

Terms of reference

Functional and organisational audit of OTIF

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1 Description of the Organisation

The Intergovernmental Organisation for International Carriage by Rail (OTIF) has existed since 1 May 1985 on the basis of the Convention of 9 May 1980 (COTIF). Set up in 1893, the Central Office for International Carriage by Rail was its predecessor.

Up to the signing of the Protocol of 3 June 1999 (Vilnius Protocol) modifying COTIF, the main aim of this governmental organisation was to develop the existing uniform legal regimes for the through international transport of passengers and goods by rail, as the CIV (international contract of carriage of passengers) and the CIM (international contract of carriage of goods).

OTIF currently has 47 Member States (Europe, Near/Middle East and North Africa) and one Associate Member (Jordan). The uniform law created by OTIF currently applies to international rail transport carried out on a rail infrastructure of some 250,000 km and to the supplementary transport of goods and passengers over several thousand kilometres by sea, inland waterways and (in domestic traffic) by road. The European Union acceded to the uniform law of COTIF on 1 July 2011.

The Organisation's headquarters are in Berne in Switzerland. The bodies of OTIF are: the General Assembly, the Administrative Committee, which is an organ of administrative and financial control, the Revision Committee, the Committee of Experts on the Transport of Dangerous Goods, the Committee of Technical Experts and the Rail Facilitation Committee. The Secretariat is provided by the Secretary General.

OTIF is a small organisation consisting of 20 members of staff.

Main tasks:

- a) Development of rail transport law in the following areas:
 - Contracts of carriage for the international carriage of passengers and goods (CIV and CIM),
 - Transport of dangerous goods (RID),
 - Contracts of use of vehicles (CUV),
 - Contracts of use of railway infrastructure (CUI),
 - Validation of technical standards and the adoption of uniform technical prescriptions applicable to railway material (APTU),
 - Procedure for the technical admission of railway vehicles and other railway material used in international traffic (ATMF);
- b) Extension of the scope of application of COTIF in order to make possible, in the long term, through rail transport from the Atlantic to the Pacific under a system of uniform law;
- c) Preparation of the entry into force of the Luxembourg Protocol (Register of international securities relating to railway rolling stock, secretariat of the Supervisory Authority);

- d) Elimination of barriers to border crossing in international rail traffic;
- e) Participation in the development of other international conventions relating to rail transport in the framework of the UNECE and other international organisations.

2 Context of the mandate

Following the election of a new Secretary General, Mr François Davenne, who took up his duties on 1 January 2013, OTIF has set new priorities, which should help to capitalise on the European Union's recent accession to the Organisation:

- Cooperate more closely with the European Railway Agency;
- Put OTIF back at the centre of legal developments in the sector;
- Restructure the Organisation and optimise its human resources to increase the amount of operational activity;
- Define a comprehensive strategy by expanding OTIF's role as a gateway between the European Union and the Member States that are not members of the EU.

This new impetus must nevertheless be defined within the context of budgetary control.

In this context, it is essential to assess properly the strengths and weaknesses of the Organisation's human resources and the ability of the latter to be able to tackle the Organisation's new challenges.

3 Purpose of the mandate

3.1 Main objective

The task is to carry out an organisational audit of OTIF in order to obtain a general assessment of whether its internal organisational structure is fit to carry out the tasks that are assigned to it. The examination of working methods and procedures set up to carry out its activities will help to establish a diagnosis of how it functions and to develop recommendations aimed at streamlining tasks and decision-making processes in order to improve efficiency.

The organisational audit, which will shed light on the organisation of OTIF and how it operates, will provide the opportunity to examine its budget. The detailed examination of expenditure headings will help to verify whether there is sufficient balance between the cost of OTIF and the degree of fulfilment of the tasks it is assigned.

This audit should make it possible to develop a strategy to strengthen, with a consistent budget, the share of operational expenditure in the key areas of OTIF's activities: transport of dangerous goods, technical regulations and transport law. This goal will be achieved by a reduction in support expenditure.

3.2 Content of the audit

On the basis of the objectives set out above, the consultant will have a mandate to:

- Describe precisely the organisational structure of OTIF, the tasks and levels of responsibility entrusted to each of the services which participate in the implementation of tasks that are assigned to it.
- Analyse the decision-making procedures within OTIF (particularly the management's ability to fulfil its role in terms of the supervision and guidance of OTIF, together with the representatives of the Member States in the Administrative Committee).
- Analyse the institutional environment of OTIF.
- Look at the human resources policy and assess its adaptation to OTIF's functions and responsibilities.
- Assess the costs relating to the building, particularly in terms of the costs of keeping it and assess the cost compared to a rental solution. Another location on Swiss territory could be proposed if this would allow a significant reduction of costs in the medium term and/or easier relations with the Organisation's partners.
- Describe the functions of members of staff and look at pay levels (grid index) and the procedures for advancement and promotion.
- Check staff recruitment and selection procedures and whether job profiles are correct.
- Examine the systems for monitoring staff (control of working hours, performance).
- Assess whether the human resources are adequate and the resources allocated to each of the Organisation's services/sections with regard to the responsibilities and tasks to be carried out.
- Examine and assess whether OTIF's budget is appropriate in view of its tasks.
- Check whether staff are complying with procedures in the performance of their duties.
- Analyse the management system (meetings, working groups, internal notes, etc...).
- Examine the functioning of the management system put in place.
- Analyse the channels for transmitting information and administrative, financial and accounting documents.
- Analyse the systems and tools used for the periodic checking of operations carried out.
- List all the related professional activities of the Organisation's members of staff and their impact on performance.
- Put in place periodic monitoring of the budget.

This study will also enable the IT system to be subjected to a critical evaluation by focusing on the tools being used (hardware and software) and on the highlighting of unmet needs. It consists of the following five actions:

- description of the flow of information.
- examination of the tools and means of processing.
- audit of security costs.
- establishing a permanent inventory of hardware and software tools.
- overall result.

3.3 Result to be achieved

The task should achieve the two following results:

3.3.1 Provide an overview of the Organisation

- Tasks, organisational structure and responsibilities for each post.
- Analysis of the relevance, effectiveness and efficiency of OTIF's tasks.

- Analysis of OTIF's organigram and whether it conforms to the tasks assigned, and whether it is effective.
- Draw up a comprehensive assessment of the skills of the teams in place.
- Examine the current recruitment procedure and propose possible improvements.
- Examine the salary grids by comparing them with other international organisations.
- Evaluate the adaptation of vocational training to requirements.

3.3.2 Prepare recommendations to be included in an action plan to strengthen the Organisation's performance

- Clarify the tasks, role and functions
- Propose a reorganisation
- Develop a restructuring plan
- Assess the cost of restructuring
- Develop revised terms of reference for each post
- Propose developments to the Staff Regulations by identifying the blocking factors caused by the current Regulations
- Propose a plan of action including the legal aspects, human resources and change management
- If necessary, propose a change to OTIF's location (occupancy status, and/or location on Swiss territory)
- Place the Member States and partners at the heart of each team's projects.

The audit should also include a proposal to develop the IT system and to establish a new way of managing the equipment more economically, by auditing the security costs. The objectives of this step are to make recommendations for improvements and to define a development project.

3.4 Activities

3.4.1 Collection of information, desk research, interviews

- Collection of relevant documents (strategy, annual plans, annual reports, financial reports, etc...)
- Preparation of tool necessary for the assessment itself
- Organisation of interviews with the key people
- Statistical and procedural analysis

3.4.2 Analysis and diagnosis of the Organisation

- Analysis and diagnosis of the Organisation's resources
- Analysis and diagnosis of the Organisation's decision-making process
- Analysis and diagnosis of the Organisation's procedures

3.4.3 Conclusions and recommendations

- Conclusions and recommendations organisational structure
- Conclusions and recommendations human resources policy
- Conclusions and recommendations for policy management/decision-making policy

4 Methodology

When preparing his programme of work, the consultant will need to take into account the availability and reliability of any assessments/checks/controls/organisational analysis already carried out by internal and external control bodies.

To help him conduct the study entrusted to him, OTIF will accompany and facilitate the audit in various forms: the appointment of an officer in charge (when the audit starts), make documents available, facilitate contacts, technical and/or organisational support, studies...

Throughout the audit, OTIF will provide the consultants with office space and access to any information necessary for the audit to be carried out correctly.

The task will be managed by a steering committee consisting of:

- François Davenne, Secretary General.
- The administrative and finance manager.
- The head of the technical department.

The audit will be divided into two successive phases:

- The first phase will be to establish an overview of the Organisation in operational, financial and procedural terms. It will conclude with the drafting of a report and the organisation of a feedback workshop, which will determine the strategic directions for the reorganisation.
- The second phase will focus on the proposal for a reorganisation project and an implementation timetable. It will conclude with the submission of an interim report, which will be presented to the steering committee. The final report will incorporate the steering committee's comments.

5 Duration of the exercise

The audit exercise will take place over a period of 2 months [from May to June 2013]. It will be carried out in Berne. However, in order to reduce fixed expenditure, the analysis of the data collected and the drafting of reports can be done outside the offices of OTIF.

The audit will be paid for with a flat rate amount.

6 Reports

The consultant will submit the following reports:

- A preliminary report (10 pages) to be submitted one week after the beginning of the audit detailing the methodology and initial observations on the Organisation.
- A draft final report (60 pages excluding annexes) describing the general situation of the Organisation in terms of operations, resources and procedures, as well as the first recommendations. This will be presented to the steering committee at a one day feedback workshop to share points of view and make any corrections to the draft final report.

- A final report (60 pages excluding annexes) comprising an overview of the situation, accompanied by proposals for recommendations to improve the performance of the Organisation. This will incorporate any corrections.

All reports will be prepared in English in order to avoid having to translate them and will be approved by the steering committee.

The Consultant will provide the electronic version of the report and annexes in Word format.

7 Indicative profile of the consultant

The audit will be carried out by a team of at least one senior consultant accompanied by a junior consultant and a consultant specialising in IT, whose profiles must match the qualifications below.

7.1 Consultant 1 - Assignment leader

The assignment leader's task will be to coordinate the entire exercise and to prepare, with consultant 2, all the audit reports. He will provide the primary interface with the Organisation during the audit.

Qualifications required

- Degree in civil engineering or similar, if possible with specialisation in transport.
- Further training with a master's degree in management or MBA.
- Perfect knowledge of French and English. A working knowledge of German is an advantage.
- Experience in general management within multicultural organisations and/or international private undertakings specialising in the institutional reform of public or quasi-public administrations.
- At least 10 years professional experience in the implementation of projects for public reorganisation or restructuring, strengthening of management capacities at management level and human resources.
- Consolidated experience at international level.
- Must have conducted several organisational audits in a public or private international organisation.

7.2 Consultant 2 - Capacity building junior

Consultant 2 will be a junior consultant to support the experts in the first phase of the audit to collect and analyse all the available data.

Qualifications required

- Graduate-level master's degree in management, law or social sciences.
- Perfect knowledge of French and English. A working knowledge of German is an advantage.
- Experience in project management within multicultural organisations and/or international private undertakings specialising in the institutional reform of public or quasi-public administrations.

- At least 5 years professional experience in the implementation of projects for public reorganisation or restructuring, strengthening of management capacities at management level and human resources.
- Experience at international level.
- Extensive experience in the collection and analysis of data in capacity-building projects, human resources and organisational auditing.

None of the experts must have any links with OTIF or associated entities and must immediately notify any possible conflicts of interest.

7.3 Consultant 3 - IT Consultant

A consultant with the following characteristics will complete the organisational audit team:

- Degree in computer science
- Perfect knowledge of French and English.
- General experience in the design of IT solutions at the organisational level (cloud, ERP system, messaging, communication, network, definition of hardware material), to provide advice on solutions for hardware and software in the IT strategy to be developed for undertakings working in a governmental or international context.
- At least 5 years professional experience in the implementation of computer system audit projects and IT capacity-building.
- International experience required
- Must have conducted several organisational audits in IT for private companies and public or governmental corporations.

None of the experts must have any links with OTIF or associated entities and must immediately notify any possible conflicts of interest.

8 Terms of payment

The payment terms will be defined as follows:

- Advance of 30% upon presentation of the corresponding invoice following the signing of the contract.
- 30% when the interim report is approved in writing by the steering committee and upon presentation of the corresponding invoice.
- 40% when the final report is approved in writing by the steering committee and upon presentation of the corresponding invoice.