

## Turkey to Launch Public Procurement System for Railway Passenger Transport

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Turkey has introduced a new system for procurement of railway passenger transportation services. From 1 May 2018 onward, railway train operators will be chosen via a tender procedure, announced by the Ministry of Transport, Maritime Affairs and Communication ("**Ministry**"). Generally, an open tender procedure will apply, but the service may be obtained via direct supply in certain cases.

The Regulation on the Public Service Obligation for the Railway Passenger Transportation ("**Regulation**") was published in Official Gazette number 29807 on 20 August 2016, coming into force on the same date.

Under the Regulation, a public service agreement will be executed with the public service provider for procurement of railway passenger transportation services with the characteristics of a public service which may not be provided commercially. The agreement will specify:

- Duration.
- Location for the transportation.
- Amount of train services to be provided.
- Ticket price for passenger transportation.
- Payment methods.

Until 1 May 2018, railway passenger transportation services will continue to be provided by the Turkish State Railways and Transportation Joint Stock Company.

The Ministry will regularly inspect compliance with the public service agreement.

The Ministry will determine the public service fee and such payments cannot be more than the net cost.

Please see this [link](#) for full text of the Regulation (only available in Turkish).

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