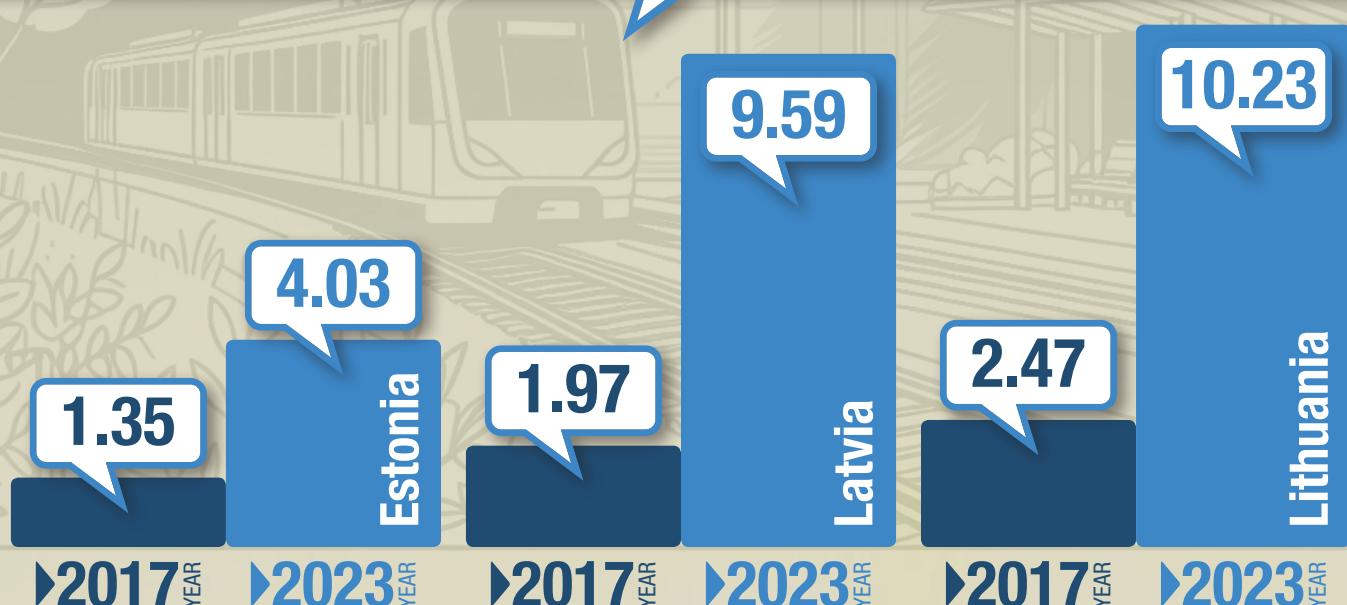# SUPREME AUDIT INSTITUTIONS OF THE BALTIC STATES IN JOINT REPORT: RAIL BALTICA PROJECT IS FACING A 10-19-BILLION EURO BUDGET DEFICIT

The progress of the Rail Baltica project is at risk, because the estimated cost has increased fourfold in seven years and may create ▶10-19 bn EUR budget deficit depending on the scope of the project, the Supreme Audit Institutions of Estonia, Latvia and Lithuania found in their joint report

The situation is aggravated due to the foreseeable two-year financing gap in 2027-2028 by the European Union which demands greater contribution by three Baltic States

Cost increase

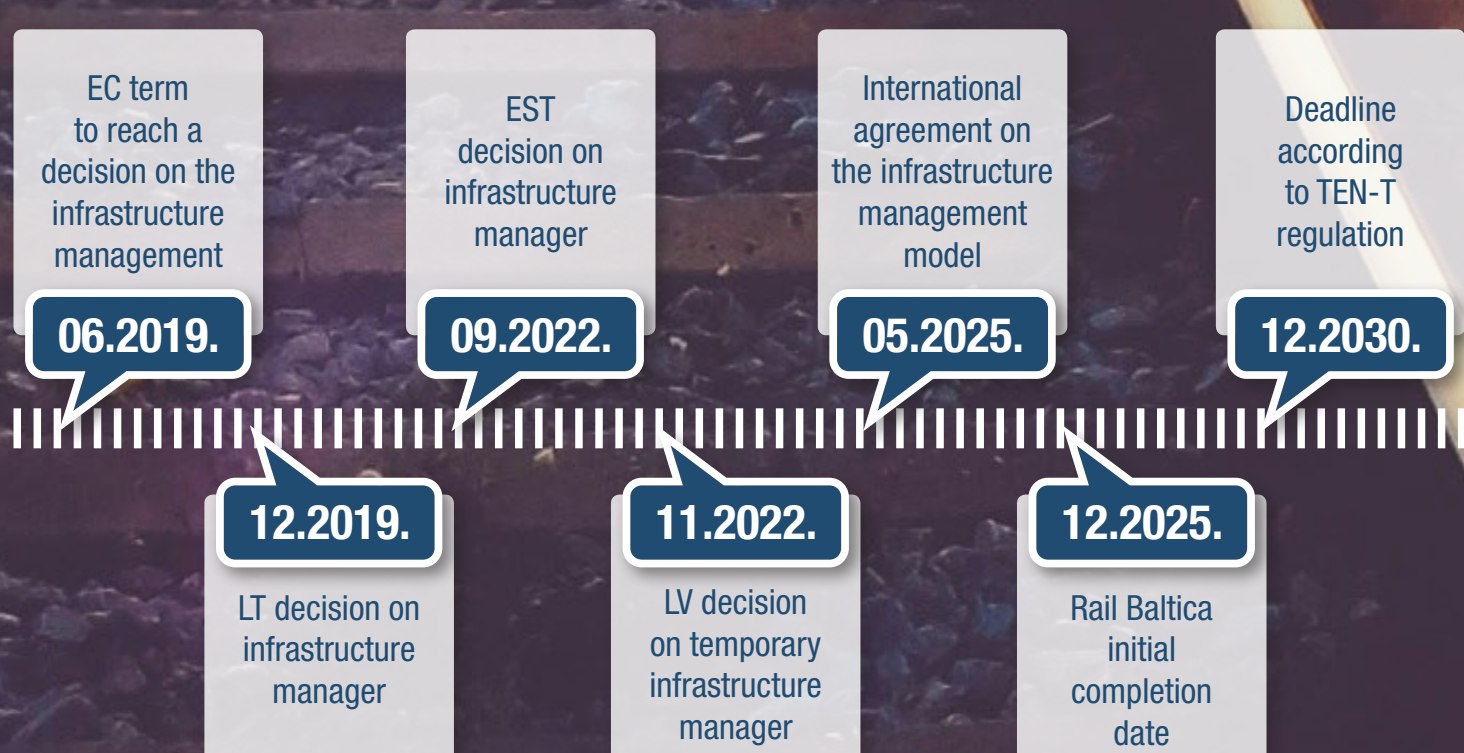|	Estonia		Latvia		Lithuania
1.35	4.03	1.97	9.59	2.47	10.23
▶2017 YEAR	▶2023 YEAR	▶2017 YEAR	▶2023 YEAR	▶2017 YEAR	▶2023 YEAR

THE PROJECT IS AT LEAST FIVE YEARS BEHIND SCHEDULE

The main reason for the delays is the delay in the detailed technical design and delayed territorial planning. It also affects land acquisition

2024 2025 2026 2027 2028 2029 2030

The completion of the railway is delayed for at least **five years**

So far the only decision about the infrastructure management taken by the three Baltic States is that each country will have a separate independent infrastructure manager. Yet, there is still only interim infrastructure manager in Latvia

PROCESS OF DECIDING ON AN INFRASTRUCTURE MANAGEMENT MODEL

EC term to reach a decision on the infrastructure management	EST decision on infrastructure manager	International agreement on the infrastructure management model	Deadline according to TEN-T regulation
06.2019.	09.2022.	05.2025.	12.2030.

12.2019.	11.2022.	12.2025.
LT decision on infrastructure manager	LV decision on temporary infrastructure manager	Rail Baltica initial completion date

In case the first phase of the railway construction should be completed by 2030, there is a risk that there will be no trains to operate on the railway in 2031

Available assessments suggest an eight-year timeline for procuring trains	Ministries responsible for transportation have not yet decided on the acquisition method for international trains	Potential acquisition methods include: Leasing the trains Owning the trains Requiring passenger operators to have their own trains

No decision on the acquisition method of trains, and decisions should be made as soon as possible	Estimated cost of ▶300 m EUR	Costs not included in the project budget