**Request for Expression of Interest (“EOI”) for the Combined Road-Rail Transport Implementation Project**

# Introduction and Summary

Whereas, JSC Georgian Railway (hereinafter “GR”) is the sole integrated rail-company in Georgia, well-positioned in the Caucasus region, a reliable partner for freight transportation with a good reputation. GR intends to obtain the efficient infrastructure for the purpose of further development of railway sector as the most sustainable and environmentally friendly means of transport. The railway could contribute much for sustaining a mobility and a transit potential of Georgia. Unease is growing about the negative environmental effect of transport and a modern railway should respond to growing and modernizing economy of the country.

# Whereas, GR Logistics and Terminals LLC (hereinafter GRLT), being the 100% daughter company of GR, looks for an alternative freight traﬃc, aims to improve freight transport services and to meet the competitive threat in the country. Therefore, GRLT desires for the development of piggyback (combined road-rail), which is already implemented in many European countries. This will reduce the number of trucks and consequently reduce carbon emissions will have a positive impact on the environment. However, combined road-rail transport will have a positive effect on the recovery of the railway sector and the role of the railway in the field of freight transport.

According to the statistics, implementation of contrailer project in Georgia is most expedient in Rustavi da Batumi as an initial point, where trailers will be received/redistributed from Turkey, Russian and Azerbaijan. In addition, the restrictions and procedures imposed on vehicles due to Covid 19 facilitate the transportation of trailers by rail.

Contrailer transportation project is a rail-mounted transport system for Lorries. Trucks and semitrailers (except refrigerator trailers) with driver in the passenger’s wagon travel by train certain sections of their route by rail, thus combining road and rail transport.

The main advantages of the project are:

* Improving traﬃc situation on roads/time saving - Traffic jams are avoided and safety on roads increased. Lorries can be used despite travel restrictions during holidays, overnight and other driving restrictions;
* Cost saving – saving on maintenance of roads; Fuel consumption and operating kilometres are reduced, turnover on railway and productivity are increased;
* Environmental protection – Noise pollution and CO2 emissions are reduced; positive health considerations;
* Positive image – eco-profile is improved (CO2 saving).

Accordingly, to this Request for Expression of Interest (this “Request for EOI”), GRLT invites local and international companies (“Investors”), having experience and/or desirous to operate the contrailer transportation project, to submit their expressions of interest (“EOI’s”) and to fulfill the Combined Road-Rail Transport Implementation Project.

# Main Project Requirements

**Contrailer platforms -** Based on the transit volumes and lead times for each train, the Investors are requierd to owe or possess for the period of submitting the application to December 31 2022 and to own the followong vehicles: at least 200 (two hundred) low floor wagons (platforms) and 9 (nine) passenger carriage wagons (platforms) with the posibility to place no less than 50 (fifty) units of low floor wagons together with 3 (three) passenger carriage wagons in Batumi and Rustavi terminals on request no later than October first (1) 2020. Additional 50 (fifty) low floor wagons accompanied by at least 2 (two) passanger carriage wagons should be placed on the same locations no later than within 15 (fifteen) calendar days from GRLT request.

Vehicles must comply with the standards of Georgia

***In particular:***

* be compatible with 1520 mm GAUGE (the width between the two rails);
* be compatible to load both, trucks and containers;
* meet high-level quality, safety and environmental standards.

# GRLT Undertakings

GRLT undertakes, as the owner and operator of the relevant terminals, to ensure:

A) Scheduled, timely loading and unloading of trailers, when it should be guided according to both 1. manual for loading and unloading of platforms 2. As well as, according to the regulations on cargo fixing on trailers developed and approved by investor. In case, if any damage is caused to the said GRLT manual and/or in relation to implemented activity within regulations the liability shall be imposed on investor.

B) Fixed tariff during 2 years, which is determined by the relevant contract;

C) Time of transport shipping/travelling between terminals, which does not exceed 16 hours;

D) Exemption of platforms from the fee for standing on the railway;

E) Allocation of office space for the representative(s) of the investor on the territory of the terminal;

F) Arranging customs terminals in both terminal stations (Batumi, Rustavi);

G) Approval of shipping documents for customs purposes.

# Requirements for EOI’s

Investors are required to submit the following information and documents as part of their EOI’s:

1) Official name and address;

2) Mailing address;

3) Duly certified abstract from the Company Register/Certificate of incorporation (and any certificate of incorporation and change of name);

4) Certified copies of the Articles of Association/Charter;

5) Company profile;

6) Evidence of ownership and/or possession of the platforms for the requested duration;

7) Certified and approved manuals for loading and unloading of the platforms and also an approved regulation on the attachment of cargo to trucks;

8) Experience statement (if any), evidencing Investor’s ability to fulfill the criteria set out under the following request for EOI. Experience statement shall be accompanied by the relevant documents and references.

9) Duly certified list of shareholders owning more than 5 percent of the Investor’s shares including ultimate beneficial owner information;

***Note:***

• If the investor does not submit the information required by Article 4 together with his offer / proposal the documentation will not be considered;

 • If the documentation submitted by the investor is incomplete and / or defective, the tender commission is entitled to request clarification of the documentation;

*In the case of non-resident legal entities, the documents listed in paragraphs 1-4 must be submitted in the form of a duly certified (apostille / legalization) and a notarized translation into Georgian.*

**The deadline for submission of bids is August 28, 2020 at the latest.** Failure to submit application within the prescribed period, shall result in disqualification of applicant from the procedure and applicant’s proposal will not be reviewed.

# Clarifications

All Investors must submit any requests for clarifications by no later than 10 business days after the publication of the information on the expression of interest by email to the address set out below. GRLT will publish and make available to all Investors the responses to clarifications received within this time.

Contact Person: Shota Jincharadze

Name / Job Title: Deputy Chief Marketing analysis & Sales JSC Georgian Railway

E-mail: sales@railway.ge

# Submission of EOI’s

All EOI’s must be delivered via e-mail to the following address: sales@railway.ge on later than 28 August 2020. Tbilisi time on or before – 18:00. GRLT is authorized to request provision of original documents, which should be executed within 10 business days from the date of request. The request shall be submitted to the Investor via e-mail.

# Shortlisting of Investors and Shortlisting Criteria

Only those Investors who meet the requirements set out in this Request for EOI in the sole discretion of GRLT will be shortlisted. The timing for the selection process is not limited. In addition, GRLT shall have a right to send experts to the applicant’s location for the proper evaluation purposes of the documents provided. Moreover, if the technical evaluation is passed, GRLT shall have rights to impose additional commercial requirements at its own discretion.

GRLT shall have no prescribed deadlines for reviewing and evaluating the proposals, however such period shall not exceed 25 (twenty-five) calendar days after the end of proposal submission period.

GRLT shall have the right to terminate the expression of interest procedures at any time based on the company’s interest.

# Improper Influence

Any attempt by any Investor or their representatives to influence the EOI in any way may result in the Investor being disqualified.

# Rights of GRLT

GRLT reserves the right to:

* Cancel, suspend or change the requirements/terms of this Request for EOI (including the Shortlisting Criteria) from time to time without prior notice being given by it, through an announcement on its website;
* seek clarification or documents in respect of a Investor's submission, in which case the Investor must provide such information within a reasonable time of the Georgian Railway's request;
* disqualify any Investor that does not submit a compliant EOI in accordance with the instructions in this Request for EOI;
* withdraw this Request for EOI at any time, or to re-invite Investor on the same or any alternative basis, through an announcement on the official website;
* decide to execute or refuse to execute respective agreements/contracts;
* terminate the Investor’s participation in the EOI process, if:
* the Investor breaches the process terms and conditions;
* the Investor fails to meet a direction or requirement of GRLT under the EOI;
* has not submitted proposal before the closing time;

GRLT is not required to give reasons for the exercise of any of its rights in accordance with this clause.

#  Legal Relationship

Any potential Investor acknowledges and agrees that:

* This invitation does not constitute a commitment on the part of the GRLT to select any Investor, nor to reimburse any expenses to any Investor. Furthermore, submission of the documents shall not entitle any Investor to any claims against GRLT by virtue of such Investor having responded to this Request for EOI. All costs incurred by the Investors as a result of this Request for EOI and any subsequent requests for information shall be for the Investor’s account only.
* neither party is liable to the other in respect of any Consequential Loss arising out of or in connection with a breach of the EOI;
1. **Investors representation and warranties**

By lodging an EOI the Investor represents and warrants that:

(a) its EOI and any subsequent information submitted to GRLT pursuant to the Request for EOI:

(i) Are based on its own independent assessment and investigations, interpretations, deductions, information and determinations;

(ii) Are complete and accurate; and

(iii) Take into account all information relevant to the risks, contingencies and other circumstances having an effect on its EOI which is obtainable by the making of reasonable enquiries, which enquiries the Investor has made;

(b) It has not entered and will not enter into any unlawful arrangement with any other person in respect of the Request for EOI;

1. **Confidentiality and disclosure by the Investor/GRLT**

Under the terms Disclosing Party and Receiving Party shall be considered either Investor or GRLT, taking into account which Party has disclosed and/or received the respective Confidential Information.

1. Confidential Information” shall mean any information maintained in confidence by or on behalf of a Party or any other third party or which is designated as Confidential Information by the Disclosing Party at the time such information is provided to the Receiving Party or within a reasonable time thereafter. Confidential Information whether in document or electronic format includes, but is not limited to, new product, new service or new technology information, formulae, descriptions, diagrams, data, drawings, listings, techniques, procedures, “know how,” “means and methods”, documentation, manuals, specifications, designs, inventions, discoveries, improvements, research, development, product prototypes and copies, models, marketing strategies and materials, development plans, customer information, pricing information, rates and values, and financial information. For the avoidance of doubt, the confidentiality obligation extend to any analyses, compilations, interpretation, notes, reports, summaries, and other documents and materials prepared by, for, or on behalf of, the Receiving Party, to the extent they contain Confidential Information.
2. “Confidential Information” shall not include information the Receiving Party can clearly establish by written evidence was: (i) known to the Receiving Party prior to this EOI; (ii) rightfully acquired from third parties who are not under an obligation of confidence to the Disclosing Party; (iii) placed in the public domain without the Receiving Party’s fault.
3. The Receiving Party shall make the Confidential Information available only to its employees, contract employees, and other parties including but not limited to auditors, external consultants or advisors of the Receiving Party working on the Opportunity within the Receiving Party’s facility and having a "need to know" with respect to said purpose. If authorized in writing by the Disclosing Party, the Receiving Party may disclose Confidential Information of the Disclosing Party to a third party.

# Governing law

This Request for EOI and the EOI submission and evaluation process shall be governed by the applicable laws of Georgia.