Agenda of the meeting between RB Rail AS and MTÜ ARB in September 18, 2017

1. Opening remarks and introduction of participants

2. Confirmation of the Agenda and selection of the Chairman of the meeting

3. Presentation of "Major mistakes in Rail Baltic CBA made by EY", Priit Humal, Karli Lambot, Illimar Paul, Raul Vibo (http://avalikultrailbalticust.ee/PDF/RB%20EY%20errors.pdf) and main topics of this study

3.1. What is the type of vehicle and considerations for assumption „Heavy Truck Fuel % OPEX: 25%" (pg 147)?

3.2. On what considerations lower excise tax rate is used in assumptions than is valid today and why this rate is assumed not to grow together with the forecasted real growth of the GDP per capita as all transport external costs used in calculations?

3.3. What is the type of vehicle and considerations for assumption air pollution rate 0.10 €/vkm "Outside city" and 0.22 €/vkm "Within city" (pg 146)?

3.4. What proportion of "Outside city" and "Within city" is used in the calculation of total air pollution costs caused by trucks?

3.5. The CBA does not consider railway construction time environmental costs, permanent environmental costs, neither electricity production emissions that are required to run the electric locomotives. Please explain how this is in line with the EU CBA guidelines.

3.6. Have you submitted CBA to DG Move or DG Regio?

3.7. Please advise the names and titles of the experts who have approved the CBA as stipulated in your reply 8.07.2017.

3.8. Has CBA got approval from EY internal quality checking? If so please provide the copy of the certificates. The report is lacking the QA/QC information.

3.9. The largest issue concerns the truck air pollution rate in motorways (10 €ct/km) that is used in the calculation of the socio-economic benefit. The total undiscounted value obtained from this assumption is 3.3 billion euro, about 20 percent of the total socio-economic impact. According to the referenced source, such an air pollution rate corresponds to EURO I or EURO II trucks. During the time 2026-2055, it would be reasonable to expect EURO VI or better trucks to be used. The emission rate for these trucks is 25 times lower, as shown in the referenced source (0.4 €ct/km). This correction results in a 3 billion euro reduction of the socio-economic benefit.

3.10. The correction of the long-haul road transport vehicle type reduces the undiscounted socio-economic benefit by 220 million euros.

3.11. The correction of the predicted fuel excise growth decreases the undiscounted socio-economic benefit by 930 million euros in addition.

3.12. We notice that direct GHG emissions and other environmental impacts caused by the

construction process and the new railway corridor have not been considered in the socio-economic impact calculations thus presenting the project more favourable than it actually is.

3.13. The cost savings of the rail freight on page 179 (table 77) and on page 75 (table 26) of the CBA shows example calculations of terminal to terminal rail freight costs, comparing them with door to door road freight costs. This fails to consider the costs it takes to ship freight from a customer's door to the railway terminal and from the destination railway terminal to the customer's door. Failure to account for door to terminal and terminal to door costs of rail transport overestimates the benefits i.e. cost savings of the rail freight and expected operator fees.

3.14. Deadlines of publication of the documents cited in CBA. If any documents can't be made publicly available we expect you can provide short explanation of the specific reasons for the closure.

4. Institutional governance structure for the delivery of the Rail Baltica Global Project Cost-Benefit Analysis

5. EY presentation of the CBA importance and its preparation process, including methodological principles of cost-benefit analysis (including EU CBA Guide)

6. Explanations regarding selected CBA assumptioe

7. Q&A and summary