**Republic of Turkey**

**Ministry of Transport and Infrastructure**

 **Rail Logistics Improvement Project (RLIP)**

**TERMS OF REFERENCE**

**For Consulting services to support to MoTI to diagnose the medium- and long-term impacts of COVID-19 on multimodal logistics on the demand and supply sides, and design public, public-private, and/or purely private interventions, including interventions aimed to tackle behavioral and occupational aspects of risk prevention, to mitigate these impacts**

1. Introduction and Background

The Republic of Turkey achieved strong economic and social development performance since 2000, leading to increased employment and incomes. More recently, growing economic vulnerabilities and a more challenging external environment are threatening to undermine these achievements. Turkey has maintained a long-term focus on implementing ambitious reforms in many areas, and government programs have targeted vulnerable groups and disadvantaged regions. The poverty incidence more than halved over 2002-15, and extreme poverty fell even faster. During this time, Turkey urbanized dramatically, maintained strong macroeconomic and fiscal policy frameworks, opened up to foreign trade and finance, harmonized many laws and regulations with European Union (EU) standards, and greatly expanded access to public services.

Turkey, owing to her advantageous geostrategic positioning between Europe and Asia, has a strong potential to become a major regional logistics hub. Nevertheless, failure to develop the physical infrastructure of railways and maritime transport in a timely manner in response to the increased demand for transportation, inadequate institutional capacity and the current fact that highway transportation is the most efficient transportation mode for door-to-door transportation, have led to the intensification of freight and passenger transportation on the road network.

Turkey’s global standing in logistics performance has deteriorated over the past six years, signaling an urgent need to attain further improvements and reverse this negative trend. As early as 2012, Turkey was ranked as the 27th best-performing economy in international logistics by the World Bank’s Logistics Performance Index (LPI), a position that has steadily weakened since—to 30th in 2014, 34th in 2016, and 47th today. Much of the lost ground stems from relative under-performance in infrastructure provision and small market scale as well as the quality of logistics services, particularly in the railways.

Improvements in containerized rail intermodal transport and other forms of rail-based logistics are expected to boost economic dynamism and support job creation in Turkey. By enhancing access to domestic and international markets through improved connectivity, railway infrastructure investments are recognized as direct drivers of rail adoption and indirect drivers of sustainable economic growth. These investments are becoming even more strategically relevant now as a policy lever to support Turkey’s medium- and long-term economic recovery in the aftermath of the Covid-19 pandemic.

The **Rail Logistics Improvement Project** (hereafter referred to, interchangeably, as “RLIP” or “the Project”), financed by the World Bank and implemented by the Ministry of Transport and Infrastructure (MoTI) through its Directorate-General of Infrastructure Investments (DGII), aims to increase rail freight efficiency in Turkey by improving last-mile rail infrastructure connectivity (LMC), enhancing the operational efficiency of rail-enabled logistics centers, and strengthening institutional capacity in the rail intermodal and freight logistics sector. The project is developed around three main components:

* **Component 1: Construction of Railway Branch Lines and Multimodal Connections at Priority Network Nodes**, including the provision of last-mile rail (and in select cases, road/multimodal) connectivity at well-prioritized portions of the Turkish railway network. The initial focus of Component 1 is the provision of last-mile rail and road connectivity to/from the greenfield maritime port of Filyos on the Black Sea Coast, and the provision of last-mile rail connectivity to/from key industrial zones adjacent to Iskenderun Bay in the Çukurova region. Additional network nodes to be connected to the main railway network at the last mile will be identified during project implementation.
* **Component 2: Feasibility Studies, Detailed Engineering Designs, Environmental and Social Documentation, and Construction Supervision for Rail Last-mile Connectivity Infrastructure at Additional Freight Nodes**, including consulting services to produce Feasibility Studies—including the environmental and social dimensions of project feasibility—for 12 potential last-mile rail (and, where necessary, complementary road/multimodal) connectivity infrastructure subprojects at pre-identified freight generation-attraction nodes currently disconnected from the national railway network. Engineering designs and environmental and social safeguards instruments will also be produced for a subset of these subprojects. Approximately 2-3 subprojects will be selected for construction under Component 1, based on findings from FS, detailed engineering designs, and environmental and social safeguards documentation.
* **Component 3: Phase 2 Covid-19 Response Support, Institutional Strengthening, Capacity Building, and Project Implementation Support**, including consulting services to provide technical assistance and capacity building in the following areas: (i) support to MoTI to diagnose the medium- and long-term impacts of Covid-19 on multimodal logistics on the demand and supply sides, and design public, public-private, and/or purely private interventions, including interventions aimed to tackle behavioral and occupational aspects of risk prevention, to mitigate these impacts; (ii) support to DGII on the uniformization of rail technical standards across the national rail network; (iii) support to MoTI [DGII, DGTSR (Directorate-General of Transportation Services Regulation), TCDD (Directorate General of Turkish State Railways)] on the preparation of a strategy document for rail freight sector performance improvement; and (iv) support to TCDD through the development of an operational and management model for rail-enabled logistics centers consistent with international best practice, properly contextualized to the Turkish environment.

MoTI’s **Directorate-General of Infrastructure Investments (DGII)** has been given overall implementation responsibility of RLIP and will serve as its implementing agency at the working level. A **Project Implementation Unit (PIU)** has been established within DGII to oversee all aspects of project implementation across all 3 components. It is expected that RLIP will be implemented over a period of approximately 6 years, between July 2020 and December 2026.

1. Objective of the Assignment

Within the framework of the project approach in question, the main purpose of the project is to identify the medium and long-term effects of Covid-19 on the multimodal logistics sector and to provide support to the Ministry of Transport in preparing a guiding document to reduce these effects.

1. Scope of Work

Consultancy services will be taken to provide technical assistance and capacity building in order to diagnose the medium and long-term effects of Covid-19 on the supply and demand sides of the multi-modal logistics sector and to determine the measures that can be taken to reduce these effects. For this purpose, the mentioned works are expected to provide technical assistance and capacity building under the following two main headings.

* 1. **Investigation of the impact of Covid-19 on the multimodal logistics industry.**

Within the scope of this subject, studies such as surveys covering logistics and shipping companies with different sizes and income scales, analysis of statistical data of the effects that have occurred in the logistics sector since the pandemic emerged, and critical analyzes of the studies in the literature are expected. These studies are required to cover the following topics:

* Determining the impact on rail freight,

- change of the rail freight traffic (and to what extent this change is expected to become permanent in the post-pandemic period),

- effects of reduction of rail transportation tariffs

-effects of remote (digitalization/electronic documents) systems in railways-related processes

- effects of reduction in production sectors (heavy industry, mining, agriculture, iron and steel industry, etc.) which uses railway transport mainly for their freight operations.

- evaluating capacity restrictions/capacity management (in terms of railway infrastructure, locomotive, wagon, personnel and institutional capacities)

- evaluation and analysis of container transportation by rail and its connection with other modes, especially with sea freight, in the context of multimodal transport

- analyzing the sufficiency and quality of supporting logistics services (handling, storage, customs clearance, etc.) in railway transport establishments

* Determining the impact on sea freight, such as change of the container volumes in ports, change of the routes depending on demand and depending on drop in manufacturing
* Determining the impact on land freight

- strained services due to the additional demand for some sectors such as food and medical supply

-services affected due to drop in manufacturing

-services having higher rates

-land transport services which demand has grown for

* Determining the impact on air freight

-volume changes due to the reduction in passenger flights

-volume changes due to drop in manufacturing

* Identifying long-lasting supply chain disruptions' effect on companies
* Identifying changes in demand between multimodal logistics sector

-the modes of transport most negatively affected

-the modes of transport least or not negatively affected

* Determining strained services due reduced employee availability due to restrictions
* Determining the impact on cross-border movements
* Identfying the adverse effects of supply chain disruptions and the lockdowns on logistics companies
	+ for small players
	+ for top players
* Evaluate the impact of the increase in online shopping, specific to the effects of international and intercity shipments on freight transport operations and infrastructure

**Deliverables**

* Surveys results and survey analysis reports
* Analysis of statistical data on logistics sector
* Critical analysis of related literature studies
* Report (covering the above-mentioned topics) on impact of Covid-19 on the multimodal logistics industry
	1. **Risk measures that can be taken to reduce the effects of Covid-19 on the logistics industry and design public, public-private, and/or purely private interventions, including interventions aimed to tackle behavioral and occupational aspects of risk prevention, to mitigate these impacts.**

This task shall also cover the following headings:

* Lessons learned in the pandemic in relation with logistics sector/multimodal transport, best practices.
* Suggestions for improvement of transport efficiency
* Training and safety of transport workers
* Reconfiguration and preservation of global supply chains

**Deliverables**

* Report on Risks & Mitigations
1. Consultant Inputs

The successful fulfillment of the scope of services requires professional qualification in the fields of; transport engineering, logistic, statistics and related fields.

The Consultant shall assemble a team capable of implementing an integrated approach to impact of Covid 19 on the multimodal logistic industry and risk measures to mitigate these impacts.

The team shall have **at least** the following key experts (or equivalent combination of expertise):

**Transportation Specialist**

* University degree in transportation management/ transportation engineering or other engineering discipline
* Good command of English language
* Have at least 12 years of general professional experience
* Have at least 8 years of relevant professional experience in the transport sector
* In-depth knowledge of transportation industry regulations
* Experience in preparation and implementation of transport/logistics projects

**Logistic Specialist**

* University degree in logistics management/ logistics engineering or other engineering discipline
* Good command of English language
* At least 10 years of general professional experience
* A minimum of 5 years experience as a logistic specialist
* In-depth knowledge of logistics industry regulations
* Prior experience in logistics/supply chain/transportation function with a comprehensive knowledge of logistics processes and procedures
* Ability to analyze technical and complex data and provide meaningful information

**Data Analyst**

* BS degree in Mathematics/ Statistics or equivalent combination of education and experience
* Good command of English language,
* Have at least 8 years of general professional experience.
* A minimum of 3 years experience as a data analyst
* Strong analytical skills with the ability to collect, organize, disseminate, and present significant amounts of information with an attention to detail and accuracy
* Technical expertise with data modeling, database design, and data mining
* Interpret data and analyze results using statistical techniques
* Identify, analyze, and interpret trends or patterns in complex data sets

This **core team** shall be supported by other professionals (such as documentation expert, translators, and any other experts/engineers in relevant fields) as proposed by the Consultant.

All staff must be independent and free from conflicts of interest in the responsibilities accorded to them. As the final reports will be produced in both English and Turkish, the Consultant may wish to consider having translators on the team or propose a viable alternative for reliable and high-quality translation.

1. Duration of Assignment

The Consultant is expected to provide services for a period of approximately 5 months from contract signing. The winning Consultant will be expected to be available to support all of these processes as explained in this ToR.

1. Reporting

The Consultant will be expected to produce the following reports in addition to the reports and deliverables requested in Article 3. Scope of Work:

* Inception Report (1 months after start)
* Final Report (5 months after start)

All reports will be delivered in hard and soft-copy formats, in English and in Turkish. All deliverables will be subject to comments and feedback by the PIU, DGII, and other relevant MoTI sub-agencies (including TCDD), and the World Bank.

All data obtained during the execution of the study, from surveys to final report, shall be reported to the PIU in appropriate electronic formats proposed by the Consultant and agreed by the PIU, including partially or wholly detailed description/instructions of any survey methodologies.