

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

TERMS OF REFERENCE

Technical assistance for strengthening capacity of the Directorate for Railways

1 Background information

1.1 Beneficiary country: Republic of Serbia

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

Final Beneficiary: Directorate for Railways (Regulatory Body).

1.2 Relevant background

To finance a first phase 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 MCoTI through its Project Implementation Unit (PIU) supplemented by the Project Implementation Teams (PITs) in the Directorate for Railways and in railway companies, respectively Serbian Railway Infrastructure, Serbia Cargo and Serbia Voz. 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 MCoTI intends to develop a *Technical assistance for strengthening capacity of the Directorate for Railways*, framed under Component 2 of the Project. These Terms of Reference (ToR) describe the technical assistance to strengthen the Directorate for Railways.

1.3 General information

In the process of the reform, introduction of competition and establishing of a single market in the railway sector, EU member states have gradually established several different bodies and authorities needed for the functioning of the railway market and the achievement of a high level of railway safety and interoperability, such as: regulatory bodies (railway market regulators), national safety authorities (NSAs), licensing authorities, national enforcement bodies for rail transport, etc. Those bodies and authorities are responsible for regulating and monitoring of the railway market, for railway safety and interoperability.

The way of organization of those railway sector bodies and authorities differs from country to country as in some countries they are separated, while in others they are all, or some part of them, within one body.

In the Republic of Serbia, these roles are entrusted to Directorate for Railways, the special organization of the state administration of the Republic of Serbia.

In accordance with the relevant EU railway legislation, transposed in the national laws, the Directorate for Railways has the role of a railway market regulatory body, licensing authority, national safety authority and national enforcement body for rail transport. In addition, Directorate has competencies related to the operation of cableways and metro.

The Directorate for Railways was established in 2005. It performed tasks prescribed by the Law on Railways ("Official Gazette of RS", number 18/05) and had 49 employees.

By the adoption of the new Law on Railways ("Official Gazette of the RS", No. 41/18) as well as the Law on Safety in Railway Traffic ("Official Gazette of the RS", No. 41/18), the Law on the Interoperability of the Railway System ("Official Gazette of the RS", No. 41/18) and the Law on Cableways for the Transport of Persons ("Official Gazette RS", no. 38/2015, 113/2017 - other laws and 31/2019) and the Law on Metro and City Railway ("Official Gazette of the RS", No. 52/21) The Directorate for Railways was assigned new responsibilities.

The systematization of jobs in the Directorate for Railways provides for a total of 36 employees, of which 24 are currently filled. Since the establishment of the Directorate for Railways until today, the number of employees has been constantly reduced.

All roles of the Directorate for Railways are explained in more detail in Chapter 1.4.

1.4 Structure of the Directorate for Railways

Within the Directorate for Railways, there are two internal units:

- 1) Department for Railway Safety and Interoperability, Cableways and Metro
- 2) Department for Railway Market Regulation, Licensing, Passenger Rights and General Affairs

Within the Department for Railway Safety and Interoperability, Cableways and Metro, three smaller internal units have been formed:

- Section for Safety Management and Professional Training;
- Section for Regulations, Fixed Structural Subsystems, Railway and Metro Vehicles;
- Section for ECM (Entity in Charge of Maintenance) and Rail Vehicle Maintenance Workshop Certification and Cableways;

Within the Department for Railway Market Regulation, Licensing, Passenger Rights and General Affairs, two smaller internal units have been formed:

- Section for Railway Market Regulation, Licensing and Passenger Rights;
- Section for Finance, HR and General Affairs.

At the moment, the Directorate for Railways has got 24 full-time permanent employees, including the director, of whom 22 have a university degree and 2 have a secondary school education.

1.4.1 Competences of the Directorate for Railways in the field of railway services market regulation

The Directorate for Railways decides on the appeals that can be submitted by applicants for the allocation of infrastructure capacity, that is, applicants for access and provision of services in the service facility, who believe that they have been unfairly treated, discriminated against or harmed in any other way, especially against the decisions made by the infrastructure manager or, where appropriate, a railway undertaking or operator of a service facility, which concern:

- Network statements in draft and final form,
- The criteria they contain,
- The award procedure and the results of that procedure,
- System of calculation and levying of charges,
- The level and/or structure of access charges that it is obliged, or may be obliged to pay,
- Information about the service facility,
- Application of the provisions of Article 13 of the Law on Railways and in particular the access and charging of services.

The Directorate for Railways, as a regulatory body, also acts *ex officio*, regarding abovementioned issues.

Also, the Directorate for Railways considers all complaints in terms of this article and, if necessary, requests relevant information and initiates consultations with all relevant parties, within 30 days of receiving the complaint. The directorate decides on all complaints, undertakes measures to correct the situation and informs the relevant parties about the decision made within a maximum of six weeks from the receipt of all relevant information. Without questioning the right of the body for the protection of competition, the Directorate for Railways, if necessary, decides on its own initiative on appropriate measures to correct the discrimination of applicants for the allocation of infrastructure capacity, market disruptions and all other unwanted events in these markets.

1.4.2 Competences of the Directorate for Railways in the field of the licensing of railway undertakings

Transportation of goods and passengers in rail traffic can only be carried out by a railway undertaking, i.e. a company or other legal entity that owns a License for transportation in railway traffic in accordance with the Law on Railways.

The Directorate for Railways performs, inter alia, the following tasks within its competences in this area:

- Issuing a railway undertaking license for transport of goods and/or passengers,
- Issuing a railway undertaking license for transport for own needs,
- Checks every 12 months whether the railway undertaking meets the prescribed conditions,
- Keeps records of issued licenses.

The license is issued for an unlimited time in the form of a decision and on the license form.

1.4.3 Competences of the Directorate for railways in the field of passenger rights

Article 123 of the Law on Railways stipulates that the Directorate for Railways receives and considers complaints from passengers who believe that they have been denied the right established by this law and gives opinions and recommendations in specific cases, as well as that in the complaint procedure or ex officio, it can determine measures by decision for the elimination of the established violation in accordance with this law and the deadline for the implementation of the established measures.

In a procedure based on a passenger's complaint or on official duty, the Directorate for Railways can by decision determine the measures to eliminate the established violation of the relevant Law provisions and the deadline for the implementation of the established measures.

1.4.4 Competences of the Directorate for Railways in the field of the safety in rail traffic

In the field of railway traffic safety, as a national body for railway traffic safety, the Directorate for Railways has the following responsibilities:

- Issues Safety Certificate,
- Issues Safety Authorization,
- Issues Certificate of Entities in Charge of Maintenance (ECM),
- Issues Certificate of Entities in Charge of Maintenance functions,
- Issues Certificate of maintenance workshops,
- Issues Safety Authorization for industrial railway infrastructure management,
- Issues Safety Certificate for industrial railway transport,
- Performs supervision of safety management systems after issuance of Safety certificates and Safety authorizations,
- Issues certificate of fulfillment of the conditions by the risk assessment body,

- Supervises the activities of Entities in Charge of Maintenance (ECM) and Entities in Charge of Maintenance functions to which it has issued a certificate,
- Issues certificates to workshops for the maintenance of railway vehicles,
- Issues certificates to economic entities for carrying out technical inspection of railway vehicles,
- Issues certificates to business entities for the maintenance of the upper and lower railway tracks,
- Issues certificates to business entities for maintenance of the energy subsystem,
- Issues certificates to business entities for the maintenance of signaling safety devices,
- Issues certificates to economic entities for the maintenance of the railway telecommunication network,
- Performs periodic checks whether the holders of maintenance and technical inspection certificates meet the conditions under which their certificates were issued,
- Issues certificates to professional training centers for railway workers (CSO),
- Periodically checks whether the holder of the certificate for the professional training center meets the conditions under which the certificate was issued,
- Issues certificates to examiners for taking the exam for train drivers,
- Issues licenses for train drivers,
- Approves the maintenance of the narrow-gauge industrial railway and the vehicles used on it, as well as the way of regulating railway traffic,
- Approves the maintenance of the subsystem of the tourist-museum railway, as well as the way of regulating railway traffic on that railway,
- Issues authorization for placing in service of vehicles on the tourist-museum railway,
- Maintains and updates the register of licenses for train drivers,
- Adopts regulations (almost all by laws) in the field of railway safety,
- Adopts branch standards in the field of railway transport,
- Keeps all records based on the Law on Railway Traffic Safety,
- Performs other tasks based on the Law.

In the field of railway traffic safety, as a designated body, the Directorate for Railways has the following responsibilities:

- Performs conformity assessment for all railway vehicles, except wagons,
- Evaluates the usability of subsystem elements.

Based on the Law on Railways, the Directorate for Railways has the following responsibilities in the area of safety:

- Gives consent to the act on the conditions and manner of carrying out transport on the industrial railway.

The current practice is that after the issuance of the Safety Certificate and Safety Authorization, the Directorate for Railways at least once a year supervises the operation of the railway undertaking's safety management system, where it evaluates the implementation of the railway undertaking 's safety management system and, if necessary, orders the implementation of appropriate measures. This includes discussions with the responsible persons in order to make sure that these persons are familiar with the prescribed procedures and that they are implementing them.

Inspection supervision is not within the jurisdiction of the Directorate for Railways.

1.4.5 Competences of the Directorate for Railways in the field of the interoperability of the railway system

In the field of railway traffic interoperability, as a national body for railway traffic safety, the Directorate for Railways has the following responsibilities:

- Issues authorizations for placing in service of structural subsystems based on checking technical compliance and safe integration into the system,
- Issues vehicle type authorizations,
- Issues authorizations for placing in service of TSI-compliant vehicles,
- Issues additional authorizations for placing in service of TSI-compliant vehicles,
- Issues authorizations for placing in service of vehicles that are not TSI compliant,
- Issues additional authorizations for placing in service of vehicles that are not TSI compliant,
- Maintains and updates the National Register of Railway Vehicles,
- Publishes Technical Specifications for Interoperability,
- Adopts regulations in the field of interoperability,
- Adopts a list of standards in the field of interoperability,
- Keeps all necessary records based on the Law on the Interoperability of the Railway System,
- Performs other tasks based on the Law.

In the area of interoperability of railway traffic, as a designated body, the Directorate for Railways issues a certificate on the verification of the subsystem or its part, according to national regulations.

2 Scope of Work

2.1 Objective of the Assignment

The objective of the Assignment is to provide technical assistance (TA) to strengthen the Directorate for Railways and improve its efficiency and results. The Scope of Work is divided into two activities:

- Activity 1: Proposal for an optimal organizational structure of the Directorate for Railways as the railway regulator in Serbia;
- Activity 2: Training and technical support for improving the Directorate for Railways capacity.

2.2 Activity 1: Proposal for an optimal organizational structure of the Directorate for Railways as a key railway regulator in Serbia

2.2.1 Task 1.1: Getting best practices

The objective of this task is to get an overview of the EU best practices in the area of the organizational structure of the relevant authorities and bodies in the railway sector provided for by the railway legislation of the European Union.

The Consultant will analyze the resources, responsibilities and organizational structure i.e. internal organization, number and professional qualifications of employees of the EU authorities and bodies in the railway sector, namely:

- Regulatory bodies (railway market regulators),
- National safety authorities (railway safety and interoperability),
- Licensing authorities (licensing of railway undertakings) and
- National Enforcement Bodies for rail transport (under Regulation EC 1371/2007 on rail passengers' rights and obligations).

The analysis will also include an assessment of the relations between railways entities.

The analysis will include at least three relevant EU member states with the objective of defining the best practice in establishing the above mentioned railway authorities or bodies in those countries, regardless of whether they are organized within one or several institutions.

2.2.2 Task 1.2: Defining an optimal internal organization of the Directorate for Railways

The Consultant will analyze the organizational structure of the Directorate for Railways, i.e. its internal organization and administrative and human resources capacities, and, based on the analysis conducted within Task 1.1 and an alternative analysis, propose possible changes to the organizational structure of the Directorate for Railways so that it can more effectively fulfill its goals and responsibilities.

The proposal of the Consultant will provide an optimal internal organization of the Directorate for Railways including recommendations related to budget and staffing requirements and compare them with the existing budget and staffing levels, both qualitative and quantitative, and recommend any necessary changes in the organizational

structure in order to improve the operational effectiveness and efficiency of the Directorate for Railways, taking into account the size of the market and foreseen directions of development of the railway market and railway regulation in the context of the Transport Community.

Once the Client decides on the structure to be adopted, the Consultant will provide a detailed roadmap, including timeline, costs and all the necessary steps (legislation, budget, recruitments) to switch from the current structure and organization to the targeted ones.

2.3 Activity 2: Training and technical support for improving the capacity of the Directorate for Railways

The goal of this activity is knowledge transfer and training of employees in the Directorate for Railways in order to strengthening their capacity.

2.3.1 Task 2.1: Knowledge transfer and training of employees in the Directorate for Railways regarding procedures for control of track access charges

The Consultant will organize the training of employees in the Directorate for Railways regarding the main procedures for control of track access charges.

The Consultant will organize the training in the premises of the Directorate for Railways and MOCTI/PIU for up to 10 employees and it will necessarily include, but not be limited to, the following topics:

- Developing Regulatory body's internal procedures for controlling track access charges set by infrastructure manager, in accordance with the provisions of Directive 2012/34 and Implementing regulation 2015/909,
- Aspects of regular and simplified control of track access charges, in accordance with the abovementioned EU and domestic legal framework, ie. the Law on Railways ("Official Gazette RS, No. 41/18) and Regulation on the method and modalities of calculating the costs incurred as a direct result of operating the train ("Official Gazette of RS", No. 48/19 of 05.07.2019),
- Best practices in the EU member states' Regulatory bodies regarding the control of track access charges,
- Step-by-step process of access charges control, which provides for successful implementation of the relevant law provisions in order to ensure that the access charges are in accordance with the relevant legislation and non-discriminatory,
- Ensuring that the infrastructure manager does not include in the calculation of direct costs the non-eligible costs from article 4 of the Commission Implementing Regulation (EU) 2015/909,
- Review of the infrastructure manager's documentation involved in the process of track access charges control and ways of its inspection.

The Consultant will organize training for at least 5 working days in the premises of RD.

The Consultant will prepare training material including stand-alone documentation and analysis addressing points developed during trainings.

The Consultant will also prepare Report on observed state and gap between current and best practices from EU regarding procedures for control of track access charges and also Training report.

The Consultant will also organize a Study visit for up to 10 employees from Directorate for Railways and MOCTI/PIU in a relevant EU Member State Regulatory Body (relevant Regulatory Body will be subsequently defined, on the proposal of the Consultant, in cooperation with the Directorate for Railways) in order to:

- Familiarize with the internal organization and distribution of tasks and responsibilities related to the Regulatory body's track access charges control;
- Familiarize with the most common problems encountered in practice by the Regulatory body in the process of track access charges control;
- Case-study – insight into the documentation which is involved in the process of the track access charges control.

The Consultant will organize one study visit for at least 5 working days in order to enable the most successful insight into internal organization, procedures and distribution of tasks within the Regulatory body in relation to track access charges control, including the insight into all relevant infrastructure manager's documentation which is being reviewed in the process.

The Consultant will prepare for Study visit agenda, contacts, briefing material (description of countries situation regarding procedures for control of track access charges, scheduled meetings expected outcomes and points to be discussed, points to be presented by the Serbia delegation, elements on counterparts) and also Report on Study visit recap of main findings.

2.3.2 Task 2.2: Knowledge transfer and training of employees in the Directorate for Railways regarding powers and actions of the body responsible for the enforcement of the Regulation (EC) No 1371/2007 on rail passengers' rights and obligations regarding Article 28 of this Regulation

The Consultant will organize the training of employees in the Directorate for Railways in the area of rail passengers' rights and obligations.

The Consultant will organize the training in the premises of the Directorate for Railways and MOCTI/PIU for up to 10 employees and it will necessarily include, but not be limited to, the following topics:

- Activities and best practice of EU's NEBs¹ in the process of the enforcement of the Article 28.1. of the Regulation (EC) No 1371/2007 on rail passengers' rights and obligations (defining service quality standards, implementation of a quality management system to maintain service quality and publishing a report by the railway operator),
- Activities that should be undertaken by Directorate for Railways, as a NEB, in the process of the enforcement of the provision of the Law of Railways (Article 93) that stipulates obligation of the Railway undertakings to define service quality standards, implement a quality management system to maintain service quality and publish reports,
- The criteria and the process of assessment if the service quality standards and quality management system defined by the railway undertaking are acceptable,
- The measures that NEBs are empowered to implement in the case of non-compliance.

The Consultant will organize training for at least 4 working days in the premises of RD.

The Consultant will prepare training material including stand-alone documentation and analysis addressing points developed during trainings.

The Consultant will also prepare Report on observed state and gap between current and best practices from EU regarding powers and actions of the body responsible for the enforcement of the Regulation (EC) No 1371/2007 on rail passengers' rights and obligations regarding Article 28 of this Regulation and also Training report. The Consultant will also organize a Study visit for up to 10 employees from Directorate for Railways and MOCTI/PIU in a relevant EU Regulatory Body (relevant Regulatory Body will be subsequently defined, on the proposal of the Consultant, in cooperation with the Directorate for Railways) in order to:

- Familiarize with the internal organization and distribution of tasks and responsibilities related to the NEB's activities in the process of the enforcement of the Article 28.1. of the Regulation (EC) No 1371/2007,
- Familiarize with the most common problems encountered in practice by the NEBs in the implementation of these activities,
- Case-study – measures that NEBs are implementing in the case of non-compliance including both, the content of the service quality standards, and failure to meet defined standards by the operator (including potential on-site inspections).

The Consultant will organize one study visit for at least 4 working days in order to enable familiarization with internal organization and distribution of tasks and responsibilities related to the NEBs activities related to the enforcement of the Article 28.1. of the Regulation (EC) No 1371/2007, most common problems encountered in practice, as well as the measures that NEBs are empowered to implement in the case of non-compliance (including potential on-site controls).

The Consultant will prepare for Study visit agenda, contacts, briefing material (description of countries situation regarding powers and actions of the body responsible

¹ National Enforcement Bodies, bodies responsible for the enforcement of Regulation 1371/2007 of the European Parliament and of the Council of 23 October 2007 on Rail Passengers' Rights and Obligations

for the enforcement of the Regulation (EC) No 1371/2007 on rail passengers' rights and obligations regarding Article 28 of this Regulation, scheduled meetings expected outcomes and points to be discussed, points to be presented by the Serbia delegation, elements on counterparts) and also Report on Study visit recap of main findings.

2.3.3 Task 2.3: Knowledge transfer and training of employees in the Directorate for Railways regarding issuing of authorizations for placing in service of fixed structural subsystems

The Consultant will organize the training of employees in the Directorate for Railways regarding issuing of authorizations for placing in service of fixed structural subsystems.

The Consultant will organize the training in the premises of the Directorate for Railways and MOCTI/PIU for up to 10 employees and it will necessarily include, but not be limited to, the following topics:

- Methodology of review, analysis and evaluation of documentation submitted by the applicant for the issuing of authorizations for placing in service of fixed structural subsystems;
- Clarification of the role of an Assessment Body (AsBo) related to the process of issuing authorizations, both in case when a subsystem fully complies with the requirements of TSIs and/or national rules and in case when it does not completely meet these requirements;
- Control of technical compatibility of a subsystem with the system and safe integrations – when and how this is checked (concrete examples),
- Case-study – section equipped with ERTMS (TSI CCS) connected to a section with the old (legacy) CCS system,
- Example of best practice in a EU member state – insight into the complete documentation submitted to the National Safety Authority (NSA) together with the application for issuing of an authorization for placing in service of fixed structural subsystem (example/examples of complete documentation submitted by the applicant in the process of issuing of authorizations, i.e. documents issued by a Notified Body (NoBo), a Designated Body (DeBo), an Assessment Body (AsBo) and an applicant),
- Clarification of procedures that precede the submission of an application for authorization for placing in service and process of issuing of authorizations step by step,
- The most frequent problems faced by NSAs in practice during processing of an application for authorization for placing in service.

The Consultant will organize training for at least 5 working days in the premises of RD.

The Consultant will prepare training material including stand-alone documentation and analysis addressing points developed during trainings.

The Consultant will also prepare Report on observed state and gap between current and best practices from EU regarding issuing of authorizations for placing in service of fixed structural subsystems and also Training report. The Consultant will also organize a Study visit for up to 10 employees from Directorate for Railways and MOCTI/PIU in a relevant NSA (relevant NSA will be subsequently defined, on the proposal of the Consultant, in cooperation with the Directorate for Railways) in order to:

- Familiarization with the internal organization and distribution of tasks and responsibilities related to the issuance of authorizations for placing in service of fixed structural subsystems within the NSA,
- Familiarization with the way the NSA functions (procedure for issuing of an authorization for placing in service),
- Familiarization with the most common problems encountered in practice by the NSA in processing requests for the issuance of an authorization for placing in service,
- Case-study – insight into all the documentation accompanying an application / several applications for issuing an authorization for placing in service of fixed structural subsystems, explanation of the procedures that precede the submission of an application for issuing an authorization and the procedure for issuing an authorization step by step,
- Case-study – section equipped with ERTMS (TSI CCS) connected to a section with the old (legacy) CCS system.

The organization of the study visit should include the exchange of experience with colleagues who perform the same activities in relevant NSA and the improvement of knowledge through familiarization with the best practice in the EU.

The Consultant will organize one study visit for at least 4 working days.

The Consultant will prepare for Study visit agenda, contacts, briefing material (description of countries situation regarding issuing of authorizations for placing in service of fixed structural subsystems, scheduled meetings expected outcomes and points to be discussed, points to be presented by the Serbia delegation, elements on counterparts) and also Report on Study visit recap of main findings.

2.3.4 Task 2.4: Knowledge transfer and training of employees in the Directorate for Railways regarding NSA procedures within issuance and supervision of safety certificates / safety authorizations

The Consultant will organize the training in the premises of the Directorate for Railways and MOCTI/PIU for up to 10 employees and it will necessarily include, but not be limited to, the following topics:

- a) Related to the safety certificate:
 - Methodology of analysis and evaluation of the submitted documentation in the process of issuing/updating/review/renewal of the safety certificate part A,
 - Methodology of analysis and assessment of documents in the process of issuing/updating/review/renewal of the safety certificate part B,
 - Methodology of analysis and assessment of the submitted documentation in the process of issuing/updating/review/renewal of the single safety certificate within national borders (according to the 4th railway package),
 - Procedure for issuing safety certificates to railway undertakings operating on industrial railways,
 - Procedure for checking compliance with the network of the railway undertaking (for part B of the certificate and the way it is checked within the framework of the 4th railway package when it comes to a single certificate),
 - Procedure for determining administrative fees for procedures for issuing/updating/review/renewal of safety certificates, based on foreseeable costs and engagement of human resources,

- Differences in procedures for issuing, update, review and renewal of safety certificates,
 - Required expert profiles for the analysis and evaluation of documentation for the safety certificate.
- b) Related to the safety authorization:
- Methodology of analysis and evaluation of the submitted documentation in the process of issuing/updating/review/renewal of safety authorizations for the management of infrastructure,
 - Procedure for issuing/update/review/renewal of safety authorizations,
 - Procedure for determining administrative fees for procedures for issuing/updating/review/renewal of safety authorizations for the management of railway infrastructure i.e. industrial railways infrastructure, based on foreseeable costs and engagement of human resources,
 - Differences in procedures for issuing, update, review and renewal of safety certificates,
 - Required expert profiles for the analysis and evaluation of documentation for the safety authorization (infrastructure of industrial railways).
- c) Related to supervisory audits:
- Organization of supervision and selection of the area of supervision,
 - Frequency of conducting supervision over one company,
 - On-line supervision and self-assessment possibilities,
 - Procedure and methods for conducting supervision,
 - Necessary tools for conducting supervision,
 - Methodology for making decisions on further procedures based on sampled documentation and respondents' answers (or in another way depending on the way of conducting supervision),
 - Conditions under which the revocation or suspension of the safety certificate is required,
 - Necessary professional competences for conducting supervision.
- d) Related to common safety method for risk evaluation and assessment (CSM RA):
- Role of NSA in supervision of the proper application of CSM RA,
 - Clarifications of Assessment Body (AsBo) role and responsibilities,
 - Common changes at RU's and IM's that require the application of the CSM RA,
 - NSA tasks in case of changes that are not significant,
 - Methodology for NSA supervision/monitoring of AsBo.
- e) Related to other topics in case they are opened or necessary for training.

The Consultant will organize training for at least 5 working days in the premises of RD.

The Consultant will prepare training material including stand-alone documentation and analysis addressing points developed during trainings.

The Consultant will also prepare Report on observed state and gap between current and best practices from EU regarding NSA procedures within issuance and supervision of safety certificates / safety authorizations and also Training report. The Consultant will also organize a Study visit for up to 10 employees from Directorate for Railways and

MOCTI/PIU in a relevant NSA (relevant NSA will be subsequently defined, on the proposal of the Consultant, in cooperation with the Directorate for Railways) in order to:

- Familiarization with the way of working, an example of good practice, in the field of activities related to safety certificates and safety management system,
- Familiarization with the internal organization and distribution of tasks and responsibilities related to safety certificate / safety authorization,
- Familiarization with the most common problems encountered in practice by the NSA in processing requests for the safety certificate / safety authorizations,
- Familiarization with the most common problems encountered in practice by the NSA in process of supervision of safety management system,
- Full case-study related to issuing/updating/review/renewal of the safety certificate,
- Full case-study of supervisory audit on railway undertaking.

The organization of the study visit should include the exchange of experience with colleagues who perform the same activities in relevant NSA and the improvement of knowledge through familiarization with the best practice in the EU.

The Consultant will organize one study visit for at least 5 working days.

The Consultant will prepare for Study visit agenda, contacts, briefing material (description of countries situation regarding NSA procedures within issuance and supervision of safety certificates / safety authorizations, scheduled meetings expected outcomes and points to be discussed, points to be presented by the Serbia delegation, elements on counterparts) and also Report on Study visit recap of main findings.

2.4 Documents that the Client will make available to the Consultant

For the purposes of above activities, the Client will make available to the Consultant data and documents, as well as documents whose preparation is in progress:

1. Systematization of the jobs in Directorate for Railways
2. Medium-term plan of the Directorate for Railways for the period 2022-2024

3 Logistic and timing

3.1 Location

Operational base for the Contract will be Belgrade.

3.2 Commencement date and period of implementation

The intended commencement date is March 2023 but the actual commencement date will be defined with the signature of the Contract. The period of implementation of the contract will be 8 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 MCoTI and the Directorate for Railways.

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 Requirements

4.1 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 the regulation rail market service and rail safety. 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.

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

4.1.1 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 MCTI and Directorate for Railways. 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.

Table 1 Key experts

Title	Qualifications/Experience	Skills
Team Leader – Senior rail transport specialist	<p><u>Education:</u></p> <ul style="list-style-type: none"> - Have as a minimum MSc. Degree in Transport Engenering, Law, Economy, or other relevant discipline <p><u>Relevant professional experience:</u></p> <ul style="list-style-type: none"> - At least 10 years of general professional experience; - At least 5 years of experience in rail market regulation, including experience in the area of the track access charges. - At least one successfully managed/implemented project in rail transport system related to rail reform or rail market regulation; - Experience working in one of the EU’s Rail Regulatory bodies would be considered as advantage; 	Excellent command of the English language.
Senior transport specialist for passenger rights	<p><u>Education:</u></p> <ul style="list-style-type: none"> - Have as a minimum MSc. Degree in transport engineering, Economy, Law or other relevant discipline <p><u>Relevant Professional Experience:</u></p> <ul style="list-style-type: none"> - At least 10 years of general professional experience - At least 3 years of experience in rail market regulation, including experience in the area of passenger rights and/or service quality standards; - Experience working in one of the EU’s Rail Regulatory bodies would be considered as advantage; 	Communication skills, fluency in English.
Senior transport specialist for fixed structural subsystems	<p><u>Education:</u></p> <ul style="list-style-type: none"> - Have as a minimum MSc. Degree in engineering relevant to issuing authorizations <p><u>Relevant Professional Experience:</u></p> <ul style="list-style-type: none"> - At least 10 years of general professional experience - At least 5 years of experience on tasks related to fixed structural subsystems - Experience working in one of the EU’s National Rail Safety Authority would be considered as advantage; 	Excellent command of the English language.
Senior transport specialist for rail safety	<p><u>Education:</u></p> <ul style="list-style-type: none"> - Have as a minimum MSc. Degree in engenering, or other discipline relevant to safety managment system <p><u>Relevant Professional Experience:</u></p>	Excellent command of the English language.

Title	Qualifications/Experience	Skills
	<ul style="list-style-type: none"> - At least 10 years of general professional experience - At least 7 years on tasks related to rail safety certificates / safety authorisations - Experience in procedures according to the 4th railway package will be an advantage - Experience working in one of EU's National Rail Safety Authority would be considered as advantage; 	

4.1.2 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 sector studies, and advanced multi-disciplinary skills in a range of areas, including but not limited to:

- Rail passenger transport specialist
- Rail management system specialist;
- Safety management system specialist;
- Supervisory audits specialist;
- Risk management specialist;
- Risk assessment specialist.

4.2 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 (MCTI), PIU nor Beneficiary as part of this service contract or transferred to the Client or beneficiaries at the end of this Contract.

5 Deliverables and payment schedule

5.1 Deliverables and payment schedule

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 2 Deliverables

Deliverables	Description	Due date	payment
Inception Report	Up to 10 pages describing preliminary assessment of main tasks	one month after contract signing	5%
Proposal for possible changes to the organizational structure	Tasks 1.1. and 1.2. up to 40 pages	In accordance with Consultant timetable, but no later than 3 months after the commencement	20%
Report on observed state and gap between current and best practices from EU for each of the training sessions and also Training reports.	In accordance with tasks 2.1, 2.2, 2.3 and 2.4., organisation in house 4 trainings for employees in the Directorate for Railways and MOCTI/PIU, minimum in total 23 working days	In accordance with Consultant timetable, but no later than 6 months after the commencement	45%
Study visit agenda and briefing material for each of the study visits	In accordance with tasks 2.1, 2.2, 2.3 and 2.4., organisation 4 study visits for employees in the Directorate for Railways and MOCTI/PIU minimum in total 18 days	In accordance with Consultant timetable, but no later than 7 months after the commencement	15%
Report on Study visit recap of main findings for each of the study visits	In accordance with tasks 2.1, 2.2, 2.3 and 2.4.,	In accordance with Consultant timetable, but no later than 7 months after the commencement	15%

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 MCTI and to the Directorate for Railways.

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.