

**REQUEST FOR EXPRESSIONS OF INTEREST  
CONSULTING SERVICES – FIRMS SELECTION**

**Republic of Serbia**

**The Serbia Railway Sector Modernization Project (SRSM)**

**Project ID No. P170868**

**Assignment Title:**

**Technical assistance to support Srbija Voz in making a decision  
on the future use of the Blue Train**

**Reference No. SER-SRSM-CQ-CS-23-47**

The Republic of Serbia has received a Loan from the International Bank for Reconstruction and Development (IBRD) in the amount of EURO 51 million and from the Agence Francaise de Développement (AFD) in the amount of EURO 51 million, toward the cost of the Serbia Railway Sector Modernization Project, Phase 1 of the Multiphase Programmatic Approach (MPA) and intends to apply part of the proceeds to payments for consulting services for Technical assistance to support Srbija Voz in making a decision on the future use of the representative train so called "Blue Train" (in the following text: Blue Train).

The consulting services ("the Services") include provision of services for technical assistance (TA) to support SV in making a decision on the future use of the representative Blue Train. This TA will assist: (i) the GoS and SV to identify solutions for increased commercialization for using Blue Train and (ii) SV to assess the necessary steps and finance to bring the Blue Train into the identified condition for use.

The Consultant is expected to perform the following activities within its contract, which are grouped into three activities:

- Activity 1: Identify solutions for increasing commercial use of Blue Train with potential customers;
- Activity 2: General assessment of required investments for the identified solutions for future use of Blue Train
- Activity 3: Cost benefit analysis the identified solutions for future use of Blue Train.

The period of implementation of the contract will be 3 months starting from the commencement date.

The detailed Terms of Reference for the above referenced consulting services is posted on the website of the Ministry of Construction, Transport and Infrastructure (MoCTI)

<https://mgsi.gov.rs/cir/dokumenti/serbia-railway-sector-modernization-project-srsm-blue-train-market-potential>

The Central Fiduciary Unit (CFU) of the Ministry of Finance now invites eligible consulting firms ("Consultants") to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

The Consultant will be selected in accordance with Consultant Qualification Selection (CQS) method set out in the World Bank's Procurement Regulations for IPF Borrowers (July 2016, revised November 2017, August 2018 and November 2020). The Consultant that obtains the highest score during evaluation of expressions of interest will be invited to submit technical and financial proposals.

Consultants may associate with other firms to enhance their qualifications, but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

The following criteria will be applied to all consulting firms that have submitted EoI:

The Consulting firm must be a legal entity. Evaluation of Eols will be based on the following criteria:

- i) **General Experience:** Experience in developing marketing solutions for service providers, with at least one project of transport marketing solution in the past 8 years.
- ii) **Specific Experience:** The Consultant (individual company or joint venture altogether) has implemented and successfully completed, during the last five years (from the January 2017 up to the deadline for the receipt of applications indicated below):
  - at least one (1) contracts in a field related to these Services, i.e. preparation of study for touristic potential.
- iii) **Availability of qualified experts within the organization/JV** with relevant experience in the field, such as, marketing specialist, transport economist, etc.

As a proof, the Consultant firm shall prepare a table listing following information: name of the relevant assignment, name of a firm that conducted the assignment, short scope of work, year of contract implementation, country/region, contact reference (name, e-mail, phone number).

**Allocation of points:**

- i. General Experience 30 points
- ii. Specific Experience 50 points
- iii. Availability of qualified experts 20 points

**Key Experts' CV are not required and will not be evaluated at the shortlisting stage.**

The attention of interested Consultants is drawn to paragraphs 3.14, 3.16 and 3.17 of the World Bank's Procurement Regulations for IPF Borrowers – Procurement in Investment Project Financing Goods, Works, Non-Consulting and Consulting Services (July 2016, revised November 2017, August 2018 and November 2020) ("the Regulations") setting forth the World Bank's policy on conflict of interest.

Further information can be obtained at the address below during office hours 09:00 to 15:00 hours.

Expressions of interest in English language must be delivered in a written form to the email below, by **June 15, 2023, 12:00 hours, noon, local time.**

Contact:	E-mail:	Address:
To:	<a href="mailto:zorica.petrovic@mfin.gov.rs">zorica.petrovic@mfin.gov.rs</a> Ms. Zorica Petrovic Procurement Specialist	Ministry of Finance Central Fiduciary Unit 3-5 Sremska St 11000 Belgrade, Serbia Tel/Fax: (+381 11) 765 2587
Cc:	<a href="mailto:ljiljana.dzuver@mfin.gov.rs">ljiljana.dzuver@mfin.gov.rs</a> <a href="mailto:larisa.puzovic@mgsi.gov.rs">larisa.puzovic@mgsi.gov.rs</a>	

**The Serbia Railway Sector Modernization Project (SRSM) Project ID  
No. P170868**

## **TERMS OF REFERENCE**

### **Technical assistance to support Srbija Voz in making a decision on the future use of the Blue Train**

## **1 Background information**

### **1.1 Beneficiary country: Republic of Serbia**

**Client:** Ministry of Construction, Transport, and Infrastructure of Republic of Serbia (MCTI).

**Final Beneficiary:** Srbija Voz (Company for Passenger Railway Transport – SV).

### **1.2 Relevant background**

The Republic of Serbia is located at the crossroads of Central and Southeast Europe and is the central part of the Balkans, spreading over an area of 88,361km<sup>2</sup>. As an upper middle-income country with a Gross National Income per capita of US\$ 7,409 (2019) and a population of 7 million (2018), Serbia is one of the main economies of the Western Balkans with positive economic performance in the last 5 years.

The country is ranked relatively high in terms of competitiveness, investment climate and the ease of doing business. The World Economic Forum's global competitiveness index ranked Serbia at 72 out of 141 countries in 2019, behind regional peers Slovenia (35), Bulgaria (49), Romania (51) and Croatia (63) but ahead of Montenegro (73) and Albania (81). It is ranked 48<sup>th</sup> by the World Bank's Doing Business Index 2019, where it scored above regional average for Europe and Central Asia. Since 2014, the Government of the Republic of Serbia (GoS) has made good progress in reducing public debt, including through greater fiscal responsibility, reform of the public administration, reform of the state-owned enterprises and an overall increase in public sector productivity.

The World Bank launched the Multiphase Programmatic Approach (MPA) to support the Government of Serbia in continuation of institutional, physical and operational modernization of the railway sector in an integrated manner through providing financial support to Serbia Railway Sector Modernization Project as part of the MPA to be implemented in three overlapping phases over the ten-year period.

To finance Phase 1 of the *Serbia Railway Sector Modernization Project* (the Project), the International Bank for Reconstruction and Development (IBRD), as part of the World Bank Group, and the Agence Francaise de Développement (AFD), jointly, granted to the Republic of Serbia loans amounting to EUR 102 million. The Project consists of three components:

- Component 1: Infrastructure Investments and Asset Management. This component focuses on improving the quality and safety of railway infrastructure and enhancing rail asset management practices.
- Component 2: Institutional Strengthening and Project Management. This component focuses on strengthening rail policies and institutions to deepen and sustain recent reforms.
- Component 3: Railway Modernization Enablers. This component finances measures to protect the vulnerable and poor and strengthen sectoral enablers for sustainable business growth and job creation.

The Project is managed by the MoCTI through its Project Implementation Unit (PIU) supplemented by the Project Implementation Teams (PITs) in Railway Directorate (RD) and in railway companies, respectively Serbian Railway Infrastructure (IZS) Serbia Cargo (SC) and Serbia Voz (SV). PITs act as subordinate implementing agencies and provide technical support for specific Project subcomponents or activities of the MPA that pertain to their area of expertise. Primary responsibility for Project execution lies on PIU which will ensure that the Project development objectives are met.

In this context, the MoCTI intends to develop a *Study - Technical assistance which would help SV in making a decision on the future use of the Blue Train*, framed under Component 1 of the Project. These Terms of Reference (ToR) describe the Services to be undertaken by a consultancy firm to provide technical assistance to SV to making a decision on the future use of the Blue Train.

### **1.3 General information**

The former president of the Socialist Federal Republic of Yugoslavia (SFRY), Josip Broz Tito, traveled about 600,000 kilometers in the country and abroad on the representative train, so-called “Blue Train” (in the following text: Blue Train) in 35 years and spoke with about 60 of the highest statesmen and state delegations in the world. British Queen Elizabeth II, Greek King Paul and Queen Frederica, President of the Soviet Union Leonid Brezhnev, President of Egypt Gamal Nasser, President of India Jawaharlal Nehru, President of Algeria Ibn Bela, Emperor Haile Selassie of Ethiopia, President of Turkey Jalal Bayar, President of Libya Muammar traveled on the Blue Train el Gaddafi, the president of Guinea, Sekou Toure, as well as many others.

On his last trip, Josip Broz Tito was transported from Ljubljana to Belgrade on 05.05.1980 by the Blue Train. year, where he was buried in the "House of Flowers".

After the death of President Tito, the Blue Train as a whole was rarely used for the needs of the SFRY state authorities, but it should be noted that it was used several times during the visits of foreign statesmen, e.g. Italian President Sandro Pertini (from Belgrade to Bar) and French President Francois Mitterrand (from Belgrade to Ljubljana).

Since 2004, the Blue Train has been open to the general public for the first time, for domestic and foreign clients.

After more than 60 years of exploitation of the Blue Train, the interior of the passenger cars is completely authentic. Passenger cars from the composition of the Blue Train have specific technical and operational characteristics precisely determined for their purpose. As of July 2020, all cars from the Blue Train are out of service, bearing in mind that the period of regular maintenance has expired.

## **2 Scope of Work**

### **2.1 Objective of the Assignment**

The objective of the Assignment is to provide technical assistance (TA) to support SV in making a decision on the future use of the Blue Train. This TA will assist: (i) the GoS and SV to identify solutions for increased commercialization for using Blue Train and (ii) SV to assess the necessary steps and finance to bring the Blue Train into the identified condition for use.

The Scope of Work is divided into three activities:

- Activity 1: Identify solutions for increasing commercial use of Blue Train with potential customers;
- Activity 2: General assessment of required investments for the identified solutions for future use of Blue Train
- Activity 3: Cost benefit analysis the identified solutions for future use of Blue Train.

### **2.2 Activity 1: Identify solutions for increasing commercial use of Blue Train with potential customers**

The task of the Consultant is to, based on experience and possibly world best practice, look at all possibilities for the future use of the Blue Train - modern solutions related to the use of representative historical trains, with the purpose to generate revenue to SV.

The consultant will, but not limited to, specifically analyze the possible solutions:

1. Which will not require the movement of the Blue Train. Within that, the Consultant will analyze solutions where there will be no need for the Blue Train to move, such as using the Blue Train as an exhibition exhibit or using the Blue Train for branding purposes and the like.
2. Which will include the movement of the Blue Train. Within that, the Consultant will analyze solutions, where there will be need for the movement of Blue Train, such as renting the whole or part of the Blue Train composition for celebrations on the move, or propose a route where the Blue Train could run continuously as a tourist attraction.

Based on the conducted analyses, the consultant, in consultation with MCTI and SV, will select 2 solutions for the future use of the Blue Train for each case - which will not require the movement of the Blue Train and which will include the movement of the Blue Train.

Not relying only on the above, the Consultant can also propose solutions that are not included in the previous text, if he believes that they can represent the best solutions for the future use of the Blue Train.

The consultant will provide an explanation and identify potential customers for the identified 4 solutions, on the basis of which a conclusion can be drawn as to why the identified solutions are the best applicable for the future use of the Blue Train.

## **2.3 Activity 2: General assessment of required investments for identified solutions for future use of Blue Train**

Bearing in mind that it may happen that the amount of required investments varies depending on the identified solution, for each of the 4 identified solutions in Activity 1, the Consultant will prepare a high-level assessment of required investments of the necessary repair works on the Blue Train so that it could be used for the concrete solution.

This will not include a detailed review of all works, but it is necessary for the Consultant, based on expert experience, consultation with employees of the SV and possibly available documentation, as well as a visible review of the state of the Blue Train on site, to make a general assessment of the necessary repair works on the Blue Train so that it could be used for the concrete solution.

## **2.4 Activity 3: Cost benefit analysis solutions identified solutions for future use of Blue Train**

Based on high-level assessment of required investments for the proposed solutions, as well as identifying the costs and benefits of implementing the solutions for future use of Blue Train, for no less than 4 identified solutions, the Consultant will prepare a cost benefit analysis, with a simple business plan, estimating potential revenue, OPEX and CAPEX.

This analysis needs to include all costs and benefits per solution, starting with the generally identified investment to bring the Blue Train into use, as well as a general assessment of the costs and benefits of its future use.

Also, the Consultant will identify the main activities and create a time frame for the implementation for each of the solutions, including the assessment of the necessary works, time plan, as well as the necessary funds to bring the Blue Train to the purpose of the identified solutions.

The analysis should be made generally but in such a way, to provide the necessary information in order to SV to make a decision in which direction the use of the Blue Train will go, as well as to plan the necessary funds, time and activities for the realization of this task, i.e. for future use of the Blue Train.

# **3 Logistic and timing**

## **3.1 Location**

Operational base for the Contract will be Belgrade. Internal travel within the RoS will be required in order to execute activities and tasks.

## **3.2 Commencement date and period of implementation**

The intended commencement date is August 2023 but the actual commencement date will be defined with the signature of the Contract. The period of implementation of the contract will be 3 months starting from the commencement date.

The Consultant will carry out the services in line with a detailed time schedule to be submitted as part of his proposal, which could be changed during the negotiations in order to reflect the comments and/or requirements by the parties.

### 3.3 Meetings

During Contract execution, monthly progress meetings will be organized with participation of the MoCTI and SV.

The Consultant shall prepare the Minutes of Meetings (MoM) for the monthly progress meetings. All Meetings must be ensured to lead to clear decisions, persons in charge and deadlines. Minutes of Meetings will be distributed by the Consultant. MoM for the monthly progress meetings will be always in the agenda of the next monthly meeting to be approved and followed up.

## 4 Qualifications and Experience

### 4.1 Corporate capability

The Consultant will be selected in accordance with Consultant Qualification Selection (CQS) method set out in the World Bank's Procurement Regulations for IPF Borrowers (July 2016, revised November 2017, August 2018 and November 2020). The Consultant that obtains the highest score during evaluation of expressions of interest will be invited to submit technical and financial proposals.

The assignment will require a qualified consulting company or Joint Venture that can demonstrate extensive experience in technical and marketing assistance service for the contract. Consultants may associate with other firms to enhance their qualifications but should indicate clearly whether the association is in the form of a joint venture (JV) and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected. Furthermore, Expressions of interest of JVs will be evaluated based on the composition of JV submitted, whereas the experience of other firms not included in the JV will not be considered in the evaluation. The experience of any proposed sub-consultancy shall not be included in the evaluation. Key Experts' CV are not required and will not be evaluated at this stage.

The following criteria will be applied to all consulting firms that have submitted EoI:

The Consulting firm must be a legal entity. Evaluation of EoIs will be based on the following criteria:

- i) **General Experience:** Experience in developing marketing solutions for service providers, with at least one project of transport marketing solution in the past 8 years.
- ii) **Specific Experience:** The Consultant (individual company or joint venture altogether) has implemented and successfully completed, during the last five years (from the January 2017 up to the deadline for the receipt of applications indicated below):
  - at least one (1) contracts in a field related to these Services, i.e. preparation of study for touristic potential.

- iii) **Availability of qualified experts within the organization/JV** with relevant experience in the field, such as, marketing specialist, transport economist, etc.

As a proof, the Consultant firm shall prepare a table listing following information: name of the relevant assignment, name of a firm that conducted the assignment, short scope of work, year of contract implementation, country/region, contact reference (name, e-mail, phone number).

**Allocation of points:**

- i. General Experience 30 points
- ii. Specific Experience 50 points
- iii. Availability of qualified experts 20 points

**4.2 Personnel**

The Consultant shall establish his Team in accordance with the needs and requirements of these ToR. The Team shall consist of a core team made of key experts with the qualifications and skills defined in the Table 1, below, and non-key experts, as needed. The Consultant is obliged to ensure adequate staff in terms of expertise and time allocation, as well as needed equipment in order to complete the activities required under the scope of work and to achieve the objectives of this Contract in terms of time, costs, and quality. Having in mind the diversity of areas covered by this Contract it is expected that the Consultant will ensure experts with sufficient expertise in the area of marketing and economy. Moreover, considering the geographical distribution of the scope, the Consultant's personnel are expected to be flexible in terms of travelling.

Given the complex nature of the services to be rendered by the Consultant for the implementation of the Contract, in terms of expertise required, as part of the organization and methodology of the technical proposal, the Consultant will be expected to effectively mobilize highly qualified key experts to carry out requested specific activities.

All experts shall be independent and free from any conflicts of interest in the responsibilities they take on.

The Consultant shall be responsible for organization of its key experts in such a way to ensure the technical assistance for the preparation of the Study are executed in accordance with the work program.

The total inputs for non-key experts are given indicatively for the purpose of this contract.

Note that staff of the public administration of the beneficiary country (Republic of Serbia) cannot be proposed as experts.

The Project language is English. All the team members assigned by the Consultant must be able to communicate effectively in English. A sufficient number of the Consultant's team should be fluent in Serbian language, especially the staff assigned to communicate with municipalities.

The Consultant shall provide adequate administrative staff (secretary, translators, drivers accountant) needed to support the expert team.



### 4.2.1 Key experts

The Team Leader with qualifications and skills given below will lead the Team. He/she will be the main contact for the Team and will interface with the MoCTI and SV. The Team Leader should be responsible for ensuring high quality performance of the main outputs and deliverables and the timing implementation of the activities during the Contract execution. The Team Leader will be supported by the Deputy Team Leader, who will replace the Team Leader when necessary.

Table 1 Key experts

Title	Qualifications/Experience	Skills
Team Leader – Senior travel and tourism / venue marketing and product development specialist	<u>Education:</u> - Have as a minimum MSc. Degree in Marketing, Management, Economy, or other relevant discipline  <u>Relevant professional experience:</u> - At least 15 years of general professional experience; - At least one successfully managed/implemented project in transport marketing system - Experience and knowledge or landscape in the region of West Balkan would be an asset	Excellent command of the English language.  Knowledge of Serbian language will be an advantage
Senior economist specialist (Deputy Team Leader)	<u>Education:</u> - Have as a minimum MSc. Degree in engineering, Economy or other relevant discipline  <u>Relevant Professional Experience:</u> - At least 10 years of general professional experience - At least 7 years experience in preparation of the Cost benefit analysis in investment project (tourism, cultural projects preferred)	Communication skills, fluency in English. Knowledge of Serbian language will be an advantage

### 4.2.2 Non-key experts (NKE)

Consultants are expected to include in their proposals other positions that they consider necessary for the assignment. CVs for non-key experts should be submitted in the proposal, however they would not be subject of evaluation.

The Consultant is free to propose an appropriate non-key experts team composition considering that it is likely to require a mix of international and local experts with substantial international and developing country experience in a wide range of transport and tourism sector studies, and advanced multi-disciplinary skills in a range of areas, including but not limited to:

- Mechanical Engineer specialist, with experience on railways rolling stock.
- Restaurateur/curator specialist.

Table 2 Non Key experts

Title	Qualifications/Experience	Skills
Mechanical Engineer specialist	<p><u>Education:</u></p> <ul style="list-style-type: none"> <li>- Have as a minimum MSc. Degree in Mechanical Engineering or other relevant discipline</li> </ul> <p><u>Relevant professional experience:</u></p> <ul style="list-style-type: none"> <li>- At least 7 years of general professional experience;</li> <li>- At least one successfully managed/implemented project regarding railways rolling stock</li> <li>- Experience and knowledge or landscape in the region of West Balkan would be an asset</li> </ul>	<p>Excellent command of the English language.</p> <p>Knowledge of Serbian language will be an advantage</p>
Restaurateur/curator specialist	<p><u>Education:</u></p> <ul style="list-style-type: none"> <li>- Have as a minimum MSc. Degree in Applied art, Museology or other relevant discipline</li> </ul> <p><u>Relevant Professional Experience:</u></p> <ul style="list-style-type: none"> <li>- Have a minimum 5 years of professional experience in the area of restoration of furniture/antiques or museum curator</li> </ul>	<p>Communication skills, fluency in English.</p> <p>Knowledge of Serbian language will be an advantage</p>

### 4.3 Office accommodation

Office accommodation for each expert working on the Contract is to be provided by the Consultant.

The Consultant shall ensure that experts are adequately supported and equipped. In particular, it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities.

No equipment is to be purchased on behalf of the neither Client (MOCTI), PIU nor Beneficiary (SV) as part of this service contract or transferred to the Client or beneficiaries at the end of this Contract.

## 5 Deliverables

### 5.1 Deliverables

The Consultant shall prepare, as a minimum, the below listed deliverables and reports during the period of execution of the Contract. All deliverables (draft and final versions) shall be prepared in both, English and Serbian language. The Consultant will be paid for the services provided after each deliverables is approved by the Client.

The deliverables should be delivered in accordance with the following timetable.

Table 3 Deliverables

<b>Deliverables</b>	<b>Description</b>	<b>Due date</b>
Inception Report	Up to 20 pages describing plans for delivery of the subject service	2 weeks after contract signing
Analysis of modern solutions related to the use of Blue Train	Activity 1, up to 50 pages	In accordance with Consultant timetable, but no later than 6 weeks after the commencement
Cost benefit analysis solutions for future use of Blue Train	Activity 3, up to 50 pages	In accordance with Consultant timetable, but no later than 10 weeks after the commencement

## **5.2 Submission and approval of deliverables**

All deliverables must be written in English and, final versions of deliverables should be translated into Serbian. All final deliverables should be delivered in digital and 3 hard copies in Serbian. The draft version of the reports (electronic copy) shall be submitted to PIU for distribution to the MoCTI and to the SV.

The commenting period for the deliverables is 3 weeks. In case of no-reaction to the submitted deliverable(s) such status will be interpreted as “no objection” and shall be deemed as approved.