
Bauska Bypass PPP project

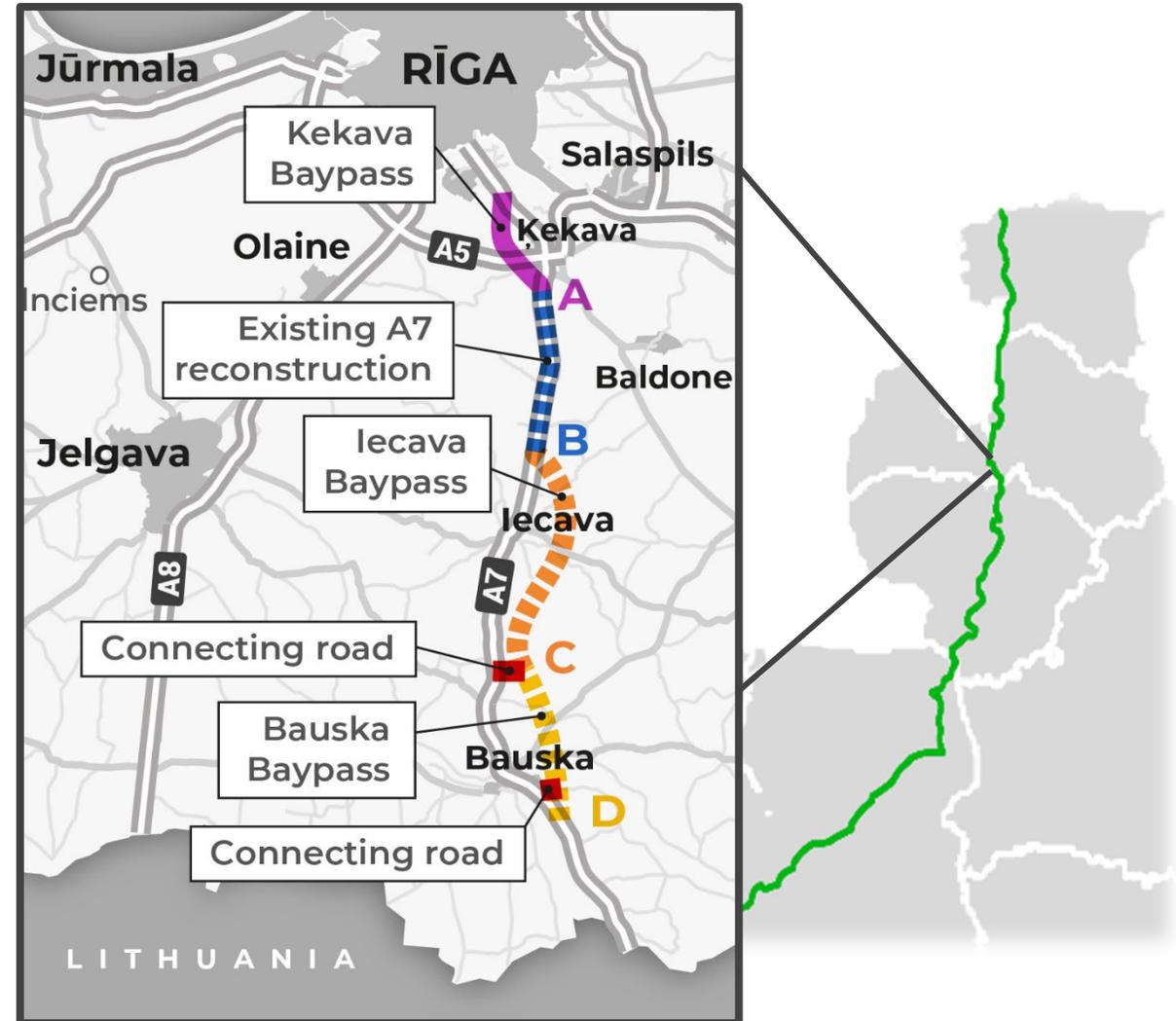
OPEN DAY I

RIGA, JUNE 11, 2025

Mārtiņš Lazdovskis,
Chairman of the Board,
Latvian State Roads, State Ltd.

Why Bauska Bypass?

- National main road A7 Riga–Bauska–Lithuanian border (Grenctāle) part of:
 - European transport network (TEN-T) North Sea-Baltic corridor;
 - European route E67 or *Via Baltica* (from Tallinn to Warsaw).
- International passenger and transit freight transport flow.
- Military mobility between the Baltic States and the EU.
- The existing A7 passing through the town of Bauska causes noise and air pollution, vibrations, and severely affects road safety and quality of life.



Why PPP for Bauska Bypass?

It is the MOST SUITABLE implementation model for the project.*

***Financial and Economic Feasibility Study, 2022**

Financing Opportunities for the Reconstruction of the Section of the National main road A7 from Riga–Bauska–Lithuanian Border from Kekava Bypass to Bauska

Government decision



- In response to the pressing traffic issue, the government made a decision regarding implementation of the Bauska Bypass PPP project.

- Cabinet of Ministers' Order dated June 14, 2024 No. 469

On initiating the public-private partnership procedure for the first stage – Bauska Bypass of the reconstruction project for the section of the National main road A7 from Riga-Bauska-Lithuanian border (Grenctāle) from Kekava Bypass to Bauska (Ārce), acquisition of real estate for the second stage - Iecava Bypass of the project and determining the status of national interest objects for the infrastructure of the Bauska Bypass and Iecava Bypass.

Bauska Bypass PPP in brief

Type of the PPP contract	DBFM (Design – Build – Finance – Maintain)
Duration of the PPP contract	23 years: <ul style="list-style-type: none">• 3 years for design and construction• + 20 years maintenance
Type of payment	Availability payment
Public partner	Ministry of Transport & <i>Latvian State Roads</i> , state Ltd.
Private partner	Public procurement (competitive procedure with negotiations)
Balance sheet treatment	Off government balance sheet
Gross availability payment	EUR 263 306 000–290 726 000* excl. VAT

**Due to the impact and proximity of the Rail Baltica project, technical solutions may change, potentially affecting the project's Capex.*

Technical data in brief 1/3

BAUSKA BYPASS

New road section

Planned road cross-section NP 26
four-lane road

14.25 km

Connecting road near Code Parish

Planned road cross-section NP 10.5A
two-lane road

2.23 km

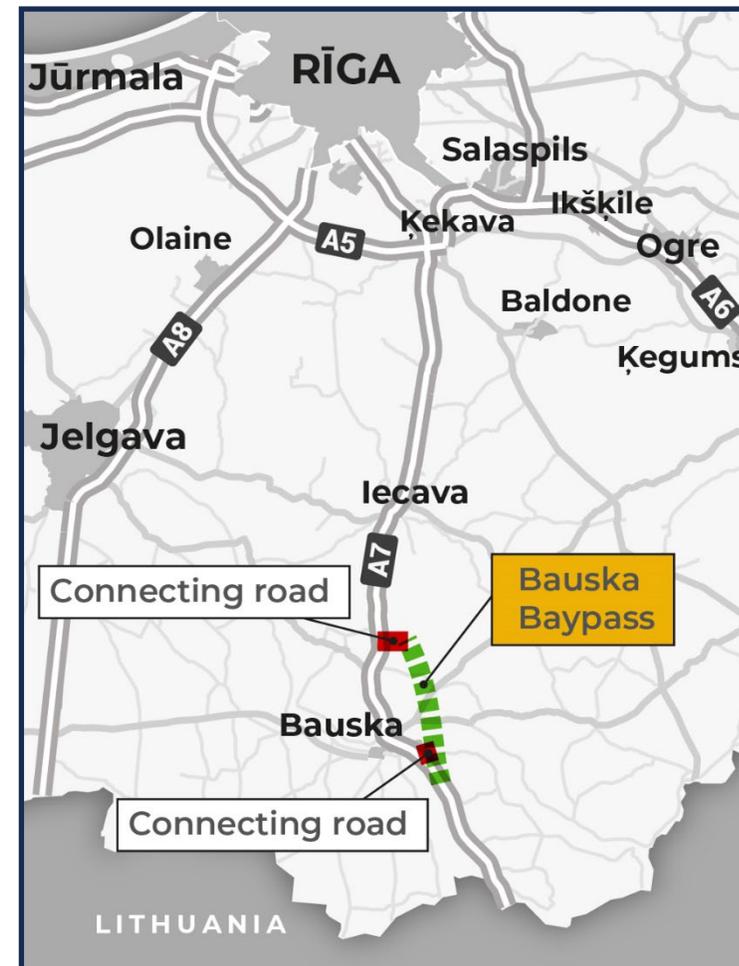
Connecting road near Bauska Town

Planned road cross-section NP 10.5
two-lane road

2.73 km

Total length:

19.21 km



Technical data in brief 2/3

STRUCTURE AND JUNCTIONS

Two grade-separated junctions

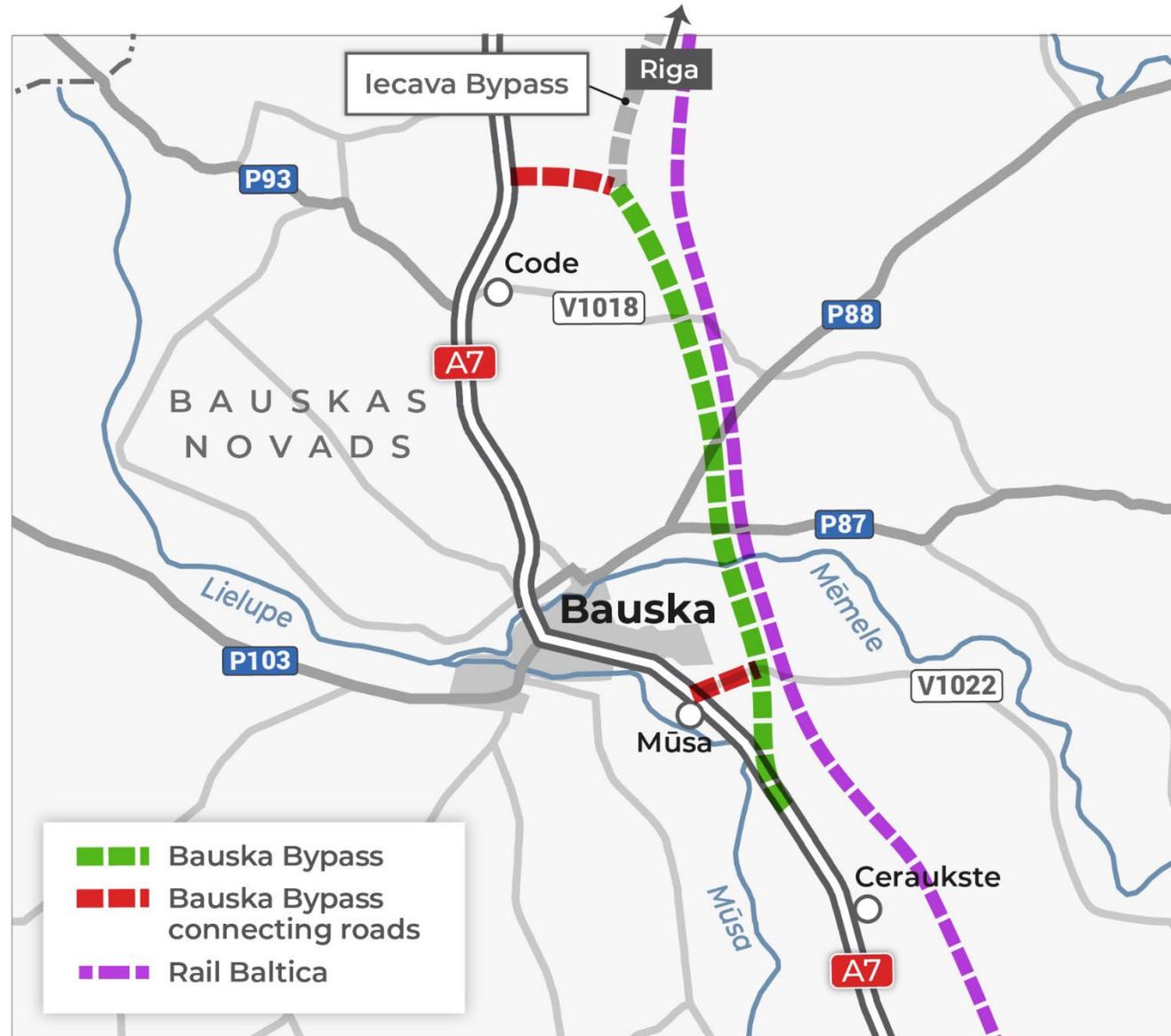
Two roundabouts to connect with existing A7

One bridge over the River Mēmele

One grade-separated pedestrian/cyclist bridge



Technical data in brief 3/3



Technical readiness

- **Technical Feasibility Study**

The original Technical Feasibility Study for the E67 *Via Baltica* section A4 (Saulkalne)–Bauska (Ārce) was completed in 2009.

- **Environmental Impact Assessment (EIA)**

Conducted in 2009 for the construction of the main national road E67 section A4 (Saulkalne)–Bauska (Ārce) and approved in accordance with the Law on Environmental Impact Assessment. The EIA remains valid and does not have an expiry date.

- **Updated Technical Feasibility Study**

The update of the Technical Feasibility Study started in 2023 and will be completed in June 2025.

This update also includes revisions to address environmental considerations for the Project.

A decision issued by the State Environmental Service in November 2024 states that **IT IS NOT REQUIRED** to conduct a new EIA process.

Addressing climate risks



Climate Risk and Vulnerability Assessment (CRVA)
to be completed In August 2025

Land acquisition

Total land take 198.4 ha



arable land
172.2 ha



forests
16.1 ha



others
10.1 ha

- Land acquisition to be completed by the Latvian State Roads **by the Financial close**
- Corridor extents to be defined upon completion of the Technical Feasibility Study **update in June 2025**

Cooperation with European institutional banks



Following successful cooperation on the Kekava Bypass PPP project, *Latvian State Roads* has initiated negotiations with several European institutional banks including:

- the European Investment Bank (EIB)
- the Nordic Investment Bank (NIB)
- the European Bank for Reconstruction and Development (EBRD)

regarding potential funding for the Bauska Bypass PPP project.

Preliminary project milestones



We welcome your feedback, suggestions, and comments on technical, legal, and financial aspects at: **bauskabypass@LVCELI.LV**
Please follow updates at: www.lvceli.lv.

**Please note that Latvian State Roads are not obliged to respond to, or incorporate, any feedback in the Project documentation.*