relations with the country of registration of the Candidate or the Candidate itself;

3.8. if the partners (if the Candidate is a partnership), sub-contractors or other entities or individuals involved in the execution of the contract comply with the requirements referred to in Sections 3.1.-3.7.

Candidates must inform the Company in writing of any change of control, composition or membership of the Candidate, and of any other material change to the Candidate's proposal. Candidates are reminded of the eligibility requirements that apply to the procurement at all times.

4. Qualification criteria

- 4.1. Requirements as to legal and financial capacity of the Candidate
- 4.1.1. Candidate is registered in accordance with regulations of Country of residence.
- 4.1.2. Average annual turnover for last three years (2013-2015) not less than 300 000,00 EUR.
- 4.2. Requirements as to technical and professional capacity of the Candidate
- 4.2.1. The Candidate shall have the following experience in the last 5 (five) years (2011 2015):
- 4.2.1.1. integrated communication planning and implementation in the following fields:
 - a. traditional media relations,
 - b. social media relations,
 - c. 3rd party endorsement programs,
 - d. lobbying,
 - e. event organisation conferences and round table discussions,
 - f. marketing material development,
 - g. crises communication.
- 4.2.1.2. Working with clients representing infrastructure and/or transport industry or, public sector or international or European institutions.
- 4.2.1.3. The Candidate has developed and implemented communication strategy for at least 3 (three) clients representing infrastructure and/or transport industry, public sector, international or European institutions. At least one of these projects should be cross-border, i.e. involving more than one country preferably covering Baltic States, Finland and Poland.
- 4.3. Requirements as to personnel qualification of the Candidate
- 4.3.1. The Candidate is able to involve for the provision of the services a team of at least 4 members, who meet at least the following minimum requirements:
- 4.3.1.1. The main contact person of the Candidate shall hold position of Senior Consultant, Account Director or Senior Account manager.
- 4.3.1.2. The main contact person of the Candidate shall have experience in at least two projects for public authorities or commercial entities or with the project co-funded by International Financing Instrument. At least one of these projects should be cross-border, i.e. involving more than one country preferably covering Baltic States, Finland and Poland.
- 4.3.1.3. All team members jointly shall cover the following areas of expertise:
 - a. traditional media relations,
 - b. social media relations,
 - c. 3rd party endorsement programs,
 - d. lobbying, strategic advice

- e. event organisation conferences and round table discussions,
- f. marketing material development,
- g. crises communication.
- 4.3.1.4. All team members have at least 5 (five) years' experience in communication consultancy business.
- 4.3.1.5. In addition to Latvian, all team members shall have good command of English language, at least one team member shall have excellent command of English language.

5. Contents of proposal:

5.1. The proposal by the Candidate (the Proposal) shall comprise of the following documents:

5.1.1. Application (Annex No. 1).

5.1.2. Information on the Candidate's financial turnover for the last three years (2013, 2014 and 2015) (i.e. profit-loss statement, annual report, etc.).

5.1.3. as regards a Candidate registered abroad (with its permanent place of residence abroad) – copy of a valid registration certificate or a similar document issued by a foreign authority in charge of the registration of enterprises in the country of registration of the Candidate.

5.1.4. The description by the Candidate of the proposed approach for the communication strategy in accordance with the requirements set out in the Specification:

5.1.4.1. The Candidate shall describe the vision of Rail Baltica story as well as present their approach of communicating the story within the stakeholder groups according to set targets in accordance with the Specification and key communication principles.

Communication 5.1.4.2. The strategy include shall also outline of activities/instruments/methods which the Candidate recommends to use for reaching the set targets. Work organization and intended methodology. Explain how the Candidate's organisation will work in partnership with Company and other stakeholders to ensure that the set targets are met. The Candidate has to submit a description of methodology and delivery mechanisms by which the project requirement will be initiated, delivered and concluded. The Candidate must outline the needed meetings, interviews and researches. All proposed activities must explain the goals as well as necessary involvement of Company and other parties. The proposed activities have to be defined on the activity time line and the resources that will be allocated to each stage must be detailed.

5.1.4.3. Explain the resources that will be allocated for delivery of the required outcomes/output, and what other resources can be called upon if required; ensure that team members will be available for the project on full time basis;

5.1.5. A list of references and contact details together with the customer/project name and description, mentioning project period highlighting required experience, as set in the Section 4.2 (including permission to the Company to contact them);

5.1.6. A list of the team members (CVs or equivalent content material and statement highlighting required experience, as set in the Section 4.3. and supplemented with experience in projects relevant to subject-matter);

5.1.7. In case the Proposal is not signed by the legal representative of the candidate, a document certifying the rights of the persons who have signed the Proposal, to represent the candidate (powers of attorney, authorisation agreements etc.).

6. Submission of a Proposal:

6.1. Proposal (documents referred to Section 5 of these Rules) for participation in the Procurement shall be submitted personally, by courier or registered mail to the RB Rail AS,

21 Kr. Valdemara iela, room 639, Riga, LV-1010). A Proposal shall be submitted by 27 June 2016 till 12 o'clock;

6.2. The Candidate is not permitted to submit variants of the Proposal. If variants of the Proposal shall be submitted, the Proposal shall not be reviewed.

6.3. The Candidate may submit a Proposal only for the whole subject matter of the Procurement in total. Proposals for only part of the subject-matter shall not be reviewed.

6.4. Proposals submitted after the expiry of the deadline for the submission of the Proposals shall not be reviewed.

7. Preparation and layout of the Proposal:

7.1. the candidate shall submit a Proposal in a glued up envelope, on which it shall be indicated: "Proposal for the Procurement No P/2016-6 "Communication strategy for *RB Rail AS*" Do not open until 27 June 2016 at 12.00 o'clock". And the address: To the *RB Rail AS*, 21, Kr. Valdemara iela, room 639, Riga, LV-1010. The name, address and telephone number of the candidate shall be specified on the envelope;

7.2. The Candidate shall submit a Proposal sewn or bound together, in written form in English;

7.3. The Candidate shall submit One signed original, one copy and digital format (USB format files being in <u>MS Office format and PDF format</u>) of the Proposal.

- **8. Period of Validity of the Proposal:** The Proposal shall be valid for 100 days from the day of opening (deadline for submission) of the Proposal.
- **9.** Criteria for selection of the Proposal: economically most advantageous Proposal (in accordance with Section 13).

10. Verification of the Proposal

10.1. After the opening of the Proposal the Company shall perform verification of the compliance of the Candidate and the Proposal with the requirements of the Request for Proposal and the Specification, without the participation of the Candidate. If the Candidate or the Proposal fails to comply with the requirements of the Request for Proposal and the Specification, the Company can refuse the Proposal and exclude the Candidate from further participation in the Procurement. If the Proposal does not comply with the layout requirements, the Company shall assess the significance of the non-compliance and make a decision regarding the further evaluation or refusal of the Proposal.

10.2. During the course of the Candidate and Proposal verification the Company shall be entitled to ask for additional information from the Candidate.

10.3. After the verification of the Candidates and the Proposals the Company shall assess the Proposals according to Proposal assessment methodology.

10.4. Company envisages that 4 Candidates which proposals will receive highest score after proposal assessment will be invited to present their Proposal.

11. Proposal assessment methodology

11.1. Criteria for assessment of the Proposals

11.1.1. The maximum number of points which proposal can receive is 55 points.

11.1.2. The score of the Proposal shall be calculated in accordance with the following criteria:

No	Criteria	Maximum points	Documents to be submitted
1	Evaluation of the document describing the Candidate's proposed approach for the communication strategy according to the methodology outlined in Section 11.2.	30	A document describing the Candidate's proposed approach for the communication strategy
2	Evaluation of the experience of the members of the team involved in the provision of the Services according to the methodology outlined in Section 11.3.		A list of team members, who are proposed for delivery of services for Rail Baltica Section 5.1.6., supported by a CV and a statement about the relevant experience, obtained during the professional career.

- 11.2. Methodology for evaluating the document describing the Candidate's proposed approach for the communication strategy
- 11.2.1. The quality of the document describing the Candidate's proposed approach for the communication strategy shall be evaluated on the basis of the information contained in the document and its relevance to the Specification (the Scope), by awarding points.
- 11.2.2. The maximum number of points which document can receive is 30 points.
- 11.2.3. The Company shall evaluate the document by awarding the points in accordance with the following methodology:

Outstanding level of detailsMultiply by factor 1,0	level of	Multiply by factor 0,7	Satisfactory level of details	Multiply by factor 0,3	Insufficient level of details	Multiply by factor 0,1
The document conforms with the Specification (the Scope), the draft contract and the best practice of industry, the description of provision of services provides an idea about the way and means of provision of these services and: • An outstanding ¹	The docume with the S (the Scope) contract and practice of i description of of services idea about t means of p these service • A good ² de	pecification o, the draft d the best ndustry, the of provision provides an he way and provision of es and:	The document with the Sp (the Scope), contract and practice of ind description of of services pr idea about the means of pro- these services • A description	ecification the draft the best dustry, the provision covides an e way and poission of and:	Specification	he draft I the best idustry, the f provision provides an he way and povision of
description of the organisational aspects is	0	ganisational	organisational provided;		• An in description	sufficient ⁴ of the

¹ **Outstanding** here and elsewhere means a detailed and well-structured description comprising features which exceed the required quality and performance set out in the Scope, with many alternatives analysed and options are substantiated including by taking into account the particular tasks of this particular project. ⁴ **Insufficient** here and elsewhere means a description, which meets the required quality and performance set

out in the Scope in some areas but with some major issues negatively deviating from the Scope and very limited or no additional analysis or substantiation including by taking into account the particular tasks of this particular project.

	2		I
provided; an outstanding	good ² description of the	satisfactory ³	organisational aspects is
description of the	methods for provision of	description of the	provided; the candidate
methods for provision of	services is provided;	methods for provision of	has proposed to provide
services is provided;	• A substantiated, but	services is provided;	services according to
• An outstanding and substantiated description of the contents of the services (expanded	good description of the contents of the services (expanded description of the Specification (the	• A satisfactory description of the contents of the services (expanded description of	the Specification (the Scope), re-written the Specification (the Scope) without elaborating the
description of the Specification (the Scope)), the methods of provision of the services and the management of provision of the services,	Scope)), the methods of provision of the services and the management of provision of the services, the sequence and the co-relation of	the Specification (the Scope)), the methods of provision of the services and the management of provision of the services, the sequence	information contained in it or has elaborated only parts of the Specification (the Scope);
the sequence and the co- relation of the tasks and the results is provided;	the tasks and the results is provided;A good description of	and the co-relation of the tasks and the results is provided;	• An insufficient description of the outline of activities/ instruments/ methods
 An outstanding description of the team, resources and the model for their co-operation is provided; An outstanding description of the outline of activities/ instruments/ methods for provision of services is provided, by describing the stages of provision of services, the deliverables, detailed contents of the argumentation for choosing the particular contents of the particular deliverable etc. 	 the team, resources and the model for their co- operation is provided; A good description of the outline of activities/ instruments/ methods for provision of services is provided, by describing the stages of provision of services, the deliverables, detailed contents of the deliverables etc. 	 A good description of the team, resources and the model for their co-operation is provided; A satisfactory description of the outline of activities/ instruments/ methods for provision of services is provided, by describing the stages of provision of services, the deliverables, contents of the deliverables etc. 	 instruments/ methods for provision of the services and the deliverables is provided; The candidate has agreed to provide services according to the Specification (the Scope), re-written the Specification (the Scope) without elaborating and supplementing the information contained in it.

11.2.4. The points for the document shall be inserted in the overall evaluation table as the number of points which each proposal has scored for the document.

11.3. Methodology for evaluating the experience of the team involved in the provision of the Services

11.3.1. Only the following experience, which exceeds the minimum experience which is requested in Section 4.3., shall be awarded with points in accordance with the following methodology:

 $^{^2}$ Good here and elsewhere means a detailed and structured description, which meets the required quality and performance set out in the Scope, with some alternatives analysed and choices substantiated including by taking into account the particular tasks of this particular project.

³ **Satisfactory** here and elsewhere means a description, which generally meets the required quality and performance set out in the Scope but with some minor issues negatively deviating from the Scope and limited additional analysis or substantiation including by taking into account the particular tasks of this particular project

Criteria	Points
Experience of the main contact person of the Candidate in projects. for public authorities or commercial entities or with the project co-funded by International Financing Instrument. At least one of these projects should be cross-border, i.e. involving more than one country preferably covering Baltic States, Finland and Poland.	 10 points (2-4 projects) 15 points (5-7 projects) 20 points (8-10 projects) 25 points (more than 10 projects)
Experience of the main contact person of the Candidate in projects where communication strategy has been developed for clients representing infrastructure and/or transport industry or public sector or international or European institutions.	 10 points (2-4 projects) 15 points (5-7 projects) 20 points (8-10 projects) 25 points (more than 10 projects)
Years of experience of team in communication consultancy business. (scored for the team member with smallest experience)	 10 points (5-7 years) 15 points (8-10 years) 20 points (11-15 years) 25 points (more than 15 years)
Experience of the team members except contact person of Candidate in projects for public authorities or with International Financing Institution co-funded projects. Projects should be cross-border, i.e. involving more than one country preferably covering Baltic States, Finland and Poland. (scored for average amount of projects of all team)	 10 points (0-5 projects) 15 points (6-10 projects) 20 points (11-15 projects) 25 points (more than 15 projects)

11.3.2. The Company shall sum up the points obtained by each Candidate.

11.3.3. The Proposal with the largest score shall be assigned 100 points.

11.3.4. Each Proposal with a smaller score shall be assigned the number of points which will be calculated in accordance with the following formula:

the score of the proposal to be evaluated multiplied by factor 100

the score of the proposal with the largest score

11.3.5. The number of points (Section 11.3.3 and Section 11.3.4) shall be multiplied by factor 0,25 (comparable weight of the criteria for the experience of team members involved in the provision of the Services) and then mathematically rounded to two decimal places. The score shall be inserted in the overall evaluation table as the number of points which each proposal has scored for experience of team members involved in the provision of the services.

12. Presentation of Proposal

12.1. Invited Candidates shall present their Proposals.

12.2. Presentation preparation period will not be less than one week after invitation to present proposal has been sent to Candidate. Time and place of presentation will be coordinated between Company and Candidate.

12.3. The maximum number of points which presentation can receive is 15 points.

12.4. Presentation of Proposal shall be awarded with points in accordance with the following methodology:

Criteria	points
Communication Strategy's relevance to the Company's business	0-5 points
Clarity of the presentation	0-5 points
Engagement between the team members of Candidate and	0-5 points
Company	

12.5. Evaluation committee of Company shall score Presentation individually. The Company shall sum up the points assigned by each individual and divide with number of scoring individuals.

12.6. The Company shall sum up the points obtained by each Candidate.

12.7. The Presentation with the largest score shall be assigned 100 points.

12.8. Each Presentation with a smaller score shall be assigned the number of points which will be calculated in accordance with the following formula:

the score of the presentation to be evaluated multiplied by factor 100

the score of the presentation with the largest score

12.9. The number of points (Section 12.7. and Section12.8.) shall be multiplied by factor 0,15 (comparable weight of the criteria for the Presentation) and then mathematically rounded to two decimal places. The score shall be inserted in the overall evaluation table as the number of points which each Candidate has scored for Presentation.

13. Calculation of the economically most advantageous Proposal

13.1. Criteria for the economically most advantageous Proposal

13.1.1. The contract for provision of the Services shall be awarded to the Candidate who shall submit the most economically advantageous Proposal.

13.1.2. The most economically advantageous Proposal shall be calculated in accordance with the following criteria:

No	Criteria	Maximum points	Documents to be submitted
1	Evaluation of the proposed price according to the methodology outlined in Section 13.2.	30	A Financial proposal in the form, attached as Annex No 1

2	Evaluation of the document describing the Candidate's proposed approach for the communication strategy according to the methodology outlined in Section 11.2.	30	A document describing the Candidate's proposed approach for the communication strategy
3	Evaluation of the experience of the members of the team involved in the provision of the Services according to the methodology outlined in Section 11.3.	25	A list of team members, who are proposed for delivery of services for Rail Baltica Section 5.1.6., supported by a CV and a statement about the relevant experience, obtained during the professional career.
4	Evaluation of the Presentation describing the Candidate's proposed approach for the communication strategy according to the methodology outlined in Section 12.4.	15	In accordance to Section 12, Presentation of proposed approach for Communication strategy and plan of activities/ instruments/ methods and resources.

13.1.3. The contract shall be awarded to the Proposal which shall obtain the largest number of points.

13.2. Methodology for evaluating the proposed price

13.2.1. The Company shall evaluate the price without VAT which the Candidates propose in their Application (Annex No 1) (hereinafter also the "**Financial proposal**").

13.2.2. The Company shall verify that the Financial proposals do not contain mathematical errors. The Company shall notify the respective Candidate about any mathematical errors identified and shall have the right to correct such errors. The evaluation of the proposed price shall be based on the Financial proposals with the corrected mathematical errors, if any.

13.2.3. The Financial proposal with the lowest price shall be assigned 100 points.

13.2.4. Each Financial proposal with a higher price shall be assigned the number of points which will be calculated in accordance with the following formula:

the lowest price multiplied by factor 100

price of the offer to be evaluated

13.2.5. The number of points (Section 13.2.3. and Section 13.2.4.) shall be multiplied by factor 0,30 (comparable weight of the criteria for the proposed price) and then mathematically rounded to two decimal places. The score shall be inserted in the overall evaluation table as the number of points which each proposal has scored for the proposed price.

14. Bid price:

14.1. the price shall be specified in EUR, (excluding VAT);

14.2. the price shall include all expenses of the candidate in relation to the delivery of the Services up to the delivery place, excluding technical costs (costs of third parties involved in delivery of services).

15. Provision of information

15.1. the candidate may request explanations regarding the preparation of the Proposal. All requests shall be executed in writing by sending to the e-mail: vija.vitola@railbaltica.org not later than 4 working days prior to the deadline specified in Section 6.1;

15.2. the Company shall prepare a written reply to the request and shall send it to all candidates together with the asked question, without specifying the candidate who has asked the question and publish answers in Companies web page: <u>www.railbaltica.org</u>.

16. Decision making

16.1. After the verification of the Proposals the Company shall assess the Proposal according to selection criteria. The Candidate whose Proposal shall receive the best score shall be selected.

16.2. if the Proposals for the Procurement is not beneficial, the Company shall be entitled to propose that all candidates decrease the price of the Proposal, with or without making amendments to Specification, prior to making the decision regarding the results of the Procurement.

16.3. If only one Proposal has been submitted for the Procurement, the Company shall decide whether the Candidate and the Proposal complies with the Request for Proposal and whether the Proposal is acceptable to the Company.

16.4. The approval of the decision of the Company regarding entering into a contract, in accordance with the procedure set by internal regulations of the RB Rail AS, shall serve as a basis for entering into a contract with the winner of the Procurement.

17. Announcement of Results and Entering into a contract

17.1. Upon taking the decision regarding entering into a contract referred to in Section 16.4. the Company shall notify the results to the Candidates within 5 (five) working days and shall enter into a respective contract with the winner of the Procurement.

17.2. If the selected Candidate fails to enter into a contract within the time period specified by the Company in the notification, then it shall be deemed that it has refused the rights granted to deliver the Services, regarding which the minutes shall be prepared.

17.3. In such a case the Company shall take a decision regarding termination of the Procurement without selecting any Proposal, or shall select the Proposal with the next best score.

18. Other provisions

Until the approval of Procurement results the Company shall be entitled to decrease the volume of the subject-matter of the Procurement or to make a decision to enter into a contract only regarding some part of the subject-matter of the Procurement or terminate the Procurement with no result due to financial or any other considerations.

19. Contact persons of the Company:

telephone: 15.1. Mārtiņš Blaus, address: +37167234086, e-mail martins.blaus@railbaltica.org; Vija 15.2. Vītola, telephone +37166967171, address: e-mail vija.vitola@railbaltica.org.

Enclosed: Annex No. 1 - Sample of the application on 1 page; Annex No. 2 - Specification on 3 page; Annex No. 3 - Draft contract on 6 pages.

Board Project Manager

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Vija Vītola

[form of the candidate's company]

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APPLICATION FOR PARTICIPATION IN THE PROCUREMENT

No P/2016-6 "Communication strategy for BR Rail AS"

Candidate	, reg. No		
	(Name of the Candidate)	C	
nonneganted by			

represented by ____

(Name, surname and position of the manager or an authorised person)

by submitting this application:

1. confirms its participation in the Procurement organised by the RB Rail AS "Communication strategy for BR Rail AS";

2. offers to deliver services in accordance with the Specification for the following prices⁵:

No.	Product/Service	Quantity	Unit price EUR, excl. VAT	Amount EUR, excl. VAT
1	Development of Communication strategy	1		
2	Average hourly rate of proposed team who will be involved in delivery of services	500* (man-hours)		
	Total amount of the Proposal EUR (excl. VAT):			

Total amount of the Proposal EUR (excl. VAT) in words:

*conditional quantity for proposal evaluation only. Customer does not grant mentioned quantity to Candidate after entering into contract.

- 3. confirms that it does not comply with any of the cases for the exclusion of candidates referred to in the Section 3 of the Request for Proposal;
- 4. confirms that it is informed of the fact that, upon the fulfilment of any cases regarding the exclusion of candidates referred to Section 3 of the Request for Proposal for Procurement during the period of validity of the Proposal, the Proposal of the Candidate may be refused or, in the case of granting the right to enter into an agreement, the Company may refuse to enter into a procurement agreement;
- 5. confirms that the Request for Proposal for the Procurement is clear and understandable, that it does not have any objections and complaints and that in case of granting the right to enter into an agreement it shall undertake to fulfil all conditions of the Request for Proposal as well as enter into a procurement agreement in accordance with the draft agreement enclosed with the Request for Proposal;
- 6. admits the period of validity of its Proposal for at least 100 days from the day of opening of the Proposal;
- 7. guarantees that all the information provided is true.

(Signature)

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⁵ When preparing the financial Proposal, the rules of Section 14.1 and 14.2 of the Request for Proposal shall be taken into account

SPECIFICATION

1. *RB Rail AS* background information and the project's objectives:

RB Rail AS is a joint venture between the three Baltic States established in October 2014, *RB Rail* AS has three equal shareholders: *SIA Eiropas dzelzceļa līnijas* in Latvia, *UAB Rail Baltica statyba* in Lithuania, and *OU Rail Baltic Estonia* in Estonia.

The main business of the Company is the design, construction and marketing (including branding) of the *Rail Baltic / Rail Baltica* railway – a new fast, conventional double-track, electrified railway line with a maximum design speed of 240 km/h for passengers and 120 km/h for freight, utilising European standard-gauge rails (1435 mm) on the route from Tallinn through Pärnu-Rīga-Panevezys-Kaunas to the Lithuanian-Polish border, with a Vilnius-Kaunas connection.

Total estimated Global Project costs are around 5 billion euros, largely financed by EU financial instruments, i.e., the Connecting Europe Facility (CEF). This is the largest infrastructure project in the Baltic States to date.

Rail Baltica is a geopolitically, ideologically and commercially diverse project with a multifaceted stakeholder structure. Therefore, common understanding of the purpose and values of the project, as well as the ability to demonstrate a unified approach and opinions are essential for the successful implementation of the entire project. Moreover, the *Rail Baltica* project is certain to come under close scrutiny from the public, governments and European institutions, because of its scale and financing sources (EU and the three Baltic States). *Rail Baltica*, as all large-scale infrastructure objects, is a strategic long-term investment project and its communication strategy should be developed and implemented accordingly. Thus, project overall communication tasks include, but are not limited to:

- Establish and maintain a common understanding of the purpose and values of the project;
- Co-ordination of the information flow between stakeholder groups;
- Marketing of the project to future clients (freight and passenger operators);
- Stakeholder management;
- Critical issue management.

Additional information about the project on the official site of the Rail Baltica: http://www.railbaltica.org/

2. Set targets:

- To raise awareness of the *Rail Baltica* project and its various economic, technical, financial aspects and future impact on countries participants within the stakeholders.
- To build a positive reputation for the project by creating a powerful brand story communicated in one voice in all three Baltic countries.
- To gain support from opinion leaders and industry experts for the project implementation and management team.
- To build trust and credibility for the *Rail Baltica* management team primarily among policy and decision makers as well as within the media.
- To manage communication in a manner that minimizes the appearance of negative opinions in the public space.
- To prepare for crisis communication.

3. Term of the contract - **3** years.

4. Stakeholder Groups

- 4.1. Primary stakeholder groups:
 - National/regional policy makers
 - European institutions
 - Regulatory bodies
 - Experts/Academia
 - Trade and Industry organisations
 - Potential and existing business partners/suppliers
 - Industrial consumers (Freight, Travel, Logistics)
 - Environmental and Social NGOs
 - Future passengers/ users
 - Media
- 4.2. Secondary stakeholder groups
 - Permit-issuing authorities
 - Communities/Municipalities
 - Land owners

5. Tasks for the contractual period:

- Development of the *Rail Baltic/Rail Baltica* project's **Pan-Baltic communication** strategy (yearly with revisions), outlining:
 - o communication objectives,
 - o key messages
 - o stakeholder groups,
 - o potential communication risks,
 - o communication channels,
 - \circ communication methods (for example, media, 3^{rd} party endorsements, conference),
 - communication approach for each stakeholder group.
- Development and implementation of communication action plan (in Latvia only) –key communication activities, budget, and resources allocated to delivery of the strategy.
- Content development: textual, visual, video (on average three activities per month press release, discussion, media or stakeholder event).
- Strategic management of social media communication
- Marketing communication development of printed materials to promote the project within stakeholder groups.
- Development of presentation content.
- Content creation for project website;
- Media relations;
- Media (print, internet, social, TV, radio) information flow analysis to identify upcoming or development of existing critical issues, advise on recommended actions;
- Regular meetings with the client on the communication strategy and tactics (analysis and adjustment) up to 16 hours a week;
- Crisis communication plan development and advisory;
- Reporting.

6. Key communication principles:

Transparency and openness

• Transparency and openness are two of the key communication principles. These principles will help address Baltic and European society and institutions, thereby increasing trust within the stakeholders for fair and open practice, implemented

throughout the project, from media to EU decision makers, getting support for further key decisions.

Interest harmonization - one Baltic voice

- Interest harmonization will ensure that *Rail Baltica* speaks with a consistent voice. Continuously sending out a consistent message is crucial.
- Issue variations in each Baltic country as well as the changing stages of project development must be taken into account and reflected in communication.

DRAFT

AGREEMENT

Riga, __date__

RB Rail AS, uniform registration number 40103845025, address: Gogoļa iela 3, Riga, LV-1050 (hereafter, the Customer), represented by its member of the Management Board Edvīns Bērziņš who is acting in accordance with the Articles of Association, on the one part, and

_____, uniform registration number _____, address _____ (hereafter, the Contractor), represented by _____ acting in accordance with _____, on the other part,

both hereinafter collectively and individually referred to as the Parties,

- a. whereas the Customer is implementing the European standard track width project Rail Baltica, within the scope of which the Customer needs public relations services;
- b. whereas the Contractor, pursuant to its offer (hereafter, the Offer) submitted for the procurement organised by the Customer "Public relations services, development of communication strategy for RB Rail AS coordination of public information in Latvia, Lithuania and Estonia, as well as informing the public about the implementation of the "Rail Baltica" railway project and its implementation process", has undertaken to provide public relations services to the Customer,
- c. whereas, based on results of the procurement, the right to conclude the agreement has been granted to the Contractor,

hereby enter into the following agreement (hereafter, the Agreement):

1. SUBJECT OF THE AGREEMENT

1.1. The Customer orders and the Contractor undertakes to develop a Pan-Baltic Communication strategy to the Customer (hereafter, the Product) within the scope of the project Rail Baltica implemented by the Customer. The Product shall be developed and agreed with the Customer within 2 (two) months from the entering of this Agreement into effect.

1.2. The Customer orders and the Contractor undertakes to elaborate a Communication action plan and provide public relations services to the Customer and to organise publicity events, all in Latvia (hereafter, the PR Services), within the scope of the project Rail Baltica implemented by the Customer. Hereafter both Product and PR Services together referred to as the Services.

1.3. The Contractor shall provide the Services in accordance with the provisions of the Agreement and its annexes –Specification (Annex No. 1 to the Agreement) and Offer (Annex No. 2 to the Agreement) and subject to the requirements of the Customer.

1.4. The Services shall be provided in the Latvian and English language.

1.5. The Agreement consists of the following parts which shall be deemed integral parts of the Agreement:

- 1.5.1. Text of the Agreement;
- 1.5.2. Annex No. 1 to the Agreement: Specification of the procurement;
- 1.5.3. Annex No. 2 to the Agreement: Offer of the Contractor for the procurement;

1.6. In case of any unconformities or discrepancies among the aforementioned documents, the documents shall have the same priority as they are listed in Clause 1.4 of the Agreement.

2. PROVISION OF SERVICES

2.1. Not later than 15 October of the year before the next calendar year the Contractor shall draft and agree with the Customer a work plan for the next calendar year and the estimated budget thereto. If this Agreement is signed during an ongoing calendar year, the Contractor shall draft and agree with the Customer the work plan and the estimated budget for the remaining months of the ongoing calendar year not later than within 75 days after the entering of this Agreement into effect.

2.2. The Contractor shall provide the Services on the basis of separate work tasks communicated by the Customer to the electronic mail address of the Contractor.

2.3. The Contractor shall perform the work tasks of the Customer within the deadlines and in the volumes approved by the Parties.

2.4. The persons involved in the performance of the Agreement on the Contractor's part whose qualification has been evaluated and accepted by the Customer within the procurement may be replaced with other persons only with prior consent of the Customer. The Customer is entitled to object to such replacement if the qualification of such person is not equal or better to the qualification of the replaceable person.

2.5. Approval of the work tasks to be given within the scope of the Services and communication between the Parties shall be ensured by the following liaison persons of the Parties:

2.5.1. Customer's liaison person: __position__, __name, surname__, tel. __, e-mail: __;

- 2.5.2. Contractor's liaison person: position, name, surname, tel., e-mail:;
- 2.6. During the absence of the Parties' liaison persons their duties shall be carried out by other respectively qualified employees of the Parties.

2.7. The Contractor shall prepare by the 5th date of the current month and submit to the Customer the delivery and acceptance certificate signed on its part in respect of the Services provided in the previous month.

2.8. The Customer shall review the delivery and acceptance certificate not later than within 5 (five) business days as of the receipt thereof and sign the delivery and acceptance certificate thereby confirming the compliance of the Services rendered with the Agreement and requirements of the Customer, or raise reasonable objections in respect to the Services rendered. The objections thereto must be expressed in a written form and communicated by electronic mail to the Contractor's liaison person.

2.9. The delivery and acceptance certificate signed on the part of the Customer shall serve as a basis for issuing invoice by the Contractor for the Services rendered in the previous month.

2.10. If the Customer has not signed the delivery and acceptance certificate for the Services rendered in the previous month and has not raised reasonable objections within the term and manner specified in Clause 2.8 of the Agreement, the Customer shall be deemed to have approved the compliance of the Services rendered.

3. TECHNICAL SERVICES

3.1. The Technical Services include, but are not limited to, services of catering (including food and drinks), photographer, translation, production of advertising materials and other services necessary to provide the Services and to duly perform the Agreement.

3.2. In case if the Contractor is organising the provision of the Technical Services, costs related to the Technical Services shall be agreed between the Parties' liaison persons in a written form by electronic mail and approved by the Customer prior to the provision of these services (hereafter, the Costs of Technical Services). The Customer is entitled to engage and

remunerate the providers of the Technical services itself while coordinating such engagement with the Contractor.

4. FEE AND PAYMENT

4.1. For the Product rendered and accepted in the manner and within the terms provided for in the Agreement, the Customer shall pay to the Contractor **EUR** (____euro and ____cents) (hereafter, the Price) comprised of:

- 4.1.1. Price for development of the Product in the amount of EUR (___euro and ___cents), and 4.1.2. Value added tax (hereafter, the VAT) which on the date of conclusion of this Agreement
- is 21%, i.e., EUR _____ (___euro and ____cents).

4.2. For the PR Services rendered and accepted in the manner and within the terms provided for in the Agreement, the Customer shall pay to the Contractor **EUR (____euro and ____cents) per hour** (hereafter, the Fee) comprised of:

- 4.2.1. Fee for provision of the PR Services in the amount of EUR (____euro and ____cents) per hour, and
- 4.2.2. Value added tax (hereafter, the VAT) which on the date of conclusion of this Agreement is 21%, i.e., EUR ______ (___ euro and ___ cents).

4.3. The Fee shall be calculated in accordance with the actual time which the employees of the Contractor work on PR Services. The minimum time unit for the purposes of calculating the Fee is 0,1h (6 minutes). The Fee includes payment for any and all expenses incurred by the Contractor in the course of provision of the PR Services and due performance of the Agreement, except for the Costs of Technical Services referred to in Clause 4.4.

4.4. In addition to the Fee, the Customer shall compensate the Contractor the Costs of Technical Services in their actual amount.

4.5. The Contractor shall substantiate the amount of the Costs of Technical Services by submitting to the Customer the copies of the source documents submitted by the providers of the Technical Services (invoices, delivery notes and other documents).

4.6. The Customer shall make the payment within 15 (fifteen) business days as of the mutual signing of the delivery and acceptance certificate and receipt of the invoice from the Contractor by transfer of the payment to the bank account specified in the Contractor's invoice.

4.7. The date of payment shall be deemed the date on which the bank through which the Customer makes payments has received the relevant payment order.

5. INTELLECTUAL PROPERTY RIGHTS

5.1. The Customer acquires the author's property rights to the work created within the scope of the Services which, according to the laws of the Republic of Latvia, may be transferred to third parties. The author's property rights include, but are not limited to, the rights to communicate the work to the public, publish, distribute, reproduce, translate or modify the work. The Customer is entitled to use the work created within the scope of the Services in any manner and an unlimited number of times in Latvia, Lithuania, Estonia and other countries.

5.2. The Contractor confirms that in the course of provision of the Services, the Contractor will ensure that the rights of the copyright holders are respected and there will be no infringements of any copyrights. If necessary, the Contractor shall obtain all the necessary permits, consents and licences for the use of the work protected by the intellectual property rights.

5.3. The Contractor agrees that the costs of all the necessary permits, consents, licences etc., if any such will be incurred in relation to provision of the Services and due performance of the Agreement, are included in the Fee.

6. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 6.1. Rights and Obligations of the Customer:
 - 6.1.1. to adhere to the provisions of the Agreement;
 - 6.1.2. to a reasonable extent supply the Contractor with information, as well as provide answers to the Contractor's questions required for provision of the Services;
 - 6.1.3. to accept Services duly provided by the Contractor pursuant to the Agreement and pay for them;
 - 6.1.4. to perform at his own expense the control over performance of the Agreement, engaging professionals and experts, if necessary.
- 6.2. Rights and obligations of the Contractor:
- 6.2.1. to adhere to the provisions of the Agreement;
- 6.2.2. to comply with the Communication policy guidelines defined by the Customer (Annex No. 3 to the Agreement);
- 6.2.3. to cooperate with the Customer, its shareholders and third parties;
- 6.2.4. to independently request, receive and assess information required for provision of the Services.

6.3. Parties shall immediately notify the other Party in writing on any circumstances occurring irrespective of their action and hindering provision of the Services according to deadlines and procedure set in the Agreement.

7. LIABILITY

7.1. If the Contractor fails to deliver the Services by the Parties' approved deadlines as provided for in the Agreement, and the Contractor's delay has not occurred due to the Customer's fault, the Contractor shall pay the Customer a contractual penalty in the amount of EUR 150 for each day of delay, but not exceeding in total 10% of the Fee for the Services rendered in the relevant month.

7.2. For failure to make payments when due under the Agreement, the Customer shall pay to the Contractor a contractual penalty amounting to 0.05 % (zero point zero five per cent) of the outstanding amount for each day delayed, but not exceeding 10% of the sum of the delayed payment.

7.3. Payment of the contractual penalty shall not release the Parties from performance of obligations.

7.4. Neither of the Parties shall be liable for non-fulfilment of its obligations under this Agreement if fulfilment of obligations provided in this Agreement is delayed or impossible due to force majeure. Force majeure is natural disasters, war and any type of war operations, siege, epidemic, regulatory enactments issued by Saeima and the Cabinet of Ministers of the Republic of Latvia that affect performance of this Agreement and are binding to the Parties, and other circumstances of extraordinary character beyond the reasonable control by the Parties that the Parties could not foresee during fulfilment of the Contract. The Party which refers to force majeure must prove occurrence of these circumstances.

8. CONFIDENTIALITY

8.1. The Parties agree that any information obtained in the course of fulfilment of the Agreement, incl. information obtained by one Party on the other Party, ideas, methods and work techniques of the Contractor, as well as information obtained by the Contractor in the course of performance of work from the third parties will be considered as confidential.

8.2. The Parties undertake not to disclose without a prior written consent of the other Party any information obtained in the course of fulfilment of the Agreement, save for the cases referred to in Clause 8.4 of the Agreement. This provision shall be applicable during the validity

of the Agreement, and shall remain effective also after the expiration or termination of the Agreement.

8.3. The Parties undertake to provide information to their employees only to the extent required for provision of the Services and due performance of the Agreement.

8.4. When information referred to in Clauses 8.1 and 8.2 of the Agreement is requested by the competent authorities duly authorised by applicable laws, the Party is entitled to disclose such information without prior approval of the other Party.

8.5. The Party which itself or through its engaged persons is in breach of the confidentiality obligation, shall compensate direct losses incurred by the other Party.

9. VALIDITY OF THE AGREEMENT AND TERMINATION

9.1. The Agreement shall take effect as of the date of its signing by both Parties and it is concluded for the period of three years until ______.

9.2. Each Party shall have a right to unilaterally terminate the Agreement, having notified the other Party in writing 30 (thirty) days in advance.

9.3. The Customer is entitled to unilaterally terminate the Agreement having notified the Contractor in writing 10 (ten) days in advance in one of the following cases:

- 9.3.1. the Contractor misses deadlines set by the Parties for provision of the Services under the Agreement by more than 5 (five) days;
- 9.3.2. the Contractor is in breach of other contractual obligations or liabilities, and the Contractor has not eliminated the breach within 5 (five) days from receipt of respective written notice from the Customer;
- 9.3.3. the Contractor has been declared insolvent, legal protection process or liquidation of the Contractor has been initiated.

9.4. In case of early termination of the Agreement the Parties shall draft and mutually sign a special deed on actually provided volume and value of Services. The Customer shall approve the Services to the extent completed and compliant with the Agreement. The Customer shall pay to the Contractor for the Services provided on the basis of duly drafted and mutually signed deed. The Customer is entitled to withhold from the payment the contractual penalties accrued. In the case referred to in this clause above the Parties shall settle mutual payments within 10 (ten) days from signing of the deed.

10. DISPUTE RESOLUTION

10.1. Any disagreements arising between the Parties concerning performance of the liabilities as per the Agreement shall be resolved by way of mutual negotiations. The agreement reached shall be documented in writing.

10.2. If no agreement is reached, the dispute shall be settled in the court of the Republic of Latvia according to the procedure set by the laws of the Republic of Latvia.

11. FINAL PROVISIONS

11.1. If the final day of a time period referred to in this Agreement is Saturday, Sunday or a holiday prescribed by law, the following working day shall be considered the final day of the time period.

11.2. Rights and obligations not covered by this Agreement are regulated according laws of the Republic of Latvia.

11.3. The Agreement has been signed in two identical copies, one copy for the Customer and the other for the Contractor.

12. DETAILS OF THE PARTIES

Customer:	Contractor:
RB Rail AS	
Uniform registration No. 40103845025	Uniform registration No.
address: Gogoļa iela 3, Riga, LV-1050	address:
Account details:	Account details:
bank:	bank:
SWIFT code:	SWIFT code
Account number	Account number
Baiba Rubesa	
Member of the Management Board	