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If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia

Cabinet

Regulation No. 435

Adopted 28 July 2015

**Procedures for the Determination and Compensation of the Losses and Expenditures Related to the Provision of Public Transport Services and for the Determination of the Tariff for a Public Transport Service**

*Issued pursuant to*

*Section 5, Paragraph three, Clause 4, Section 11, Paragraphs one, two, and 2.1, Section 12, Paragraph three, and Section 16, Paragraph two of the Law on Public Transport Services* [*14 September 2021*]

**I. General Provisions**

1. The Regulation prescribes the procedures by which:

1.1. *valsts sabiedrība ar ierobežotu atbildību “Autotransporta direkcija”* [State limited liability company Road Transport Administration] (hereinafter – the Road Transport Administration) shall ensure the administration and granting of the financial resources allocated to the public transport from the State budget in the budget programme 31.00.00 “Public transport” of the Ministry of Transport;

1.2. the losses of a carrier shall be determined and calculated, the losses related to the provision of public transport services shall be reimbursed to a carrier, and the legality and correctness of the use of these resources shall be controlled;

1.3. the funding for local governments from the State budget shall be determined and calculated for compensation of the losses of a carrier, the funding from the State budget shall be granted to local governments for them to be able to compensate the losses related to the provision of public transport services to a carrier, and also the legality and correctness of the use of these resources shall be controlled;

1.4. the expenditures related to the introduction of the minimum quality requirements stipulated by the State shall be determined, calculated, and reimbursed for a carrier and the funding from the State budget shall be granted to local governments for them to be able to compensate the expenditures related to the introduction of the minimum quality requirements stipulated by the State to a carrier, and also the legality and correctness of the use of these resources shall be controlled;

1.5. the tariff for a public transport service shall be determined;

1.6. the amount of losses to be reimbursed to a carrier in relation to the provision of public transport services shall be determined and reimbursed;

1.7. a local government is entitled to co-finance the losses related to the provision of public transport services in subsidised routes (voyages) of the route network of regional significance or city significance.

[*14 September 2021*]

2. The following losses and expenditures which are related to the performance of a procurement contract of public transport services shall be compensated to a carrier:

2.1. if the contracting authority has determined the tariff for a public transport service – the losses which have occurred if the necessary costs related to the performance of the procurement contract of public transport services exceed the revenues obtained;

2.2. if the contracting authority has or has not determined the tariff for a public transport service – the losses for carriage of passengers of such categories for which the local government has determined fare reliefs;

2.3. [1 January 2017 / See Paragraph 103];

2.4. the expenditures which have occurred for a carrier, in introducing the minimum quality requirements stipulated by the contracting authority or laid down in the laws and regulations regarding public transport services after the provision of public transport services has been commenced, if the introduction of the abovementioned requirements exceeds the expenditures related to ensuring of the quality requirements laid down previously;

2.5. if the contracting authority has or has not determined the tariff for a public transport service – the losses for carriage of such passengers for whom fare reliefs have been determined according to the regulations regarding fare reliefs;

2.6. if the contracting authority has or has not determined the tariff for a public transport service – the local government, on the basis of the trilateral contract governed by public law concluded, may co-finance the losses which have occurred, in executing the procurement contract of public transport services, in the cases referred to in this Regulation.

[*14 February 2017; 27 June 2017; 14 September 2021*]

3. The fare for the provided public transport services which has not been received from a passenger shall be considered as the losses for carriage of such passengers for whom fare reliefs (including the value added tax calculated) have been determined in accordance with the laws and regulations or they have been determined by the local government.

[*14 September 2021*]

4. The necessary costs to be compensated and referred to in Paragraph 2 of this Regulation in bus routes of regional significance shall be determined by taking into account the procedures referred to in Paragraphs 46, 47, 48, and 49 of this Regulation.

5. The procedures referred to in Paragraph 4 of this Regulation by which the necessary costs to be reimbursed and related to the performance of the procurement contract of public transport services shall be calculated are not applied if the amount of the compensation is determined in accordance with the procedures referred to in Paragraph 56 of this Regulation.

**II. Financing**

6. The following shall be reimbursed to a carrier from the resources provided for this purpose in the State budget in the budgetary programme 31.00.00 “Public transport” of the Ministry of Transport:

6.1. the losses referred to in Sub-paragraph 2.1 of this Regulation if they are related to carriage in routes of regional significance;

6.2. the losses referred to in Sub-paragraph 2.1 of this Regulation if they are related to carriage in a route network of city significance in the case laid down in Section 7 of the Law on Public Transport Services – the losses that have occurred for the part of the route which is outside the administrative territory of the city if this part of the route is more than 30 % of the total length of the route;

6.3. [1 January 2017 / See Paragraph 103];

6.4. the expenditures referred to in Sub-paragraph 2.4 of this Regulation which are related to the introduction of the quality requirements laid down in laws and regulations in routes of regional significance;

6.5. the losses referred to in Sub-paragraph 2.5 of this Regulation for carriage of such passengers in routes of regional significance and routes of city significance for whom, according to the regulations regarding fare reliefs, fare reliefs have been laid down.

[*14 February 2017;27 June 2017*]

7. The losses and expenditures referred to in Sub-paragraphs 2.1, 2.2, and 2.4 of this Regulation which have occurred in the route network of city significance shall be financed from the budget of the contracting authority.

8. The losses referred to in Sub-paragraph 2.2 of this Regulation for carriage of the passengers of such categories who have the right to use the public transport with fare reliefs stipulated by the contracting authority shall be included in the total losses and financed from the budget of the contracting authority. The abovementioned losses shall be recorded separately and, in determining the amount of the compensation, the contracting authority and the carrier shall settle accounts for them separately.

9. [1 January 2017 / See Paragraph 103]

9.1 The losses referred to in Sub-paragraph 2.5 of this Regulation for carriage of such passengers for whom, according to the regulations regarding fare reliefs, fare reliefs have been laid down shall be included in the total losses by determining the total amount of losses in accordance with Sub-paragraph 2.1 of this Regulation. The abovementioned losses shall be recorded separately.

[*14 February 2017; 27 June 2017*]

10. In organising experimental carriage, the carrier and the contracting authority shall conclude the contract laid down in the laws and regulations governing organisation of public transport services for the performance of experimental carriage, agreeing on the procedures for financing and the source of financing.

11. Resources for the disbursement of the compensations referred to in Paragraph 6 of this Regulation shall be provided for in the State budgetary programme 31.00.00 “Public transport” of the Ministry of Transport. In accordance with the proposals of the Public Transport Council, the Ministry of Transport shall divide the resources granted in the State budgetary programme 31.00.00 “Public transport” among:

11.1. the carriers which provide public transport services in routes of regional significance with buses;

11.2. the carriers which provide public transport services in routes of regional significance by rail;

11.3. the local governments of State cities in order to compensate the losses in routes of city significance which have occurred for carriers.

[*18 February 2021*]

12. In order to ensure the calculation of the compensations referred to in Paragraph 6 of this Regulation:

12.1. the Road Transport Administration shall, in accordance with Section 6 of the Law on Public Transport Services and Paragraph 13 of this Regulation, each year update the extent of the route network for the next reporting year for each carrier which provides public transport services in route of regional significance and the Public Transport Council shall approve it by 1 April;

12.2. the Road Transport Administration shall perform the projected calculations for the next calendar year regarding carriage of regional significance on the basis of the approved route network, and also by taking into account the procedures for the calculation of the compensation for losses laid down in the procurement contracts of public transport services and the planned number of passengers and revenues. After preparation of the projections, the Road Transport Administration shall, by 1 June of the current year, coordinate them with carriers;

12.3. a local government of the State city shall, each year by 1 May, submit calculations to the Road Transport Administration on the necessary amount of the compensation from the State budget for the next year in accordance with the information and report referred to in Sub-paragraphs 36.3 and 36.4 of this Regulation.

[*18 February 2021; 14 September 2021*]

13. When approving the planned extent of the route network for the next year in routes of regional significance (in kilometres), the Public Transport Council shall provide for that the extent of the route network cannot change by more than 5 %, except for the case if changes in the route network are necessary due to social and economic changes (for example, essential changes in the passenger flow).

14. When performing the calculations referred to in Sub-paragraph 12.3 of this Regulation, the local government of a State city shall comply with the conditions referred to in Paragraphs 7, 8, and 9.1 of this Regulation and in the procurement contracts of public transport services.

[*14 September 2021*]

15. The Road Transport Administration shall, within a month after receipt of the calculations and information referred to in Paragraphs 12 and 36 of this Regulation and coordination of the projected calculations, provide information to the Public Transport Council on the amount of funding necessary for local governments of State cities and carriers in a route of regional significance in the next calendar year and in medium term.

[*14 September 2021*]

16. The Public Transport Council shall, in conformity with the schedule for the preparation of the draft medium-term budget framework and the draft annual State budget approved by the Cabinet, examine the request for the State budget for organising of public transport services, assessing its conformity with the transport development guidelines, the principles for the provision of public transport services laid down in Section 6, Paragraph four of the Law on Public Transport Services, the planned extent of the route network for the current year, and the quality requirements laid down in the laws and regulations or the procurement contracts regarding services, and shall provide proposals to the Ministry of Transport on the necessary amount of the funds from the State budget in the next calendar year and in medium term.

17. If the funds from the State budget granted in the annual State budget law are not sufficient in order to compensate the losses referred to in Paragraph 6 of this Regulation and do not ensure conformity with the requirements referred to in Paragraph 16 of this Regulation, the Public Transport Council shall review:

17.1. the extents of the planned route network of regional significance for the next year (kilometres);

17.2. the planned tariffs for the next year (fare);

17.3. the quality requirements for a public transport service which are provided for in the procurement contracts of public transport services and in laws and regulations, however, have not reached the time periods for introduction.

18. If, after taking of the measures referred to in Paragraph 17 of this Regulation, there is insufficiency of resources in the State budget programme 31.00.00 “Public transport” of the Ministry of Transport in order to fully compensate the losses and expenditures, the Cabinet shall decide on the extent of the necessary route network of regional significance, the amount of funding, and the source of funding.

19. The Road Transport Administration and local governments of State cities shall review the calculations referred to in Paragraph 12 of this Regulation and the justification if, when fulfilling the public transport services in the current year, the following has occurred due to social and economic changes:

19.1. the extent of the provision of public transport services has changed (it needs to be amended by more than 5 % of the total mileage);

19.2. the costs of provision of public transport services have changed due to increase in prices of fuel, energy resources, raw materials (they have increase by more than 3 %);

19.3. the revenues from the provision of public transport services have changed (decrease by more than 3 %).

[*18 February 2021; 14 September 2021*]

19.1 When submitting the calculations referred to in Sub-paragraph 12.3 of this Regulation regarding the amount of losses of the next calendar year, local governments of State cities shall inform the Road Transport Administration of the planned changes in the fare (tariff) in the administrative territory of a State city. If information is not provided on the planned changes, however, the local government of a State city introduces changes in the fare (tariff) in the next calendar year, the Road Transport Administration shall inform the Public Transport Council thereof in order to decide on changes in the funding in the current year.

[*14 September 2021*]

20. The Road Transport Administration shall, within two weeks after receipt of the documents referred to in Paragraphs 12 and 19 of this Regulation, assess them and inform the Public Transport Council. The Public Transport Council shall, within a month, provide proposals to the Ministry of Transport on the necessary re-distribution of the funds from the State budget or the necessary additional financial resources.

21. If the local government of a State city or the Road Transport Administration, after disbursement of compensations for the reporting period (quarter, calendar year), has saved the funding granted from the State budget, the local government of a State city or the Road Transport Administration shall direct the abovementioned resources for covering losses in the next reporting periods (quarter, calendar year) or re-distribute in accordance with the procedures laid down in laws and regulation for the compensation of losses for a specific type of carriage.

[*18 February 2021; 14 September 2021*]

22. If the local government of a State city does not use the funding granted from the State budget, the following shall occur after disbursement of a compensation of losses for the reporting period (calendar year):

22.1. the Ministry of Transport shall update and reduce the amount of the funds from the State budget to be granted in the next calendar year;

22.2. the local government of a State city shall reimburse the overpaid funds in the State budget if, in accordance with the laws and regulations governing the provision of public transport services, the funds from the State budget are not being granted anymore.

[*18 February 2021*]

**III. Determination (Calculation) of Losses and Expenditures in a Separate Record-keeping**

23. If the carrier not only provides services to which a procurement contract of public transport services applies, but also performs other economic activity, the carrier shall ensure a separate record-keeping of the economic activity related to the performance of the procurement contract of public transport services. It shall be performed in the same way as if the public transport service would be provided by a separate, independent economic operator.

24. The carrier shall perform the separate record-keeping according to the types of carriage (routes of regional significance, routes of city significance) and according to routes in the relevant type of carriage, recording the number of kilometres covered for buses and trolley buses for each vehicle, the number of kilometres covered by wagons or rolling stock – for a rail vehicle. If the carrier has concluded several procurement contracts of public transport services, the carrier shall perform the abovementioned separate record-keeping for each contract separately.

[*14 September 2021*]

25. The carrier shall ensure the calculation of the total revenues and the total costs for each procurement contract of public transport services, type of carriage.

26. The carrier shall determine the cost price of one kilometre:

26.1. in the route network of city significance – for the route network in total;

26.2. in the route network of regional significance, in performing carriage by buses – for the type of carriage;

26.3. in the route network of regional significance, in performing carriage by trains – for the type of carriage and for each route separately.

27. The cost price of one kilometre in a specific type of carriage shall be calculated by dividing the total costs (in euro) by the total mileage in the route network (in kilometres) in the relevant type of carriage. The cost price of one kilometre in a specific route shall be calculated by dividing the eligible total costs of routes (in euro) by the mileage performed in the relevant route (in kilometres).

28. In addition the carrier shall indicate the following in writing in the accounting organisation documents laid down in the laws and regulations governing accounting:

28.1. the consumption norms of fuel (energy resources) calculated by the carrier in conformity with the methodology for the calculation of the consumption of fuel (energy resources) indicated in this Regulation (Annex 1);

28.2. the procedures for the write-off of tires;

28.3. the methodology for the division of costs (the percentage division and the cost assignment type) in conformity with the following conditions:

28.3.1. the direct costs for buses and trolley buses in a specific type of carriage shall be assigned against the kilometres covered by each vehicle (for trail transport – against the kilometres covered by wagons or rolling stock) without including the technical mileage;

28.3.2. indirect costs shall be divided among the types (directions) of economic activity, assigning against the revenues obtained therein, and the part of indirect costs which has been laid down in the provision of public transport services shall be assigned against the kilometres covered (for rail transport – against the kilometres covered by wagons or rolling stock) in routes of city significance and regional significance without including the technical mileage. Technical mileage (kilometres or rolling stock kilometres/wagon-kilometres) is the mileage which is necessary for the starting and ending of a route voyage, and also for the needs of the technical maintenance and service of a vehicle (for example, mileage from the base or parking lot to the place of departure of the route, mileage from the place of destination of the route to the base or parking lot, mileage from or to the technical inspection site, washing station, repair or maintenance site);

28.3.3. the accounting accounts or analytical accounting accounts to be included in the cost items of the report referred to in Sub-paragraph 36.2 of this Regulation.

[*14 September 2021*]

29. Within the meaning of Sub-paragraph 28.3.2 of this Regulation revenues are the ticket revenues obtained by the carrier, the losses referred to in Sub-paragraphs 2.2 and 2.5 of this Regulation (except for the value added tax calculated), and other revenues from the provision of public transport services, except for State or local government compensations or grants.

[*14 February 2017; 14 September 2021*]

29.1 If the carrier receives payments from a local government or another legal person for the trips performed by natural persons (for example, pupils, employees of legal persons, inhabitants of local governments for whom separate fare reliefs laid down in laws and regulations have not been specified) in routes of regional significance, the carrier has an obligation to record passengers and the abovementioned revenues as revenues from tickets and to inform the contracting authority of the existence of such payments.

[*14 September 2021*]

30. In coordinating with the contracting authority, the carrier may determine a methodology for the distribution of direct and indirect costs in the accounting organisation documents other than laid down in this Regulation if it allows for a more accurate separation of costs.

31. The carrier shall submit the methodology for conducting and recording of accounting and other accounting organisation documents to the contracting authority. If the carrier makes changes in the accounting organisation documents, such changes must be submitted to the contracting authority and they may not be attributed to previous reporting periods (years).

32. In determining the amount of costs, the carrier shall assume that the depreciation and value of public transport vehicles in the reporting (calendar) year is written off in accordance with the linear method by taking into consideration such useful life for public transport vehicles which have been laid down in the procurement contract of public transport services:

32.1. for road transport (buses):

32.1.1. for category M2 buses the laden mass of which does not exceed five tons and the age of which from the day of first registration until the day when the bus was placed in service in the undertaking of the carrier is:

32.1.1.1. up to two years – not less than five years;

32.1.1.2. two years and more – not less than three years;

32.1.2. for category M3 buses the laden mass of which does exceeds five tons and the age of which from the day of first registration until the day when the bus was placed in service in the undertaking of the carrier is:

32.1.2.1. up to two years – not less than 10 years;

32.1.2.2. from two to five years – not less than 12 years minus the age of the bus;

32.1.2.3. from five to eight years – not less than 13 years minus the age of the bus;

32.1.2.4. from eight to 12 years – not less than 14 years minus the age of the bus;

32.1.2.5. 12 years and more – not less than three years;

32.2. for rail transport (trains and tramways) – 20 years;

32.3. for the electric transport of the city (trolley buses) – 12 years.

33. If, due to special service conditions of a public transport vehicle, the useful life of a public transport vehicle is shorter than the useful life referred to in Paragraph 32 of this Regulation, the carrier may determine another useful life of the public transport vehicle by coordinating it with the contracting authority in writing in advance.

34. If the carrier uses the resources (financial assistance) of the European Union Structural Funds, the State or a local government, international organisations, or other legal or natural persons, the contracting authority shall calculate and compensate the losses in relation to depreciation deductions only for the co-funding part of the carrier.

35. The contracting authority shall recognise such costs as justified costs for the repair and maintenance of vehicles which can be justified by the carrier with the source documents (external or internal) laid down in the laws and regulations governing accounting in which information (for example, the registration number of the vehicle) on the vehicles involved in the procurement contract of public transport services is indicated.

36. In order to determine the amount of the projected and actual losses of the carrier and for the contracting authority to be able to calculate the amount of the compensation to be disbursed, the carrier shall submit the following to the contracting authority:

36.1. [14 September 2021];

36.2. a report on the profit or losses of public transport services (Annex 3);

36.3. information on carriage of passengers and fare reliefs (Annex 4);

36.4. information on losses in routes for which more than 30 % of the total length of the route are outside the administrative territory of the city (Annex 5).

37. The carrier shall submit the calculations, report, and information referred to in Paragraph 36 of this Regulation to the contracting authority in the following cases and within the following time periods:

37.1. in calculating the actual losses, the report referred to in Sub-paragraph 36.2 of this Regulation and the information referred to in Sub-paragraph 36.4 of this Regulation shall be submitted:

37.1.1. on a calendar month – within 27 days after the end of the reporting period (month);

37.1.2. on a reporting (calendar) year – by 25 March of the current year or within the time period laid down by the contracting authority;

37.2. in calculating the actual losses, the information referred to in Sub-paragraph 36.3 of this Regulation on a calendar month shall be submitted within 10 days after the end of the reporting period;

37.3. in calculating the actual losses in routes of regional significance, the carrier with which the procurement contract of public transport services has been concluded and for which the compensation is to be determined in accordance with Paragraph 56 of this Regulation shall submit the report referred to in Sub-paragraph 36.2 of this Regulation:

37.3.1. on a calendar month – within 27 days after the end of the reporting period (month) in conformity with Sub-paragraph 1.3 of Annex 3 to this Regulation;

37.3.2. on six months of a calendar year – within 30 days after the end of the reporting period (six months) in conformity with Sub-paragraph 1.4 of Annex 3 to this Regulation;

37.3.3. on a reporting (calendar) year – by 25 March of the current year or within the time period laid down by the contracting authority in conformity with Sub-paragraph 1.4 of Annex 3 to this Regulation.

[*14 September 2021*]

38. In order to calculate the amount of the compensation to be disbursed from the State budget, the local government of a State city shall submit the following to the Road Transport Administration:

38.1. the reports and information referred to in Sub-paragraphs 36.2 and 36.4 of this Regulation – within 10 days after receipt of the report, concurrently also submitting information on the amount of the compensation of losses to be disbursed to each carrier;

38.2. the information referred to in Sub-paragraph 36.3 of this Regulation on a month – within 15 days after the end of the reporting period.

[*18 February 2021*]

38.1 The information and reports referred to in Paragraphs 36 and 38 of this Regulation shall be submitted to the Road Transport Administration electronically by filling in a special online form on the website of the Road Transport Administration www.atd.lv (e-service) by using the means of identification of a person available for identification in the single State and local government services portal (www.latvija.lv).

[*5 July 2016; 14 September 2021*]

39. In order for the contracting authority to ascertain the validity of the revenues and costs, the contracting authority may request the report referred to in Sub-paragraph 36.2 of this Regulation from the carrier also for another period of the provision of public transport services together with a detailed itemised list according to the items of the report and the justification of economic transactions, including a calculation on the division of costs according to the types of economic activity (indicating the total revenues of an undertaking in other types of economic activity, the total costs of an undertaking according to the items of the report, the mileage in carrying for remuneration and/or hire (if such is performed), and other criteria if such are applied in the division of expenditures according to the accounting organisation documents of the undertaking).

40. The report referred to in Sub-paragraph 36.2 of this Regulation shall be filled in separately:

40.1. according to the types of carriage – routes of regional significance, routes of city significance;

40.2. on each contract individually if the carrier has concluded several procurement contracts of public transport services;

40.3. on each type of a vehicle (tramway, trolley bus, bus) separately if different vehicles are used in one type of carriage.

[*14 September 2021*]

41. The revenues obtained in the route network and the costs which have occurred in providing public transport services according to the procurement contract of public transport services (including additional expenditures which have occurred in introducing the minimum quality requirements laid down by the contracting authority or laid down in laws and regulations for public transport services) and are related to obtaining of the other revenues from economic activity shall be indicated in the report referred to in Sub-paragraph 36.2 of this Regulation.

42. The report referred to in Sub-paragraph 36.2 of this Regulation to be submitted on a calendar year within the time period referred to in Sub-paragraphs 37.1.2 and 37.3.3 of this Regulation shall be prepared separately on a calendar year or a period when the contract regarding public transport services has been in effect if it does not coincide with a calendar year. The data indicated in the report on a calendar year must conform to the proportions calculated in a calendar year or a period when the contract of public transport services has been in effect if it does not coincide with a calendar year in conformity with the procedures laid down in Sub-paragraph 28.3 or Paragraph 30 of this Regulation.

[*14 September 2021*]

43. Expenditures for the use of a by-pass road shall be indicated in a separate row in the report referred to in Sub-paragraph 36.2 of this Regulation and the compensations for the use of a by-pass road received from the owner of a motor road, street, bridge, or level crossing (contracting authority of the construction and repair of a motor road, street, bridge, or level crossing) or a builder thereof shall be indicated in other revenues from economic activity.

44. If the compensation referred to in Paragraph 43 of this Regulation is not paid or does not cover the expenditures which have occurred for the use of a by-pass road, the costs or the part of uncovered costs for the use of the by-pass road are not compensated.

45. The costs indicated in rows 5, 6, 7, and 8 of the report referred to in Sub-paragraph 36.2 of this Regulation shall be attributed to direct costs, in turn the costs indicated in rows 9 and 10 – to indirect costs.

**IV. Compensation of Losses**

46. The contracting authority shall determine the amount of losses to be compensated to a carrier on the basis of Paragraph 4 of this Regulation (in bus routes of regional significance), the report referred to in Sub-paragraph 36.2 of this Regulation, and the information referred to in Sub-paragraphs 36.3 and 36.4 of this Regulation.

47. In order to determine the necessary costs to be reimbursed and referred to in Paragraph 4 of this Regulation, the contracts regarding public transport services shall be divided into groups according to the mileage covered in the route network in a calendar year:

47.1. up to 700 000 kilometres (including);

47.2. from 700 000 to 1 700 000 kilometres (including);

47.3. more than 1 700 000 kilometres.

48. On the basis of the report referred to in Sub-paragraph 36.2 of this Regulation, the contracting authority:

48.1. shall ascertain that the actual cost price calculated by each carrier does not exceed the average cost price calculated in the group of carriers (Paragraph 47 of this Regulation);

48.2. if the actual cost price of a carrier exceeds the average cost price calculated in the particular carrier group by 5 %, shall assign the carrier to provide explanations and the detailed itemised lists referred to in Paragraph 39 of this Regulation;

48.3. shall assess the structure of costs forming the actual self cost of a carrier in relation to costs which are higher than the average costs per kilometre calculated in the group of carriers (Paragraph 47 of this Regulation).

49. If the carrier is not able to objectively justify the exceedance of the actual self cost (including costs according to items) over the average self cost (including costs according to items), the contracting authority shall compensate such costs to the carrier which do not exceed the average costs per kilometre in the group of carriers.

50. Costs which the carrier is able to justify (for example, if quality requirements for ensuring services are laid down in the procurement contract of public transport services, a procurement procedure has been performed for the provision of public transport services for the supply of individual services or goods, there is only one supplier for the supply of services or goods in the relevant region) shall be considered as objective circumstances in the cost gap from the average calculated cost price.

51. On the basis of the information indicated in the report referred to in Sub-paragraph 36.2 of this Regulation, the contracting authority shall determine the losses to be compensated by deducting the justified costs which have occurred in the provision of public transport services from the total revenues which have been obtained by executing the procurement contract of public transport services. The abovementioned costs in bus routes of regional significance shall be determined in accordance with Paragraph 4 of this Regulation. Revenues from the tickets (including subscription tickets and baggage tickets) sold, including revenues which have been obtained by carrying pupils and the persons stipulated by local governments with fare reliefs, and other revenues which have been obtained by executing the procurement contract of public transport services, shall be considered as revenues in the report referred to in Sub-paragraph 36.2 of this Regulation.

52. Other revenues shall be revenues which have been obtained by performing economic activity and which have been obtained by the carrier in relation to the procurement contract of public transport services concluded (the carrier would not have been able to obtain such revenues if a procurement contract of public transport services had not been concluded with the carrier).

53. The contracting authority shall determine the amount of compensation to be disbursed for the amount which has been calculated in accordance with Paragraph 51 of this Regulation by adding the amount of profit determined in accordance with Paragraph 54 of this Regulation, unless other procedures for determining profit have been laid down in the documentation of the procedure for procurement of public transport services. When determining the amount of profit or the procedures for determining profit in the documentation of the procedure for procurement, the contracting authority shall take into account the extent of rights to be granted, the fulfilment intensity of the public transport service, the cost efficiency of the public transport service, the quality requirements brought forward for the public transport service, the requirements brought forward for the technical equipment of the vehicles, and other objective criteria the fulfilment of which has a direct link to the amount of profit to be disbursed.

54. The amount of profit shall be determined by using the following formula:

|  |  |  |
| --- | --- | --- |
| *P* = | *I* | × *L* + *N* × 0,03 *EUR*, where |
| 2 |

P – the amount of profit;

I – the revenues obtained from selling tickets (including subscription tickets and baggage tickets) (row 1 of the report referred to in Sub-paragraph 36.2 of this Regulation);

L – the profit interest rate calculated by summing 2.5 % and the average value of the Euro Interbank Offered Rate EURIBOR in 12 months of the reporting (calendar) year in percentage. The abovementioned amount of the profit interest rate may not be less than 4 %;

N – the actual mileage (in kilometres) in the route network (without technical mileage). The kilometres covered by wagons shall be taken into account for rail transport.

55. The contracting authority shall calculate the profit referred to in Paragraph 54 of this Regulation by performing the final settlement of accounts for the reporting (calendar) year, and also in the cases referred to in Paragraph 71 of this Regulation.

56. The amount of the compensation (contract price) or the procedures for the calculation of such compensation (contract price) may be determined in the contract of public transport services. In determining the amount of the compensation or the procedures for the calculation of such compensation (contract price) in the contract of public transport services, the contracting authority shall take into account the extent of rights to be granted, the fulfilment intensity of the public transport service, the cost efficiency of the public transport service, the quality requirements brought forward for the public transport service, the requirements brought forward for the technical equipment of the vehicles, and other objective criteria the fulfilment of which has a direct link to the amount of the compensation to be disbursed.

**V. Compensation of Additional Expenditures**

57. Expenditures which are related to the introduction of the minimum quality requirements stipulated by the contracting authority or laid down in laws and regulations after the provision of public transport services has been commenced, the carrier shall include the cost price in the calculation and indicate it in the report (Annex 3) in conformity with Paragraph 41 of this Regulation.

58. The carrier shall submit the information on the introduction of the minimum quality requirements laid down by the contracting authority or laid down in laws and regulations to the contracting authority.

**V.1Procedures for the Calculation of the Co-funding of the Local Government**

[*14 September 2021*]

58.1 A local government is entitled to co-finance the losses related to the provision of public transport services in subsidised routes (voyages) of the route network of regional significance or city significance in the following cases:

58.11. if amendments have been proposed to the route network of regional significance which exceed the minimum amount of public transport services guaranteed by the State in the part of the route network of regional significance commissioned by the State in which public transport services are provided by buses on working days and holidays;

58.12. if amendments have been proposed to the route network of regional significance which do not conform to the demand of inhabitants and the actual or planned revenues of the provider of services in such routes (voyages) in the calendar year (including revenues which have been obtained by carrying persons with fare reliefs) are below 25 % from the actual or planned costs of the provider of services in the calendar year;

58.13. if amendments have been proposed to the route network of regional significance which provide for a trip with a train, thus increasing mileage in the route network;

58.14. if amendments have been proposed to the route network of city significance which provide for an increase in the number of voyages or an extension of a voyage (voyages), thus increasing mileage in the route network.

[*14 September 2021*]

58.2 A local government, a carrier, and the contracting authority shall conclude a trilateral contract governed by public law regarding the procedures for the disbursement of co-funding, providing therein for the procedures for the submission of information and reports, the procedures and time periods for the financing and settlement of accounts.

[*14 September 2021*]

58.3 The co-funding of a local government shall be determined by taking into account the actual and calculated indicators specified in the contract regarding the provision of public transport services in a route network of regional significance and a route network of city significance:

Co-funding of a local government = (Izd(km) x km) – Ieņ,where

Izd(km)– the actual expenditures which have occurred in a route (voyage) for mileage or the cost price of one kilometre (euro/km). The actual expenditures shall be determined in conformity with the information provided in Sub-paragraph 36.2 of this Regulation on the performance of the procurement contract of public transport services. If the actual expenditures exceed the contract price laid down in the procurement contract of public transport services, the co-funding (expenditures) of the local government shall be determined according to the amount of the contract price, including expenditures for the use of the sites serviced by the voyage (route);

Ieņ – the revenues from tickets obtained in a route (voyage) without value added tax. The actual revenue from a route (voyage) or its part shall be determined in conformity with the actual number of passengers in the route (voyage) and the revenues obtained from passengers. If public transport services are used in a route (voyage) or its part by persons with fare reliefs laid down by the State and the contracting authority, the co-financing part of the local government shall be reduced in the amount of the fare reliefs granted. Revenues for a part of a voyage (route) are determined by multiplying the average revenues per kilometre covered in the route (voyage) by the mileage of the part of the route (voyage).

km – the actual mileage calculated in kilometres.

[*14 September 2021*]

58.4 The local government and the carrier shall perform the settlement of mutual accounts in accordance with the following procedures:

58.41. for the amendments proposed in Paragraph 58.1 of this Regulation, the contracting authority shall perform projecting calculations on the amount of the co-financing of the local government;

58.42. in conformity with the carriages performed in a route network, the carrier shall submit the information laid down in laws and regulations to the contracting authority and the contracting authority shall calculate the amount of the actual co-funding in accordance with Paragraph 58.3 of this Regulation;

58.43. the contracting authority shall inform the carrier and the local government of the amount of the actual co-funding which the local government shall transfer to the carrier to the settlement account indicated in the trilateral contract governed by public law.

[*14 September 2021*]

58.3 When performing the settlement of accounts with the carrier for a calendar year and drawing up a deed regarding mutual comparison of settlement of accounts, the contracting authority shall take into account the co-funding disbursed by the local government for the covering of losses in the subsidised routes (voyages) of the route network of regional significance or city significance.

[*14 September 2021*]

**VI. Procedures for the Disbursement of the Compensation of Losses**

59. Unless it has been specified otherwise in the procurement contract of public transport services, the contracting authority shall disburse the compensation of losses as an advance. The amount of the advance may not be less than 95 % of the amount of the necessary compensations of losses which has been laid down in accordance with the procedures referred to in Paragraph 56 of this Regulation or the report referred to in Sub-paragraph 36.2 of this Regulation (for the reporting period). The Ministry of Transport shall disburse the advance to the carrier each month by the tenth date, but to the local government of a State city – each quarter by the tenth date of the first month of the quarter. The local government of a State city shall disburse the advance to the carrier each month by the fifteenth date.

[*18 February 2021*]

60. The advance payments of the compensation of losses shall be calculated by the contracting authority. In carriage of regional significance, the amount of the advance payments must ensure continuity of the public transport services in conformity with that referred to in Paragraph 6 of this Regulation, and such advance payments shall be coordinated by the Public Transport Council.

61. The contracting authority shall calculate the amount of the compensation to be disbursed as an advance in accordance with the procedures referred to in Paragraph 59 of this Regulation, rounding up to whole euro, but, in performing the final settlement of accounts in accordance with Paragraphs 71, 73, and 74 of this Regulation, the compensation to be disbursed shall be calculated in euro with specification up to two decimal figures.

62. If the carrier involves sub-contractors in the provision of public transport services, the compensation of losses for the performance of the sub-contract shall be paid to the sub-contractor by the parent undertaking. The sub-contractor shall submit the reports and information referred to in Paragraph 36 of this Regulation to the parent undertaking. The parent undertaking shall submit the information submitted by the sub-contractor in combination with the reports and information referred to in Paragraph 36 of this Regulation.

63. In order for the contracting authority to be able to determine the amount of the compensation of losses and to assess the validity of the losses calculated by the carrier according to the procurement contract of public transport services and the report referred to in Sub-paragraph 36.2 of this Regulation, and also the information referred to in Sub-paragraphs 36.3 and 36.4 of this Regulation, the contracting authority shall take into account:

63.1. that laid down in the accounting organisation documents of carriers, including the information referred to in Paragraphs 28, 30, 32, and 33 of this Regulation, the charts of accounts, the provisions for the use of their codes and symbols, the methods for the evaluation of stocks, the methods for the record-keeping, depreciation, and writing-off of the value of long-term investments (fixed assets), the procedures for the determination of the useful life of public transport vehicles;

63.2. descriptions of the quality management system of services regarding processes for ensuring the quality of services;

63.3. descriptions of the personnel management system and the composition of the personnel of the undertaking (administration).

64. The Road Transport Administration shall, within 30 days after receipt and compilation of the report and information referred to in Sub-paragraphs 36.2 and 36.3 of this Regulation, calculate the amount of losses in accordance with the procedures referred to in Paragraph 46, 47, 48, 49, 50, 51, or 56 of this Regulation.

[*14 September 2021*]

65. The Road Transport Administration shall, within 30 days after receipt and compilation of the report and information referred to in Sub-paragraphs 36.2, 36.3, 36.4 of this Regulation, calculate the amount of losses in accordance with the procedures referred to in Paragraph 51 or 56 of this Regulation.

[*18 February 2021; 14 September 2021*]

66. After calculation of the amount of losses referred to in Paragraphs 64 and 65 of this Regulation, the carrier and the contracting authority shall draw up a deed of comparison in the reporting period (calendar month, quarter) as necessary, and the contracting authority shall provide for the procedures for the disbursement of a compensation according to the funding available:

66.1. if the compensation disbursed has been smaller than losses, the difference shall be disbursed in subsequent payments of the month;

66.2. if the compensation disbursed has exceeded losses, the difference shall be deducted in subsequent payments of the month.

[*14 September 2021*]

67. If errors are detected in the report and information referred to in Sub-paragraphs 36.2, 36.3, and 36.4 of this Regulation or the settlement of accounts referred to in Paragraph 66 of this Regulation, submitted by the carrier, or violations are detected, when performing the control of legal validity, usefulness, and accuracy of the use of the compensation resources, the contracting authority shall assign the carrier to perform corrections of reports. The recalculation shall be performed for all previous periods in the calendar year.

68. The local government of a State city shall, within 10 days after receipt of the reports referred to in Sub-paragraph 37.1.2 of this Regulation, assess them and submit to the Road Transport Administration together with the itemised lists according to the items of reports and the assessment of reports.

[*18 February 2021; 14 September 2021*]

69. If the carrier has complied with the tariffs (fare) stipulated by the contracting authority, the amount of the compensation of losses may not exceed the actual calculated amount of losses.

70. In conformity with the requirements referred to in Paragraph 66 of this Regulation, the adjusted compensation of losses shall be disbursed:

70.1. by the Ministry of Transport – to the carrier and the local government of a State city until the tenth date of the third month following the reporting period (quarter);

70.2. by the local government of a State city – to the carrier until the fifteenth date of the third month following the reporting period (quarter);

70.3. by the Ministry of Transport and the local government of a State city – to the carrier for the reporting (calendar) year within 30 days after mutual comparison of settlement of accounts.

[*18 February 2021*]

71. The profit referred to in Paragraph 54 of this Regulation for the reporting (calendar) year shall be disbursed within 30 days after receipt of the report referred to in Sub-paragraph 37.1.2 of this Regulation, the fulfilment of the conditions referred to in Paragraph 66 of this Regulation, and the mutual comparison of settlement of accounts, performing the final settlement for the reporting (calendar) year, and also at the end of the term of validity of the procurement contract of public transport services and in case if the procurement contract of public transport services is discontinued.

[*14 September 2021*]

72. If the amount of the compensation of losses disbursed during the reporting (calendar) year exceeds the actual calculated amount of compensation:

72.1. the contracting authority shall transfer the overpaid part of compensation in the next reporting period if overpayment does not exceed 10 % of the total amount of compensation of the reporting (calendar) year or shall redirect for the compensation of losses of services of another public transport which have occurred in the reporting period within the scope of a procurement contract;

72.2. the carrier shall reimburse the overpaid resources to the contracting authority if they exceed 10 % of the total actually calculated amount of compensation of the reporting (calendar) year. The contracting authority is entitled to direct the repaid resources for compensating the losses of another carrier or another procurement contract of public transport services which have occurred in the reporting period.

[*14 September 2021*]

73. In calculating the compensation to be disbursed for the reporting (calendar) year or if a procurement contract of public transport services is discontinued or the term of operation of the contract has expired, the contracting authority and the carrier shall perform the final settlement of accounts, drawing up a deed regarding the mutual comparison of settlement of accounts, taking into account other compensations and subsidies disbursed to the carrier which are related to the performance of the procurement contract of public transport services (for example, for fare reliefs, the use of a by-pass road).

74. If the carrier, in accordance with Paragraph 73 of this Regulation, does not agree to the amount of losses laid down in the deed regarding the mutual comparison of settlement of accounts, the contracting authority shall perform the final settlement of accounts in accordance with Paragraphs 51, 55, and 56 of this Regulation.

75. If the procurement contract of public transport services is discontinued during the reporting (calendar) year or at the end of the term of operation of the contract:

75.1. the carrier shall repay the overpaid resources to the contracting authority, if the amount of the compensation of losses disbursed during the period of the provision of public transport services exceeds the actual calculated amount of the compensation, and the contracting authority shall redirect the abovementioned resources for the compensation of losses of other carriers or losses which have occurred during the reporting period of another procurement contract of public transport services;

75.2. the contracting authority shall disburse the compensation of losses if the amount of the compensation of losses disbursed during the provision of public transport services has been less than the actual calculated amount of the compensation of losses.

76. The contracting authority shall, once a year, but not later than 10 months after the end of the previous reporting period, publish information on the compensations of losses disbursed to the carrier in the previous reporting period and on mileage according to the procurement contract of public transport services.

77. The local governments of State cities shall inform the Road Transport Administration on the subsidies from the State budget transferred to the carriers in the previous calendar year, and the Road Transport Administration and the local governments of State cities shall sign the deed of comparison for a calendar year on the basis of the information referred to in Sub-paragraphs 36.3 and 36.4 and Paragraph 68 of this Regulation.

[*18 February 2021*]

77.1 The Road Transport Administration shall, by the fifteenth date of the second month following the reporting period (quarter), inform the local government of each State city of the amount of losses calculated in the quarter and to be compensated from the State budget, and also of the balances (if the disbursed compensation of losses exceeds the calculated compensation of losses or has been smaller than the calculated compensation of losses).

[*11 September 2018; 18 February 2021*]

77.2 The local governments of State cities have an obligation to compare the amount of the compensation of losses received from the State budget and calculated, and also the balance (if the disbursed compensation of losses exceeds the calculated compensation of losses or has been smaller than the calculated compensation of losses) with the Ministry of Transport in conformity with the laws and regulations governing accounting records and the procedures for the preparation of annual statements.

[*11 September 2018; 18 February 2021*]

**VII. Supervision and Control**

78. The legal validity, usefulness, and correctness of the use of the resources intended for compensations shall be controlled by the Ministry of Transport, the Public Transport Council, the Road Transport Administration, and the local governments of cities in conformity with the competence.

79. If violations in the performance, record-keeping of carriage or submission of data have been detected and there are justified suspicions of the legal validity of receipt of the compensation, the contracting authority shall:

79.1. adjust the calculations of the compensation of losses;

79.2. deduct the part of the compensation of losses disbursed without justification from the next compensation of losses;

79.3. impose the sanction laid down in the procurement contract of public transport services;

79.4. determine the time period for the carrier by which the detected violations of laws and regulations should be rectified;

79.5. if the carrier does not rectify the detected violations of laws and regulations within the time period laid down by the contracting authority, the contracting authority shall suspend the calculation of the amount of the compensation of losses and detain the disbursement of the calculated compensations of losses and/or examine the issue regarding the necessity to discontinue the procurement contract of public transport services.

80. The contracting authority has the right:

80.1. to become acquainted with the quality management system of services organised by the carrier, including the quality assurance of services and the basis of material and technical resources necessary for it, also the use of public transport vehicles belonging to or in use of the carrier and their equipment;

80.2. to become acquainted with the separate record-keeping of such revenues and costs which are related to the provision of public transport services, to become acquainted with the accounting records and other documents related to calculations and payments which justify the revenues and expenditures of economic activity, and also to receive the necessary explanations and references;

80.3. to request the documents referred to in this Regulation, annual statements, other necessary documents from the carrier, to examine them, and also to request and receive explanations.

81. The Road Transport Administration has the right to become acquainted with the procedures for the calculation of compensations and the procedures for organising public transport services laid down in the local governments of State cities, to access documents, and to request explanations of the responsible employees.

[*18 February 2021*]

82. Employees of the Road Transport Administration have the right to perform the activities referred to in Paragraph 80 of this Regulation in the undertaking of the carrier which provides public transport services in routes of city significance.

83. If it is detected that disbursement of compensations in the local governments of State cities does not conform to the objectives and procedures laid down in laws and regulations or violations in calculation of the compensations of losses or organising of public transport services are detected, the Road Transport Administration shall inform the Public Transport Council thereof and shall inform the Ministry of Transport and the Ministry of Environmental Protection and Regional Development of the decision of the Public Transport Council.

[*18 February 2021*]

84. After receipt of the information referred to in Paragraph 83 of this Regulation, the Public Transport Council is entitled to determine a time period by which the local governments of State cities must rectify the violations detected and to withhold the disbursement of the funding intended for the local governments of State cities. If the local governments of State cities do not rectify the violations within the laid down time period, the Ministry of Transport shall, on the basis of the decision of the Public Transport Council, not disburse the withheld funding until the moment when violations are rectified.

[*18 February 2021*]

**VIII. Methodology for the Determination of the Tariff (Fare) of a Public Transport Service**

85. In determining the tariff (fare) of a public transport service, the carrier or the contracting authority shall comply with the methodology for the determination of the tariff (fare) of a public transport service referred to in this Chapter.

85.1 The contracting authority may determine the tariff (fare) in routes of regional significance and the contracting authority – in routes of city significance, upon mutual agreement, for a unified single ticket, a combined single ticket, a subscription ticket, and a monthly ticket to be used in routes of regional significance and city significance. The Road Transport Administration is entitled to conclude a contract with the local government of a State city on the tariff (fare) for a unified single ticket, a combined single ticket, a subscription ticket, and a monthly ticket to be used in routes of regional significance and city significance and on the sale of tickets after coordination with the Public Transport Council. The tariffs (fare) specified for the types of tickets referred to in this Paragraph, the amount of the applicable discounts, the procedures for the settlement of accounts, the procedures for the return of tickets, and other conditions which are related to the sale and use of the types of tickets referred to in this Paragraph are included in this contract.

[*14 September 2021*]

86. If the tariff (fare) of a public transport service is determined by the carrier, it shall, at least one month before changing the tariff (fare), submit the information to the contracting authority on the planned amount of the tariff (fare) of the public transport service together with the information referred to in Paragraph 93 of this Regulation. The tariff shall be determined in euro with two decimal figures without value added tax in conformity with the cost price of one passenger-kilometre referred to in Paragraphs 95 and 96 of this Regulation and the cost price of carriage of one passenger for the relevant type of carrier or route network.

[*14 September 2021*]

87. The carrier shall perform accounting of the turnover of all passengers carried in routes of regional significance. The turnover of passengers (passenger-kilometres) are the sum of distances performed by all passengers (kilometres covered).

88. The carrier shall perform accounting of passengers (number of trips) in routes of city significance.

89. The tariff (fare) in routes of regional significance shall be determined according to one of the following methods:

89.1. payment for the distance of the trip of a passenger – payment for the distance of the trip of a passenger between stops of the tariff;

89.2. payment for a zone (region) – payment for the route segment which may be in proportion or not in proportion to the driving distance;

89.3. subscription payment for a specific time period with or without restrictions of routes and types of carriage.

90. In determining the tariff (fare) in routes of regional significance, the carrier or the contracting authority has the right:

90.1. to combine the methods for the determination of the tariff (fare) referred to in Paragraph 89 of this Regulation;

90.2. to determine the same tariff (fare) for an incomplete zone (region) as for a complete zone (region);

90.3. to determine different tariffs (fare) for different types of public transport, in different routes, and for different time periods;

90.4. to apply discounts for return tickets, group tickets, and baggage tickets, and also to introduce fare discounts for tickets of other types;

90.5. to determine the boarding (start) tariff which, within the boundaries of a route of city significance, is not less than the tariff (fare) laid down in the relevant city.

91. The carrier or the contracting authority is entitled to determine an additional payment and to include it in the tariff (fare) for the following improvements in carriage of passengers in routes of city significance and routes of regional significance:

91.1. for speed of time spent on the road has been significantly reduced in comparison with the time of carriage in other public transport vehicles in this route;

91.2. for additional amenities ensured to passengers if the arrangement of the public transport vehicle has been improved and is significantly different from the arrangement of the passenger compartment of other public transport vehicles (for example, beverage vending machines, television, Internet);

91.3. for the sale of tickets in the public transport vehicle if the passengers are provided with the possibility of purchasing the ticket at the station of departure or stopping place, and also in other sites where tickets are distributed in routes of city significance.

92. The tariff (fare) in routes of city significance shall be determined according to the following methods:

92.1. single fare per trip per route (without the restriction of the distance covered);

92.2. subscription payment with or without restrictions of the types of routes and carriage for specific period of time;

92.3. single fare per trip (without the restriction of the distance covered) – zone (regional) ticket in one or several routes or carriage within the scope of one zone (region);

92.4. single fare (without the restriction of the distance covered) – time ticket in one or several routes or in carriage of one or several types in a specific time period with the right to transfer;

92.5. single fare in the cases referred to in Sub-paragraphs 92.1, 92.3, and 92.4 of this Regulation, determining seasonal or time restrictions (for example, night, day).

93. In determining the subscription payment, the carrier or the contracting authority:

93.1. shall take into account the average number of trips in the relevant time period and the amount of the applicable discount;

93.2. is entitled to increase the discount for the subscription payment.

94. In concurrently using the method for the determination of tariffs referred to in Sub-paragraphs 89.1 and 90.5 of this Regulation, the payment for the trip shall be calculated by multiplying the distance of the trip by the tariff laid down in accordance with Sub-paragraph 89.1 of this Regulation and adding the start tariff.

95. The cost price of one passenger-kilometre in routes of regional significance (T) shall be determined by using the following formula:

|  |  |  |
| --- | --- | --- |
| *T* (*pas. km*) = | *c* | , where |
| *pas. km* |

C – projected total costs of carriage of passengers (in euro). The total amount of costs shall be determined by taking into account the laid down amount of costs according to the methodology for the distribution of costs approved by the carrier in conformity with Chapter III of this Regulation;

pas. km – projected passenger-kilometres. Passenger-kilometres shall be determined according to the following procedures:

95.1. if carriage has not been previously performed, the passenger-kilometres stipulated by the carrier for the relevant carriage shall be taken into account;

95.2. on the basis of the calculations and experience of the carrier in provision of public transport services in the previous time period, the projected number of passengers carried shall be multiplied by the average distance of carriage or the projected revenues shall be divided by the tariff (fare) specified in carriage. If differential tariffs have been specified in carriage, passenger-kilometres are the sum of all distances covered by passengers and accounted by the carrier.

96. The cost price of carriage of one passenger shall be determined in routes of city significance. It shall be calculated by dividing the projected total costs (in euro) in the relevant route network by the number of passengers carried.

97. In determining the payment for the carriage of baggage which is carried in the baggage compartment and the payment for the carriage of animals, it may be in proportion or not in proportion to the driving distance.

**IX. Closing Provisions**

98. Cabinet Regulation No. 341 of 15 May 2012, Procedures for the Determination and Compensation of the Losses and Expenditures Related to the Provision of Public Transport Services and for the Determination of the Tariff for a Public Transport Service (*Latvijas Vēstnesis*, 2012, No. 90; 2013, No. 189; 2014, No. 16, 121, 159), is repealed.

99. The final settlement of accounts for years 2013 and 2014 shall be performed in accordance with Cabinet Regulation No. 341 of 15 May 2012, Procedures for the Determination and Compensation of the Losses and Expenditures Related to the Provision of Public Transport Services and for the Determination of the Tariff for a Public Transport Service.

100. The procedures for the writing-off of depreciation and value of public transport vehicles referred to in Sub-paragraph 32.1 of this Regulation shall be applied to buses acquired after 1 January 2013. The procedures for the writing-off of depreciation and value of public transport vehicles which was in force until 31 December 2012 – by writing off the depreciation and value of public transport vehicles in the reporting year according to the linear method, determining the period of useful life for buses (for category M2 the land mass of which does not exceed five tons – five years, for category M3 the laden mass of which exceeds five tons – eight years) or according to the procedures stipulated by the carrier and coordinated with the contracting authority – shall be applied to buses acquired until 1 January 2013.

101. In calculating the profit referred to in Paragraph 54 of this Regulation, the component used in euro currency:

101.1. shall be EUR 0.01 for the year 2015;

101.2. shall be EUR 0.02 for the year 2016.

102. Providers of public transport services must, within six months after the day of coming into force of this Regulation, submit the accounting organisation documents referred to in Paragraph 28 of this Regulation in relation to the distribution of costs of public transport services to the contracting authority.

103. Sub-paragraphs 2.3 and 6.3 and Paragraph 9 of this Regulation shall be in force until 31 December 2016.

[*14 February 2017*]

104. [27 June 2017]

105. Annex 4 to this Regulation shall come into force on 1 January 2018.

[*27 June 2017*]

Acting for the Prime Minister, Minister for Transport Anrijs Matīss

Minister for the Interior Rihards Kozlovskis

**Annex 1**

Cabinet Regulation No. 435

28 July 2015

**Methodology for the Calculation of the Consumption Norm of Fuel (Energy Resources)**

1. If the consumption norm of fuel stipulated by the manufacturing plant of a specific bus (make and model) (for the mileage of 100 km) is not known, the consumption norm of fuel shall be determined as a result of experiments in accordance with this Annex.

2. The consumption norm of fuel for buses shall be determined, using the following methodology:

2.1. the fuel tank of the vehicle is filled with fuel to the maximum capacity;

2.2. the odometer reading (B) is noted;

2.3. a specific quantity of kilometres (for example 200–500 km) is driven with the vehicle in everyday operating mode and the odometer reading (B1) is recorded repeatedly;

2.4. the fuel tank of the vehicle is repeatedly filled with fuel to the maximum and the quantity of fuel filled is recorded (A).

3. The consumption norm of fuel (for the mileage of 100 km) in accordance with the methodology referred to in Paragraph 2 of this Annex shall be calculated, using the following formula:

|  |  |  |
| --- | --- | --- |
| *Fuel consumption (litres/*100 *km*) = | *A* | × 100 |
| *B*1 *‒ B* |

4. If a bus is equipped with special fuel consumption installations (devices), the consumption norm of fuel may be determined as a result of an experiment.

5. The consumption norm of fuel shall be determined in conformity with the seasonality (for summer and winter period), and also taking into account the condition of roads, the type of the road covering, and other circumstances.

6. The consumption norm of energy resources (electricity or other sources of energy) shall be determined by using the control devices (measuring devices) installed in the vehicle (electrical vehicle) or using the historically accumulated information and the following formula:

|  |  |  |
| --- | --- | --- |
| *Consumption norm (kWh/*10 *thous. tkm gross*) = | *consumption* (*kWh*) | × 10, where |
| *thous. tkm gross* |

|  |  |
| --- | --- |
| *Thous. tkm gross =* | *wagon-kilometres x mass of wagons in tons* |
| 1000 |

7. The consumption norm of fuel for self-propelling thermal trains shall be determined by using the control devices (measuring devices) installed in the vehicle (electrical vehicle) or using the historically accumulated information and the following formula:

|  |  |  |
| --- | --- | --- |
| *Consumption norm (litres/*10 *thous. tkm gross*) = | *consumption (litres)* | × 10, where |
| *thous. tkm gross* |

|  |  |
| --- | --- |
| *Thous. tkm gross =* | *wagon-kilometres x mass of wagons in tons* |
| 1000 |

8. All calculations and activities which are performed as an experiment for the determination of the consumption norm of fuel or energy resources shall be documented according to the procedures laid down by the carrier.

Minister for the Interior Rihards Kozlovskis

**Annex 2**

Cabinet Regulation No. 435

28 July 2015

**Calculation of the Projected Costs and Tariff (Fare)**

[14 September 2021]

**Annex 3**

Cabinet Regulation No. 435

28 July 2015

[*14 September 2021*]

**Report on the Profit or Losses of Public Transport Services**

|  |  |
| --- | --- |
| **Reporting period** |  |
| **Type of carriage** | ⎕ Routes of regional significance⎕ Routes of city significance |
| **Name of the carrier** |  |
| **Number of the procurement contract of public transport services** |  |

|  |  |  |
| --- | --- | --- |
| **No.** | **Name of the indicator** | **Calculation regarding the route network laid down in the procurement contract (EUR)** |
| **1.** | **Revenues** |  |
| **2.** | **State funding received and saved in the previous years** |  |
| **3.** | **Other revenues from economic activity (3.1. + 3.2.):** |  |
| 3.1. | Other revenues |  |
| 3.2. | Reimbursements received for the use of the by-pass road |  |
| **4.** | **Revenues in total (1. + 2. + 3.)** |  |
| **5.** | **Costs of materials in total (5.1. + 5.2. + 5.3. + 5.4. + 5.5.):** |  |
| 5.1. | Raw materials, materials |  |
| 5.2. | Spare parts |  |
| 5.3. | Fuel (energy resources) (5.3.1.+5.3.2.+5.3.3.) |  |
| 5.3.1. | Fuel |  |
| 5.3.2. | Electricity for the propulsion of an electrical vehicle |  |
| 5.3.3. | Hydrogen, gas |  |
| 5.4. | Tyres/wheel pairs |  |
| 5.5. | Other materials for ensuring public transport services |  |
| **6.** | **Personnel costs in total (6.1 + 6.2 + 6.3 + 6.4 + 6.5):** |  |
| 6.1. | Remuneration for work to drivers of vehicles |  |
| 6.2. | Mandatory State social insurance contributions for drivers of public transport vehicles |  |
| 6.3. | Remuneration for work for other employees |  |
| 6.4. | Mandatory State social insurance contributions for other employees |  |
| 6.5. | Other social security costs |  |
| **7.** | **Other costs of the provision of public transport services in total (7.1 + 7.2 + 7.3 + 7.4 + 7.5 + 7.6 + 7.7):** |  |
| 7.1. | Insurance of public transport vehicles, licences, registration of vehicles |  |
| 7.2. | Costs of ensuring the public transport servicing (7.2.1 + 7.2.2 + 7.2.3) |  |
| 7.2.1. | Cleaning of the public transport, cleaning at the undertaking of the carrier |  |
| 7.2.2. | Cleaning of the public transport, cleaning outside the undertaking of the carrier |  |
| 7.2.3. | Servicing, programming of the devices to be used in the public transport vehicle |  |
| 7.3. | Repair costs (7.3.1 + 7.3.2) |  |
| 7.3.1. | Repair of the public transport at the undertaking of the carrier |  |
| 7.3.2. | Repair of the public transport outside the undertaking of the carrier |  |
| 7.4. | Payments for the distribution of tickets (intermediation) |  |
| 7.5. | Payments for the use of bus route service points and payments for the use of the railway infrastructure |  |
| 7.6. | Other costs related to ensuring public transport services |  |
| 7.7. | Other services (outsourced services) (7.7.1 + 7.7.2) |  |
| 7.7.1. | Services provided to the carrier |  |
| 7.7.2. | Public transport lease payments |  |
| **8.** | **Write-off of the value of assets and interest payments (8.1 + 8.2 + 8.3 + 8.4):** |  |
| 8.1. | Public transport vehicles |  |
| 8.2. | Inventory to be used in a public transport vehicle |  |
| 8.3. | Other fixed assets |  |
| 8.4. | Interest payments for the borrowed assets |  |
| **9.** | **Administration costs in total (9.1 + 9.2 + 9.3):** |  |
| 9.1. | Remuneration for fork for the administration staff and the administration |  |
| 9.2. | Social security costs for the administration staff and the administration |  |
| 9.3. | Other administration costs |  |
| **10.** | **Interest payments and similar costs** |  |
| **11.** | **Costs of the use of a by-pass road** |  |
| **12.** | **Profit or losses of the reporting period (4 – 5 – 6 – 7 – 8 – 9 – 10 – 11)** |  |
| **13.** | **Costs in total (euro)** |  |
| **14.** | **Mileage in the route network**  |  |
| **15.** | **Technical mileage**  |  |
| **16.** | **Mileage for the use of a by-pass road**  |  |
| **17.** | **Total mileage (14 + 15 + 16)** |  |
| **18.** | **Diesel fuel consumption (in litres)** |  |
| **19.** | **Gas consumption (in kg)**  |  |
| **20.** | **Electricity consumption for the propulsion of electrical vehicles (in kWh)** |  |
| **21.** | **Hydrogen consumption (in kg)** |  |
| **22.** | **Actual cost price of one kilometre (13/14) (euro/km)** |  |

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|  |  |
| (date of the preparation and submission of the report) |  |

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|  |
| (signature, given name, surname, contact details of the responsible person) |

**Instructions for the filling in of the report**

1. The report shall be filled in:

1.1. in conformity with the requirements referred to in Paragraph 45 of Cabinet Regulation No. 435 of 28 July 2015, Procedures for the Determination and Compensation of the Losses and Expenditures Related to the Provision of Public Transport Services and for the Determination of the Tariff for a Public Transport Service (hereinafter – the Regulation);

1.2. separately for the revenues received and costs in the route network in total, including expenditures which have occurred in introducing the minimum quality requirements stipulated by the contracting authority or laid down in laws and regulations for public transport services;

1.3. in preparing a report on a calendar month, the carrier providing public transport services in routes of regional significance shall fill in rows 1, 4, 6, 6.1, 6.2, 7.5, 13, and 14 of the report for the procurement contracts of public transport services in which the amount of the compensation (contract price) or the procedures for the calculation of such compensation (contract price) have been determined;

1.4. in preparing a report on six months (January–June and July–December) and on a calendar year, the carrier providing public transport services in routes of regional significance shall, in addition to the information indicated in Sub-paragraph 1.3, fill in rows 18, 19, 20, and 21 of the report for the procurement contracts of public transport services in which the amount of the compensation (contract price) or the procedures for the calculation of such compensation (contract price) have been determined.

2. In filling in the report:

2.1. only such revenues shall be included in items of revenues which are related to the provision of public transport services;

2.2. only such direct and indirect costs shall be included in items of costs which are necessary for the performance of the procurement contract of public transport services and have occurred in performing the procurement contract of public transport services. Also such costs shall be included in items of costs which are necessary for the carrier for ensuring a public transport service (for example, expenditures of technical mileage);

2.3. costs shall be indicated in actual prices without value added tax.

3. The following shall not be included in the report:

3.1. representation expenditures which are not related to the performance of the procurement contract of public transport services;

3.2. expenditures in relation to publishing information in mass media, except for the cases laid down in laws and regulations and the procurement contract of public transport services;

3.3. research (surveys, ascertaining the opinion of an expert, analysis of indicators, feasibility studies, etc.) costs which are not related to the performance of the procurement contract of public transport services or have not been coordinated with the contracting authority before the commencement thereof;

3.4. costs of legal services which are not directly related to ensuring the performance of the procurement contract of public transport services concluded or have not been coordinated with the contracting authority before their occurrence;

3.5. expenditures of official trips to foreign countries not related to the performance of the contract regarding public transport services;

3.6. write-off costs of the value of public transport vehicles if a public transport vehicle is not being continuously (for buses and city electrical vehicles – for more than three months, for trains – for more than four months) used for the provision of public transport services (including is in repair or is intended as a reserve vehicle);

3.7. fines which have been imposed on the carrier for the non-performance of the procurement contract of public transport services or the non-conformity with laws and regulations, and also fines for late payments;

3.8. savings and accumulated liabilities which are intended in order to cover liabilities of a specific type (for example, for the disbursement of compensations for the leaves not used, for the disbursement of severance pays, for savings for doubtful debtors);

3.9. payments of the enterprise income tax;

3.10. expenditures related to the participation of an undertaking in the financial instrument market;

3.11. compensations for the compensation for damage for the third parties which the carrier has caused by its action or failure to act, claims payments, and other similar expenditures which are not directly related to the performance of the procurement contract of public transport services;

3.12. expenditures for the repayment of the principal amount of loans;

3.13. increase in the depreciation obtained as a result of re-assessment of a fixed asset if re-assessment has been performed without financial contribution to the renewal of the fixed asset;

3.14. membership fees in different public organisations and non-governmental organisations, associations, foundations, and other organisations;

3.15. remaining value of the fixed assets written off;

3.16. expenditures which are related to reorganisation of the undertaking, except for the cases laid down in laws and regulations.

4. Data in the report shall be indicated in euros and cents.

5. The details “signature” and “date” shall not be filled in if the report has been prepared electronically in accordance with the laws and regulations regarding drawing up of electronic documents and has been submitted in accordance with Paragraph 38.1 of the Regulation.

|  |  |
| --- | --- |
| **Row 1** | **Revenues** |
|  | Net revenues (without value added tax) which have been obtained from the sale of all types of tickets (also subscription tickets, animal tickets, or baggage tickets), including revenues for the payments referred to in Paragraph 29.1 of the Regulation. The subsidies disbursed by the contracting authority, the compensations of losses and expenditures in accordance with Paragraphs 2 and 43 of the Regulation shall not be indicated, and also other compensations and subsidies received shall not be indicated |
| **Row 2** | **State funding received and saved in the previous years** |
|  | Revenues which are eligible in accordance with Cabinet Regulation No. 775 of 22 December 2015, Regulations Regarding the Application of the Law on the Annual Financial Statements and Consolidated Financial Statements, shall be indicated |
| **Row 3** | **Other revenues from economic activity (row 3.1 + row 3.2)** |
| **Row 3.1** | **Other revenues**Other revenues which are not included in row 1 of the report and have been obtained by carrying out the performance of the procurement contract of public transport services (the carrier could not have earned such revenues if a procurement contract of public transport services had not been concluded with the carrier), for example, revenues for the placement of advertising, ensuring of additional conveniences (for example, sale of publications, informative booklets), revenues from the collection of penalties |
| **Row 3.2** | **Reimbursements received for the use of the by-pass road**Reimbursements received from the owner of a motor road, street, bridge, or level crossing (contracting authority of the construction and repair of a motor road, street, bridge, or level crossing) for the use of a by-pass road |
| **Row 4** | **Revenues in total (row 1 + row 2 + row 3)** |
| **Row 5** | **Costs of materials (row 5.1 + row 5.2 + row 5.3 + row 5.4 + row 5.5)** |
| **Row 5.1** | **Raw materials, materials** |
|  | Costs of the raw materials and materials necessary for the servicing and operation of public transport vehicles, i.e., lubricants, oils, different materials, cash-register tapes, route signs (if not electronic), timetables, tachograph sheets |
| **Row 5.2** | **Spare parts** |
|  | Costs of the spare parts necessary for the repair and maintenance of public transport vehicles |
| **Row 5.3** | **Fuel (energy resources) (row 5.3.1 + row 5.3.2 + row 5.3.3)** |
| **Row 5.3.1** | **Fuel** |
|  | Costs of fuel (diesel fuel, petrol) for public transport vehicles |
| **Row 5.3.2** | **Electricity for the propulsion of an electrical vehicle** |
|  | Electricity costs for the propulsion of an electrical vehicle (self-propelling electric trains, tramways, trolley buses, electric buses) |
| **Row 5.3.3** | **Hydrogen** |
|  | Costs of hydrogen, liquefied petroleum gas, or liquefied natural gas for public transport vehicles |
| **Row 5.4** | **Tyres/wheel pairs** |
|  | Costs of tyre pairs (for buses, trolley buses) or wheel pairs (for tramways, trains) and the work related to the renewal thereof |
| **Row 5.5** | **Other materials for ensuring public transport services**Other materials which are necessary for ensuring economic activity and the procurement contract of public transport services which are not referred to in rows 5.1, 5.2, 5.3, and 5.4, for example, economic fuel, heating fuel |
| **Row 6** | **Personnel costs in total (row 6.1 + row 6.2 + row 6.3 + row 6.4 + row 6.5)** |
| **Row 6.1** | **Remuneration for work to drivers of public transport vehicles** |
|  | Remuneration for drivers of public transport vehicles by taking into account the remuneration laid down in the employment contract and/or the collective agreement according to the methodology for the calculation of remuneration indicated by the carrier |
| **Row 6.2** | **Mandatory State social insurance contributions for drivers of public transport vehicles** |
|  | Mandatory State social insurance contributions for drivers of public transport vehicles (mandatory social insurance contributions which have been paid into the State budget in accordance with the law On State Social Insurance) |
| **Row 6.3** | **Remuneration for work for other employees** |
|  | Remuneration for other employees, taking into account the remuneration laid down in the employment contract and/or the collective agreement, for example, for operators (dispatchers), public transport ticket inspectors, economists, accountants, warehouse managers if they perform the functions related to the provision of public transport services |
| **Row 6.4** | **Mandatory State social insurance contributions for other employees** |
|  | Mandatory State social insurance contributions for other employees, for example, for operators (dispatchers), public transport ticket inspectors, economists, accountants, warehouse managers, if they perform the functions related to the provision of public transport services (mandatory social insurance contributions which have been paid into the State budget in accordance with the law On State Social Insurance) |
| **Row 6.5** | **Other social security costs** |
|  | Other social security costs, for example, State entrepreneurial risk fees, health and work safety costs, and other benefits. Voluntary social insurance contributions if such are provided for, in concluding a procurement contract of public transport services |
| **Row 7** | **Other costs of the provision of public transport services (row 7.1 + row 7.2 + row 7.3 + row 7.4 + row 7.5 + row 7.6 + row 7.7)** |
| **Row 7.1** | **Insurance of public transport vehicles, licences, registration of vehicles** |
|  | Costs which are related to insurance of public transport vehicles, licences, registration of vehicles, performance of a technical inspection |
| **Row 7.2** | **Costs of ensuring the public transport servicing (row 7.2.1 + row 7.2.2 + row 7.2.3)** |
| **Row 7.2.1** | **Cleaning of the public transport, cleaning at the undertaking of the carrier**Costs which are related to ensuring servicing of the public transport – cleaning of a vehicle, cleaning at the undertaking of the carrier. Actual costs in the undertaking of the carrier which are necessary for the performance of the specified function which includes the costs of human resources (including wage, social guarantees), costs of service space (including lease of premises, public utility services), costs of materials (cleaning agents), and depreciation of devices, except for the resources of administration  |
| **Row 7.2.2** | **Cleaning of the public transport, cleaning outside the undertaking of the carrier**Costs which are related to ensuring servicing of the public transport – cleaning of a vehicle, cleaning outside the undertaking of the carrier |
| **Row 7.2.3** | **Servicing, programming of the devices to be used in the public transport vehicle** |
|  | Costs for servicing, programming of cash registers or other devices to be used in a vehicle |
| **Row 7.3** | **Repair costs (row 7.3.1 + row 7.3.2)** |
| **Row 7.3.1** | **Repair of the public transport at the undertaking of the carrier**Costs which are related to the technical maintenance, repair, and diagnostics of public transport vehicles. Actual costs in the undertaking of the carrier which are necessary for the performance of repair which includes the costs of the equipment in the repair zone, costs of human resources (including wage, social guarantees), costs of service space (including lease of premises, public utility services), and depreciation of devices, except for the costs of administration  |
| **Row 7.3.2** | **Repair of the public transport outside the undertaking of the carrier** |
|  | Costs which are related to the repair and diagnostics of public transport vehicles outside the undertaking of the carrier. If spare parts or materials are also indicated in the corroborative documents in addition to the repair service provided, their costs shall be indicated in rows 5.1 and 5.2 |
| **Row 7.4** | **Payments for the distribution of tickets (intermediation)** |
|  | Payments for the distribution of tickets (intermediation) at sales points, including with the intermediation of the Internet and with a mobile application, commission for the non-cash payments |
| **Row 7.5** | **Payments for the use of the bus route service points, payments for the use of the railway infrastructure** |
|  | Payment for the services of a bus terminal for ensuring services to be mandatorily provided by a bus terminal of the relevant category. Payment for the services of a bus terminal shall be also indicated for buses entering the territory of a bus terminal in the possession of the undertaking. Payment for the use of the public railway infrastructure |
| **Row 7.6** | **Other costs related to ensuring public transport services** |
|  | Other costs of economic activity which cannot be included in rows 7.1, 7.2, 7.3, 7.4, 7.5, and 7.7 and have incurred for the carrier in providing a public transport service or are related thereto, or arise therefrom, for example, costs of control services and economic transport which are related to the acquisition of materials, raw materials, spare parts, costs of premises and the territory (parking lots, garages, warehouses, security guard premises) |
| **Row 7.7** | **Other services (outsourced services) (row 7.7.1 + row 7.7.2)** |
| **Row 7.7.1** | **Services provided to the carrier**Costs which are related to the services provided to the carrier – different contracts providing for the provision of services to the carrier, for example, security guard services, lease of premises (garage, warehouse), services of parking lots |
| **Row 7.7.2** | **Public transport lease payments**Costs which are related to the lease of vehicles, for example, payments of operational lease, lease payments for vehicles, and inventory lease payments for vehicles to be used for the provision of other public transport services |
| **Row 8** | **Write-off of the value of assets and interest payments (row 8.1 + row 8.2 + row 8.3 + row 8.4)** |
| **Row 8.1** | **Public transport vehicles** |
|  | Depreciation and write-off of the public transport vehicles used in the provision of public transport services (including such vehicles which have been acquired on the basis of financial lease conditions) according to the procurement contract of public transport services |
| **Row 8.2** | **Inventory to be used in a public transport vehicle** |
|  | Depreciation and write-off of the inventory of vehicles (for example, cash registers, tachographs, electronic display boards, tracking devices, fuel control devices) to be used in the provision of public transport services |
| **Row 8.3** | **Other fixed assets** |
|  | Depreciation and write-off of the fixed assets not referred to in rows 7.2, 7.3, 8.1, and 8.2 according to the procurement contract of public transport services |
| **Row 8.4** | **Interest payments for the borrowed assets** |
|  | Interest payments for the borrowed assets which have been used for the acquisition of public transport vehicles, their inventory, and other fixed assets, also financial lease interest payments |
| **Row 9** | **Administration expenditures in total (row 9.1 + row 9.2 + row 9.3)** |
| **Row 9.1** | **Remuneration for the administration staff and the administration** (the carrier shall determine the composition of the administration staff in the internal regulatory documents) |
|  | Remuneration of the administration staff and the administration in accordance with the employment contract and/or collective agreement. Administration staff – the board, council, employees supervising the common economic activity of the undertaking (including accountants, lawyers, economic managers) and the service staff of the administration |
| **Row 9.2** | **Social security costs for the administration staff and the administration** (the carrier shall determine the composition of the administration staff in the internal regulatory documents) |
|  | Social security costs, including State entrepreneurial risk fees, mandatory State social insurance contributions (mandatory social insurance contributions which have been paid into the State budget in accordance with the law On State Social Insurance) |
| **Row 9.3** | **Other administration costs** |
|  | Costs necessary for ensuring economic activity of the undertaking which have occurred for the carrier in providing a public transport service or are related thereto, for example, costs which are related to the maintenance of administrative premises, to depreciation and write-off of fixed assets, transport expenditures, communication expenditures, legal services, services of auditors |
| **Row 10** | **Interest payments and similar costs** |
|  | Interest payments for the borrowed assets which are related to the attraction of credit resources necessary for the provision of public transport services |
| **Row 11** | **Costs of the use of a by-pass road**Expenditures for the use of a by-pass road which are reimbursed by the owner (contracting authority of the construction and repair of a motor road, street, bridge, or level crossing) or builder of a motor road, street, bridge, or level crossing |
| **Row 12** | **Profit or losses of the reporting period (row 4 – row 5 – row 6 – row 7 – row 8 – row 9 – row 10 – row 11)** |
|  | Profit or losses obtained in the reporting period from the provision of public transport services |
| **Row 13** | **Costs in total (euro)** |
|  | Actual costs for the provision of public transport services, in executing the procurement contract of public transport services |
| **Row 14** | **Mileage in the route network**  |
|  | Actual mileage in executing the procurement contract of public transport services |
| **Row 15** | **Technical mileage**  |
|  | Actual technical mileage, in executing the procurement contract of public transport services |
| **Row 16** | **Mileage for the use of a by-pass road** |
|  | Mileage which occurs if, due to construction of a new motor road, street, bridge, or level crossing or repair of an existing motor road, street, bridge, or level crossing, the route laid down in carriage is redirected to a by-pass road, the layout of stops is changed, or other significant restriction of changing of the public transport traffic is intended.  |
| **Row 17** | **Total mileage (row 14 + row 15 + row 16)** |
|  | Total mileage which has been covered, in executing the procurement contract of public transport services, is added up |
| **Row 18** | **Diesel fuel consumption (in litres)** |
|  | Total actual consumption of diesel fuel or petrol in litres for such public transport vehicles which, in executing the procurement contract of public transport services, are powered with a diesel engine or an engine powered by petrol  |
| **Row 19** | **Gas consumption (in kg)**  |
|  | Total actual consumption of liquefied petroleum gas or liquefied natural gas in kilograms for public transport vehicles in which the abovementioned type of energy resources is used  |
| **Row 20** | **Electricity consumption for the propulsion of electrical vehicles (in kWh)** |
|  | Total actual consumption of electricity in kilowatt hours for such public transport vehicles which, in executing the procurement contract of public transport services, are mostly powered with an electric motor |
| **Row 21** | **Hydrogen consumption (in kg)** |
|  | Total actual consumption of hydrogen in kilograms for public transport vehicles in which the abovementioned type of energy resources is used  |
| **Row 22** | **Actual cost price of one kilometre (row 13/row 14) (euro/km)** |
|  | Calculated cost price of one kilometre which is determined by dividing the actual costs by the mileage in the route network |

**Annex 4**

Cabinet Regulation No. 435

28 July 2015

**Information on Carriage of Passengers and Fare Reliefs**

[*27 June 2017; 18 February 2021*]

|  |  |  |
| --- | --- | --- |
| **Reporting period** |  |  |
|  |  |
| **Type of carriage** | https://likumi.lv/wwwraksti/BILDES/KVADRATS.GIF Routes of regional significancehttps://likumi.lv/wwwraksti/BILDES/KVADRATS.GIF Routes of city significance |  |
| **Name of the carrier** |  |  |
|  |  |
| **Planning region** |  |  |
| (to be indicated if carriage is provided according to the territorial division of planning regions) |  |
| **Number of the procurement contract of public transport services** |  |  |
|  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Category of passengers | Specified discounts (%) | Number of passengers carried | Passenger-kilometres | Revenues received(euro, without VAT) | Revenues not received (euro, without VAT) | VAT for revenues not received (euro) |
|  | A | B | C | D | E | F | G |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| (date of the preparation and submission of the report) |  | (signature, given name, surname, contact details of the responsible person) |

**Instructions for the filling in of the report**

1. The report shall be filled in by the carriers which, in executing the procurement contract of public transport services, carry passengers for whom fare reliefs have been laid down in accordance with laws and regulations or they have been determined by the local government.

2. If, in accordance with laws and regulations or a decision of a local government, reliefs, and also tariffs for different categories of passengers have been laid down, information on each category shall be indicated separately.

3. Information on carriage of the passengers of such categories which have the right to use the public transport with fare reliefs shall be indicated together according to the groups of discounts applied (for example, discount of 100 % or 50 %).

4. Column A – name of the category of passengers (for example, passengers without fare reliefs or persons who have been granted the old-age pension and who are more than 75 years of age).

5. Column B – discounts applied to the category of passengers in percentage (for example, for persons who have been granted the old-age pension and who are more than 75 years of age, discount of 100 % from the ticket price (price of a subscription ticket)).

6. Column C – number of passengers carried. If subscription tickets are sold to passengers and each trip of a passenger is not accounted, the average number of trips which has been determined, calculating the price of the subscription ticket, shall be indicated.

7. Column D – the accounted (calculated) passenger-kilometres which have been determined in accordance with Sub-paragraph 95.2 of Cabinet Regulation No. 435 of 28 July 2015, Procedures by which the Losses and Expenditures Related to the Provision of Public Transport Services shall be Determined and Compensated, and the Tariff for Public Transport Service. Column D need not be filled in in carriage of passengers in the route network of city significance.

8. Column E – revenues from the tickets sold and subscription tickets which the carrier receives from a passenger. To be indicated in euro without value added tax.

9. Column F – part of revenues not received which the carrier has not received from a passenger due to the application of the fare reliefs specified. To be indicated in euro without value added tax.

10. Column G – value added tax for the part of revenues not received and indicated in Column F.

11. The details of the document “signature” and “date” need not be completed if the report has been prepared in accordance with the laws and regulations regarding drawing up of electronic documents.

**Annex 5**

Cabinet Regulation No. 435

28 July 2015

**Information on Losses in Routes for which More than 30 % of the Total Length of the Route are Outside the Administrative Territory of the City**

[*27 June 2017; 18 February 2021*]

|  |  |
| --- | --- |
| **Reporting period** |  |
| **Name of the carrier** |  |
| **Number of the procurement contract of public transport** |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Route (number and name) | Total length of the route (km) | Part of the route in the planning region (km) | Part of the route in the planning region(%) | Total mileage in the route (voyage) (km) | Total expenditures in the route (EUR) | Total revenues in the route (EUR) | Including revenues from the sale of tickets (EUR) | Total losses in the route (EUR) | Profit calculated (EUR) | Losses for the fare reliefs stipulated by the local government (EUR) | Losses for carriage of persons with disability (EUR) | Calculated compensation (EUR) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| (date of the preparation and submission of the report) |  | (signature, given name, surname, contact details of the responsible person) |

**Instructions for the filling in of the table**

1. Column 2 – the number and name of the route (voyage) according to the conditions of the agreement entered into on boundaries of the route network. Information on voyages shall be indicated if the route consists of voyages of different length.

2. Column 3 – the total length of the route (voyage).

3. Column 4 – the part of the route (voyage) which is located outside the administrative territory of the city or the mileage outside the administrative territory of the city, excluding technical mileage (in kilometres).

4. Column 5 – the part of the route (voyage) which is located outside the administrative territory of the city (in percentage) by rounding up to two decimal figures.

5. Column 6 – the total mileage in the route (voyage) by excluding technical mileage (in kilometres).

6. Column 7 – total expenditures in the route (voyage).

7. Column 8 – total revenues in the route (voyage), including other revenues from economic activity in relation to the provision of public transport services, including revenues which have been obtained by carrying the persons stipulated by local governments with fare reliefs and paid on the basis of the invoice written out by the carrier.

8. Column 9 – including revenues obtained from the sale of tickets (also subscription tickets, animal tickets, or baggage tickets).

9. Column 10 – total losses in the route (voyage) determined by deducting revenues from expenditures (column 7 – column 8).

10. Column 11 – the calculated profit (the amount of profit calculated in accordance with Paragraph 54 of Cabinet Regulation No. 435 of 28 July 2015, Procedures for the Determination and Compensation of the Losses and Expenditures Related to the Provision of Public Transport Services and for the Determination of the Tariff for a Public Transport Service (hereinafter – the Regulation), by taking into account the mileage indicated in column 6).

11. Column 12 – losses in relation to the fare reliefs stipulated by the local government in the particular route (voyage) of city significance. Losses shall be determined in accordance with the procedures referred to in Paragraph 8 of the Regulation.

12. Column 13 – losses in relation to reliefs for carriage of persons with disability in the particular route (voyage) of city significance.

13. Column 14 – the amount of the calculated compensation for covering losses which is determined by deducting the losses for the fare reliefs laid down by the local government of a State city and the reliefs laid down by the State for carriage of persons with disability from the total losses and adding the part of the profit. The calculated losses shall be multiplied by the part of the route (voyage) in the administrative territory of the planning region ((column 10 – column 12 – column 13 + column 11) x column 5).

14. The details of the document “signature” and “date” need not be completed if the information has been prepared in accordance with the laws and regulations regarding drawing up of electronic documents.