



REPUBLIC OF MOZAMBIQUE
MINISTRY OF TRANSPORT AND COMMUNICATIONS

SOUTHERN AFRICA TRADE AND CONNECTIVITY PROJECT (P164847)

TERMS OF REFERENCE

Consulting Services to develop Strategic and Sustainability Plan including a realistic Roadmap for establishing Railway and Port Regulatory Institute in Mozambique

1. Introduction and Context

The Governments of Mozambique and Malawi have requested the World Bank Group (WBG)'s support through the Southern Africa Trade and Connectivity Project (SATCP) in increasing regional trade coordination, reducing trade costs and time, developing regional value chains, and improving access to infrastructure.

The agreed response includes investments along the Nacala and Beira Corridors connecting Mozambique to Malawi, and along the Maputo Corridor connecting Mozambique to South Africa through Ponta Do Ouro.

The project appraisal report of the Southern Africa Trade and Connectivity Project highlights that the regulatory capacity of the transport and logistics sectors is weak. Users incur indirect costs due to lack of harmonization in the region. In Mozambique, was already created the Regulator Institute for rail and port sub-sectors, but is not yet fully established. This situation should be conformed and harmonized with the international good practices.

It also indicates that updating and implementing the Mozambique Strategy for the Integrated Development of Transport Systems, September 2009-2024 and establishing sector regulators and harmonizing standards will help prioritize investments, improve concession regulations, and assist in monitoring compliance. The update of the Mozambique Strategy for the Integrated Development of Transport Systems will be finalized by 2023 and will include an action plan with concrete measures.

One of the projects listed in the SATCP is the elaboration of a concept note and implementation action plan for the setting up of port and rail regulatory authority (Instituto Ferro-Portuário de Moçambique, I.P. - IFEPOM) created by Decree No. 84/2021, of October 18 by the Council of Ministers.

2. Project Components

The SATCP main components, to meet the above objectives are:

Component 1: Reduce trade costs through trade facilitation by combining regulatory reforms with improvements in automation and border infrastructure;

Component 2: Strengthen Regional Coordination and Support Project Implementation;

Component 3: Strengthen value chains for regional Integration; and

Component 4: Strengthen transport infrastructure to improve market access.

The present assignment is included in Component 1.

3. Consultancy Objective

The purpose of this consultancy is to develop a Strategic and Sustainability Plan including a realistic Roadmap for setting up and starting activities of Railway and Port Regulatory Institute in Mozambique (IFEPOM, I.P) and drafting of Terms of Reference for elaboration of the regulatory framework and guidance instruments to be developed by subsequent consultancies.

4. Scope of work

In order to achieve the objective, the The firm/Consultant shall carry out, but not limited to, the following activities:

- Undertake an exhaustive assessment and study of the legal, regulatory and institutional framework for the fully establishment and functioning of IFEPOM, I.P.;
- Evaluate and present the best international practices for railways and port regulation authority, taking into account their existence and functioning in South-Africa, Malawi and Zambia, as well as other neighbouring countries that present political, social and economic similarities with Mozambique and, recommend the best model take into account three interrelated dimensions, that is regulatory governance, regulatory substance and regulatory impact for Mozambican authority;

- Develop the regulatory authority's Strategic and Sustainability Plan (SSP) for the first three years operations;
- Propose the first Annual Operational Plans and Budget, from the SSP and draw the strategic objectives into activities including the resources allocation to ensure that IFEPOM, I.P. achieves its goals;
- Evaluate and recommend management tools that will allow IFEPOM, I.P. Board to have a realistic roadmap that communicates the strategic alignment, resources and estimated time required, dependencies of activities or staff, delegation of tasks and compliance follow up and monitoring;
- Based on recommended management tool, present detailed, timed roadmap and indication of the project milestones and objectives key results;
- Define the needs for setting up and operation of IFEPOM, I.P. country-wide and under e-SISTAF legislation. This should include a ranking of priorities;
- Mapping the staff, qualifications, skills and competencies and identifying human resources training needs and propose plan for short or medium training courses to leverage staff skills to materialise the role of the regulatory authority;
- Analyze the Unified Salary Table and propose, in line with the legislation that creates the regulator and in force, a compensation scheme to attract and retain human resources of high technical quality, experience, expertise and competence in the key areas of intervention of the regulator;
- Draft the terms of references for the elaboration of the regulatory and guidance instruments of IFEPOM, I.P with emphasis on:
 - (i) Development of the Port Act and the Railway Act;
 - (ii) Elaboration of Regulatory framework and Normative instruments for licensing, inspection, certification, tariff and services fees, setting up of regulatory fees, etc.;
 - (iii) Develop of Service Quality Standard and a System of Key Performance Indicators for ports, rail, customs and border management operations assessment, monitoring and reporting;
 - (iv) Develop a scheme of incentives and sanctions in the provision of rail-port services, intermodal services and the logistics cross border services;
 - (v) Develop a guide for mitigation and dispute resolution which will help deal with conflicts between operators or between them and public entities or other interests in presence; and
 - (vi) Elaboration of a complete Human Resources and Capacity Development Plan.

The firm/consultant, shall throughout the assignment, identify gaps for establishing railway and port regulatory authority in Mozambique (IFEPOM, I.P.) and propose the best ways to address them and present detailed, measurable, achievable and timed roadmap.

5. Deliverables, outputs, deadline and others terms

The following deliverables are envisaged for the consultancy work:

1. **Deliverable 1** (Within 30 days upon the task start) - **Inception Report**: The Inception Report must provide: (a) an overview of the evaluability assessment of the mozambican current situation of port and rail sector, highlighting challenges and opportunities and describing the consultant understanding in regard of the scope of the work ; (b) include a detailed methodology to perform the work and; (c) develop a work plan for the total assignment;
2. **Deliverable 2** (Within 60 days upon the task start) - **Legal, regulatory and institutional framework Report**: Outline the legal, regulatory and institutional framework, for the setting up and functioning of IFEPOM, I.P., including recommendations for the best model of regulatory governance, regulatory substance and regulatory impact for Mozambican authority taking into account the existing legal, regulatory and institutional framework, best practices functioning in South-Africa, Malawi and Zambia, as well as other neighbouring countries that present political, social and economic similarities with Mozambique;
3. **Deliverable 3** (Within 90 days upon the task start) - **IFEPOM, I.P. Strategic and Sustainability Plan Report and; Roadmap Report**: The Report should captures a draft of regulator vision, mission and core principles, envisioning the fulfillment of regulatory role including the resources needed for the first three years operations. Should also include the Annual Operational and Budget Plans and respective resources required, time estimates, dependencies of activities or staff and compliance monitoring to ensure that IFEPOM, I.P. achieves its goals; **The Roadmap Report**: detailed and timed Roadmap and indication of the project milestones and key objectives results, the report should also include under current legislation the ranked and prioritized needs for setting up the operation of IFEPOM, I.P. country-wide, the training needs and propose course content and plan of the short or medium training courses to leverage staff skills to materialise the role of the regulatory authority;

4. **Deliverable 5** (Within 120 days upon the task start) – **IFEPOM, I.P workers compensation scheme proposal Report**: In line with the legislation propose IFEPOM workers compensation scheme which will attract and retain human resources of high technical quality, experience, expertise and competence in the key areas of intervention of the regulator;
5. **Deliverable 6** (Within 150 days upon the task start) - **Drafts of the Terms of References for Consultancy Services Report**: The report will be comprised by ToR of regulatory framework and guidance instruments of IFEPOM, I.P. to be developed including, but not limited to, the following activities : **(i)** Development of the Port and Railway Acts; **(ii)** Elaboration of Regulatory framework and Normative instruments for licensing, inspection, certification, tariff and services fees and setting up of regulatory fees; **(iii)** Development of Service Quality Standard and a System of Key Performance Indicators for ports, rail, customs and border management operations assessment, monitoring and reporting; **(iv)** Develop a scheme of incentives and sanctions in the provision of rail-port services, intermodal services and the logistics cross border services; **(v)** Develop a guide for mitigation and dispute resolution which will help deal with conflicts between operators or between them and public entities or other interests in presence; and **(vi)** Elaboration of a complete Human Resources and Capacity Development plan.
6. **Deliverable 7** (Within 180 days upon the task start) – **Final report**: The Final Report will consolidate all reports described above and summarize the mains findings and conclusions and issue recommendations.

The deliverables specified in this ToR should be presented in clear language, for perfect understanding and with an illustration, if includes any equipment specifications, shall be added. The means of presentation, are the written version (printed) with sizing of the works standardized in Arial 12 font, justified space of 1.5, justified and the magnetic medium (engraved on memory card), using for this purpose, MS Word , MS Excel and PDF. 2 (two) originals, 5 (five) physical copies and 1 (one) magnetic version must be delivered.

The firm/consultant must in his calendar, reserve one or two days for deliverables presentation and validation by IFEPOM, I.P.

The reports shall be presented in Portuguese and the executive summaries translated to English. The reports, 2, 3, 4, 5 and 6 shall have an interactive electronic version for the website publishing and a ready-to-print version. The indicated reports shall have also a Power-Point editable version.

6. Duration, Reporting, and Payment

It is expected the firm/consultant will work in close collaboration with the Chairman of IFEPOM and his Team, as well their stakeholders. The assignment is expected to take a maximum total of 180 days delivered over approximately 06 months after the starting date.

The firm/consultant must be able to carry out work during this period. Travel uncertainty, and contingency plans must be part of the approach to the assignment considering the best practices which will carefully highlighted in the contract.

Prior to final approval of each deliverable the consultant shall submit to the client the draft. The client will have 05 days to analyse, comment and send back the draft to the consultant in order to him to accommodate the comments. The consultant shall submit the final draft for final approval within 20 days.

The envisaged schedule of the assignment should encompass the above report sequence and with an indicative deadlines. The firm/consultant is free to do suitable deadlines adjustments, as long as it is within the established duration.

Payments will be made, depending on the submission and approval of the deliverables, according to the percentages shown in the table below:

#	Deliverables	Timeline (days after start)	Percentages (%)
1	Inception Report	30	10
2	Legal, regulatory and institutional framework Report	60	10
3	IFEPOM, I.P. Strategic and Sustainability Plan Report and; Roadmap Report	90	30
4	IFEPOM, I.P. workers compensation scheme Report	120	15
5	Drafts of the Terms of References Report	150	20
6	Final report	180	15
Total			100

7. Inputs provided by the client

The multiple nature and details of this assignment, explain the reason for recruitment of a firm/consultant to carry out the consultancy. The firm/consultant will report to the Chairman of IFEPOM, I.P. and his designated Team, and will be under direct supervision of the PIU/SATCP and the World Bank. The firm/consultant will carry out fieldwork at the landscape level or virtual, under the circumstances that prove to be appropriate to carry out the work.

8. Qualifications, knowledge, and experience

For successful accomplishment of the scope of this consultancy, the firm/consultant must have required professional qualifications, experience and expertise in the fields of rail and maritime ports engineering, project management and a minimum of 10 to 15 years of experience in development of instruments for establishing regulatory authorities. The possession of knowledge in transport engineering; transport economics, multimodal logistics systems and management of railway and ports, public administration legislation and information systems will highly be considered.

The consultant shall assemble a team capable of implementing an integrated approach to the work taking into account three interrelated dimensions, which are: regulatory governance, regulatory substance and regulatory impact for Mozambican authority.

The team shall have at least the following key positions (or equivalent): **(1)** Team Leader (Senior Transport Engineer) entire duration, 6 man-months; **(2)** Institutional and Legal Expert (4 man-months); **(3)** Senior Maritime and Port Engineer or Manager (4. Man-months); **(4)** Senior Public Administration and Finance Specialist (2 man-month). Whenever necessary and justified this core team shall be supported by other professionals upon proposal of the consultant after the notification and approval of the client. Should include a cost estimation for those Specialists and for each should not exceed more than ¼ of total duration of the assignment.

All above Senior consultant team members must possess a Master's or Doctorate degree with a minimum of 10 to 15 years experience in management and regulation of rail and/or port services. The Specialist consultant team members must have at least a degree in engineering, and/or management, public administration and public finance management with a minimum of 10 to 15 years experience in management and regulation of rail and/or port services.

The **Team Leader**, in addition to defining and supervising the activities of other members of the consultancy team and liaising with the Project Implementation Unit, is expected to provide key technical inputs, conduct quality assurance, ascertain consistency of results across individual tasks and studies, and be the day-to-day single point of contact and party ultimately responsible to the client for the work to be conducted under this consultancy.

Proven experience in working with Rail-Port sector, will be a positive enhancement factor for the consultant selection process. The Team of firm/consultant must have ability to communicate verbal and written Portuguese and English.

The firm/consultant will be evaluated based on the criteria detailed below:

Methodology and Work Plan	25%
<ul style="list-style-type: none"> • Good general understanding of the mozambican current situation of port and rail sector, highlighting challenges and opportunities and consultant good understanding in regard of the scope of the work; • Clarity and detail in technical approach and methodology for the scope of work including but not limited to the list of anticipated challenges in design and implementation, and strategies to overcome them, clear deliverables and milestones, and quality of project management; • Detailed work plan and schedule of activities; • Evidence of ability to meet project timelines and deliverables; • Comments and suggestions on the ToR presented by the client (e.g.: scope, clarity, timeline and relevance). 	
Capability	20%
<ul style="list-style-type: none"> • Previous relevant projects with World Bank (WB), United Nations (UN), or other similar organizations; • Depth and breadth of contacts with government agencies and other regulatory authorities. 	
Relevant Experience and Expertise of Proposed Team	40%
<ul style="list-style-type: none"> • Skills and level of experience of staff proposed to be involved in the assignment; • Good previous WB or equivalent similar organization performance appraisal; • Documented evidence and good history of on-time high quality project deliveries and report presentations. 	
Risks, Challenges, and Mitigation	15%
<ul style="list-style-type: none"> • Identification of anticipated challenges in setting up the infrastructure, procurement, management skills and capacity enhancement of the relevant agencies; • Specific strategies and innovative thinking to mitigate the identified challenges and bottlenecks. 	
Total	100%

9. Confidentiality Statement

All data and information received from IFEPOM, I.P. for the purpose of this assignment are to be treated confidentially and are only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to IFEPOM, I.P. The contents of written materials obtained and used in this assignment may not be disclosed to any third parties without the expressed advance written authorization of the IFEPOM, I.P.

10. Selection Criteria

The firm shall be selected based on the selection method of the World Bank Procurement Regulation November 2020. The main criteria for the selection will be relevant work experience and qualifications. Interested firms/consultants must send a letter of expression of interest and suitability for the post as well as the Curriculum Vitae of the team members, with contact details of three references and not exceeding twenty five pages.