

REQUEST FOR PROPOSAL (RFP)
TO OPERATE & MAINTAIN AND TRANSFER (OMT) BUSES - QUETTA
UNDER
THE BALOCHISTAN PUBLIC PRIVATE PARTNERSHIP ACT, 2021

NATIONAL COMPETITIVE BIDDING

VOLUME I: INSTRUCTIONS TO BIDDERS

**The Provincial Transport
Department, Government of
Balochistan through 'Mass
Transit Authority'
&
Balochistan Public Private
Partnership Authority**

DATED

August 05, 2025

Reference: OPERATION AND MAINTENANCE OF BUSES - QUETTA

Dear Bidders,

The Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan (the **“Procuring Agencies”**), hereby invite bids from private sector participants for the Project.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the Glossary of this RFP.

This RFP sets out, *inter alia*, the process for the selection of a private partner that will be, pursuant to an agreement entitled **‘O&M Agreement’** (to be entered into between the Procuring Agencies and the Concessionaire), to operate & maintain and transfer (OMT) the Project which is described as follows:

The Procuring Agencies intends to engage a private party on Public Private Partnership (PPP) mode to operate and maintain a fleet of **twenty-five (25) buses** on a defined routes in **Quetta**, including depots, bus stops, maintenance facilities, and passenger facilities (the **“Project”**). The Project is being undertaken via Operate & Maintain and Transfer mode and focuses on addressing the growing mobility challenges in Quetta.

PROJECT TENURE

The total Project duration shall be five (5) years (for Operations & Maintenance). This term may be extendable for additional term of five (5) years subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement. The Project shall be handed over to the Procuring Agencies at the end of the Project term.

Bidding Procedure

The Bidder will be selected under the Balochistan Public Private Partnership Rules, 2022. The Project’s procurement shall be conducted in accordance with open competitive bidding using ‘Single Stage Two Envelope Procedure’ as per the terms and conditions provided in this RFP. Bidders are requested to submit only one (1) Bid, comprising of one (1) original Technical Proposal, one (1) original Financial Proposal, as well as four (4) hard copies of each, and one (1) soft copy of each (USBs) and other supporting documents (as applicable), and as identified in this RFP.

Key Dates: The key tentative dates (as may be extended by the Procuring Agencies at their discretion in accordance with the BPP Rules) in this stage of the selection process are as follows:

	Dates
Issuance of the RFP.	August 5, 2025
Availability of bidding documents on BPPPA website.	August 5, 2025
Pre-Bid Meeting (the “ Pre-Bid Meeting ”) (Physical Venue for pre-bid meeting to be requested by potential bidders via email)	August 12, 2025 Meeting ID: 894 9623 9499 (11:00 AM - 2:30 PM)
Submission and opening of Technical Bids and submission of Financial Bids only (the “ Bid Submission Date ”).	August 26, 2025
Evaluation of Technical Bids and opening of financial bid.	One week after ‘Bid Submission Date’ (Tentative)
Evaluation of Financial Bid.	One week after ‘Evaluation of Technical Bid’ (Tentative)
Announcing the Preferred Bidder.	One week after ‘Evaluation of Financial Bid’ (Tentative)
O&M Agreement signing.	One week after ‘Announcing the Preferred Bidder’ (Tentative)

** In the event of any holiday occurring on the above-mentioned dates, the immediately succeeding Business Day will be considered as the day on which the respective milestone shall take place.*

Each Bidder shall submit the Bid including one (1) original and four (4) hard copies, with one (1) soft copy (in USB) – and shall submit relevant/additional supporting documents and forms, as identified in this RFP, no later than [time] hours Pakistan Standard Time by the Bid Submission Date as per the guidelines given in Section 2 (*Data Sheet*).

BID SECURITY: All Bidders are required to furnish a Bid Security (in a separately sealed envelope) equivalent to PKR 70,000,000/- (Pak Rupees Seventy Million only). **THE BID SECURITY SHALL BE ENCLOSED IN THE ‘TECHNICAL PROPOSAL’ ENVELOPE.** The Bid Security shall be in the form of a bank guarantee (*the format of which is provided in this RFP*) OR CDRs/Deposit at Call.

In Name of: **Balochistan Public Private Partnership Authority**

We would like to thank the Bidders for their interest in the Project.

All Bids must be submitted, as per the instructions provided in this RFP, to:

Attention : Chief Executive Officer, Balochistan PPP Authority
Address : 49-A, Jinnah Town, Quetta, Pakistan
Telephone : 081 – 250 3098

Sincerely,
Chief Executive Officer, BPPPA.

IMPORTANT NOTICE/DISCLAIMER

This RFP and the attached documents are provided to the recipient solely for use in preparing and submitting its Bid for participation in the competitive bidding process conducted for the purposes of selection of a private partner to operate, manage and transfer (OMT) the Project.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the Glossary set out in this RFP.

The Bids will be reviewed in accordance with the applicable laws. None of the Government of Balochistan's entities and its relevant stakeholders in the Project (including, *inter alia*, the Procuring Agencies, the PPP Authority, Finance Department, and the TFEC) nor, in each case, their employees, personnel, agents, consultants, advisors, legal advisors and contractors *etc.*, make any representation (expressed or implied) as to the accuracy or completeness of the information contained herein, or in any other document made available to any person in connection with the tender process for the Project and the same shall have no liability for this RFP or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Project. Neither these entities nor their employees, personnel, agents, consultants, advisors, legal advisors and contractors *etc.*, will be liable in any manner whatsoever to reimburse or compensate the recipient for any costs, fees, damages or expenses incurred by the recipient in evaluating or acting upon this RFP or otherwise in connection with the Project. Any Bid submitted in response to this RFP by any of the Bidders shall be upon the full understanding and agreement of any and all terms of this RFP and such submission shall be deemed as an acceptance to all the terms and conditions stated in this RFP.

Any Bid/response to this RFP submitted by a Bidder shall be construed based on the understanding that the Bidder acknowledges that prior to the submission of the Bid in response to this RFP, the Bidder has, after a complete and careful examination, made an independent evaluation of this RFP including, without any limitation, the scope of the Project, the Project requirements, the applicable standards, applicable laws, and all information provided by the Procuring Agencies or obtained, procured or gathered otherwise, and has determined to its complete satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations under the requirements of this RFP. The Procuring Agencies (including its employees, personnel, agents, consultants, advisors and contractors *etc.*) makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy, adequacy, correctness, reliability and/or completeness of any assessment, assumptions, statement or information provided by it and the Bidder shall have no claim whatsoever of any nature against the Procuring Agencies in this regard.

This RFP does not constitute a solicitation to invest, or otherwise participate, in the Project, neither shall it constitute a guarantee on part of the Procuring Agencies that the Project will be awarded.

Glossary

Unless expressly specified otherwise, all capitalized terms used in this RFP shall bear the meaning ascribed thereto in this Glossary.

TERM	MEANING
ACTUAL FUEL PRICE	The weighted average fuel price (PKR/litre) at the end of each month during the operating period as calculated in accordance with the O&M Agreement.
ACTUAL LUBRICANT PRICE	The weighted average price of lubricants at the end of each month during the operating period calculated in accordance with the O&M Agreement.
ACTUAL MAINTENANCE PRICE	The weighted average price of tires, maintenance and salaries at the end of each month during the operating period as calculated in accordance with the O&M Agreement. The price will be adjusted annually, based on CPI inflation, measured in increase percentage on year-on-year basis mentioned in Price Statistics published by Pakistan Bureau of Statistics, Government of Pakistan.
BASE FUEL PRICE	The price of fuel existing on the Bid Submission Date.
BASE LUBRICANT PRICE	The price of lubricants on the Commencement Date.
BASE MAINTENANCE PRICE	The cost of tires, maintenance and salaries, each of which exist on the Commencement Date.
BID(s)	A bid tendered by a person who is eligible under PPP Act to submit a proposal to undertake a project;
BIDDER	A person or entity; (i) submitting a bid; or (ii) who intends to submit a bid and is able to substantially prove such intention;
BIDDER’S COLLABORATOR	The Bidder, a Member of the Bidder, any of their respective authorized officers, directors, managers, employees, supervisors, contractors, sub-contractors, consultants, advisors, representatives, agents, successors, and respective assigns, and the Bidder’s Key Individuals.

TERM	MEANING
BID SECURITY	The security deposit that a Bidder or Lead Member (in case of a consortium) must provide, in the form of a bank guarantee or CDR/Deposit at Call issued by a scheduled commercial bank operating in Pakistan acceptable to the Procuring Agencies (with a minimum rating of 'AA-' by JCR VIS or an equivalent rating by PACRA), as applicable. For the bank guarantee, the same shall be in form and substance as attached hereto as ANNEXURE C (Form of Bid Security) . The bid security shall be of an amount, in Pakistani Rupee, equal to PKR 70,000,000/- (PKR Seventy Million only) which shall remain valid for a period of 180 days beyond the Bid Validity Period.
BID SUBMISSION DATE	The deadline for the Bidders to submit their Bids or any other date specified by the Procuring Agencies by way of addenda or corrigendum.
BID SUBMISSION TIME	Shall bear the meaning as stated in Section 2.1.5.
BID VALIDITY PERIOD	The period of 90 days starting from the opening of the Technical Bids.
BPP RULES	The Balochistan PPP Procurement Rules, 2021 (as amended from time to time).
BUSINESS DAY	A reference to a day (other than a Sunday) on which banks in Pakistan are generally open for business.
COMMITMENT FORM	The commitment form, in form and substance as attached to this RFP as ANNEXURE E (Commitment Form) .
COMPLIANT BID	Any Bid that: (i) meets the eligibility requirements specified in this RFP; (ii) is bound in hard-book binding form to avoid the possibility of removal or insertion of page(s). All pages of the Bid must be signed and stamped in original by the Bidder's authorized representative. All the pages must be numbered starting from the first page to the last. Any Bid not substantially adhering to these requirements may be rejected by the TFEC; and

TERM	MEANING
	(iii) in the reasonable opinion of the TFEC, meets or surpasses all of the mandatory requirements for a Bid specified in this RFP, and is meeting all criteria and requirements stipulated in this RFP.
CONCESSIONAIRE	The SPV to be established and incorporated under the applicable laws for the purposes of undertaking and implementing the Project by the winning Bidder that, further to this RFP and the final selection process, is declared the Preferred Bidder and is issued the LOA. The Concessionaire shall be the entity that will enter into the O&M Agreement with the Procuring Agencies.
CONFLICT OF INTEREST	Has the meaning given to that term in Section 1.13.1.
CONSORTIUM	A Bidder comprised of a group of two (02) and not more than five (05) enterprises formed to submit a Bid to participate in the bidding process of the Project.
CONSORTIUM POWER OF ATTORNEY	The power of attorney, to be signed by all the members of the Consortium appointing the Lead Member of the Consortium as the authorized representative of the Consortium, in the form attached as ANNEXURE D (Power of Attorney) of this RFP.
CONSULTATION AND SELECTION PROCESS/COMPETITIVE SELECTION PROCESS	A process that includes this RFP; consultation with Bidders; attendance at Pre-Bid Meeting; issuance of a draft or revised version(s) of the O&M Agreement; receipt and consideration of comments from Bidders and information provided in response to a request from the Procuring Agencies; evaluation of the proposals submitted in response to this RFP; the selection of a Preferred Bidder; preparation, negotiation, acceptance, or rejection of any proposal; amendment, cancellation, interruption, or termination of the RFP; and execution of the O&M Agreement.
FINANCIAL BID	The financial bid to be submitted by the Bidder with its Bid.
INTEGRITY PACT	The instrument entitled <i>Integrity Pact</i> as attached to this RFP as ANNEXURE G (Integrity Pact) , duly signed by the Procuring Agencies and the Bidder.

TERM	MEANING
JOINT BIDDING AGREEMENT	In the event a Bidder, for the purposes of this Project, forms a Consortium, an agreement between the members of the Consortium, conveying, <i>inter alia</i> , the intent to form a joint venture SPV with shareholding/ownership commitment(s).
KEY INDIVIDUAL	Key personnel required for the Project as listed under ANNEXURE B (<i>Technical Evaluation Criteria</i>).
LEAD MEMBER	Any member of the Consortium that leads the Consortium and assumes the lead role to liaise between the implementing partners and the Consortium, as appointed pursuant to the Consortium Power of Attorney and the Joint Bidding Agreement.
LETTER OF AWARD (LOA)	Has the meaning given to that term in Section 1.6.6.
MEMBER	An enterprise that is part of the Bidder on an exclusive basis.
MOST ADVANTAGEOUS BID	Means a Compliant Bid that fulfils the basic eligibility criteria, technical evaluation criteria (as provided under this RFP), and quotes the lowest kilometre charge for the Project.
NET ASSETS	Equals to total assets minus (-) total liabilities (excluding any revaluation reserve surplus).
O&M	The operations and maintenance of the Project in accordance with this RFP and the O&M Agreement.
O&M AGREEMENT	The O&M agreement to be executed between the Procuring Agencies and the Concessionaire in respect of the Project.
PDF Cost	The BPPPA has incurred certain costs towards development of this project. The concessionaire is required to reimburse this cost to the BPPPA amounting to PKR 7,790,000/- (Pak Rupees Seven Million Seven Hundred Ninety Thousand Only) as per the provisions of the Balochistan PPP Act, 2021. The amount shall be paid by the concessionaire during the first 12 months of operations.

TERM	MEANING
PERFORMANCE SECURITY	Means a first demand irrevocable, unconditional and without recourse bank guarantee , issued by a scheduled commercial bank in Pakistan (with a minimum credit rating of at least 'AA-' as rated by JCR VIS or an equivalent rating by PACRA) acceptable to the Procuring Agencies, in the form of a bank guarantee, guaranteeing the payment to the Procuring Agencies of an amount equal to PKR 70,000,000/-(Pak Rupees Seventy Million).
PPP	Public Private Partnership.
PPP ACT	The Balochistan Public Private Partnership Act 2021 (as amended from time to time).
PPP AUTHORITY	The Balochistan Public Private Partnership Authority, Government of Balochistan.
PREFERRED BIDDER	The Bidder that will be declared successful by the TFEC and be selected by the Procuring Agencies pursuant to the Competitive Selection Process and in accordance with the terms of this RFP to enter into the O&M Agreement and implement the Project.
PREFERRED BIDDER'S COLLABORATOR	The Preferred Bidder, a Member of the Preferred Bidder, any of their respective authorized officers, directors, managers, employees, supervisors, sub-contractors, consultants, advisors, representatives, agents, successors, and respective assigns, and the Preferred Bidder's Key Individuals.
PROCURING AGENCIES	Balochistan Public Private Partnership Authority and the Transport Department, Government of Balochistan.
PROJECT	Operation and maintenance of a fleet of twenty-five (25) buses on defined routes in Quetta, including depots, bus stops, maintenance facilities, and passenger facilities.
REQUEST FOR PROPOSAL/RFP	This request for proposal and all volumes, appendices, and addenda thereto, including: • VOLUME 1 – INSTRUCTIONS TO BIDDERS; • VOLUME 2 – DRAFT O&M AGREEMENT; AND • VOLUME 3: TECHNICAL DOCUMENTS AND SCOPE OF WORK;

TERM	MEANING
SPV	Has the meaning given to the term in Section 1.6.6.
STAMP DUTY	The concessionaire is required to pay the stamp duty amounting to 0.25% of the total contract value.
SUCCESS FEE	The Concessionaire is required to pay the success fee to the BPPPA amounting to PKR 2,000,000/- (Pak Rupees Two Million Only) as per the provisions of the Balochistan PPP Act, 2021.
TECHNICAL AND FINANCIAL EVALUATION COMMITTEE/TFEC	The technical and financial evaluation committee formed in accordance with the applicable laws of Pakistan for the purpose of analysing and evaluating the Bids.
TECHNICAL BID	The technical bid submitted by the Bidder in response to this RFP.
TOR	Has the meaning given to that term in Section 1.1.3.

1. INFORMATION FOR BIDDERS

1.1 INTRODUCTION

- 1.1.1 The Procuring Agencies have envisaged the operations and maintenance of the Project. It is expected that the expansion of public transportation infrastructure through the Project will address the growing mobility challenges in Quetta.

The Procuring Agencies intend to engage a private party on Public Private Partnership (PPP) mode to operate and maintain the Project. The Project is being undertaken via operate, maintain and transfer mode.

- 1.1.2 The recipients of this RFP are hereby invited to submit a Bid in respect of the Project and the services required for the Project in accordance with Section 2 (*Data Sheet*).
- 1.1.3 A brief description of the Project and its objectives are given in Section 2 (*Data Sheet*). Details are provided in Section 4 (*Terms of Reference*) (the “**TOR**”).
- 1.1.4 The Bidders will be given the opportunity to discuss their comments and suggested changes to this RFP and technical specifications of the Project in the Pre-Bid Meeting, as specified in Section 2 (*Data Sheet*).
- 1.1.5 While the information set out, or referred to, or included by reference in this RFP, the Procuring Agencies gives no representation whatsoever that this RFP (or any instrument/document issued hereunder) is comprehensive or that it has been independently verified.
- 1.1.6 The Procuring Agencies do not make any representation or warranty, express or implied, as to the accuracy or completeness of such information, or any information on which this RFP is based, or any other background or reference information or documents prepared and made available to the Bidders, and any liability related to such information is hereby expressly disclaimed.
- 1.1.7 Bidders will make an independent assessment of the accuracy and completeness of such information and will have no claim whatsoever against the Procuring Agencies with respect to such information.
- 1.1.8 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this RFP and, therefore, the submission of Bids in response to this RFP would be deemed as acceptance to the said terms.

1.2 AWARD OF PROJECT

- 1.2.1 It is anticipated that through the Competitive Selection Process, one (1) of the Bidders will be selected as the Preferred Bidder, who will then be offered the opportunity to incorporate the SPV in terms of this RFP and the LOA, which SPV shall subsequently enter into the O&M Agreement (as the Concessionaire) for the purposes of the Project.
- 1.2.2 The award of Project shall be made to such Bidder who is compliant with the technical and financial parameters as set out in this RFP.

1.3 STRUCTURE OF THIS RFP

1.3.1 This RFP contains the following volumes and their respective appendices and schedules:

- (a) VOLUME 1 – INSTRUCTIONS TO BIDDERS.
- (b) VOLUME 2 – DRAFT O&M AGREEMENT.
- (c) VOLUME 3 – TECHNICAL DOCUMENTS AND SCOPE OF WORK.

1.4 NO OBLIGATION TO SELECT OR PROCEED

1.4.1 Notwithstanding any other section in this RFP, by submission of a Bid by a Bidder, such Bidder and each firm, corporation or individual member of the same, acknowledges and agrees that:

- (a) the Procuring Agencies may, at their sole discretion, refuse to consider and completely withdraw from the Consultation and Selection Process; or decide to terminate the entire bidding process, prior to the acceptance of a Bid, without justifying the grounds thereof; or decide to proceed with the Project under a new procurement process (including any new PPP procurement process); or decide to proceed with the Project in some manner other than as a PPP; or reject any Bid that, in the sole opinion of the Procuring Agencies, is incomplete or irregular, contains exceptions or deviations that are unacceptable to the Procuring Agencies, or contains false or misleading statements, claims, or information, or omits any material information that must be submitted under this RFP by a Bidder or a Bidder's Collaborator, or for any other reason whatsoever as per BPP Rules;
- (b) the Procuring Agencies' decision with respect to the compliance or non-compliance of a Bid shall be final and binding and that the Procuring Agencies shall in no way be obliged to consult the Bidder in making their decisions; and
- (c) any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of the terms related to the aforementioned points (a) and (b) and therefore the submission of the Bids in response to this RFP would be deemed as an acceptance to the aforesaid terms.

1.5 COSTS AND EXPENSES INCURRED BY THE BIDDERS

1.5.1 All costs, expenses and liabilities incurred by any Bidder (including all its Consortium members, as applicable) in connection with the preparation and submission of the Bids, including the provision of any additional information, attendance at meetings, conducting due diligence, engagement of consultants, advisors and contractors *etc.*, and in discussion with the Procuring Agencies shall be, in each case, borne by the Bidders (including all its Consortium members, as applicable).

1.6 DOCUMENTS

1.6.1 Bidders must prepare and submit their Bids in full compliance with the requirements of this RFP together with the submission of the documents, forms and instruments required for submission under this RFP.

- 1.6.2 Bidders requiring any clarification regarding this RFP and/or any documents/forms and instruments to be submitted pursuant to this RFP must notify the Procuring Agencies, in writing, preferably not later than four (4) Business Days after to the respective Pre-Bid Meeting relating to this RFP matters, as such time period and number of meetings may be extended or amended at the sole discretion of the Procuring Agencies. Any request for clarification in writing, or by email, shall be sent to the Procuring Agencies' address indicated in Section 2 (*Data Sheet*). The Procuring Agencies shall respond in writing or by email to such requests and copies of the response shall be sent to all Bidders.
- 1.6.3 At any time before the submission of the Bids, the Procuring Agencies may for any reason, whether at its own initiative or in response to a clarification requested by the Bidders, modify any of the documents listed in Section 2 (*Data Sheet*) by amendment. The amendment shall be sent in writing or by email to all the Bidders and shall be binding on them. The Procuring Agencies may, at its sole discretion, extend the deadline for the submission of Bids.
- 1.6.4 Each Bidder (and in case the Bidder is a Consortium, the Lead Member) shall nominate a representative with whom the Procuring Agencies should liaise and shall provide such representative's details including designation and all relevant contact details. Legal documentation (e.g. power of attorney, board resolutions and/or other legally binding authorization) for appointment of the authorized representative of the Bidder (and in case the Bidder is a Consortium, the Lead Member) shall be provided with the Bid.
- 1.6.5 SUBMISSION OF THE BIDS
- (a) Each Bidder shall submit only one (1) Bid including one (01) original Technical Bid and one (1) original Financial Bid and four (4) hard copies of Technical Proposal, along with one (1) soft copy (on USB) of Technical Proposal, as indicated in Section 2 (*Data Sheet*).
- Each Bid shall be in a separate envelope indicating the Bid as original or copy clearly marked as "ORIGINAL" and "COPY", as appropriate. The Technical Bid shall be placed in a sealed envelope clearly marked TECHNICAL BID and the Financial Bid in the sealed envelope clearly marked FINANCIAL BID. These two envelopes, in turn, shall be sealed in an outer envelope bearing the address and information indicated in the Data Sheet. The envelope shall be clearly marked: DO NOT OPEN, EXCEPT IN PRESENCE OF THE TECHNICAL AND FINANCIAL EVALUATION COMMITTEE. Any Bidder who submits or participates in more than one (1) Bid will be disqualified.
- (b) The original and each copy of the Bid shall be prepared in indelible ink and shall be signed by an authorized representative of the Bidders. The representative's authorization shall be confirmed by a written power of attorney accompanying the Bids.
- (c) Each Bid shall be bound in the hard book binding form. All pages of the Bid must be signed and stamped in original by the Bidder's authorized representative. All the pages must be numbered starting from the first page to the last.

ANY BID NOT SUBSTANTIALLY ADHERING TO THESE REQUIREMENTS MAY BE REJECTED BY THE TFEC.

- (d) In case of any discrepancy between the original and the copies of the Bid, the original shall prevail.
- (e) The Bid shall contain no interlineations or overwriting except as necessary to correct errors made by the Bidders themselves. Any such corrections shall be initialled by the authorized person or persons signing the Bid.
- (f) The Bids shall be delivered on or prior to the Bid Submission Date, and the Bids shall be opened in accordance with Section 2.2 (*Opening of Bids*).
- (g) The Bids shall be valid for the number of days as stated in this RFP from the date of opening of Technical Bids. During this period, the Bidders shall keep available the professional staff proposed for the assignment.
- (h) In case of a Consortium, a Joint Bidding Agreement shall also be submitted by the Bidders, specifically appointing a Lead Member of the Consortium and identifying the roles of each Consortium Member. Following the Bid Submission Date, there shall be no change in the Consortium, by addition/withdrawal of a consortium member or change in percentage shareholding of any consortium member, except as may be permitted under the O&M Agreement.
- (i) The Integrity Pact, duly signed by the Procuring Agencies and the Bidders (in case the Bidder is a Consortium, by the Lead Member), shall be submitted.
- (j) Either a board resolution or an authority letter, authorising the person(s) signing the Bid on behalf of the Bidder, shall be submitted. In case a Bidder is not a corporate entity, the requisite power of attorney appointing the authorised representative to sign on behalf of the Bidder shall be submitted.
- (k) Each Bidder shall provide a Bid Security in a sealed envelope with its Technical Bid and such Bid Security shall be required to be valid for an initial period of Ninety (90) days plus One Eighty (180) days beyond the original Bid Validity Period making it a total of Two Seventy (270) days effective from the date of opening of Technical Bids. The Procuring Agencies may extend such period, at its discretion, in accordance with the applicable laws.
- (l) The TFEC will evaluate the Bids to select the Preferred Bidder. The Bidder that, *inter alia*, submits a Compliant Bid which meets all the requirements in this RFP required by the Procuring Agencies for implementing the Project shall be considered, for selection, as the Preferred Bidder.

1.6.6 **FINALIZATION OF THE TRANSACTION**

Following completion of the bidding process under this RFP, once the Preferred Bidder is announced, necessary negotiations will take place to finalize the O&M Agreement, provided that such negotiations shall not amend or vary any financial and/or technical aspects on which the Bids are invited. After the Preferred Bidder is selected, the Procuring Agencies shall issue a letter of award (the “**Letter of Award/LOA**”) to the Preferred Bidder, which shall require the Preferred Bidder to accept the LOA in terms of the timelines contemplated in the LOA. Issuance of the

LOA shall be subject to the necessary approvals and recommendations of the competent authority(ies).

The Preferred Bidder shall, as a key condition of this RFP and the LOA (subsequent to the issuance of the LOA), procure, *inter alia*, incorporation of a *special purpose vehicle/company* (the “SPV”) that shall be a locally registered company incorporated in accordance with the laws of Pakistan and such SPV shall be the Concessionaire for the purposes of the Project. The SPV shall, upon incorporation and finalization of the O&M Agreement, enter into the O&M Agreement (*as the Concessionaire*) for the purposes of the Project. The Concessionaire shall be obligated to replace the Bid Security (prior to the expiry of the Bid Security) with the Performance Security in terms of the LOA and the O&M Agreement. In case the Bid Security expires before the furnishing of the Performance Security, the Bid Security shall be renewed and kept valid by the Preferred Bidder until the Performance Security has been furnished.

The Performance Security shall be submitted by the Concessionaire, subsequent to the issuance of the LOA, which shall be valid from the date of its submission until such date as mentioned in the O&M Agreement.

Should the Bidder refuse to sign the final version of the O&M Agreement with the Procuring Agencies in the agreed-upon form and content, the Procuring Agencies shall be entitled to encash the full amount of the Bid Security or the Performance Security (as the case maybe) and retain and use the proceeds at its sole discretion.

In the event that the Preferred Bidder fails to provide the Performance Security to the Procuring Agencies sixteen (16) days prior to the expiry of the Bid Security, the Procuring Agencies shall become entitled, fifteen (15) days prior to the expiry of the Bid Security, to encash the Bid Security in full.

1.7 POTENTIAL CHANGES TO OR TERMINATION OF THE CONSULTATION AND SELECTION PROCESS

- 1.7.1 The Procuring Agencies may, at their sole discretion, at any time, and for any reason whatsoever, without becoming liable to any Bidder or to any other party, by way of addenda, modify, amend, or otherwise change all or any part of the RFP, including by amending the Consultation and Selection Process, by modifying the limits and scope of the Project, by extending any deadline or time limit specified herein, or by suspending, postponing, or terminating all or any part of the Competitive Selection Process. Any addendum shall be issued by the Procuring Agencies in writing and the same will be explicitly identified as an addendum to this RFP.
- 1.7.2 Without limiting the scope of Section 1.7.1 above, even though the Procuring Agencies intend to name a Preferred Bidder and sign a O&M Agreement, if the Procuring Agencies fails to receive at least one (1) Compliant Bid for which all government approvals (excluding the environmental approbations required) have been obtained, the Procuring Agencies reserves the right to terminate the Competitive Selection Process.
- 1.7.3 If the Procuring Agencies terminate the Competitive Selection Process, the Procuring Agencies reserves the right to proceed with all or any part of the Project, including the use of some or all of a Bidder’s ideas and concepts, based on the approach that the Procuring Agencies considers to be most suitable, which does not exclude the involvement of one or more of the initially selected Preferred Bidder’s Collaborators.

- 1.7.4 In the event that the Procuring Agencies rejects or annuls all the Bids, it may, at its discretion, restart the Competitive Selection Process.
- 1.7.5 The Procuring Agencies reserves the right to terminate the Competitive Selection Process. The Procuring Agencies shall, upon request by any of the Bidder, communicate to such Bidder, grounds for the cancellation of bidding process, but is not required to justify such grounds.
- 1.7.6 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms related to this Section 1.7 (*Potential Changes To Or Termination Of The Consultation and Selection Process*) and, therefore, the submission of Bid in response to this RFP would be deemed as an acceptance to the said terms.

1.8 NO CONTRACT

- 1.8.1 No contract whatsoever is created by or arises from this RFP (with the exception of the Commitment Form found in **ANNEXURE E** (*Commitment Form*)), which, under no circumstances, constitutes an offer to enter into a contract with any party whatsoever.
- 1.8.2 The Procuring Agencies and/or the TFEC do not have an obligation, responsibility, commitment, or legal liability towards any Bidder or any Bidder's Collaborators arising from this RFP or any Bid submitted in response to it, or from the Competitive Selection Process.
- 1.8.3 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms related to this Section 1.8 (*No Contract*) and therefore the submission of Bid in response to this RFP would be deemed as an acceptance to the said terms.

1.9 NO COLLUSION

- 1.9.1 By submitting a Bid, the Bidder and each firm, corporation or individual member of the Bidder represents and confirms to Procuring Agencies with the knowledge and intention that Procuring Agencies may rely on such representation and confirmation that its Bid has been prepared without collusion or fraud, and is in fair competition with the other Bidders and the Bid of the other Bidders.
- 1.9.2 The Procuring Agencies reserve the right to disqualify any Bidder that, in the Procuring Agencies' opinion, has engaged in collusion in connection with the Project.

1.10 PROJECT TEAM

- 1.10.1 The Procuring Agencies are managing and coordinating activities related to the Competitive Selection Process and matters relating to the same.
- 1.10.2 The Procuring Agencies have designated a project director who has been mandated to oversee the entire work required to be carried out in respect of the Project.
- 1.10.3 Any other person or enterprise that has a contract with the Procuring Agencies to work on this Project is ineligible to participate in the Competitive Selection Process, unless specifically exempted by the Procuring Agencies.

1.11 NO LOBBYING

- 1.11.1 The Bidders and the firm, corporation or individual members of a Bidder, will not attempt to communicate, directly or indirectly, with any representative of the Procuring Agencies and/or the TFEC at any stage of this RFP process (including during the evaluation process), except as expressly directed or permitted by Procuring Agencies, or except as may be required and permitted under another procurement competition, project or other assignment, in which event the Bidder will not have any discussions regarding the Project.
- 1.11.2 The Procuring Agencies reserve the right to disqualify any Bidder that, in Procuring Agencies' opinion, has engaged in lobbying in connection with this Project.

1.12 NO CLAIMS

- 1.12.1 The Procuring Agencies shall not be liable for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the Bidder or any firm, corporation or individual member of a Bidder, in preparing and submitting a Bid or participating in negotiations for the O&M Agreement or any other activity related to or arising out of this RFP. In furtherance of the foregoing, the Bidder shall participate in the Competitive Selection Process based on a clear understanding that the Procuring Agencies, its entities and its relevant stakeholders in the Project (including, *inter alia*, the PPP Unit, any other department of Government of Balochistan and the TFEC) and, in each case, their employees, personnel, agents, consultants, advisors, legal advisors and contractors etc., stand released from such claims. For avoidance of doubt, the afore-stated release and its acceptance by the Bidders is a pre-condition to participation in the Competitive Selection Process.

1.13 NO CONFLICT

- 1.13.1 There shall be no conflict of interest (the "**Conflict of Interest**") of any of the Bidders that affects the Competitive Selection Process. In case a Bidder contemplates any Conflict of Interest, till the issuance of the LOA, the Bidder shall immediately notify the Procuring Agencies in writing of such Conflict of Interest. Moreover, in the event the Procuring Agencies identify any Conflict of Interest through their sources, the Procuring Agencies shall, in their sole discretion, decide whether such conflict constitutes a Conflict of Interest. In case any Bidder is found to have a Conflict of Interest, it shall be disqualified. In the event of disqualification, the Procuring Agencies shall encash and appropriate the Bid Security (submitted by the Bidder in accordance with the terms of this RFP), as mutually agreed genuine pre-estimated compensation and damages payable to the Procuring Agencies for, *inter alia*, the time, cost and effort of the Procuring Agencies, including consideration of such Bidder's Bid, without prejudice to any other right or remedy that may be available to the Procuring Agencies hereunder or otherwise. Without limiting the generality of the above, a Bidder shall be considered to have a Conflict of Interest that affects the Competitive Selection Process, if, *inter alia*:
- (a) such Bidder (or any constituent thereof) and any other Bidder (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this qualification shall not apply in cases where the direct or indirect shareholding in a Bidder, or a constituent

thereof in the other Bidder (s) (or any of its constituents), is less than five percent (5%) of its paid up and subscribed capital; or

- (b) a constituent of such Bidder is also a constituent of another Bidder; or
- (c) such Bidder receives or has received any direct or indirect subsidy from any other Bidder, or has provided any such subsidy to any other Bidder (other than the subsidy is made to one Bidder, as allowed in subsection (a) above); or
- (d) such Bidder has the same legal representative for purposes of the Bid as any other Bidder; or
- (e) such Bidder has a relationship with another Bidder, directly or through common third parties, that puts them in a position to have access to each other's information about, or to influence the Bidder of either or each of the other Bidder; or
- (f) such Bidder has participated as a consultant to the Procuring Agencies in the preparation of any documents or technical specifications of the Project.

1.13.2 A Bidder shall be liable for disqualification and forfeiture of its Bid Security if any legal, financial or technical adviser of the Procuring Agencies in relation to the Project is engaged by the Bidder in any manner for matters related to or incidental to the Project during the Competitive Selection Process. In the event any such adviser is engaged by the Preferred Bidder or the Concessionaire, as the case may be, without prejudice to any other right or remedy of the Procuring Agencies (including the encashment and appropriation of the Bid Security or the Performance Security, as the case may be) which the Procuring Agencies may have thereunder or otherwise, the LOA or the O&M Agreement, as the case may be, shall be liable to be terminated without the Procuring Agencies being liable, in any manner whatsoever, to the Preferred Bidder or Concessionaire for the same.

1.13.3 The Procuring Agencies reserve the right to disqualify any Bidder that in the Procuring Agencies' opinion has a Conflict of Interest, whether such conflict exists now or is likely to arise in the future.

Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms related to this Section 1.13 (*No Conflict*) and therefore the submission of a Bid in response to this RFP would be deemed as an acceptance to the said terms.

1.14 CONFIDENTIALITY

1.14.1 Information relating to the examination, clarification, evaluation and recommendation for the Bidder shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the Procuring Agencies in relation to, or matters arising out of, or concerning the Competitive Selection Process. The Procuring Agencies will endeavour to treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The Procuring Agencies may not divulge any such information, unless it is directed to do so by any statutory entity that has the power under law to require

its disclosure, is required under the applicable laws, or it is to enforce or assert any right or privilege of the statutory entity and/or the Procuring Agencies.

- 1.14.2 All information supplied by Procuring Agencies in connection with this RFP, including the documents shared as a part of the data room, shall be treated as a public document. Subject to the provisions of this RFP, the bidding documents shall remain the property of the Procuring Agencies and are transmitted to the Bidders solely for the purpose of preparation and submission of the Bid in accordance herewith. The Procuring Agencies will not return any Bid or any information provided along therewith.
- 1.14.3 This RFP and every part of it and all other information provided by or on behalf of the Procuring Agencies must be treated as private and confidential. Bidders shall not disclose the fact that they have been invited to submit a Bid or release details of this RFP other than on a strictly confidential basis to those parties whom they need to consult for the purposes of preparing the Bid.
- 1.14.4 Bidders shall not at any time release any information concerning this RFP and/or their Bid and/or any related documents and/or any negotiation and/or any discussion with the Procuring Agencies in this connection for publication in the press or on radio, television, screen or any other medium without the prior written approval of the Procuring Agencies.
- 1.14.5 Each Bidder undertakes to indemnify the Procuring Agencies and to keep the Procuring Agencies indemnified against all actions, claims, demands, liability, proceedings, damages, costs, charges and expenses whatsoever arising out of or in connection with any breach of the provisions of this Section 1.14 (*Confidentiality*).
- 1.14.6 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this Section 1.14 (*Confidentiality*) and therefore the submission of the Bid in response to this RFP would be deemed as an acceptance to the said terms.

1.15 INSURANCES

- 1.15.1 If a Bidder is selected as the Preferred Bidder, it understands, undertakes and confirms that it shall be responsible for procuring all insurances in respect of the Project. All fees, costs and other expenditures relating to such insurances shall be borne by the Concessionaire. Furthermore, the cost for insurances may be included in the financial plan by the Bidders.

2. DATA SHEET

2.1 INFORMATION FOR BIDDERS

2.1.1 THE ASSIGNMENT

The Project is to operate, maintain and transfer of fleet of twenty-five (25) buses on a defined routes in Quetta, including depots, bus stops, maintenance facilities, and passenger facilities as described in **ANNEXURE J** (*Project Details and Scope of Work*).

2.1.2 PROJECT DESCRIPTION

In addition to the matters set out in this RFP, it is currently envisaged that the term of the Project will be for five (5) years, further extendable for additional term(s) of five (5) years each subject to satisfactory performance of the Concessionaire and mutual consent in accordance with terms and conditions defined in the final O&M Agreement.

Following the expiry of the Project term, possession of the Project related assets shall be transferred to the Procuring Agencies. The Project shall be structured pursuant to the O&M Agreement, to be entered into between the Procuring Agencies and the Concessionaire (being the SPV to be established and incorporated under the laws of Pakistan for the purposes of the Project by the enterprise or the Consortium that, further to this RFP and the final selection process, is declared the Preferred Bidder and is issued the LOA). The Project will be awarded through a Competitive Selection Process open to Bidders.

Any other errors or omissions in a Bid will not result in its automatic rejection. The TFEC reserves the right to ask Bidders to correct any errors or omissions in their Bid, to the TFEC's satisfaction, within the time limits specified in the request. However, under no circumstances can Bidders amend the Financial Bid as a result of clarifying or rectifying their Bid.

2.1.3 QUERIES AND CLARIFICATIONS

- (a) Queries and clarifications relating to the technical matters, matters relating to this RFP and financial matters, shall reach at least seven (07) Business Days prior to bid opening date, as such time period and number of meetings may be extended or amended at the sole discretion of the Procuring Agencies.
- (b) All such queries and clarification bearing reference of the Project shall be sent on email.
- (c) The Bidders are requested to submit any substantive questions in writing or through fax or email to reach the Procuring Agencies, unless otherwise permitted by Procuring Agencies in their sole and absolute discretion, preferably not later than four (4) Business Days prior to bid openings date.
- (d) It shall be assumed by the Procuring Agencies that all the queries, comments and concerns of the Bidders have been addressed and answered post email response. Furthermore, any Bid submitted in response to this RFP is

submitted upon a full understanding and agreement of terms related to this Section 2.1.3 and, therefore, the submission of Bids in response to this RFP would be deemed as an acceptance to the said terms.

2.1.4 PROJECT LIAISON

(a) The contact details for the primary persons designated for this RFP are:

To : CEO, BPPPA
ATTENTION : DIRECTOR PROJECT, BALOCHISTAN PPP AUTHORITY
PHONE : 081-250 3098
ADDRESS : 49-A, JINNAH TOWN, QUETTA.

2.1.5 BID SUBMISSION: TIME AND PLACE OF DELIVERY

All Bids shall be submitted in a sealed envelope no later than **1100** hours (Pakistan Standard Time) on the Bid Submission Date (the **"Bid Submission Time"**) to the following address and marked for the attention of:

ATTENTION : CEO, BPPPA
ADDRESS : 49-A, JINNAH TOWN, QUETTA.
TELEPHONE : 081-250 3098

2.1.6 Bids received after the Bid Submission Time shall be returned to the sender unopened. Bidders are responsible for ensuring that their Bids are submitted at the time and place specified in Section 2.1.5 (*Bid Submission: Time and Place of Delivery*).

2.1.7 The sealed envelope shall include one (1) original Technical Bid and four (04) hard copies, with one soft copy of Technical Proposal (on USB) and shall also include additional relevant supporting documents and forms, as identified in this RFP and as per the guidelines given in Section 2 (*Data Sheet*).

2.2 OPENING OF THE BIDS

2.2.1 The Procuring Agencies will open the Bids at the Committee Room of the BPPPA, Bungalow No. 49 - A, Jinnah Town, off Samungli Road, Quetta, in the presence of Bidders or their authorized representatives who choose to attend, at a Bid opening meeting. The Bidder representatives who are present shall sign a register in evidence of their attendance.

2.2.2 The Technical Proposals will be opened on the Bid Submission Date at the address mentioned above at **11:15** A.M. PST.

2.3 TECHNICAL AND FINANCIAL EVALUATION COMMITTEE (TFEC)

2.3.1 The Bids will be reviewed by a TFEC constituted in accordance with the applicable laws and the requirements set out in this RFP. The TFEC will select such Bidder as the Preferred Bidder who has submitted a Compliant Bid, in addition has met the

eligibility criteria and the technical evaluation criteria and has offered the Most Advantageous Bid based on the financial evaluation criteria set out in this RFP.

2.4 BID EVALUATION PROCESS

2.4.1 The examination and review of the Bids shall commence after the opening of Bids. The Bids shall be evaluated based on the criteria set out in this RFP.

2.4.2 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this Section 2.4 (*Bid Evaluation Process*) and, therefore, the submission of Bids in response to this RFP would be deemed as an acceptance to the said terms.

2.5 EVALUATION CRITERIA

2.5.1 The TFEC shall carry out its review and examination of the Bids submitted by Bidders.

2.5.2 The Bid must be submitted at the place and by the deadline specified in Section 2.1.5 (*Bid Submission: Time and Place of Delivery*).

2.5.3 The Commitment Form, with no amendments or changes thereto, must be signed by the Bidder and its Members.

2.5.4 Duly passed resolutions giving the representative of the Bidders (and each of its Members, in case of a Consortium) signing authority must accompany the Bid. In case a Bidder is not a corporate entity, the requisite power of attorney appointing the authorised representative to sign on behalf of the Bidder shall be provided.

2.5.5 The declaration, in form and substance attached hereto as **ANNEXURE F** (*Declaration*), with no amendments or changes thereto, must be signed by the Bidders and their Members.

2.5.6 Further, the Integrity Pact, identical in form and content to the one found in **ANNEXURE G** (*Integrity Pact*), with no amendments or changes thereto, must be signed by the Bidder.

2.5.7 COMMERCIAL COMPLIANCE

(a) In case the Bidder is a Consortium, once the Bid is submitted, such Bidder must be bound by the Joint Bidding Agreement.

(b) Key Individuals who are not employees of the Bidder or of a Member of the Bidder must complete and sign the Commitment Form as provided in **Annexure E** (*Commitment Form*), with no amendments or changes thereto.

(c) Bid must not be conditional.

2.5.8 A Bid submitted in response to this RFP by a Bidder shall contain *inter alia*, the following:

(a) The information specified in Section 3 (*Standard Bid Forms*).

(b) A Technical Bid meeting the requirements set out under this RFP.

- (c) A Financial Bid meeting the requirements set out under this RFP.

2.5.9 SCORING CRITERIA – TECHNICAL EVALUATION OF BID

- (a) The Bid of only those Bidders shall be considered who meet the Basic Eligibility Criteria set forth in **ANNEXURE A** (*Basic Eligibility Criteria*) of this RFP.
- (b) The TFEC shall carry out its evaluation, applying the evaluation criteria and point system specified in this RFP. Each responsive Technical Bid shall be attributed to a score out of a total of one hundred (100) points.
- (c) After complete evaluation of the Technical Bids, the Financial Bids of the Bidders, who have been qualified technically, shall be opened and evaluated. This qualification shall be based on the Bidder achieving a technical score, equal or higher than seventy (70) points.
- (d) The TFEC will select that Bidder as the Preferred Bidder, who has the Most Advantageous Bid in accordance with the terms of this RFP, provided that such Bidder has technically qualified and that the Bid of such Bidder is a Compliant Bid.
- (e) The TFEC shall attribute a technical score to responsive Technical Bids.
- (f) Technical Bids scoring less than seventy percent (70%) points shall be rejected. For technical qualification, a Bidder must score seventy percent (70%) points or more marks.

The detailed evaluation criteria is set out in **ANNEXURE B** (*Technical Evaluation Criteria*) below.

2.5.10 FINANCIAL EVALUATION:

- (a) The TFEC will select such technically qualified Bidder as the PREFERRED BIDDER, who has the Most Advantageous Bid in accordance with the requirements of this RFP.

2.6 OTHER CONSIDERATIONS

- 2.6.1 The Bids must not be qualified, in any way whatsoever, apart from as allowed under this RFP and must be submitted strictly in accordance with this RFP.
- 2.6.2 All Bids and other supporting documents shall be typed in the English language and state all monetary amounts in Pakistan Rupees (PKR).
- 2.6.3 The Bids must be signed by the authorized signatory of each of the Bidders and where applicable, each Consortium member, signing under a power of attorney, substantially in the form specified in **ANNEXURE D** (*Power of Attorney*), a copy of which is to be provided with the Bids.
- 2.6.4 The Bid submitted in response to this RFP must also accompany a board resolution or an authority letter, authorising the person(s) signing the Bid documents on behalf of the Bidder. In case the Bidder is not a corporate entity, the requisite power of attorney appointing the authorised representative on behalf of the Bidder to sign the Bid documents shall be provided.

2.7 CLARIFICATION OF BIDS

- 2.7.1 The TFEC may, at its discretion, during the evaluation after the Bid Submission Date, invite a Bidder to provide a presentation and/or clarification of its Bid, either in writing or by meeting directly with the TFEC. The TFEC is not required to invite any such presentation and/or clarification, or to have a meeting with any Bidder, and the TFEC may, at its discretion, invite such presentations or clarifications from only one (1) or some of the Bidders. The TFEC may consider such presentations and clarifications in the evaluation of a Bid.
- 2.7.2 Except upon invitation and request from the TFEC, no additional information may be submitted after the Bid Submission Date. The TFEC will have no obligation to request a Bidder to provide missing or deficient information.
- 2.7.3 Any Bids submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this Section 2.7 (*Clarification of Bids*) and, therefore, the submission of Bids in response to this RFP would be deemed as an acceptance to the said terms.

2.8 SELECTION OF PREFERRED BIDDER

- 2.8.1 The TFEC will make the selection of the Preferred Bidder in accordance with the terms of this RFP.
- 2.8.2 Any Bid submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this Section 2.8 (*Selection Of Preferred Bidder*) and, therefore, the submission of Bids in response to this RFP would be deemed as an acceptance to the aforesaid terms.

2.9 RIGHT TO NEGOTIATE

- 2.9.1 Subject to the requirement of the applicable laws, BPPP Rules and the PPP Act, after selection of the Preferred Bidder, the Procuring Agencies reserve the right to negotiate changes to the Bid or to any of the terms of the O&M Agreement, provided however, the Preferred Bidder will not be entitled to initiate changes to its Bid except voluntarily discounts, or to the O&M Agreement.
- 2.9.2 Any Bids submitted in response to this RFP is submitted upon a full understanding and agreement of terms of this Section 2.9 (*Right to Negotiate*), and the terms of this RFP and, therefore, the submission of Bid in response to this RFP would be deemed as an acceptance to the aforesaid terms.

3. STANDARD BID FORMS

3.1 INFORMATION CONCERNING THE BIDDER

3.1.1 DESCRIPTION OF THE BIDDER

Each Bidder must provide the following information:

- (a) A detailed description of the Bidder, including:
 - (i) legal name;
 - (ii) complete head office/branch office/subsidiary contact information, including mailing address, telephone and fax numbers, and an e-mail address; and
 - (iii) incorporation details, including corporate charter, articles of incorporation, and proof of legal authorization to operate in Pakistan. If the Bidder is an unincorporated legal entity, then the proof of that legal entity's existence must be provided.
- (b) In case of a Consortium, the members of the Consortium shall enter into a binding Joint Bidding Agreement for the purpose of submitting the Bid. The Joint Bidding Agreement to be submitted along with the Bid, shall, *inter alia*:
 - (i) mention date and place of signing;
 - (ii) convey the intent to form an SPV (with shareholding/ownership commitment(s)) which would enter into the O&M Agreement and subsequently perform all the obligations of the Concessionaire in terms of the O&M Agreement, in case the Project is awarded to the Consortium;
 - (iii) clearly outline the proposed roles and responsibilities, if any, of each member (including each Member);
 - (iv) commit that all of the Members (whose credentials will be evaluated for the purposes of this RFP) shall subscribe to a cumulative of one hundred percent (100%) of the paid-up capital of the Concessionaire. Further, it shall also commit that the members of the Consortium shall neither undertake nor shall they permit: (A) a change in the Consortium, by addition/withdrawal of a consortium member or change in percentage shareholding of any consortium member, except as may be permitted under the O&M Agreement; (B) any change in control of the Concessionaire except as permitted under the O&M Agreement. Further, it shall also commit that no member of the Consortium shall, express with the prior written consent of the Procuring Agencies, sell, transfer, convey or otherwise dispose its direct and/or indirect, legal and/or beneficial ownership in the Concessionaire;

- (v) mention delineation of duties, responsibilities and scope of work to be undertaken by each Member along with resources committed by each partner/member of the Consortium for the proposed services;
 - (vi) mention duties, responsibilities and powers of the Lead Member;
 - (vii) provide for the members of the Consortium to undertake that they shall collectively submit/include a statement to the effect that all members of the Consortium shall be liable, jointly and severally, for all obligations of the Concessionaire in relation to the Project; and
 - (viii) except as provided under this RFP, there shall not be any amendment to the Joint Bidding Agreement without the prior written consent of the Procuring Agencies.
- (c) In case of a single Bidder (not being a Consortium), it must provide with an undertaking that it shall be liable for all obligations of the Concessionaire in relation to the Project. Further, in case of a single Bidder, the Bidder shall neither undertake nor shall it permit any change in control of the Concessionaire. Further, in case of a single Bidder (not a Consortium), the Bidder shall not, except with the prior written consent of the Procuring Agencies, sell, transfer, convey or otherwise dispose its direct and/or indirect, legal and/or beneficial ownership in the Concessionaire.
- (d) Annual audited financial statements for the past three (03) years, audited by registered audit firm in the relevant jurisdiction. These financial statements must be provided for each Member of the Bidder.
- (e) Complete profile of the Bidder, including all the previous transactions it has undertaken in the similar field, particularly highlighting all such projects involving and/or undertaken for the Procuring Agencies by the Bidder in any manner whatsoever.
- (f) In case, after Bid Submission Date, a Bidder requests the Procuring Agencies to amend any part of the Bid, including but not limited to, change in Joint Bidding Agreement, which is not accepted by the Procuring Agencies/TFEC or acceptable by Procuring Agencies /TFEC according to this RFP and/or the applicable laws, in such case, the Bid may be deemed withdrawn by the Procuring Agencies, within the time period as stipulated in the correspondence between the Procuring Agencies and such Bidder. The Bid Security of such Bidder shall be forfeited in favour of the Procuring Agencies.

3.1.2 ROLES OF MEMBERS

Each Bidder must describe in detail the individual roles of their Members, as well as the nature of their planned legal relationships between them. They must also produce a complete corporate organizational chart depicting interrelationships.

3.1.3 ROLE OF KEY INDIVIDUALS

The Bidder must describe in detail the roles of Key Individuals by drawing up one or more organizational charts for the various stages indicating each person's function and relationships during these stages, including the roles of Key Individuals.

3.1.4 INTELLECTUAL PROPERTY RIGHTS

The Bidder must provide a list of intellectual property rights together with the assignments and transfers and the licenses of intellectual property rights for all concepts, ideas and property developed or incorporated, in any manner, in the Bid, including copyright, inventions and other intellectual property rights and in respect of which it is or is not the owner of the intellectual property rights.

3.1.5 SUPPORTING INFORMATION & DOCUMENTATION

Each Bidder may submit any other supporting information or documentation that may assist the TFEC in the evaluation process and the same may be annexed to the Bid.

3.2 BID SECURITY

3.2.1 A Bid submitted in response to this RFP, submitted by the Lead Member in case of consortium, must be accompanied by a Bid Security, which shall remain valid for a period of One Hundred Eighty (180) days beyond the Bid Validity Period.

3.2.2 The Bid Security submitted by the Bidders, other than Preferred Bidder, shall be returned upon signing of the O&M Agreement or upon the expiry of the Bid Validity Period.

3.2.3 Any Bid not accompanied by the required Bid Security or accompanied by a Bid Security in any amount less than that required or other than in the form as required by this RFP shall be, in each case, rejected by the Procuring Agencies as non-responsive. It is further clarified that no Bid Security in the form of insurance guarantee shall be entertained.

3.2.4 The Bid Security or Performance Security (as applicable) may be encashed by the Procuring Agencies in the following circumstances:

- (a) In the case of a Preferred Bidder, if it fails within the specified times to:
 - (i) comply with the instructions laid down in the Letter of Award within the time period stipulated therein;
 - (ii) furnish the necessary Performance Security when required;
 - (iii) sign the O&M Agreement; and
 - (iv) achieve all the conditions precedents agreed in the signed O&M Agreement.
- (b) In the case of a Preferred Bidder, in accordance with the O&M Agreement;
- (c) In case a Bidder withdraws its Bid after the Bid Submission Date;
- (d) In case of an occurrence of a Concessionaire's event of default in terms of the O&M Agreement.

3.3 INFORMATION CONCERNING THE DEVELOPMENT OF THE TECHNICAL BID

- 3.3.1 Bids submitted by a Bidder must contain all of the items specified in this RFP (including Section 3.6 (*List Of Standard Bid Technical Forms*)) and must adhere to the format described herein. In addition, Bidders must ensure that their Technical Bid is consistent with their Financial Bid.
- 3.3.2 The Technical Bid will provide the Procuring Agencies with the means for assessing the Bidder's ability to comply with the Project requirements issued in this RFP.

3.4 FORMAT OF FINANCIAL BID

- 3.4.1 The Financial Bid shall be provided in accordance with the format attached as Form H - 8 (*Financial Bid Form*) on the Bid Submission Date.
- 3.4.2 Under no circumstances shall the Procuring Agencies consider/accept a conditional Bid.

3.5 LIST OF STANDARD BID TECHNICAL FORMS

The standard forms for the Technical Bid are provided in **Annexure H** (*Technical Form*).

FORM – H-1	BASIC INFORMATION FORM;
FORM – H-2	HISTORICAL NON-PERFORMANCE, BLACK LISTING AND PENDING LITIGATION;
FORM – H-3	FINANCIAL SITUATION;
FORM – H-4	CURRENT CONTRACT COMMITMENTS/WORKS IN PROGRESS;
FORM – H-5	DETAILS OF CONTRACTS OF SIMILAR NATURE AND COMPLEXITY COMPLETED;
FORM – H-6	CVs OF PROPOSED EXPERTS;
FORM – H-7	DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN
FORM – H-8	FINANCIAL BID FORM

Any additional information that may be necessary for the Bid.

4. TERMS OF REFERENCE

4.1 PROJECT TERM AND PARTIES

4.1.1 PARTIES

The O&M Agreement will establish the rights and obligations of both the Procuring Agencies and the Concessionaire. It will be signed between the Procuring Agencies and the Concessionaire at the conclusion of the Competitive Selection Process.

4.1.2 TERM

The term of the O&M Agreement will, unless specified otherwise agreed in the O&M Agreement, be for five (5) years, further extendable for additional term(s) of five (5) years each subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement and mutual consent.

4.2 OWNERSHIP

The Concessionaire shall enjoy the licensing for the designated Project tenure but not the ownership of the Project and related assets will always remain with the Procuring Agencies at all times (prior to, during, and after the Project timelines).

4.3 PROJECT SCOPE

The Project details and scope of the work of the Concessionaire is set out in **ANNEXURE J** (*Project Details and Scope of Work*).

The map of the proposed route plan is set out in **ANNEXURE K** (*Project Route Plan*).

4.3.1 PROJECT COST

- (a) The Bidder agrees that if, further to this RFP and the Competitive Selection Process, it is declared the Preferred Bidder and is issued the LOA, it shall incorporate the SPV for the purposes of being the Concessionaire, which who will implement the Project. Such Preferred Bidder, as proposed in the Bid shall maintain its shareholding in the Concessionaire in accordance with the requirements of the O&M Agreement which shall be in accordance with the Bid.
- (b) The Project shall be financed through annuity payment by the Procuring Agencies.
- (c) The Project is structured on annuity-based model and the Concessionaire shall be entitled to receive annuity payments from the Procuring Agencies in accordance with the O&M Agreement.

4.3.2 HAND-OVER OF THE PROJECT

The Concessionaire will be responsible for handing over the Project to the Procuring Agencies in a good working condition, at the end of the Project term, as specified in the O&M Agreement.

4.4 ALLOCATION OF RISKS AND RESPONSIBILITIES

- 4.4.1 All risks and obligations of the Procuring Agencies and the Concessionaire shall be in accordance with the O&M Agreement and the Bidders shall be deemed to have full and complete understanding of the risks relating to the Project and their allocation, as set out in the O&M Agreement.

4.5 COMPENSATION OF THE CONCESSIONAIRE

- 4.5.1 The Project is structured on annuity-based model and the Concessionaire shall be entitled to receive annuity payments from the Procuring Agencies as per the O&M Agreement.

4.6 SPECIFIC TAXATION FRAMEWORK

- 4.6.1 The Concessionaire shall be liable to pay federal, provincial and local taxes, duties, levies and other charges with respect to the Project.
- 4.6.2 By submitting the Bid, the Bidder acknowledges the acceptance of all tax related obligations. For the sake of clarity, the Concessionaire shall be required to pay all the taxes, duties, levies, stamp duties, rents, and other charges payable to any local government, provincial or federal government (as applicable).

4.7 ENVIRONMENTAL MATTERS

- 4.7.1 The Procuring Agencies are committed to respecting the environment on all of its projects. The Concessionaire will be required to ensure that the Project is carried out in accordance with all applicable laws relating to the environment.

4.8 KEY PERFORMANCE INDICATORS (KPIs)

- 4.8.1 The KPIs related to the operations, maintenance and availability of the Project will be incorporated in the O&M Agreement.

4.9 FUEL INDEXATION

- 4.9.1 During each month of an operating period, in the event the Actual Fuel Price: (a) increases from the Base Fuel Price, the Procuring Agencies shall pay fuel adjustment to the Concessionaire; or (b) reduces from the Base Fuel Price, the Procuring Agencies shall recover the amount of fuel adjustment from the Concessionaire, in accordance with the O&M Agreement.

4.10 LUBRICANT PRICE INDEXATION

- 4.10.1 During each month of an operating period, in the event the Actual Lubricant Price: (a) increases from the Base Lubricant Price, the Procuring Agencies shall pay adjustment to the Concessionaire; or (b) reduces from the Base Lubricant Price, the Procuring Agencies shall recover the amount of adjustment from the Concessionaire, in accordance with the O&M Agreement.

4.11 MAINTENANCE PRICE INDEXATION

- 4.11.1 As the time period specified in the O&M Agreement of an operating period, in the event the Actual Maintenance Price: (a) increases from the Base Maintenance Price, the Procuring Agencies shall pay adjustment to the Concessionaire; or (b) reduces from the Base Maintenance Price, the Procuring Agencies shall recover the amount of adjustment from the Concessionaire, in accordance with the O&M Agreement.

4.12 MINIMUM GUARANTEED KILOMETERS

- 4.12.1 The minimum guaranteed kilometre shall be forty thousand (40,000) KMs per bus per annum, except for the reserved buses, if any.

ANNEXURES

ANNEXURE A – BASIC ELIGIBILITY CRITERIA

BASIC ELIGIBILITY CRITERIA FOR BIDDERS:

A Bid received from a Bidder, shall only be considered if the following Basic Eligibility Criteria are satisfied:

Sr. No.	DESCRIPTION	Yes	No
1	ELIGIBILITY CRITERIA FOR BIDDERS		
1a	Registration with Regulatory and Tax Authorities		
1b	Affidavit for Government-Owned Legal Entities		
1c	Affidavit for No Conflict of Interest		
1d	Affidavit for Non – Blacklisting		
1e	Affidavit for Litigation History		
1f	Affidavit for Failure to Sign Contracts		
1g	Last three years Audited Accounts		
1h	Last three years' income tax returns		
1i	Bid security		
1j	Average Annual Turnover of PKR 450,000,000/- (Pak Rupees Four Hundred Fifty Million Only) over last 3 years (as per audited accounts or Annual Tax Returns) and net worth of PKR 500,000,000/- (Pak Rupees Five Hundred Million Only) as per last audited financial statement or Annual Tax Returns		
1k	Experience in O&M of urban mass transit/ bus rapid transit system / Organized public transport services		
1l	Geographical Presence for five (05) years in Pakistan		

ELIGIBILITY CRITERIA FOR BIDDERS:

a. REGISTRATION WITH REGULATORY AND TAX AUTHORITIES

The Bidder (in case of a Consortium, all of the members) must submit constituent documents, *inter alia*, memorandum and articles of association/partnership deed, certificate of incorporation or other documents of constitution, documents of registration of the entity, etc. in accordance with applicable laws.

The Bidder, in case of a Consortium all members of the Consortium, must possess valid registration certificate from income tax authority (i.e., the NTN certificate). In case of selection, the bidder or in case of consortium, the lead consortium member must register with 'Balochistan Revenue Authority'.

(Valid NTN certificate to be attached and relevant sales tax certificate, if applicable.)

b. **AFFIDAVIT FOR GOVERNMENT-OWNED LEGAL ENTITIES**

In case if the Bidder, or any member of the Consortium is a government owned legal enterprise or institution, such Bidder, any member of its Consortium (as applicable) must establish that it is legally and financially autonomous and operating under commercial law.

(Bidders, or any member of the Consortium, who are government owned legal enterprise or institution shall submit an Affidavit confirming that they are legally and financially autonomous and operating under commercial law.

Relevant Form:

ANNEXURE I (*Affidavit*)

c. **AFFIDAVIT FOR NO CONFLICT OF INTEREST**

The Bidder, and any member of the Consortium, shall not have any Conflict of Interest with the Procuring Agencies.

Conflict of Interest means:

- where the Bidder and/or any member of the Consortium, provides, or could provide, or could be perceived as providing biased professional advice to the Procuring Agencies to obtain an undue benefit for himself or those affiliated with the Bidder or any member of the Consortium;
- receiving or giving any remuneration directly or indirectly in connection with the Project except as provided in the bidding documents;
- any engagement in consulting or other procurement activities of a Bidder, and any member of the Consortium, that conflicts with his role or relationship with the Procuring Agencies under the Project; and
- where an official of the Procuring Agencies engaged in the procurement process has a financial or economic interest in the outcome of the process of procurement, in a direct or an indirect manner.

(Bidders (in case of a consortium, the Lead Member, on behalf of each member) shall submit an Affidavit for non-conflict).

Relevant Form:

ANNEXURE I (*Affidavit*)

d. **AFFIDAVIT FOR NON- BLACKLISTING**

The Bidder, and any member of the Consortium, shall not be blacklisted by any government entity (including federal government and provincial governments in Pakistan).

Blacklisting means barring a Bidder, and any member of the Consortium, from participating in any future procurement proceedings by the Procuring Agencies or any governmental entity.

(Bidders (in case of a consortium, the Lead Member, on behalf of each member) shall submit an Affidavit for non-blacklisting).

Relevant Form:

ANNEXURE H2 (*Historical Non-Performance, Black Listing and Pending Litigation*) or
ANNEXURE I (*Affidavit*)

e. **AFFIDAVIT FOR LITIGATION HISTORY**

All pending litigation against the Bidder and any Member of the Consortium, shall in total not represent more than fifty percent (50%) of the respective Net Assets, nor shall there be any litigation that prevents or materially impedes the Bidder and any Member of the Consortium, from its obligations in respect of the Project and the terms of the O&M Agreement.

(The Bidders (in case of Consortium, all Members of the Consortium) shall provide details of the litigation or the Bidder (in case of Consortium, the Lead Member of the Consortium) shall submit an Affidavit in case of no litigation on PKR 100/- (Pakistani Rupees One Hundred only) stamp paper attested by Notary Public.

Relevant Form:

Annexure H2 (*Historical Non-Performance, Blacklisting and Pending Litigation*) or
ANNEXURE I (*Affidavit*)

f. **AFFIDAVIT FOR FAILURE TO SIGN CONTRACTS**

The Bidder shall not be under execution of a bid securing declaration for last five (5) years.

(The Bidders (including members of a Consortium) shall provide details of such failure to sign contracts or the Bidder (in case of Consortium, the Lead Member of the Consortium) shall submit an Affidavit in case if not applicable PKR 100/- (Pakistani Rupees One Hundred only) stamp paper attested by Notary Public.

Relevant Form:

ANNEXURE H2 (*Historical Non-Performance, Black-Listing and Pending Litigation*) or
ANNEXURE I (*Affidavit*)

g. **AVERAGE ANNUAL TURNOVER OF PKR 450,000,000/- (PAK RUPEES FOUR HUNDRED FIFTY MILLION ONLY) OVER LAST 03 YEARS AND NET WORTH OF PKR 500,000,000/- (PAK RUPEES FIVE HUNDRED MILLION ONLY) AS PER LAST AUDITED FINANCIAL STATEMENT OR ANNUAL TAX RETURN**

The Bidder, or if the Bidder is a Consortium, collectively shall have an average annual turnover of PKR 450,000,000/- (Pakistani Rupees Four Hundred and Fifty Million Only) over the last three (03) years audited financial statements or annual tax returns. In addition, the net worth of the bidder, or if the bidder is a Consortium, collectively shall be PKR 500,000,000/- = (Pakistan Rupees Five Hundred Million Only) as per the latest audited financial statement or annual tax returns.

Relevant Form:

ANNEXURE H-3 (*Financial Situation*)

h. EXPERIENCE IN O&M OF URBAN MASS TRANSIT/ BUS RAPID TRANSIT SYSTEM / ORGANIZED PUBLIC TRANSPORT SERVICES

The Bidder, or if the Bidder is a Consortium, either all Members of the Consortium collectively or any one Member of the Consortium shall have five (05) years of O&M of Urban Mass Transit / Bus Rapid Transit operations experience / Organized public transport services (minimum 10 buses) including but not limited to urban and intra-city.

Relevant Form:

ANNEXURE H-5 (*Details of Contracts of Similar Nature and Complexity Completed*)

i. GEOGRAPHICAL PRESENCE

Bidder (or if the Bidder is a Consortium) must have at least five (05) years of local geographical presence in Pakistan.

Submission of documentary proof – Incorporation certificate.

ANNEXURE B - TECHNICAL EVALUATION CRITERIA

The technical proposal of only those Bidders shall be considered who meet the Basic Eligibility Criteria set above.

Minimum Score to Achieve: 70%
Financial proposals of those consultants who failed to secure minimum qualifying marks in the technical evaluation shall be returned un-opened.

Technical Criteria	Maximum Points	Basis of Scoring	Data/Document to be provided by the Bidder
Section 1: Human Resource and Staffing Requirements [7.5 Marks] <i>(In case of Consortium, either all Members combined or any one Member of the Consortium can fulfill this criteria)</i> <i>All CVs to be provided as per Form H-6 (Curriculum Vitae (CV) of Key Individuals)</i>			
1.1 Project Manager / CEO	1.5 marks	Master in relevant field with minimum eight (8) years of proven experience	CV and Employment Agreement
1.2 Operations Manager	1.5 marks	Bachelors in relevant field with minimum eight (8) years of proven experience	CV and Employment Agreement
1.3 Fleet Manager (Technical)	1.5 marks	Bachelors in relevant Field with minimum eight (8) years of proven experience	CV and Employment Agreement
1.4 Service Quality Assurance Manager (Fleet Maintenance)	1.5 marks	Bachelors in relevant Field with minimum five (5) years of proven experience	CV and Employment Agreement
1.5 Finance / Procurement Manager	1.5 marks	Master in relevant field with minimum (5) years of proven experience	CV and Employment Agreement
Section 2: Organizational Strength [7.5 Marks] <i>(In case of Consortium, either all Members combined or any one Member of the Consortium can fulfill this criteria)</i>			
2.1 Total Organizational Strength	7.5 Marks	Between 30 – 50 employees – 2.5 marks	Detailed, verifiable list of all the employees in

		- Between 50 – 75 employees – 05 marks - Over 75 employees – 7.5 marks	the organization with name, father/guardian name, CNIC, designation, employment tenure, and active mobile phone number.
Section 3: Financial Capability (30 Marks) <i>(In case of Consortium, either all Members combined or any one Member of the Consortium can fulfill this criteria)</i>			
3.1 Average Annual Turnover of Business in last three (3) Years	15 Marks	- Between 450 Million – 500 Million – 5 marks - Between 500 Million – 550 Million – 10 Marks - Above 550 Million – 15 Marks	Audited Financial Statements OR Annual Tax Returns for the last three (3) fiscal years.
3.2 Net Worth of Business in Last Years (Total Assets - Total Liabilities)	15 Marks	- Between 500 Million – 550 Million – 5 marks - Between 550 Million – 600 Million – 10 Marks - Above 600 Million – 15 Marks	Audited Financial Statements OR Annual Income Tax Returns for the last Fiscal years
Section 4: Experience in O&M of Urban Mass Transit / Bus Rapid Transit System / Organized Public Transport services (25 Marks) <i>(In case of Consortium, either all Members combined or any one member of the Consortium can fulfill this criteria)</i> <i>Experience to be demonstrated as per Form H-5 (Details of Contracts of Similar Nature and Complexity Completed)</i>			
4.1 Number of years of UMT/BRT/Organized Public transport operations experience including but not limited to urban and intracity.	25 Marks	- Specific experience of running urban/mass transit/BRT projects /Organized public transport services having similar complexity with minimum (2) years of contract. Marks against such a contract (SINGLE CONTRACT) shall be awarded as follows: 20 – 30 buses – 10 Marks	Copy of Route Permits OR Contract Document OR Letter of Award (two years completed since award) OR Completion Certificate.

		○ 31 – 50 buses – 20 Marks ○ 51 or more buses – 25 Marks OR • Specific experience of running urban mass transit / BRT projects / organized public transport services having similar complexity with minimum (2) years of contract. Marks against such contracts (MULTIPLE CONTRACTS) shall be awarded as follows: ○ 1 Contract with minimum 20 buses – 10 Marks ○ 2 Contracts with minimum cumulative 50 buses – 20 Marks ○ 3 Contracts with minimum cumulative 51 buses or more – 25 Marks	
Section 5: Experience - Operational Routes (15 Marks) <i>(In case of Consortium, either all Members combined or any one Member of the Consortium can fulfill this criteria)</i> <i>Experience to be demonstrated as per Form H-5 (Details of Contracts of Similar Nature and Complexity Completed)</i>			
5.1 Total urban transport / Organized Public Transport Routes Operated	15 Marks	• Between 1 – 3 operating routes – 5 Marks • Between 4 – 7 operating routes– 10 Marks • Over 7 operating routes – 15 Marks	Route Permit from Government
Section 6: Local Presence (10 Marks)			

6.1 Local Presence	10 Marks	Having local experience of O&M for public transport in Balochistan: - upto two (2) years of operations – 5 marks; - Between 2 to 5 years of operations – 7 marks; - Over 5 years of operations – 10 marks.	Contract Document / Contract (Extension) Letter OR Letter of Award OR Route Permit (In case of Consortium, applies to any one single member).
Section 7: Business Operations Methodology (05 Marks)			
<i>To be demonstrated as per Form H-7 (Description of Approach, Methodology and Work Plan)</i>			
7.1. Business Operations Methodology	05 Marks	• Fleet Management and Maintenance Plan – 01 Mark • Local HR Recruitment Plan and Strategy – 01 Mark • Strategy on Availability of spare parts and inventory management plans – 01 Mark • Strategy on Initiatives for promoting public transit usage – 01 Mark • Clear timelines and Project implementation schedule – 01 Mark	Detail Reports to be attached.
Total Technical Score	100		

ANNEXURE C – FORM OF BID SECURITY

....., 2025

To:

The CEO,
Balochistan Public Private Partnership Authority – (Operation and Maintenance of Buses Project),
Government of Balochistan,
Quetta, Pakistan (the Beneficiary).

Guarantee No: _____ (the Guarantee)

Date of Issue: _____

Date of Expiry:

Guarantee Amount: _____

Name of Guarantor: _____

Name of Principal: _____

We, [●]¹, being the Guarantee issuing bank (the Issuing Bank) understand that the following party/parties have responded to the ‘Request for Proposal’ issued by the Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan, dated [●] in relation to the ‘Project (as amended and/or supplemented from time to time) (the RFP), by submitting their respective formal proposals/bids:

[Name of the Bidder], a [Insert legal status] existing under the laws of [Insert Country] having its [registered office Or place of business] located at [Insert address], (the Bidder, which expression includes its successors, assignees and transferees).

Further, We, the Issuing Bank, understand that pursuant to the RFP, the Bidder is required to provide the Beneficiary, a bid security in the form of a bank guarantee equal to PKR [●] and issued by a scheduled commercial bank operating in Pakistan (with a minimum credit rating of at least ‘AA-’ as rated by JCR VIS or an equivalent rating by PACRA).

The above premised, we (the Issuing Bank) hereby undertake irrevocably and unconditionally on demand to pay to the Beneficiary, without any notice, reference, recourse, evidence, document in support of the demand, the validity, proprietary or legality of the said demand to the Bidder or to any other entity or without any recourse or reference to the RFP or any other document, agreement, instrument or deed, any sum or sums (or any part thereof) equivalent in aggregate up to but not exceeding a maximum amount of:

PKR 70,000,000/- (Pakistani Rupees Seventy Million Only)
(the Guaranteed Amount)

¹Insert name of issuing Bank;

at sight and immediately, provided however not later than one (1) business day from the date of receipt of the Beneficiary's first written demand (the Demand) at the Issuing Bank's offices located at [●], such Demand referring to this Guarantee and stating the amounts demanded.

We, the Issuing Bank, shall unconditionally honour a Demand hereunder made in compliance with this Guarantee at sight and immediately on the date of receipt of your Demand, as stated earlier, and shall transfer the amount specified in the Demand to the bank account, as notified in the Demand, in immediately available and freely transferable funds in the currency of this Guarantee, free and clear of and without any set-off or deduction for or on account of any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomsoever imposed.

This Guarantee shall come into force and shall become automatically effective upon the submission of the Bid by the Guarantor to the Beneficiary in response to the RFP.

After having come into force, this Guarantee and our obligations hereunder will expire on the earlier of:

- (i) [●] ([●]) days from the date of submission of the proposal/bid by the Guarantor to the Beneficiary in response to the RFP; or
- (ii) when the aggregate of all payments made by us under this Guarantee equals the Guaranteed Amount.

Upon expiry, this Guarantee shall be returned to the Guarantor in terms of the conditions stipulated under the RFP. Multiple Demands may be made by the Beneficiary under this Guarantee, but our aggregate liability will be restricted up to the Guaranteed Amount.

We hereby agree that any amendment, renewal, extension, modification, compromise, release or discharge by mutual agreement by the Beneficiary, the Bidder or any other entity of any document, agreement, instrument or deed shall not in any way impair or affect our liabilities hereunder and maybe undertaken without notice to us and without the necessity for any additional endorsement, consent or guarantee by us.

This Guarantee for its validity period shall not be prejudiced or affected in any manner by any change in our constitution or of the Bidder's constitution or of their successors and assignees and this Guarantee shall be legally valid, enforceable and binding on each of their successors and permitted assignees.

All references to any contract, agreement, deed or other instruments or documents are by way of reference only and shall not affect our obligations to make payment under the terms of this Guarantee.

The Beneficiary may not assign/transfer or cause or permit to be assigned or transferred any of their rights, interests and benefits of this Guarantee without our prior written consent, which consent shall not be unreasonably withheld or delayed.

If one or more of the provisions of this Guarantee are held or found to be invalid, illegal, or unenforceable for any reason whatsoever, in any respect, any such invalidity, illegality, or unenforceability of any provision shall not affect the validity of the remaining provisions of this Guarantee.

We hereby declare and confirm that under our constitution and applicable laws and regulations, we have the necessary power and authority, and all necessary authorizations, approvals and consents thereunder to enter into, execute, deliver and perform the obligations we have undertaken under this Guarantee, which obligations are valid and legally binding on and enforceable against us under the Pakistani law and under the laws of the jurisdiction where this Guarantee is issued. Further, that the signatory(ies) to this Guarantee is/are our duly authorized officer(s) to execute this Guarantee.

This Guarantee and all rights and obligations arising from this Guarantee shall be governed and construed in all respects in accordance with the laws of Pakistan. The courts of Pakistan shall have exclusive jurisdiction in respect of any dispute relating to any matter contained herein.

The issuance of this Guarantee is permitted according to the Pakistani law and the laws of the jurisdiction where this Guarantee is issued.

AUTHORIZED SIGNATORY	_____
DATE	_____
PLACE	_____
 AUTHORIZED SIGNATORY	 _____
DATE	_____
PLACE	_____

ANNEXURE D – POWER OF ATTORNEY

A. POWER OF ATTORNEY TO AUTHORIZE A PERSON TO SUBMIT THE BID

NOTES FOR EXECUTION OF POWER OF ATTORNEY

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable laws and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder (and in case of the Consortium, each member of the Consortium, wherever required) should submit for verification the extract of the charter documents and documents such as a resolution/power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *This Power of Attorney shall be notarised with the Notary Public.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Pakistani Embassy and notarised in the jurisdiction where the Power of Attorney is being issued.*
- *Please find below the form and substance of the Power of Attorney.*

“FORM OF POWER OF ATTORNEY FOR SIGNING OF TECHNICAL BID”

KNOW ALL MEN BY THESE PRESENTS, WE, _____ (*name of the firm and address of the registered office*) do hereby irrevocably constitute, nominate, appoint and authorise Mr./Ms (Name), son/daughter/wife of _____ holding [CNIC/Passport] Number _____ and presently residing at _____, who is presently employed with [*us OR the Lead Member of our Consortium*] and holding the position of _____, as our true and lawful attorney (hereinafter referred to as the Attorney) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Bid for operating, maintaining and transferring the Project. It is to be noted that the term of the Project is tentative at this stage and the exact term shall be set out in the O&M Agreement.

The Attorney is authorised in respect of the Project that is being developed by the Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan (the Procuring Agencies), in accordance with the Request for Proposal issued by the Procuring Agencies (as amended from time to time), including but not limited to signing and submission of all applications, bids and other documents and writings, participate in bidders’ and other conferences and providing information/responses to the Procuring Agencies, representing us in all matters before the Procuring Agencies, signing and execution of all contracts including the O&M Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Procuring Agencies in all matters in connection with, or relating to, or arising out of our bid for the said Project and/or upon award thereof to us and/or till the entering into of the O&M Agreement with the Procuring Agencies.

AND We hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, _____, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____, 20[●].

FOR & ON BEHALF OF:

_____ (NAME OF THE FIRM)
BY ITS DULY AUTHORIZED SIGNATORY

.....
(SIGNATURE)
(NAME, TITLE AND ADDRESS)

WITNESSES:

WITNESS 1:

WITNESS 2:

.....
NAME:
CNIC/PASSPORT NUMBER:
ADDRESS:

.....
NAME:
CNIC/PASSPORT NUMBER:
ADDRESS:

SIGNATURE OF ATTORNEY

[NOTARISED]

.....
(SIGNATURE)
(NAME, TITLE AND ADDRESS OF THE ATTORNEY)

B. POWER OF ATTORNEY TO AUTHORIZE THE LEAD MEMBER OF THE CONSORTIUM

NOTES FOR EXECUTION OF POWER OF ATTORNEY

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder (and in case of the Consortium, each member of the Consortium, wherever required) should submit for verification the extract of the charter documents and documents such as a resolution/power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *This Power of Attorney shall be notarised with the Notary Public.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Pakistani Embassy and notarised in the jurisdiction where the Power of Attorney is being issued.*
- *Please find below the form and substance of the Power of Attorney.*

“FORM OF POWER OF ATTORNEY FOR LEAD MEMBER OF CONSORTIUM”

WHEREAS, the Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan (the Procuring Agencies) has invited bids from bidders for the ‘PROJECT’ (the Project) pursuant to the Request for Proposal issued by the Procuring Agencies (as amended from time to time) and other related documents relating to the Project (the RFP);

WHEREAS, _____, _____ and _____ (each hereinafter referred to individually as a Consortium Member and collectively as Consortium Members) have formed a consortium (the Consortium) pursuant to a Joint Bidding Agreement dated _____ [Insert date of the Joint Bidding Agreement, as is required for each Consortium that bids for the Project] for bidding for the Project in accordance with the terms and conditions of the RFP;

AND WHEREAS, it is necessary for the Consortium Members to designate one of them as the ‘Lead Member’ with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s bid for the Project and its execution.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS

WE, _____, having our registered office at _____, M/s. _____, having our registered office at _____, and M/s. _____, having our registered office at _____, [the respective names and addresses of the registered office] (hereinafter collectively referred to as the Principals) do hereby irrevocably designate, nominate, constitute, appoint and authorise M/s _____, having its registered office at _____, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the Attorney) and hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the ‘Competitive Selection Process’ and, in the event the Consortium is awarded the Project, during the execution of the Project, and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the submission of its bid for the Project, including but not limited to signing and submission of all applications, bids and other documents and writings, participate in bidders’ and other conferences, respond to queries, submit information/documents, sign and execute contracts and undertakings consequent to acceptance of the bid of the Consortium and generally to represent the Consortium in all its dealings with the Procuring Agencies, and/or any other governmental agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s bid for the Project and/or upon award thereof till the O&M Agreement is entered into with the Procuring Agencies.

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us/Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____ 20**.

FOR: _____
(SIGNATURE)
(NAME, TITLE AND ADDRESS)

FOR: _____
(SIGNATURE)
(NAME, TITLE AND ADDRESS)

FOR: _____
(SIGNATURE)
(NAME, TITLE AND ADDRESS)

WITNESSES:
1.

2.

(EXECUTANTS)
(TO BE EXECUTED BY ALL THE MEMBERS OF THE CONSORTIUM)

ANNEXURE E – COMMITMENT FORM

REQUEST FOR PROPOSALS
To operate, maintain and transfer of Project

[Date To Be Provided]

COMMITMENT FORM

A COMMITMENT FORM MUST BE COMPLETED BY THE BIDDER

To: Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan (PROCURING AGENCIES)

For sufficient good and valuable consideration, receipt of which is hereby acknowledged, we hereby agree to the following:

1. DEFINITIONS

Unless the context indicates otherwise, all capitalized terms and expressions used herein and, in our Bid, have the meaning given to them in the RFP (*as defined herein below*).

2. GENERAL

We, the undersigned, acknowledge, confirm, and agree that:

- A) we have examined, read, and understood Volume 1 (*Instruction To Bidders*) (including its schedules) respectively dated [*date to be provided*] and [*date to be provided*] as it relates to the Project, as amended by way of addenda (collectively, the RFP); and
- B) we have satisfied ourselves that we have a full and complete understanding of the nature of the Project.

3. PRICING

We confirm that all prices appearing in our Bid are expressed in PKR and represent aggregate prices that include all taxes, duties, levies and other charges (federal, provincial and local).

4. FIRM AND IRREVOCABLE BID

Our Bid constitutes a firm offer to the Procuring Agencies, that is irrevocable and binding upon us, and that it cannot be withdrawn or extended until the Bid Validity Period indicated in the RFP or as extended by the Procuring Agencies.

5. BID COMPLIANT WITH SUBMISSION REQUIREMENTS

We declare and confirm that our Bid satisfies and complies with the submission requirements indicated in the RFP, specifically including:

- the eligibility criteria;

- the commercial compliance evaluation criteria;
- the technical bid compliance evaluation criteria;
- the financial bid compliance evaluation criteria.

6. RFP

We acknowledge, confirm, and agree that our Bid is subject to the terms and conditions of the RFP, including all disclaimer clauses and all limitation of liability clauses in favour of the Procuring Agencies or any other party mentioned therein. In particular, we acknowledge, confirm, and agree that we are bound by the terms and conditions of the RFP.

7. NO MATERIAL DETERIORATION

We hereby declare and warrant that:

- with the exception of what is indicated in detail in a written document attached to this Commitment Letter, our financial situation and our business operations have undergone no adverse material change since the date of the most recent financial statements submitted along with the Bid;
- with the exception of what is indicated in detail in a schedule attached to this Commitment Letter, there is no action, suit, or proceeding pending against us, or, to our knowledge, after satisfactory investigation, imminent against us or legally concerning us, brought before or by any organization, tribunal, commission, board, agency, or federal, provincial, municipal, or other office, domestic or foreign, or brought before or by any arbitrator or arbitration board, that could, in the event of an unfavourable decision, have a material adverse effect on our solvency, liquidity, or financial situation; and
- with the exception of what is indicated in detail in a schedule attached to this Commitment Letter, we are not aware of any reason for which an action, suit, or proceeding could be brought against us.

8. NO COLLUSION OR CONFLICT

In preparing and submitting our Bid, we declare, warrant, and confirm that we have not discussed or communicated, either directly or indirectly, with any other Bidder, or with any officer, director, employee, consultant, advisor, agent, or representative of any other Bidder (including any Member, or Key Individual of the team of a Bidder), regarding the content, preparation, or presentation of its Bid. Our Bid has been submitted without any relation (including a relation solely in the form of a shareholding or other interest in the ownership of a Bidder or of a Member, or Key Individual of the team of the Bidder, with the exception of a holding of less than [•] percent of the voting shares of any company whose shares are traded on a recognized stock exchange), knowledge, exchange, or comparison of information, or any arrangement with any Bidder or any director, officer, employee, consultant, advisor, agent, or representative of any Bidder (including any Member, or Key Individual of the team of a Bidder).

We hereby declare, warrant, and confirm that we do not have any knowledge, either direct or indirect, of any Bid of any other Bidder, and that we do not have any interest in any such Bid, and that we have not concluded any agreement or

understanding or any formal or informal arrangement that could result in our having such knowledge or interest prior to the submission of our Bid.

With the exception of what is indicated in detail in a schedule attached to this Commitment Letter, we hereby declare, warrant, and confirm that, to our knowledge, no real or apparent Conflict of Interest has arisen, exists, or is reasonably likely to arise in the future in connection with the submission of our Bid in response to the RFP, or in connection with the delivery of the services required of the Concessionaire.

We hereby declare, warrant, and confirm that we have no access to any confidential information belonging to the Procuring Agencies, and that we are not in a position to take advantage of any right of access to such information (other than confidential information that the Procuring Agencies may communicate to all Bidders).

9. FURTHER WARRANTIES

We hereby represent and warrant that all information, data and materials of any nature whatsoever provided by us in the Bid is true and accurate and not misleading in any nature.

We have made a complete and careful examination of the RFP and have received all the relevant information from the Procuring Agencies, as required for the purposes of submission of the Bid. We further warrant that we have verified and understand all the information received from the Procuring Agencies in connection with the RFP.

10. EVIDENCE OF AUTHORITY

We acknowledge that the Procuring Agencies requires that each of the undersigned (other than a Key Individual) provides evidence, in the form of a resolution in a form deemed acceptable by the Procuring Agencies, that the person signing this Commitment Form on behalf of the undersigned has the authority required to do so and to bind the undersigned.

11. COPIES

This Commitment Form may be signed in multiple copies, each of which is deemed to be an original, and these copies together shall constitute a single instrument.

IN WITNESS WHEREOF we have signed this Commitment Form on *[date to be provided]*.

BIDDER:

(NAME)

(STREET ADDRESS OR POSTAL BOX NUMBER)

(CITY, PROVINCE, AND POSTAL CODE)

AUTHORIZED SIGNATORY: _____

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

IF THE BIDDER IS A CONSORTIUM OR OTHER ENTITY:

EXECUTED AND DELIVERED BY: _____

[*NAME OF THE CONSORTIUM OR OTHER ENTITY] BY ITS DULY AUTHORIZED REPRESENTATIVE, AND BY [PROVIDE PARTICULARS ON THE SIGNATURE]:

[NAME OF BIDDER *]

(AUTHORIZED SIGNATORY)

(AUTHORIZED SIGNATORY)

Each of the undersigned hereby:

- acknowledges that the Bidder has signed the above-mentioned Commitment Form;
- acknowledges and confirms that he has read, reviewed, and understood each of the provisions of the Bid, that he accepts them, and that the Bid has been submitted with its consent;
- confirms and agrees that the provisions of Sections 2, 7, 8, 9, 10, and 11 apply to it, with such modifications as the circumstances require.

EXECUTED ON _____.

MEMBER: _____
(NAME)

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

AUTHORIZED SIGNATORY: _____
(NAME)

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

PARTICIPANT: _____
(NAME)

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

AUTHORIZED SIGNATORY: _____
(NAME)

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

KEY INDIVIDUAL*: _____
(NAME)

NAME AND TITLE: _____
(PLEASE TYPE OR PRINT)

* APPLICABLE TO KEY INDIVIDUALS WHO ARE NOT EMPLOYEES OF THE BIDDER, OR A MEMBER OF THE BIDDER.

ANNEXURE F - DECLARATION

We the undersigned return this RFP submission, the Bid and its appendices and acknowledge that we are bound by its content.

We confirm that we are fully conversant with the requirements of the Procuring Agencies and the subject matter of the procurement exercise as set out in the RFP.

By submitting a bid, we represent and warrant to the Procuring Agencies that our bid has been prepared, relies and has been submitted solely on investigations, examinations, knowledge, analyses, interpretation, information, opinions, conclusions, judgments, and assessments independently undertaken, formulated, obtained, and verified by us and our team members and not in any way upon any action or omission, the scope, timeliness, accuracy, completeness, relevance, or suitability of any Information. We further warrant that we understand all aspects of the RFP and its governing rules including but not limited to the evaluation criteria laid down in the RFP and that the same is in line with the Balochistan Public Private Partnership Rules, 2022, and applicable laws.

We warrant that the details of this submission in response to the RFP have not been communicated to any other person or adjusted in accordance with any agreement or arrangement with any other person or organization.

We acknowledge that the Procuring Agencies are not bound to proceed with the procurement exercise and reserves the right at its absolute discretion to accept or not accept any bid submitted and thereafter invite any Preferred Bidder to enter into a O&M Agreement for the delivery of the Project.

We certify that we have full power and authority to submit this response to the RFP and that this is a bona fide submission in response to the RFP.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the RFP.

Signed for and on behalf of (Bidder/consortium member)

Signature:

Position:

Name:

Address:

POWER OF ATTORNEY ATTACHED: (YES/NO)

Date:

(Please return this declaration on your company’s letterhead.)

WITNESSES

WITNESS I

WITNESS II

.....
NAME:
CNIC No.:

.....
NAME:
CNIC No.:

ANNEXURE G – INTEGRITY PACT

DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC., PAYABLE BY THE BIDDERS

CONTRACT NUMBER: _____

DATED: [●]

CONTRACT TITLE: OPERATIONAL SERVICES TO OPERATE, MAINTAIN AND TRANSFER THE PROJECT UNDER PPP MODE

[Bidder] hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Balochistan Public Private Partnership Authority and the Provincial Transport Department, Government of Balochistan (the Procuring Agencies) or any administrative subdivision or agency thereof or any other entity owned or controlled by it (i.e., the Procuring Agencies) through any corrupt business practice.

Without limiting the generality of the foregoing, [Bidder] represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit, in whatsoever form, from the Procuring Agencies, except that which has been expressly declared pursuant hereto.

[Bidder] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with the Procuring Agencies and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty. [Bidder] accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty.

[Bidder] agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to the Procuring Agencies under any law, contract or other instrument, be voidable at the option of the Procuring Agencies.

Notwithstanding any rights and remedies exercised by the Procuring Agencies in this regard, the [Bidder] agrees to indemnify the Procuring Agencies for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to the Procuring Agencies in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [Bidder] as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit, in whatsoever form, from the Procuring Agencies.

ACKNOWLEDGED, ACCEPTED & AGREED
FOR & ON BEHALF OF:

ACKNOWLEDGED, ACCEPTED & AGREED
FOR & ON BEHALF OF:

Balochistan Public Private Partnership
Authority, GOVERNMENT OF BALOCHISTAN,
THROUGH ITS DULY AUTHORIZED SIGNATORY

[INSERT NAME OF BIDDER], THROUGH ITS
DULY AUTHORIZED SIGNATORY

.....
(SIGNATURE)

NAME:

DESIGNATION:

.....
(SIGNATURE)

NAME:

DESIGNATION:

ANNEXURE H - TECHNICAL FORMS

FORM H - 1
BASIC INFORMATION FORM

[Provide here a brief description of the background and organization of your firm/entity and each Member for this Project]

Each firm or member of the Consortium must fill in this form.

Basic Information Form (Company Profile)

All individual firms and each Member of the Consortium are requested to complete the information in this form.

1	Name of firm (legal): (In case of Consortium, legal name of each member	
2	Nature of Business: (Whether the firm is a Corporation, Partnership, Trust etc.) (In case of Consortium; whether the Lead Consortium Member is a Corporation, Partnership, Trust etc.)	
3	Head Office address:	
4	Telephone: Fax Number: E-mail address:	
5	Place of Incorporation/Registration: Year of Incorporation/Registration:	
6	Applicant's authorized representative: Telephone: Fax numbers: E-mail address:	
7	Nationality Of Owners	
	Name:	Country:

FORM H - 2
HISTORICAL NON-PERFORMANCE, BLACK LISTING AND PENDING LITIGATION

Non-Performing Contracts			
☐ Contract non-performance did not occur within the last five (5) years prior to the deadline for bid submission based on all information on fully settled disputes or litigation (Affidavit to be provided)			
☐ Contract non-performance during the stipulated period,			
Year	Outcome as Percent of Total Assets	Contract Identification	Total Contract Amount (current value, PKR)
		Contract Identification: Name of Employer: Address of Employer: Matter in dispute:	

Black Listing	
☐ Bidder shall not be black listed by government/semi government/autonomous/private organizations (Affidavit to be provided)	

Failure to Sign Contract

Bid Security Declaration	
☐ Bidder shall not be under execution of a Bid–Securing Declaration (Affidavit to be provided)	

Conflict of Interest: Attach Affidavit

Pending Litigation			
☐ No pending litigation (A fully settled dispute or litigation is one that has been resolved in accordance with the Dispute Resolution Mechanism under the respective contract and where all appeal instances available to the Bidder have been exhausted) (Affidavit to be provided)			
☐ Pending litigation (All pending litigation shall in total not represent more than 50% of the Bidder’s Net Assets and shall be treated as resolved against the Bidder)			
Year	Outcome as Percent of Total Assets	Outcome as Percent of Total Assets	Total Contract Amount (PKR)
		Contract Identification: Name of Employer: Address of Employer: Matter in dispute:	

FORM H - 3

FINANCIAL SITUATION

Financial Data for Previous 3 Years

Information from Balance Sheet

AVERAGE ANNUAL TURNOVER OF THREE YEARS (AMOUNT IN PKR)				
	2022	2023	2024	AVERAGE ANNUAL TURNOVER
[●]				
[●]				
Total				

NET WORTH (AMOUNT IN PKR)			
	2022	2023	2024
[●]			
[●]			
Total			

- ☐ Attach copies of financial statements (balance sheets including all related notes, and income statements) for the last three (3) years, as indicated above, complying with the following conditions:
- All such documents reflect the financial situation of the Bidder or partner to the Consortium, and not sister or parent companies.

Historic financial statements must be audited by a certified accountant.

Historic financial statements must be complete, including all notes to the financial statements.

Historic financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be accepted).

NTN certificate must be attached.

Tax return filed must be provided.

FORM H - 4
CURRENT CONTRACT COMMITMENTS/WORKS IN PROGRESS

Bidders and each member to the Consortium should provide information on their current commitments on all contracts that have been awarded, or for which a letter of award or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

Current Contract Commitments						
No.	Name of Contract	Employer’s Contact Address, Tel, Fax	Total Estimated value [PKR]	Value of Outstanding Work [PKR]	Estimated Completion Date	Average Monthly Invoicing Over Last Six Months [PKR/month]
1						
2						
3						
4						
5						

FORM H - 5
DETAILS OF CONTRACTS OF SIMILAR NATURE AND COMPLEXITY COMPLETED

(A) For Experience In Urban Mass Transit/ Bus Rapid Transit System / Organized Public Transport Services

Name of Organization	
Name of Urban Mass Transit/ Bus Rapid Transit Project / Organized Public Transport Services (being Managed/Developed/Controlled)	
Name of Procuring Authority (Public/Private)	
Route of the Project	
Start of Project	
End of Project	
Number of Buses	
Amount of Capital Involved	
Brief description of the services rendered by the bidder firm:	

(B) For Experience In Urban Transit Routes Operations

Name of Organization	
Name of Urban Mass Transit/ Bus Rapid Transit Project / Organized Public Transport Services (being Managed/Developed/Controlled)	
Name of Procuring Authority (Public/Private)	
Route of the Project	
Start of Project	
End of Project	
Number of Buses	
Amount of Capital Involved	
Brief description of the services rendered by the bidder firm:	

FORM H - 6
CURRICULUM VITAE (CV) OF KEY INDIVIDUALS

1. Proposed Position *[only one candidate shall be nominated for each Key Individual position]:*

2. Name of Firm *[Insert name of firm proposing the Key Individual]:*

3. Name of Staff *[insert full name]:*

4. Date of Birth:

5. Nationality:

6. Educational Qualification: *[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degrees obtained]:*

7. Membership of Professional Societies:

8. Other Training *[indicate significant training since degrees acquired under point 6 above]*

9. Countries of Work Experience: *[list countries where staff has worked]:*

10. Languages *[for each language indicate proficiency: good, fair, or poor in speaking, reading and writing]:*

11. Employment Record:

[Starting with present position, list in reversed order, every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, position held]:

From [Year]: To [Year]:

Employer:

Position held:

12. Detailed Tasks Assigned *[List all tasks to be performed under this assignment]:*

13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes my qualifications, my experience, and myself. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

I certify that I have been informed by the Bidder that it is including my CV in the Proposal for the *[insert name of project and contract]*. I confirm that I will be available to carry out the assignment for which my CV has been submitted in accordance with the implementation arrangements and schedule set out in the Proposal².

Signature of the Candidate:

Place:

Date:

² *If the undersigned is not a present employee of the Bidder, then this paragraph is to form part of the CV;*

FORM H - 7

DESCRIPTION OF APPROACH, METHODOLOGY AND
WORK PLAN

The approach and methodology will be detailed precisely under the following topics.

[Technical approach, methodology, and work plan are key components of the First Stage Technical Proposal. You are suggested to present your First Stage Technical Proposal divided into the following chapters:

- 1) Fleet Management and Maintenance Plan*

 - 2) Local HR Recruitment Plan and Strategy*

 - 3) Strategy on Availability of spare parts and inventory management plans 4) Strategy on Initiative for promoting public transit usage*

 - 5) Clear timelines and Project implementation schedule*
-

FORM H - 8
FINANCIAL BID FORM

I, *[Name of Authorised Representative of Bidder]*, having address at *[Insert Address]*, as the authorized representative of *[Name of Bidder]*, hereby declare for and on behalf of *[Name of Bidder]*:

1. *[Name of Bidder]* has examined the information provided in the request for proposal (including annexures);
2. *[Name of Bidder]* has examined the specifications of vehicles and made all due diligence in estimation of all operation and maintenance costs of Project as stated under this RFP;
3. *[Name of Bidder]* submits its financial proposal which includes costs of all services mentioned in the RFP and its attachments (Annexures), which shall remain valid and binding upon *[Name of Bidder]* for a period of 180 days from the Bid Submission Date.
4. The term of the Project shall be for five (5) years, which may be extendable for additional term(s) of five (5) years each subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the O&M Agreement and mutual consent.

5. **Per kilometre charge quoted by *[Name of Bidder]* is as follows:**

PKR *[Amount in Pakistani Rupees in words]* (PKR *[Integer amounts in numbers]* Only) inclusive of all O&M costs, applicable taxes, insurance cost, staff salaries, POL, repair and maintenance cost (Per KM).

6. The above-mentioned per kilometre charge will be prevalent over the scope of work required for the Project/Project term of the O&M Agreement *[Insert number of years of the contract]*. *[Insert details, if any, for changes to this charge to adjust for inflation or other costs]*.
7. *[Name of Bidder]* ensure that the Project, including buses, bus depots, bus stops, maintenance facilities, passenger facilities, shall be handed over in proper working conditions. Any substantial deterioration of the Project assets can result in confiscation of the Performance Security along with penalty on the *[Name of Bidder]*

FOR AND ON BEHALF OF (NAME OF BIDDER)

(SIGNATURE OF AUTHORIZED REPRESENTATIVE)

(NAME, TITLE AND DATE)

ANNEXURE I - AFFIDAVIT

NOTES FOR EXECUTION OF AFFIDAVIT

- *The mode of execution of the Affidavit should be in accordance with the procedure, if any, laid down by the applicable laws and the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder (and in case of the Consortium, each member of the Consortium, wherever required) should submit for verification the extract of the charter documents and documents such as a resolution/power of attorney in favour of the person executing this Affidavit for the delegation of power hereunder on behalf of the Bidder.*
- *This Affidavit shall be notarised with the Notary Public.*
- *For an Affidavit executed and issued overseas, the document will also have to be legalised by the Pakistani Embassy and notarised in the jurisdiction where the Affidavit is being issued.*

In case of Consortium, every consortium member firm should provide affidavit separately

Please find below the form and substance of the Affidavit.

AFFIDAVIT

DATED: _____

[•]
[•]
[Address]

We, [insert name of Bidder] hereby represent and warrant that, as of the date of this Affidavit [name of Bidder/lead member of consortium/JV], and each member of our consortium/JV (if applicable):

- are not in bankruptcy or liquidation proceedings;
- are not blacklisted by any governmental or non-governmental department/agency;
- have not been convicted of fraud, corruption, collusion or money laundering;
- are not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect our capability to comply with the obligations under the O&M Agreement;
- [are legally and financially autonomous and operate under commercial law]³;
- [there is no pending litigation which represents more than fifty percent (50%) of our

³Only relevant for the government owned legal enterprise or institution.

Net Assets]⁴;

- g. [are not under any non-performance of a contract within last two (2) years of the Bid Submission Date]⁵; and
- h. [have not failed to sign a contract with any procuring authority following award]⁶.

We have also attached proof of registration of each member, if applicable, from the relevant statutory authority.

Yours sincerely,

SIGNATURE OF AUTHORIZED SIGNATORY:	[●]
NAME AND TITLE OF SIGNATORY:	[●]
NAME OF FIRM:	[●]
ADDRESS:	[●]

⁴If applicable;
⁵If applicable;
⁶If applicable;

ANNEXURE J – PROJECT DETAILS AND SCOPE OF WORK

PROJECT DETAILS

The Procuring Agencies intends to engage a private party on Public Private Partnership (PPP) mode to operate and maintain a fleet of twenty-five (25) buses on a defined route in Quetta including depots, bus stops, maintenance facilities, and passenger facilities, as and when provided by the GoB to the concessionaire. The Project is being undertaken via Operate & Maintain and Transfer mode and focuses on addressing the growing mobility challenges in Quetta.

Route Map: The Project will be undertaken on route as provided under Annexure K.

Route Length:

Approx. 40 Kms

Start and End Points for Up and Down Routes:

Kuchlak / Sohna Khan Chowk

Bus Specification:

As provided in Annexure K (II).

Bus Stands/Stops:

Approx. 66

Operations (values are indicative):

Bus Service Timings:

Winters:	As per the operational plan
Summers:	As per the operational plan
Headway timing:	Approx. 10-15 minutes

Daily Expected trips (up and down):

As per the operational plan

No. of operational days:

7 days.

Fare to be charged per passenger:

As decided by the GoB. Current fare is PkR 40 per passenger.

Parking Area:

As allocated by the GoB.

Indicative guaranteed KMs:

40,000 KM per bus per annum.

DATASHEET

Total Buses	Twenty-Five (25)
Total Reserve Bus	0-2 (as per the operational plan)
Operational Buses	23-25 (as per the operational plan)
One Round Trip	~40 KMs
Daily Rounds	as per the operational plan)
Total working days	07 days
Outsourcing mode	O&M Contract
Contract Period	Five (5) years + Extension of further Five (5) years (subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement)

SCOPE OF WORK

The scope of work of the Concessionaire consist of:

- (a) operation of allocated twenty-five (25) bus vehicles in accordance with a schedule set in this RFP and O&M Agreement for a period of five (5) years, further extendable for additional term of five (5) years subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement;
- (b) proper repair and maintenance of twenty-five (25) buses;
- (c) ply the buses and ensure following agreed upon schedules. Finalizing of the schedules which will include schedule trips, routes, number of buses on each route, hour of service, buses required, buses to be parked;
- (d) dedicate and maintain no more than **0-2** buses as reserve fleet from the existing fleet of twenty-five (25) buses;
- (e) employee adequate and trained staff including drivers, conductors, engineers and other staff as required;
- (f) equip every bus with GPS device/tracker;
- (g) obtain route license;
- (h) hire security guards to secure buses at night;
- (i) insure the buses;

- (j) arrange for the bus spare parts;
- (k) ensure cleanliness of the bus;
- (l) install cameras, if required;
- (m) provide rechargeable smart fare cards;
- (n) green cards for students;
- (o) proper bus ticketing systems;
- (p) open required bank accounts to manage the fare collection;
- (q) be responsible for conduct and functioning of all the employees;
- (r) provision of Bus System operations training to the vehicle drivers; and
- (s) any other scope and responsibility as assigned by the Procuring Agencies related to successful operations of the Project.

Revenue Collection

The Bidder should strive for maximization of both fare and non-fare revenues, which shall be collected by the Bidder and submitted to Procuring Agencies. (The mechanism for revenue submission will be provided in the O&M Agreement).

Hand-over of the Project

The Concessionaire is responsible for handing over the Project to the Procuring Agencies in a good working condition at the end of the Concession Period as specified in the O&M Agreement.

ANNEXURE K – PROJECT ROUTE MAP



ANNEXURE K (II) – BUS SPECIFICATIONS (TENTATIVE)

S. No.	CRITERIA	SPECIFICATION
1.	MODEL YEAR	2022 OR LATEST
2.	VEHICLE LENGTH (MINIMUM - MAXIMUM)	9.0/12.0 METERS
3.	VEHICLE WIDTH (NOT INCLUDING MIRRORS)	~2.55 METERS
4.	VEHICLE HEIGHT (FROM ROAD SURFACE TO HIGHEST POINT ON ROOF) (MAXIMUM)	~3.5 METERS
5.	FLOOR HEIGHT (FROM ROAD SURFACE TO INTERIOR FLOOR AT DOORWAYS)	350 MM
6.	CEILING HEIGHT IN FRONT PASSENGER AREA (FROM INTERIOR FLOOR TO CEILING) (MINIMUM)	2.1 METERS
7.	CLEARANCE AT DOORWAY (FROM INTERIOR FLOOR TO DOOR HEADER) (MINIMUM)	1.9 METERS
8.	AXLE LOAD, FRONT AXLE (MAXIMUM)	7,700 KG
9.	AXLE LOAD, MIDDLE AXLE	NOT APPLICABLE
10.	AXLE LOAD, REAR-AXLE (MAXIMUM)	13,000 KG
11.	GRADE ABILITY (FULLY LADEN)	MIN 17%
12.	ANGLE OF APPROACH (FULLY LADEN)	>=7 DEGREES
13.	ANGLE OF DEPARTURE (FULLY LADEN)	>=7 DEGREES
14.	STEERING	DRIVER COMPARTMENT ON RIGHT- HAND SIDE OF VEHICLE FOR VEHICLE OPERATION ON LEFT-HAND SIDE OF ROADWAY. POWER STEERING ASSISTED WITH HEIGHT AND ANGLE ADJUSTMENT
15.	USEFUL LIFE OF VEHICLE (PROJECTED)	1.2 MILLION KM OR 12 YEARS
16.	CENTER-LINE DISTANCE BETWEEN THE TWO DOORWAYS	2.0 METERS
17.	FREE DOOR WIDTH PER PASSENGER DOOR (MINIMUM)	1.2 METERS
18.	NUMBER OF CURB-SIDE PASSENGER DOORWAYS	2

S. No.	CRITERIA	SPECIFICATION
19.	NUMBER OF MANUAL FLAP-TYPE BOARDING BRIDGES FROM CURB-SIDE DOORS	1 (FOR MIDDLE DOOR)
20.	GENERAL SEAT CONFIGURATION	2 x 2 (PREDOMINANTLY)
21.	SEAT PITCH (MINIMUM)	730 MM
22.	SEAT WIDTH (MINIMUM)	420 MM
23.	NUMBER OF PASSENGER SEATS (INCLUDING PREFERENTIAL SEATS BUT EXCLUDING FLIP DOWN SEATS AND DRIVER SEAT) (MINIMUM)	26
24.	NUMBER OF WHEELCHAIR BAYS (MINIMUM)	1
25.	TOTAL NUMBER OF FLIP-DOWN SEATS IN WHEELCHAIR BAY(S) (MINIMUM)	2
26.	LENGTH OF WHEELCHAIR BAY(S) (MINIMUM)	1.3 METERS EACH
27.	NUMBER OF SEATS IN FRONT WOMEN-ONLY SECTION (MINIMUM)	8
28.	THICKNESS OF FLOORING MATERIAL (MINIMUM)	2 MM
29.	SIDE WINDOW HEIGHT (MINIMUM)	900 MM (EXCLUDING LAST ROW OF SEATS)
30.	FOR THE MEDIAN SIDE (RIGHT-SIDE) OF THE VEHICLE, DISTANCE OF OUTSIDE EDGE OF THE WING MIRROR FROM THE VEHICLE BODY (MAXIMUM)	150 MM
31.	FOR THE CURB SIDE (LEFT SIDE) OF THE VEHICLE, DISTANCE OF OUTSIDE EDGE OF THE WING MIRROR FROM THE VEHICLE BODY (MAXIMUM)	200 MM
32.	TIRE WIDTH	275 MM
33.	TIRE CONSTRUCTION TYPE	RADIAL
34.	DISTANCE BETWEEN OUTSIDE EDGE OF TIRE SIDEWALL TO OUTSIDE EDGE OF VEHICLE BODY FOR FRONT AXLE (MAXIMUM)	125 MM
35.	DISTANCE BETWEEN OUTSIDE EDGE OF TIRE SIDEWALL TO OUTSIDE EDGE OF VEHICLE BODY FOR MIDDLE AXLE (MAXIMUM)	NOT APPLICABLE
36.	DISTANCE BETWEEN OUTSIDE EDGE OF TIRE SIDEWALL TO OUTSIDE EDGE OF VEHICLE BODY FOR REAR AXLE (MAXIMUM)	80 MM
37.	POWER ON GRADIENT (MINIMUM)	MAINTAIN 50 KM/HR ON 4% UP GRADE AND 30 KM/HR ON 8% UPGRADE WHEN FULLY LOADED
38.	PROJECTED MAXIMUM OPERATING SPEED (MAXIMUM)	80 KM/HR

S. No.	CRITERIA	SPECIFICATION
39.	PROPULSION SYSTEM	BATTERY BUS <i>(NOT APPLICABLE FOR DIESEL BUSES)</i>
40.	SIZE OF MOTOR FOR PROPULSION SYSTEM (PEAK POWER MINIMUM)	250 kW <i>(NOT APPLICABLE FOR DIESEL BUSES)</i>
41.	SIZE OF MOTOR FOR PROPULSION SYSTEM (RATED POWER MINIMUM)	150 kW <i>(NOT APPLICABLE FOR DIESEL BUSES)</i>
42.	INTERNAL IDLING NOISE STANDARD (MAXIMUM)	60 dB
43.	MAXIMUM HAULAGE	280 KM <i>(NOT APPLICABLE FOR DIESEL BUSES)</i>
44.	EXTERNAL IDLING NOISE STANDARD (MAXIMUM)	65 dB
45.	TURNING RADIUS, OUTER WHEEL TRACK (MAXIMUM)	12.0 METERS

ANNEXURE L – GUIDELINES FOR THE FINANCIAL BID

Bid Evaluation Criteria

EVALUATION CRITERIA

Bids of only those Bidders shall be considered who meet the basic eligibility criteria set forth in Annexure A (*Basic Eligibility Criteria*)

The Implementing Agency shall attribute a technical score to responsive Technical Proposals.

Technical Proposals scoring less than **70 POINTS** shall be rejected.

The technical evaluation score shall be determined as per Annexure B – Technical Evaluation Criteria:

For technical qualification, a Bidder must score at least *Seventy (70)* or more marks. The detailed technical evaluation criteria for Technical Proposal is set out in Annexure B (*Technical Evaluation Criteria*).

The Bidder quoting the lowest kilometre charge for the Project under Annexure H-8 (Financial Bid Form) shall be declared as the Preferred Bidder (under least cost selection method).

VOLUME 2: DRAFT O&M AGREEMENT



OPERATIONS AND MAINTENANCE AGREEMENT

BY AND BETWEEN

BALUCHISTAN PUBLIC PRIVATE PARTNERSHIP AUTHORITY
AND
PROVINCIAL TRANSPORT DEPARTMENT, GOVERNMENT OF BALUCHISTAN
(COLLECTIVELY AS PROCURING AGENCIES)

AND

[NAME OF PARTY] (AS CONCESSIONAIRE)

RELATING TO:

**OPERATIONS AND MAINTENANCE OF BUSES
ON DESIGNATED ROUTES IN QUETTA**

DATE: _____



**NAWAZ
HUSSAIN
SIKANDER**

BARRISTERS & ADVOCATES | CORPORATE LEGAL CONSULTANTS

OPERATIONS AND MAINTENANCE AGREEMENT

This **OPERATIONS AND MAINTENANCE AGREEMENT** (this “**Agreement**”) is made on this [•] day of [•] 2025;

BETWEEN

- (1) **BALUCHISTAN PUBLIC PRIVATE PARTNERSHIP AUTHORITY** having its office located at [•], acting through [•], holding CNIC No. [•] (the “**BPPPA**”, which expression shall include its successors-in-interest and permitted assigns);

AND

- (2) **PROVINCIAL TRANSPORT DEPARTMENT, GOVERNMENT OF BALUCHISTAN** having its office located at [•], acting through [•], holding CNIC No. [•] (the “**PTD**”, which expression shall include its successors-in-interest and permitted assigns);

(the BPPPA, and the PTD shall hereinafter collectively be referred to as the “**Procuring Agencies**” and individually as a “**Procuring Agency**”);

AND

- (3) **[NAME OF PARTY]**, a company existing under the laws of Pakistan, having its registered office located at [•], Pakistan, acting through [•], holding CNIC No. [•] (the “**Concessionaire**”, which expression shall include its successors-in-interest and permitted assigns).

(the Procuring Agencies, and the Concessionaire shall hereinafter collectively be referred to as the “**Parties**” and individually as a “**Party**”).

RECITALS

WHEREAS:

- (A) The Procuring Agencies intend to engage a private party on public private partnership mode to operate and maintain a fleet of twenty-five (25) buses on a Designated Routes in Quetta in the province of Balochistan to meet increasing demands for urban transport and contribute towards the development of a sustainable transport system (the “**Project**”), and to this end had invited proposals for the selection of an operator through open competitive bidding and issuance of Bidding Documents bearing reference [*Insert Reference Number*] on [*Insert Date*] (the “**Bidding Documents**”);
- (B) That in response to the Bidding Documents under the open competitive bidding, the Bidder was declared as on [*Insert Date*] as the successful bidder and was awarded the Letter of Award dated [•] (the “**Bidder**”);
- (C) The Concessionaire was incorporated as a ‘special purpose vehicle’ by the Bidder for the purposes of undertaking and implementing the Project in accordance with the provisions of the Applicable Laws and this Agreement;
- (D) The Concessionaire has represented to the Procuring Agencies that it has the requisite skills, resources, personnel and expertise to implement the Project and carry out all its obligations in terms of this Agreement and to assume the risks associated therewith;
- (E) Based on the foregoing, the Parties have agreed to execute this Agreement for the implementation of the Project under public-private partnership mode in accordance with the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the Parties hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. DEFINITIONS

The terms used in this Agreement shall have the meanings stated below:

“Actual Fuel Price” means the weighted average fuel price (PKR/litre) at the end of each month during the Operating Period as calculated in accordance with **Schedule G (Price Indexation)**.

“Actual Lubricant Price” means the weighted average price of lubricants at the end of each month during the Operating Period calculated in accordance with **Schedule G (Price Indexation)**.

“Actual Maintenance Price” means the weighted average price of tires, maintenance and salaries at the end of each month during the Operating Period as calculated in accordance with **Schedule G (Price Indexation)**.

“Agreement” means this Operations and Maintenance Agreement including all Schedules, exhibits and annexes included herein.

“Applicable Laws” means the federal, provincial, and local laws of Pakistan and laws of any other relevant jurisdiction, and all orders, rules, regulations, executive orders, statutory regulatory orders, decrees, judicial decisions, notifications, or other similar directives issued by any competent entity pursuant thereto, as any of them may be amended from time to time.

“Applicable Permits” means any permissions, clearances, concessions, authorizations, consents, licenses, permits, waiver, privileges, rulings, exemptions, no objections, resolutions, filings, orders, notarizations, lodgements or registrations or approvals of whatsoever nature that are required to be obtained by the Concessionaire from time to time in connection with the Project and for the undertaking, performing or discharging its obligations contemplated by this Agreement in accordance with the Applicable Laws;

“Applicable Standards” mean the standards, requirements, and criterion applicable to the performance of the Concessionaire’s Obligations as contained in:

- (a) the Applicable Laws;
- (a) the Concessionaire as duly complied with the Term Expiry Criteria to the satisfaction of the Procuring Agencies.
- (b) The fifth (5th) anniversary of the Commencement Date has occurred; and
- (b) the O&M Plan;
- (c) the scope of work under this Agreement; and
- (d) the service manuals (*from the Bus supplier ([●])*).

provided however, in the event of any discrepancy, conflict or inconsistencies in the standards, requirements and criterion set out above, the most stringent standards, requirements and criterion shall apply.

“Arbitration Act” means the Pakistan Arbitration Act, 1940 (as may be amended, modified, supplemented, extended or re-enacted from time to time).

“Base Fuel Price” means the price of fuel existing on the Bid Submission Date.

“Base Lubricant Price” means the price of lubricants on the Commencement Date.

“Base Maintenance Price” means the cost of tires, maintenance and salaries, each of which exist on the Commencement Date.

“Base Values” means the Base Fuel Price, the Base Lubricant Price and the Base Maintenance Price.

“Bid Security” means the security issued by the Bidder along with its bid.

“Bid Submission Date” means **August 26, 2025**.

“Bidder” has the meaning given to that term in recitals.

“Bidding Documents” has the meaning given to that term in recitals.

“BRA” means Balochistan Revenue Authority.

“Bus Depots” means the bus depots/space located at *[Insert Location]* with facilities limited to buses parking space, maintenance area, availability of a (renovated) pit for bus maintenance, containers (for admin/office usage) and other basic facilitation provided to the Concessionaire by the Procuring Agencies for utilisation as a depot for the Buses, together with such fixtures and fittings as described in **Schedule A (Concessionaire’s Scope of Work)**.

“Bus Stops” means the pre-fabricated bus stop provided to the Concessionaire by the Procuring Agencies for utilisation as stations for the Buses, together with such fixtures and fittings as described in **Schedule A (Concessionaire’s Scope of Work)**.

“Bus” or **“Buses”** means *[Insert Number of Buses]* buses with such specifications as per **Schedule H (Bus Specifications)**, the possession of which is being granted to the Concessionaire by the Procuring Agencies for the purposes and scope of the Project set out in **Schedule A (Concessionaire’s Scope of Work)**.

“Change in Complete Control” means any issuance, sale, transfer, conveyance, disposal or any event, transaction, arrangement, Encumbrance or agreement of any nature that results in or may result in the Bidder holding less than one hundred percent (100%) of the Shares and/or losing the power to direct the management, policies, control and/or decisions, in each case, of the Concessionaire.

“Commencement Date” has the meaning given to that term in Section 2.3.1.

“Concessionaire Taxes” means withholding tax as per the BRA tariff provided that the taxes shall be deemed to be included in the O&M Fees.

“Concessionaire’s Approval Request” has the meaning given to the term in Section 7.5.2.

“Concessionaire’s Obligations” means the obligations to be performed and undertaken by the Concessionaire pursuant to this Agreement and as set out in **Schedule A (Concessionaire’s Scope of Work)**.

“Concessionaire’s Personnel” means the Concessionaire’s Representative, employees, all personnel including staff, labour of the Concessionaire, the O&M Personnel, the sub-supplier and sub-contractor and any other personnel assisting the Concessionaire in the execution of the Concessionaire’s Obligations.

“Concessionaire’s Representative” has the meaning given to that term in Section 4.4.1.

“Concessionaire” means the entity/entities identified as “Concessionaire” in the preamble and its legal successors and permitted assigns.

“Confidential Information” means all information, documentation, data, know-how or trade secrets, of whatever nature relating to the Project, disclosed by one Party to the other Party in accordance with Section 13 (*Confidential Information*).

“Cost” means all expenditure reasonably and properly incurred (or to be incurred) by the Concessionaire for executing the Concessionaire Obligations including overhead and similar charges and Loss of Revenue but does not include profit.

“Covered Assets” means the Bus Stops, the Bus Depots, the Maintenance Facilities, and the Passenger Facilities.

“Default Delay Period” means, in relation to the Mobilization Period, the days (or part thereof) that lapse between the Scheduled Commencement Date and the Commencement Date.

“Defects or Deficiencies” means any obligations forming part of Concessionaire’s Obligations, that fail to conform to the Applicable Standards in any manner (including any services, performance, materials, design, execution, engineering and/ or workmanship in respect of such obligations and services), and any grammatical forms of such terms shall be construed accordingly.

“Delay Liquidated Damages Cap” has the meaning given to that term in Section 2.6.3.

“Delay Liquidated Damages” means the delay liquidated damages payable by the Concessionaire for delay in the achievement of the Commencement Date by the Scheduled Commencement Date in accordance with Section 2.6 (*Delay Liquidated Damages During Mobilization Period*).

“Designated Routes” means such routes as identified by the Procuring Agencies for the Operations of the Buses in accordance with the Procuring Agencies’ Requirements under **Schedule A (Concessionaire’s Scope of Work)**.

“Dispatch Schedule and Headway Targets Change” has the meaning given to that term in Section 7.11.1.

“Dispatch Schedule and Headway Targets” means the schedule setting out the route and trip schedule for the Buses on the Designated Routes to be Notified from time to time by the Procuring Agencies in accordance with Section 7.11 (*Dispatch Schedule and Headway Targets*).

“Dispatch Schedule” has the meaning given to that term in Section 7.11.1.

“Dispute” has the meaning given to that term in Section 21.1.1.

“Drivers” means licensed individuals hired by the Concessionaire to drive and operate the Buses.

“Effective Date” means the date of signing of this Agreement.

“Emergency” means the occurrence of any event, that in the judgment of either Party requires immediate action and which constitutes, or is likely to constitute, a serious hazard to the safety of persons or property, or to the security, integrity, durability and reliability of the Buses/Covered Assets, or may materially interfere with the safe, prudent and/or environmentally sound operation of the Buses/Covered Assets or any part thereof.

“Encumbrance” means any charge, pledge, hypothecation, lien, mortgage, assignment, right of set-off, option, contractual restrictions (such as negative covenants having the effect of creating or acknowledging security interests in favour of creditors) or other encumbrance or security arrangement or interest of any kind securing any obligation or any type of preferential arrangement (including conditional sale, title transfer and retention arrangements) having similar effect.

“Escrow Account” means the account established by the Procuring Agencies.

“Fare Revenue” means gross revenue generated from charges paid by the passengers on the Buses subject to the minimum fare to be charged and discounts to be offered, if any, by the Concessionaire to students/disabled persons or such other persons as identified by the Procuring Agencies in accordance with monthly O&M Plan.

“Force Majeure Event” has the meaning given to that term in Section 18.1.

“GoB” means the Government of Balochistan.

“Goods” means each such number of GPS device/trackers, cameras, the Spare Parts, lubricants, diesel and one set of tools and diagnostic equipment procured by the Concessionaire (and where applicable, the bus supplier ([•])), each in accordance with the specifications under the Applicable Standards.

“GoP” means the Government of Pakistan.

“Government Authority” means the GOP, the GOB, any local government or any other ministry, governmental department, commission, board, body, bureau, agency, authority, instrumentality, inspectorate, statutory corporation or body corporate over which the GOP or the GOB exercises control, court or other judicial or administrative body or official or Person, having jurisdiction over the Project or

any portion thereof and the performance of obligations and exercise of rights of the Parties in accordance with the terms of the Agreement;

“Handover Date” has the meaning given to that term in Section 11.8.1.

“IA List” has the meaning given to that term in Section 2A.2.1.

“IE List” has the meaning given to that term in Section 2A.1.1.

“Independent Auditor Contract” means the contract executed and/or to be executed, by and between, *inter alia*, the Procuring Agencies, the Concessionaire and the Independent Auditor in relation to the Project.

“Independent Auditor Term” has the meaning as ascribed thereto in Section 2A.2.4.

“Independent Auditor” means the firm of chartered accountants appointed in accordance with this Agreement and the Independent Auditor Contract, from amongst the Category ‘[•]’ of the State Bank of Pakistan Panel of Auditors and in accordance with Section 2A.2.

“Independent Expert Contract” means the contract executed and/or to be executed, by and between, *inter alia*, the Procuring Agencies, the Concessionaire and the Independent Expert in relation to the Project;

“Independent Expert Term” has the meaning as ascribed thereto in Section 2A.1.4;

“Independent Expert” means the firm of experts as appointed in accordance with this Agreement and in accordance with Section 2A.1.

“Invoice” has the meaning given to that term in Section 8.1.1.1.

“Key Performance Indicators” means the key performance indicators to be complied with and fulfilled by the Concessionaire during the Operating Period for *inter alia* general performance, vehicle condition, user operation, driver and conductors, administrative performance etc. as set out in **Schedule C (Key Performance Indicators)**.

“Liquidated Damages” means collectively, the Delay Liquidated Damages and the Performance Liquidated Damages.

“Loss of Revenue” means the loss of revenue (as determined and certified by the Independent Auditor) during the Operating Period from any of the circumstances occurring in terms of Section 7.17.3, as the case may be, and calculated in accordance with **Schedule F (Loss of Revenue)**.

“Loss” means any loss, claim, demand, damage, liability, judgment, payment or obligation, all costs and expenses (including without limitation reasonable legal fees) related thereto and amounts in settlement in lieu thereof.

“Maintain” or “Maintenance” means together the Planned Maintenance and the Unplanned Maintenance of the Buses and the Covered Assets as detailed in **Schedule A (Concessionaire’s Scope of Work)**.

“Maintenance Facilities” means [•].

“Minimum Credit Rating” means the Acceptable Pakistan Credit Rating.

“Mobilization Period Requirements” has the meaning given to the term in Section 2.2.2.

“Mobilization Period” has the meaning given to the term in Section 2.2.1.

“Non-Compliance” has the meaning given to that term in Section 7.9.1.

“Non-Fare Revenue Agreements” has the meaning given to that term in Section 4.8.1.

“Non-Fare Revenue Plan” has the meaning given to that term in Section 4.7.1.

“Non-Fare Revenue” has the meaning given to that term in Section 4.9.1.

“Notified, Notice” and its grammatical variations shall mean as notified in writing.

“O&M Fees” means the fees for the actual kilometers for each of the Buses payable by the Procuring Agencies to the Concessionaire for the Operating Period in consideration of the Concessionaire’s Obligations performed by the Concessionaire as may be adjusted pursuant to Section 8.1.1.3, Section 8.3 and Section 19 (*Changes*).

“O&M Personnel” means those employees (including Drivers and other maintenance staff) of the Concessionaire hired for the performance of the Concessionaire’s Obligations, including the O&M Services, and where applicable trained in accordance with the requirements prescribed under **Schedule A (Concessionaire’s Scope of Work)**.

“O&M Plan” has the meaning given to that term in Section 7.1.1.

“O&M Services” means the Operation and Maintenance of the Buses, the Covered Assets, the training of all relevant O&M Personnel (including the Drivers), the provision of all the Goods as required to operate the Buses, and the Covered Assets and performance of services detailed in **Schedule A (Concessionaire’s Scope of Work)** to be carried out or caused to be carried out by the Concessionaire.

“Operating Period” means the period commencing on the Commencement Date and ending on the expiry of [•] days thereof or the Performance End Date, whichever is later.

“Operations” means all the Concessionaire’s obligations relating to the Buses and the Covered Assets each in accordance with the relevant standards, requirements and criterion that are set out in **Schedule A (Concessionaire’s Scope of Work)**.

“Order of Precedence” has the meaning given to that term in Section 3.6.1.

“Pakistani Rupees” or **“PKR”** means the lawful currency of Islamic Republic of Pakistan.

“Party” means the Procuring Agencies or the Concessionaire individually and

“**Parties**” means the Procuring Agencies and Concessionaire collectively.

“**Passenger Facilities**” means [•].

“**Payable Amount**” has the meaning given to that term in Section 8.1.1.4.

“**Payment Certificate**” means the certificate issued by the Independent Auditor to the Procuring Agencies verifying the Payable Amounts and the Invoice raised by the Concessionaire, as set out in Section 8.1.1.4.

“**Payment Date**” has the meaning given to that term in Section 8.1.1.4.

“**Per KM Charge Adjustment**” means the adjustments arising due to variations due to indexations in the Base Values in accordance with the terms of this Agreement and designated **Schedule G (Price Indexation)** for *Price Indexation*.

“**Per KM Charge**” means PKR [•] subject to indexation in accordance with this Agreement;

“**Performance End Date**” means, unless terminated earlier in accordance with Section 11 (*Default and Termination*), the date of expiration of this Agreement which shall be the date on which:

“**Performance Liquidated Damages Cap**” means an amount equivalent to maximum [•] of the Invoice for the respective Operating Month.

“**Performance Liquidated Damages**” means the Liquidated Damages payable by the Concessionaire during the Operating Period for any Non-Compliance, in accordance with Section 7.9 (*Performance Liquidated Damages During Operating Period*) and **Schedule C (Key Performance Indicators)**.

“**Performance Security Expiry Date**” has the meaning given to that term in Section 9.1.2.

“**Performance Security**” means an irrevocable, unconditional and on-demand bank guarantee, denominated and payable in PKR, having a Minimum Credit Rating at all times in an amount set out in Section 9.1 (*Performance Security*), issued by a bank, having a Minimum Credit Rating at all times, in each case acceptable to the Procuring Agencies, in the form set out in **Schedule B (Form of Performance Security)**.

“**Person**” or “**person**” means any natural person, corporation, Concessionaire, partnership, firm, voluntary association, joint venture, trust, unincorporated organisation, authority or any other entity whether acting in an individual, fiduciary or other capacity.

“**Planned Maintenance**” means those tasks identified as routine services, scheduled services, wear and tear parts replacements and break-in maintenance and as further detailed in **Schedule A (Concessionaire’s Scope of Work)**.

“**Procuring Agencies Authority Matters**” has the meaning given to that term in Section 7.5.1.

“Procuring Agencies’ Instructions” has the meaning given to the term in Section 3.3 (*Procuring Agencies’ Instructions*).

“Procuring Agencies’ Personnel” means the Procuring Agencies’ Representative and all other staff, labour, contractors, drivers, operators, agents, representatives, consultants and other employees personnel engaged by the Procuring Agencies.

“Procuring Agencies’ Representative” has the meaning given to that term in Section 3.2.1.

“Procuring Agencies’ Requirements” means the requirements set out in **Schedule A (Concessionaire’s Scope of Work)** and as otherwise instructed by the Procuring Agencies which specifies the purpose, scope, and/or other technical criteria including specifications for the Goods, O&M Services and other Concessionaire’s Obligations.

“Procuring Agencies’ Taxes” means and includes all Pakistani taxes consisting of: (i) custom and import duties, sales tax, federal excise duty, and other duties and fees payable in the government treasury of Pakistan in respect of the Goods; and (ii) withholding income tax and any tax to be deducted or withheld from the gross amount payable by the Procuring Agencies to the sub-supplier on account of all payments being made for Supply Obligations.

“Procuring Agencies” means the entities identified as “Procuring Agencies” in the preamble and its legal successors and permitted assigns.

“Project Insurance Policies” means the comprehensive insurance policies and any exhibits thereto required to be maintained by the Concessionaire for the Buses pursuant in accordance with **Schedule E (Insurance)**.

“Project” has the meaning given to that term in recitals.

“Release Certificate” means the certificate issued by the Procuring Agencies to the Concessionaire upon the fulfilment of the Term Expiry Criteria.

“Relevant Documents” has the meaning given to that term in Section 17.2.1.

“Restoration Cost” has the meaning given to that term in Section 18.5.1.

“Restoration” has the meaning given to that term in Section 18.5.1.

“Revenue” means (as applicable) the amount collected by the Concessionaire as, the: (i) Fare Revenue; and (ii) Non-fare Revenue.

“Rs” or “PKR” or “Pakistani Rupees” means the lawful currency of Islamic Republic of Pakistan.

“Scheduled Commencement Date” has the meaning given to that term in Section 2.1.3.

“Serial Defects Notification Period” means in respect of the Buses, the period commencing on the Commencement Date and end on the date that is [•] months after the Commencement Date.

“Serial Defects” means a substantially similar defect in the Buses, i.e., a failure showing similar symptoms occurring in the same part or component of the Buses.

“Spare Parts” means materials, new parts, spare parts, replacement components (including critical and specialist spare parts as well as generic parts) and other such items required for the Operations and Maintenance of the Buses to be maintained by the Concessionaire.

“Steering Committee” has the meaning given to that term in Section 32.

“Successor Concessionaire” has the meaning given to that term in Section 11.7.1.

“Term Expiry Criteria” means the term expiry criteria as set out in **Schedule D (Term Expiry Criteria)**.

“Term” has the meaning given to that term in Section 2.1.1.

“Transition Period” has the meaning given to that term in Section 11.7.1.

“Unplanned Maintenance” means all maintenance and services other than Planned Maintenance, to ensure that the Covered Assets are Operated and Maintained to meet the Applicable Standards.

“Warranty Period” has the meaning given to that term in Section 12.2.2.

1.2. INTERPRETATION

In this Agreement:

- (a) words indicating one gender include all genders;
- (b) words indicating the singular also include the plural and words indicating the plural also include the singular;
- (c) provisions including the word “agree”, “agreed” or “agreement” require the agreement to be recorded in writing;
- (d) “written” or “in writing” means hand-written, type-written, printed or electronically made, and resulting in a permanent record;
- (e) references to Sections, Exhibits, Schedules and Annexes are, unless the context otherwise requires, references to Sections, Exhibits, Schedules or Annexes to this Agreement;
- (f) a reference to any legislation or legislative provision includes any statutory modification, amendment, or re-enactment of or legislative provision substituted for, and any subordinate legislation under that legislation or legislative provision;
- (g) unless otherwise provided herein, whenever a consent or approval is required by one Party from the other Party, such consent or approval shall not be unreasonably withheld or delayed;
- (h) except as provided in Section 13 (*Confidential Information*), nothing shall be

construed or interpreted as limiting, diminishing or prejudicing in any way the rights of the Procuring Agencies to claim any benefit provided under Applicable Laws (whether in effect now or in the future);

- (i) headings shall not be taken into consideration in the interpretation of this Agreement;
- (j) the words “including”, “includes” and any variants of those words will be read as if followed by the words “without limitation”;
- (k) any reference to a party includes its respective successors in interest and permitted assigns, from time to time;
- (l) unless otherwise specifically provided in this Agreement, a reference to an agreement shall be a reference to that agreement as amended, re-stated, supplemented, modified or novated from time to time; and
- (m) a reference to business day(s) hereunder will be construed as a reference to a day on which banks are legally permitted to be open for business in Pakistan.

2. TERM, MOBILIZATION PERIOD AND COMMENCEMENT

2.1. EFFECTIVE DATE AND TERM

- 2.1.1. This Agreement shall become effective on the Effective Date and unless terminated earlier in accordance with Section 11 (*Default and Termination*), shall end on the Performance End Date (the “**Term**”).
- 2.1.2. Unless otherwise set out in this Agreement, the Concessionaire’s Obligations shall commence upon the Commencement Date.
- 2.1.3. The Concessionaire shall be required to fulfil all the requirements of the Mobilization Period within sixty (60) days of the Effective Date (the “**Scheduled Commencement Date**”).
- 2.1.4. The Term may be extended for another term of five (5) years with the mutual consent of the Parties at any time at least [•] days prior to the Performance End Date, provided, that at such time the Concessionaire is materially in compliance with its obligations under this Agreement and is not otherwise facing a default therein. To the extent the Parties accept such extension, the Parties shall enter into such instruments, agreements and arrangements and on such terms and conditions, in each case, as mutually agreed between the Parties.

2.2. MOBILIZATION PERIOD

- 2.2.1. The Mobilization Period shall commence from the Effective Date (except as may be extended by the Procuring Agencies) and shall, unless terminated earlier in accordance with Section 11 (*Default and Termination*), expire after sixty (60) days thereof (the “**Mobilization Period**”);

provided, however, the Procuring Agencies may at any time in their sole discretion defer and/or waive any of the Mobilization Period Requirements.

- 2.2.2. During the Mobilization Period, the Concessionaire shall:
- (a) the Concessionaire has submitted the Performance Security to the Procuring Agencies within [•] days of the Effective Date, in accordance with this Agreement;
 - (b) install GPS trackers in the Buses as per the Procuring Agencies’ Requirements in accordance with **Schedule A (Concessionaire’s Scope of Work)**;
 - (c) employ security personnel for the security of the Buses in accordance with **Schedule A (Concessionaire’s Scope of Work)**;
 - (d) not later than [•] days from the Effective Date, submit the O&M Plan under Section 7.1 (*O&M Plan*);

- (e) submit the Non-Fare Revenue Plan under Section 4.7 (*Non-Fare Revenue Plan*) during the Mobilization Period;
- (f) in accordance with Section 7.19 (*Insurances*) and **Schedule E (*Insurance*)**, procure the Project Insurance Policies for the entire duration of the Term;
- (g) complete any other works and/or services as required under **Schedule A (*Concessionaire's Scope of Work*)**;
- (h) the Concessionaire has entered into the Independent Auditor Contract, within [•] days of the Effective Date, for the appointment of the Independent Auditor;
- (i) the Concessionaire has entered into the Independent Expert Contract, within [•] days of the Effective Date, for the appointment of the Independent Expert;

(requirements set out in (a) to (i) above shall collectively be referred to as the **"Mobilization Period Requirements"**).

2.2.3. During the Mobilization Period, the Procuring Agencies shall:

- (a) grant license, access and possession of the Covered Assets to the Concessionaire for purposes of the Project; and
- (b) grant to the Concessionaire, the license, access and possession of the Buses free of any Encumbrances.

2.3. **COMMENCEMENT DATE**

2.3.1. Subject to Section 2.2.1, the Commencement Date shall be the actual date on which the Operations start (the **"Commencement Date"**).

2.3.2. In the event the Concessionaire is unable to complete the Mobilization Period Requirements within the Mobilization Period, the Procuring Agencies shall have the right (to be exercised at their sole and absolute discretion) to: (a) impose Delay Liquidated Damages (as certified by the Independent Auditor); and/or (b) terminate this Agreement by issuance of a written termination notice to the Concessionaire. In such case, the Procuring Agencies shall be entitled to encash the Performance Security or Bid Security (as applicable) to its full value. For the avoidance of doubt, it is clarified that the provisions of this Section 2.3.2 shall not limit or prejudice in any manner the Parties' right to terminate this Agreement in accordance with the provisions of Section 11 (*Default and Termination*).

2.4. **WAIVER, DEFERRAL AND/OR EXTENSION OF MOBILIZATION PERIOD REQUIREMENTS**

2.4.1 The Procuring Agencies on the request of the Concessionaire, may (at their discretion) waive and/or defer any of the Mobilization Period Requirements with such conditions as it may deem fit.

- 2.4.2 Without prejudice to the terms of Section 2.4.1, failure by the Concessionaire to complete the Mobilization Period Requirements to the satisfaction of the Procuring Agencies within the Mobilization Period shall constitute a material breach in terms of this Agreement.
- 2.4.3 Any deferral and/or waiver of a Mobilization Period Requirement in terms of this Section 2.4 shall be notified in writing to the Concessionaire.
- 2.4.4 If the Concessionaire considers itself to be entitled to an extension in the Mobilization Period including an extension under, Section 18 (*Force Majeure*) and/or Section 19 (*Changes*), the Concessionaire shall give notice to the Procuring Agencies describing the event or circumstance giving rise to such claim of extension. The notice shall be given as soon as practicable, and not later than [•] days after the Concessionaire became aware of the relevant event or circumstance. Such notice shall make reference to the provision of this Agreement that stipulates the entitlement of the Concessionaire to claim for an extension of any timeline. When determining each extension of time, the Procuring Agencies shall review previous determinations and make a determination in terms of Section 3.5 (*Determinations*) and may ask for such further information/documentation as the Procuring Agencies may require for making such determination;

provided, however, that the Concessionaire shall not be entitled to any extension including for any of the events occurring under Section 18 (*Force Majeure*) and/or Section 19 (*Changes*) in respect of any period where the Concessionaire would have nevertheless experienced delays in any case for reasons not attributable to the Procuring Agencies.

2.5. OPERATING PERIOD

- 2.5.1. During the Operating Period the Concessionaire shall execute the Concessionaire's Obligations including the O&M Services and the Procuring Agencies shall make payments of the O&M Fees in accordance with Section 8 (*O&M Fees and Other Payment Terms*) from Commencement Date.

2.6. DELAY LIQUIDATED DAMAGES DURING MOBILIZATION PERIOD

- 2.6.1. If the Concessionaire fails to complete all the Mobilization Requirements (except as may be deferred and/or waived in accordance with Section 2.4 (*Waiver, Deferral And/Or Extension Of Mobilization Period Requirements*)), the Concessionaire shall pay Delay Liquidated Damages in the amounts specified in Section 2.6.2 to the Procuring Agencies for the Default Delay Period in accordance with Section 8.4 (*Payment of Delay Liquidated Damages*).
- 2.6.2. For each day (or part thereof) of the Default Delay Period, the Concessionaire shall pay PKR [•] per day to the Procuring Agencies (the "**Delay Liquidated Damages**"). The Procuring Agencies shall not be restricted from invoicing for such claimable amounts after the Commencement Date.

- 2.6.3. The total amount due under this Section 2.6 (*Delay Liquidated Damages During Mobilization Period*) shall not exceed [●] (the “**Delay Liquidated Damages Cap**”).
- 2.6.4. The Delay Liquidated Damages specified in Section 2.6.2 have been calculated by the Parties as representing the actual daily loss to the Procuring Agencies for the Default Delay Period and are not a penalty. Given the nature of the Mobilization Period Requirements to be performed by the Concessionaire, it is entirely possible to calculate the actual loss suffered by the Procuring Agencies and the stated Delay Liquidated Damages in Section 2.6.2 reflect such calculation. The Concessionaire thus hereby agrees and acknowledges that the Delay Liquidated Damages are a reflection of actual loss suffered by the Procuring Agencies.
- 2.6.5. These Delay Liquidated Damages shall be the only damages due from the Concessionaire for such default, other than in the event of termination under Section 11.2 (*Termination for Concessionaire’s Default*) prior to completion of the Mobilization Period Requirements. Any payment or claim for the Delay Liquidated Damages shall not relieve the Concessionaire from its obligation to complete and fulfil the Mobilization Period Requirements, or from any other duties, obligations or responsibilities which it may have under this Agreement.

2A. INDEPENDENT EXPERT AND INDEPENDENT AUDITOR

2A.1. INDEPENDENT EXPERT

- 2A.1.1. Within three (3) days from the Effective Date, the Concessionaire shall provide the Steering Committee with a list of **[•] ([•])** firms of experts and having an international repute for appointment of the Independent Expert (the “**IE List**”).
- 2A.1.2. Within three (3) days of the receipt by the Steering Committee of the IE List, the Steering Committee may select a reputed firm from the IE List and the Concessionaire and the Procuring Agencies shall appoint such firm as the Independent Expert in terms of the Independent Expert Contract.
- 2A.1.3. In the event the firms of experts identified by the Concessionaire in the IE List are not acceptable to the Steering Committee, the Concessionaire and the Steering Committee shall appoint such firm, as the Independent Expert, as is mutually acceptable to the Concessionaire and the Steering Committee. Such appointment shall be on the terms of the Independent Expert Contract.
- 2A.1.4. The appointment of the Independent Expert shall be for a period beginning from the execution of the Independent Expert Contract and ending on the Performance End Date (the “**Independent Expert Term**”).
- 2A.1.5. The appointment of the Independent Expert may be terminated upon the occurrence of any of the following:
- (a) the Independent Expert is: (i) adjudged insolvent and/or bankrupt; or (ii) winding up proceedings are filed against or by the Independent Expert; or (iii) any action or malpractice and/or misadministration is filed against the Independent Expert in a court of law;
 - (b) under such other circumstances as expressly set out in the Independent Expert Contract; or
 - (c) by the Concessionaire and the Procuring Agencies with mutual consent.
- 2A.1.6. Upon occurrence of any of the events listed in Section 2A.1.5, the Concessionaire and the Procuring Agencies shall have the right to terminate the Independent Expert Contract in accordance with the terms thereof and the Concessionaire and the Procuring Agencies shall appoint a new Independent Expert in accordance with Section 2A.1.7 below.
- 2A.1.7. The Concessionaire and the Procuring Agencies shall replace the appointed Independent Expert with another consulting expert firm or body corporate selected by the Steering Committee from the IE List provided by the Concessionaire pursuant to Section 2A.1.1 above, provided, however, that the termination and/or replacement of the Independent Expert shall not have effect till such time as the new Independent Expert has been appointed. In the event the Steering Committee object to the appointment of any firm of experts named in the IE List, then a new firm of experts shall be appointed as the new Independent Expert, in accordance with 2A.1.3.
- 2A.1.8. The Concessionaire shall ensure that all provisions of this Agreement pertaining to the Independent Expert and its responsibilities in respect of the matters set out herein, including but not limited to **Schedule I (Scope Of Work Of The Independent Monitoring Parties)** shall be duly incorporated in the Independent Expert Contract.

- 2A.1.9. The Concessionaire and the Procuring Agencies agree that any advice, decision, instruction, direction and/or award of the Independent Expert on any matters which require any advice, decision, instruction, direction and/or award by the Independent Expert under this Agreement shall be binding on the Concessionaire and the Procuring Agencies unless mutually agreed otherwise by the Concessionaire and the Procuring Agencies.
- 2A.1.10. The Concessionaire shall be responsible for the payment of the fees and expenses payable to the Independent Expert pursuant to the Independent Expert Contract. The Concessionaire shall make all payments required to be made to the Independent Expert in a diligent and timely manner in accordance with the Independent Expert Contract.
- 2A.1.11. The Concessionaire shall as part of the Independent Expert Contract require the Independent Expert to designate and Notify to the Procuring Agencies and the Concessionaire of the authorized representative of the Independent Expert. Any communication, advice, decision, instruction, direction and/or award of the Independent Expert shall only be valid and effective if signed by such authorized representative on behalf of the Independent Expert, provided, that the Independent Expert may, by a Notice in writing to the Concessionaire and the Procuring Agencies, substitute the authorized representative.
- 2A.1.12. The Concessionaire agrees to ensure (by way of including the necessary provisions in the Independent Expert Contract or otherwise) that the Independent Expert, while performing its functions (under this Agreement and the Independent Expert Contract) in accordance with good industry practice and in an independent manner, shall endeavour to co-ordinate and co-operate with the Independent Auditor for the benefit and long-term success and operation of the Project.

2A.2. INDEPENDENT AUDITOR

- 2A.2.1. Within three (3) days from the Effective Date, the Concessionaire shall provide the Steering Committee with a list of [•] ([•]) reputable firms of chartered accountants placed in the Category '[•]' of the State Bank of Pakistan Panel of Auditors for the appointment of the Independent Auditor (the **"IA List"**).
- 2A.2.2. Within three (3) days of the receipt by the Steering Committee of the IA List, the Steering Committee may select a reputed firm from the IA List and the Concessionaire and the Procuring Agencies shall appoint such firm as the Independent Auditor in terms of the Independent Auditor Contract.
- 2A.2.3. In the event the firms of auditors identified by the Concessionaire in the IA List are not acceptable to the Steering Committee, the Concessionaire and the Steering Committee shall appoint such firm as the Independent Auditor as is mutually acceptable to the Concessionaire and the Steering Committee. Such appointment shall be on the terms of the Independent Auditor Contract.
- 2A.2.4. The appointment of the Independent Auditor shall be for a period beginning from the execution of the Independent Auditor Contract and ending on the Performance End Date (the **"Independent Auditor Term"**).
- 2A.2.5. The appointment of the Independent Auditor may be terminated upon the occurrence of any of the following:
- (a) the Independent Auditor is: (i) adjudged insolvent and/or bankrupt; or (ii) winding up proceedings are filed against or by the Independent Auditor; or

- (iii) any action or malpractice and/or misadministration is filed against the Independent Auditor in a court of law;
 - (b) under such other circumstances as expressly set out in the Independent Auditor Contract; or
 - (c) by the Concessionaire and the Procuring Agencies with mutual consent.
- 2A.2.6. Upon occurrence of any of the events listed in Section 2A.2.5, the Concessionaire and the Procuring Agencies shall have the right to terminate the Independent Auditor Contract in accordance with the terms thereof and the Concessionaire and the Procuring Agencies shall appoint a new Independent Auditor in accordance with Section 2A.2.7 below.
- 2A.2.7. The Concessionaire and the Procuring Agencies shall replace the appointed Independent Auditor with another auditor firm selected by the Steering Committee from the IA List provided by the Concessionaire pursuant to Section 2A.2.1 above, provided, however, that the termination and/or replacement of the Independent Auditor shall not have effect till such time as the new Independent Auditor has been appointed. In the event the Steering Committee object to the appointment of any firm of auditors named in the IA List, then a firm of auditors shall be appointed as the new Independent Auditor, in accordance with Section 2A.2.3.
- 2A.2.8. The Concessionaire shall ensure that all provisions of this Agreement pertaining to the Independent Auditor and its responsibilities in respect of the matters set out herein, including but not limited to **Schedule I (Scope Of Work Of Independent Monitoring Parties)** are duly incorporated in the Independent Auditor Contract.
- 2A.2.9. The Concessionaire and the Procuring Agencies agree that any advice, decision, instruction, direction and/or award of the Independent Auditor on any matters which require any advice, decision, instruction, direction and/or award by the Independent Auditor under this Agreement shall be binding on the Concessionaire and the Procuring Agencies unless mutually agreed otherwise by the Concessionaire and the Procuring Agencies.
- 2A.2.10. The Concessionaire shall be responsible for the payment of the fees and expenses payable to the Independent Auditor pursuant to the Independent Auditor Contract. The Concessionaire shall make all payments required to be made to the Independent Auditor in a diligent and timely manner in accordance with the Independent Auditor Contract.
- 2A.2.11. The Concessionaire shall as part of the Independent Auditor Contract require the Independent Auditor to designate and Notify to the Steering Committee and the Concessionaire of the authorized representative of the Independent Auditor. Any communication, advice, decision, instruction, direction and/or award of the Independent Auditor shall only be valid and effective if signed by such authorized representative on behalf of the Independent Auditor, provided, that the Independent Auditor may, by a Notice in writing to the Steering Committee, and the Concessionaire, substitute the authorized representative.
- 2A.2.12. The Concessionaire agrees to ensure (by way of including the necessary provisions in the Independent Auditor Contract or otherwise) that the Independent Auditor, while performing its functions (under this Agreement and the Independent Auditor Contract) in accordance with good industry practice and in an independent manner, shall endeavour to co-ordinate and co-operate with the Independent Expert for the benefit and long-term success and operation of the Project.

3. THE PROCURING AGENCIES GENERAL OBLIGATION

3.1. GENERAL

3.1.1. The Procuring Agencies shall:

- (a) grant access and possession of the Covered Assets to the Concessionaire in accordance with this Agreement for purposes of the Project;
- (b) grant to the Concessionaire, the access and possession of the Buses free of any Encumbrances;
- (c) guarantee minimum forty-thousand (40,000) kilometres annually for each of the Buses during the Operating Period (the **“Guaranteed KMs”**) except for the reserved buses, if any;
- (d) provide reasonable assistance and ensure close coordination with the Concessionaire in obtaining any relevant consents that are required to be obtained in the Concessionaire’s name within Pakistan;
- (e) fulfil payment and other responsibilities and obligations under this Agreement in the manner and at the time necessary to meet Concessionaire’s schedule and the requirements of this Agreement;
- (f) provide the Dispatch Schedule and Headway Targets in accordance with Section 7.10 (*Dispatch Schedule and Headway Targets*).

3.2. PROCURING AGENCIES’ REPRESENTATIVE

3.2.1. As part of the Procuring Agencies’ performance of its obligations under this Agreement, during the Term, the Procuring Agencies shall designate for this Agreement one or more individual(s), each of whom shall function as the Procuring Agencies’ single point of contact (the **“Procuring Agencies’ Representative”**). The Procuring Agencies’ Representative shall serve as a contact point for the Concessionaire for matters pertaining to this Agreement.

3.2.2. The Procuring Agencies’ Representative shall carry out the duties assigned to it, and shall exercise the authority delegated to it, by the Procuring Agencies. Unless and until the Procuring Agencies notify the Concessionaire otherwise, the Procuring Agencies’ Representative shall be deemed to have the full authority of the Procuring Agencies under this Agreement, except in respect of Section 11.2 (*Termination for Concessionaire’s Default*) or any right to amend this Agreement. Notwithstanding the appointment of the Procuring Agencies’ Representative with power to monitor and supervise the progress of the Concessionaire, the Concessionaire shall remain fully responsible for its obligations under this Agreement and knowledge of the Procuring Agencies’ Representative of any activities of the Concessionaire will not have the effect of absolving the Concessionaire of its obligations or liabilities under this Agreement.

- 3.2.3. The Procuring Agencies may also utilize other Procuring Agencies' personnel and performance support methods in connection with performance of this Agreement including with respect to any approval functions of the Procuring Agencies under this Agreement and for such purposes the Procuring Agencies' personnel shall be deemed to be acting as a Procuring Agencies' Representative.
- 3.2.4. The Procuring Agencies' Representative may change from time to time during the Term of this Agreement, provided that the Procuring Agencies shall have an individual at all times serving such a role regardless of the specific individual or job title used and provided further that the Procuring Agencies shall provide prior written notice of any such changes.

3.3. PROCURING AGENCIES' INSTRUCTIONS

- 3.3.1 The Concessionaire shall comply with written instructions given by the Procuring Agencies and/or the Procuring Agencies' Representative, from time to time in relation to the performance of the Concessionaire's Obligations under this Agreement (the "**Procuring Agencies' Instructions**"). The manner for implementation of the Procuring Agencies' Instructions will be determined by the Concessionaire following consultation with the Procuring Agencies' Representative, provided at all times, the Applicable Standards are complied with.

3.4. PROCURING AGENCIES' CLAIMS

- 3.4.1. Other than for Liquidated Damages payable in accordance with Section 2.6 (*Delay Liquidated Damages During Mobilization Period*) and/or Section 7.9 (*Performance Liquidated Damages During Operating Period*), if the Procuring Agencies consider themselves to be entitled to any payment (as certified by the Independent Expert and/or the Independent Auditor) under this Agreement, and/or to any extension of the Warranty Period and/or the extension (if any) of the relevant performance deadline in accordance with Section 18 (*Force Majeure*), the Procuring Agencies shall give notice and particulars to the Concessionaire pursuant to this Section 3.4 (*Procuring Agencies' Claims*).
- 3.4.2. The notice shall be given as soon as practicable after the Procuring Agencies become aware of the event or circumstances giving rise to the claim. A notice relating to any extension of the Warranty Period shall be given before the expiry of such period.
- 3.4.3. The particulars shall specify the Section or other basis of the claim and shall include substantiation of the amount and/or extension to which the Procuring Agencies' consider themselves to be entitled in connection with this Agreement. The Procuring Agencies' shall then proceed to determine, in accordance with Section 3.5 (*Determinations*) to agree or determine: (i) the amount (if any) which the Procuring Agencies are entitled to be paid by the Concessionaire; and/or (ii) the extension (if any) of the Warranty Period in accordance with Section 12 (*Warranty*); and/or (iii) the extension (if any) of the relevant performance deadline in accordance with Section 18 (*Force Majeure*).

- 3.4.4. The Concessionaire shall be obligated to pay the Procuring Agencies such amounts determined pursuant to this Section 3.4 (*Procuring Agencies' Claims*). The Procuring Agencies may also set off or deduct any amounts determined pursuant to this Section 3.4 (*Procuring Agencies' Claims*) from any moneys due, or to become due, to the Concessionaire and/or the Procuring Agencies shall be entitled to encash the Performance Security or to otherwise claim against the Concessionaire, in accordance with this Section 3.4 (*Procuring Agencies' Claims*).

3.5. DETERMINATIONS

- 3.5.1. Whenever this Agreement provides that the Procuring Agencies shall proceed in accordance with this Section 3.5 (*Determinations*) to agree or determine any matter, the Procuring Agencies shall consult with the Concessionaire in an endeavour to reach agreement. If agreement is not reached within a period of [•] days, the Procuring Agencies shall make a fair determination in accordance with this Agreement, taking due regard of all relevant circumstances.
- 3.5.2. The Procuring Agencies or the Procuring Agencies' Representative shall give notice to the Concessionaire of each agreement or determination, with supporting particulars. If the Concessionaire disagrees with such determination, the Concessionaire shall give notice, to the Procuring Agencies, of its dissatisfaction with a determination within [•] days of receiving it. Either Party may then refer the Dispute for dispute resolution in accordance with Section 21 (*Dispute Resolution*).

3.6. ORDER OF PRECEDENCE

- 3.6.1 The documents forming this Agreement are to be taken as mutually explanatory of one another. If there is an ambiguity, discrepancy or inconsistency between the documents forming part of this Agreement, the following order of precedence shall apply (the "**Order of Precedence**"):
- (a) any amendment or modification to this Agreement, made by both Parties after the Effective Date of this Agreement;
 - (b) this Agreement (excluding the Schedules, Exhibits and Annexures);
 - (c) the Schedules (together with their Exhibits and Annexures);
 - (d) the Bidding Documents.

4. THE CONCESSIONAIRE'S GENERAL OBLIGATIONS

4.1. THIS AGREEMENT

- 4.1.1. In consideration of the O&M Fees payable by the Procuring Agencies, the Concessionaire hereby agrees to undertake and perform and/or cause to be undertaken and performed, all the Concessionaire's Obligations, in accordance with and subject to the terms of this Agreement.

4.2. GENERAL OBLIGATIONS REGARDING O&M SERVICES

- 4.2.1. In consideration of the payments of the O&M Fees to be made by the Procuring Agencies to the Concessionaire under this Agreement, the Concessionaire hereby covenants with the Procuring Agencies to:
- (a) continuously, diligently perform and execute the O&M Services as per the Applicable Standards and any other manuals, policies, procedures and plans to be established pursuant to this Agreement (including the Applicable Standards);
 - (b) execute the O&M Services in a manner so that it does not result in a breach of any warranties in respect of the Buses; and
 - (c) ensure that the O&M Services are executed with due skill and care, in a proper, workmanlike manner with properly equipped facilities in accordance with recognized good practice and Applicable Standards.

4.3. OTHER OBLIGATIONS

- 4.3.1. Any data or information received by the Concessionaire, from the Procuring Agencies or otherwise, shall not relieve the Concessionaire from its responsibility for execution and performance of the Concessionaire's Obligations and shall not result in any increase in O&M Fees.
- 4.3.2. The Procuring Agencies shall not be responsible for any error, inaccuracy or omission of any kind in the Procuring Agencies' Requirements as originally included in this Agreement and shall not be deemed to have given any representation of accuracy or completeness of any data or information.
- 4.3.3. The Procuring Agencies' Requirements shall be deemed to include all specifications and requirements relating to the Concessionaire's Obligations that are necessary to satisfy the Procuring Agencies' Requirements, or implied by this Agreement or specifications which (although not mentioned in this Agreement) are necessary for stability or safe and proper Operations and Maintenance of the Buses, and the Covered Assets and to ensure that the Concessionaire's Obligations meet the Applicable Standards.
- 4.3.4. The Concessionaire shall be responsible for the adequacy, stability, safety and performance of the Concessionaire's Obligations.

- 4.3.5. The Concessionaire shall, whenever required by the Procuring Agencies, submit details of the arrangements and methods which the Concessionaire proposes to adopt in carrying out the Concessionaire's Obligations. No significant alteration to these arrangements and methods shall be made without this having previously been Notified to the Procuring Agencies.
- 4.3.6. No review, non-objection, or approval by the Procuring Agencies of any agreement, document, instrument, plan, drawing, specification or design proposed by the Concessionaire (including the sub-supplier) shall relieve the Concessionaire from any liability that it would otherwise have had for its negligence or default in the preparation of such agreement, document, instrument, plan, drawing, specification or design or failure to comply with Applicable Standards or to satisfy the Concessionaire's Obligations under this Agreement, except as otherwise specified in this Agreement. The Procuring Agencies are not liable to the Concessionaire (including the sub-supplier) or any other person by reason of its review, non-objection, or approval of any agreement, document, instrument, plan, drawing, specification, or design, except as otherwise specified in this Agreement.
- 4.3.7. If the Concessionaire becomes aware of a conflict between the Applicable Standards and other requirements set out in this Agreement, then the Concessionaire shall promptly Notify the Procuring Agencies and the Parties shall discuss in good faith and agree the manner in which the Concessionaire should execute and perform the Concessionaire's Obligations, provided that the Procuring Agencies shall not be entitled to require the Concessionaire to act in breach of any Applicable Laws.

4.4. CONCESSIONAIRE'S REPRESENTATIVE

- 4.4.1. As part of the Concessionaire's performance of its obligations under this Agreement, during the Term, the Concessionaire shall designate one or more individual(s), each of whom shall function as the Concessionaire's single point of contact (the **"Concessionaire's Representative"**). The Concessionaire's Representative shall serve as a contact point to the Procuring Agencies for matters pertaining to this Agreement.
- 4.4.2. The Concessionaire's Representative may change from time to time during the Term, provided that the Concessionaire shall have an individual at all times serving such a role regardless of the specific individual or job title used. The Concessionaire shall not replace Concessionaire's Representative without prior intimation to the Procuring Agencies provided that prior to replacement of the outgoing Concessionaire's Representative, the Parties shall meet to address and minute any matters relating to the outgoing Concessionaire's Representative's activities in the Project.
- 4.4.3. The Concessionaire's Representative shall be an experienced and capable person and a full-time employee of the Concessionaire dedicated to directing the execution and performance of the Concessionaire's Obligations and shall be available at all times.

- 4.4.4. The Concessionaire shall be fully and solely responsible to the Procuring Agencies for any act, omission or error of the Concessionaire's Representative and other personnel as if they were an act, error or omission of the Concessionaire. The Concessionaire shall ensure that the Concessionaire's Representative provides copies to the Concessionaire of all communications given or received by it in accordance with this Agreement.

4.5. UNFORESEEABLE DIFFICULTIES

- 4.5.1. Except as otherwise stated in this Agreement:

- (a) the Concessionaire shall be deemed to have obtained all necessary information as to potential risks, contingencies and other circumstances which may influence or affect the Concessionaire's Obligations;
- (b) by signing this Agreement, the Concessionaire accepts total responsibility and risk for having foreseen all difficulties and costs of successfully completing the Concessionaire's Obligations; and
- (c) the O&M Fees shall not be adjusted to take account of any unforeseen difficulties or costs.

4.6. CHANGE IN COMPLETE CONTROL

- 4.6.1. The Concessionaire and the Bidder shall not undertake or permit any Change In Complete Control until the expiry of the Term, unless such Change In Complete Control:

- (a) is required by any Applicable Laws or by the operation of the Applicable Laws or by order of a court, tribunal or Government Authority with appropriate jurisdiction; or
- (b) is affected with the prior written approval of the Procuring Agencies (subject to the receipt of necessary consents, permits or approvals and otherwise complying with all requirements under the Applicable Laws and terms of any contracts, licences, permits etc., applicable to the Concessionaire).

4.7. NON-FARE REVENUE PLAN

- 4.7.1. The Concessionaire shall submit to the Procuring Agencies a detailed plan for the matter pertaining to the collection of Non-Fare Revenue during the Mobilization Period (the "**Non-Fare Revenue Plan**").

- 4.7.2. The Procuring Agencies shall Notify the Concessionaire, within [•] days of its receipt of the proposed Non-Fare Revenue Plan, whether it:

- (a) accepts or rejects such Non-Fare Revenue Plan; or

- (b) shall propose amendments to the same. In the event the Procuring Agencies propose amendments to the proposed Non-Fare Revenue Plan, the Parties shall meet (within [•] days of the Procuring Agencies' proposal of such amendments) to discuss such amendments and to mutually agree on the same.

4.7.3. The Non-Fare Revenue Plan:

- (a) submitted by the Concessionaire to the Procuring Agencies and approved by the Procuring Agencies in terms of Section 4.7.2(a) without any amendments; or
- (b) submitted by the Concessionaire to the Procuring Agencies, as amended as per the amendments proposed by the Procuring Agencies that are mutually agreed between the Parties in accordance with Section 4.7.2(b);

shall be strictly complied with by the Concessionaire for collection of Non-Fare Revenue and the Concessionaire shall be fully responsible for the implementation of the Non-Fare Revenue Plan.

4.7.4. Any alteration to the Non-Fare Revenue Plan shall only be made by the Concessionaire with the prior written approval to the Procuring Agencies.

4.7.5. The Concessionaire shall implement the Non-Fare Revenue Plan in accordance with mutual understanding between the Procuring Agencies and the Concessionaire.

4.7.6. The Non-Fare Revenue generated under this Agreement shall be shared between the Procuring Agencies and the Concessionaire in the ratio of 70:30, respectively, whereby the Procuring Agencies shall be entitled to receive the seventy percent (70%) and the Concessionaire shall be entitled to receive the thirty percent (30%) of the Non-Fare Revenue.

4.8. AGREEMENTS RELATING TO NON-FARE REVENUE

4.8.1. Any agreement entered into by the Concessionaire in relation to the collection of the Non-Fare Revenue in accordance with the Non-Fare Revenue Plan, or any amendment thereof shall be subject to the prior approval of the Procuring Agencies in respect of payment terms, scope of works and other technical matters to ensure, *inter alia*, conformity with the terms of the Non-Fare Revenue Plan (the “**Non-Fare Revenue Agreements**”).

4.8.2. All Non-Fare Revenue Agreements shall contain, in a form reasonably satisfactory to the Procuring Agencies, the following provisions:

- (a) an option to assign such Non-Fare Revenue Agreement in favour of the Procuring Agencies upon expiry or termination of this Agreement pursuant to Section 11 (*Default and Termination*), provided, however, such assignment will be at no cost to the Procuring Agencies; and

- (b) all payments to the Concessionaire in terms of the Non-Fare Revenue Agreements including any rent, deposits, advances, fee, charges, penalties etc., be deposited by the counter-party directly to the account designated by the Procuring Agencies.
- 4.8.3. The Concessionaire shall deliver copies of the proposed Non-Fare Revenue Agreements or any amendment thereof and the Procuring Agencies shall within [•] days communicate its approval or shall propose amendments to the same. In the event the Procuring Agencies propose amendments to the proposed Non-Fare Revenue Agreements, the Parties shall meet (within [•] days of the Procuring Agencies' proposal of such amendments) to discuss such amendments and to mutually agree on the same.
- 4.9. **NON-FARE REVENUE**
 - 4.9.1. All revenue generated from implementation of the Non-Fare Revenue Plan including all payable amounts under the Non-Fare Revenue Agreements (the “**Non-Fare Revenue**”) shall be distributable in such manner as agreed under Non-Fare Revenue Plan.

5. SUPPLY OBLIGATIONS

5.1. SUPPLY OF GOODS

- 5.1.1. The Goods including Spare Parts shall be procured by the Concessionaire in accordance with Applicable Standards. Quality of Spare Parts/materials procured must comply with Applicable Standards.

6. MAINTENANCE OF COVERED ASSETS

6.1. MAINTENANCE INSPECTION

- 6.1.1. The Independent Expert and the Procuring Agencies shall carry out inspections to determine whether the maintenance of the Covered Assets conform to the Applicable Standards. Such inspections shall be conducted at such time and frequency and in such manner as may be required by the Independent Expert and the Procuring Agencies.
- 6.1.2. If following the inspection, it is determined that the maintenance is not in accordance with the Applicable Standards (as determined by the Independent Expert) the Concessionaire shall be required to, within [•] days (or such other time period as agreed between the Parties), rectify the Defects & Deficiencies in the maintenance that are identified in the inspection until they conform to the Applicable Standards as verified by the Independent Expert.

6.2. TITLE TO BUSES AND COVERED ASSETS

- 6.2.1. Subject to the rights granted to the Concessionaire pursuant to this Agreement, the Procuring Agencies shall retain all rights and title to the Buses, and the Covered Assets throughout the Term. Subject to the terms of this Agreement, the Concessionaire has, and shall have, no title to, ownership interest in or lien over, the Covered Assets, or the Buses nor shall it create any Encumbrance with respect thereto.
- 6.2.2. Furthermore, to ensure that the Procuring Agencies retain all rights and title to the Buses, and the Covered Assets, following the Effective Date and as and when necessary, the Concessionaire shall execute such documents and other writings as the Procuring Agencies may reasonably require for conveying and assigning all the rights and title in the Buses, and the Covered Assets, including manufacturers' warranties in respect of any equipment and/or materials provided and/or installed by the Concessionaire at the Buses, and the Covered Assets, the right to receive outstanding insurance claims to the Procuring Agencies or its nominee.

7. O&M SERVICES

7.1. O&M PLAN

7.1.1. [•] days after you the Effective Date, the Concessionaire shall prepare and submit to the Procuring Agencies a detailed proposed operations, maintenance and management plan for the performance of the O&M Services for the Operating Period (the “**O&M Plan**”). The Concessionaire shall ensure that its proposed O&M Plan is consistent with the requirements of the Applicable Standards. The O&M Plan shall show all relevant information in relation to the anticipated performance of the O&M Services on a monthly basis during the Operating Period.

7.1.2. Within [•] days of its receipt of the O&M Plan by the Procuring Agencies, the Procuring Agencies may either: (a) accept such O&M Plan; or (b) propose amendments to the same. In the event the Procuring Agencies propose amendments to the proposed O&M Plan, the Parties shall meet (within [•] days of the Procuring Agencies’ proposal of such amendments) to discuss such amendments and to mutually agree on the same.

7.1.3. The O&M Plan:

- (a) submitted by the Concessionaire to the Procuring Agencies and approved by the Procuring Agencies in terms of Section 7.1.2(a) without any amendments; or
- (b) submitted by the Concessionaire to the Procuring Agencies, as amended by the amendments proposed by the Procuring Agencies that are mutually agreed between the Parties in accordance with Section 7.1.2(b);

shall be strictly complied with by the Concessionaire for the performance of the O&M Services and the Concessionaire shall commence and proceed with the implementation of the respective O&M Plan in accordance therewith.

7.1.4. Any alteration to the O&M Plan shall only be made by the Concessionaire with the prior written approval of the Procuring Agencies.

7.2. O&M PERSONNEL REQUIREMENTS

7.2.1. The Concessionaire shall ensure that adequate O&M Personnel (having the appropriate qualifications and training) are available during the Term for the execution of the Concessionaire’s Obligations.

7.2.2. The Concessionaire shall be responsible for any salary, wage or stipend payable to its O&M Personnel as per this Agreement and shall observe the Applicable Standards.

7.3. RESPONSIBILITY FOR THE PERSONNEL & COVERED ASSETS

- 7.3.1. The Concessionaire shall be responsible for its O&M Personnel's health and safety requirements for the Concessionaire's Obligations performed by Concessionaire under this Agreement and shall ensure observance of requirements under the Applicable Standards.

7.4. EMERGENCIES

- 7.4.1. In the event of an Emergency, the Concessionaire shall take such action as it reasonably considers necessary or desirable, acting in accordance with prudent industry practices to prevent to minimise injury, damage or Loss, and shall promptly report to the Procuring Agencies, in writing, the nature of the Emergency and the action taken by the Concessionaire in response thereto and the Loss or damage caused. The Concessionaire may procure such Spare Parts and services as are reasonably required, acting in accordance with prudent industry practices, in the circumstances to overcome any Emergency and, where such Emergency is not due to the Concessionaire, is not covered under Warranty (such as parts failure etc.), and also not mitigated by Project Insurance Policies that should have covered the loss, then:

- (a) the Concessionaire shall use all reasonable endeavours to obtain the required services and/or Spare Parts at the reasonable price;
- (b) provided, however, where the Emergency is caused due to the Concessionaire, then any Costs (less any insurance proceeds received by the Concessionaire in this regard under the Project Insurance Policies obtained by the Concessionaire) shall be to the account of the Concessionaire.

- 7.4.2. Unless the O&M Services are suspended by the Procuring Agencies under Section 7.17 (*Suspension of O&M Services by the Procuring Agencies*), the Concessionaire shall, during an Emergency, operate the Buses, and the Covered Assets within the Applicable Standards including Operations of the Buses in accordance with the Dispatch Schedule and Headway Targets. If an Emergency occurs or is in existence while the Buses and/or the Covered Assets are undergoing or is about to commence a Planned Maintenance, the Concessionaire shall make all reasonable efforts to reschedule the Planned Maintenance or, if the Planned Maintenance has begun, expedite the completion of the work to restore Operations as soon as possible.

7.5. PROCURING AGENCIES AUTHORITY MATTERS

- 7.5.1. The Concessionaire shall be required to obtain written approval of the Procuring Agencies prior to taking any action in relation to the following matters (the **"Procuring Agencies Authority Matters"**):
- (a) any alteration to the O&M Plan under Section 7.1.4;
 - (b) approve the Concessionaire's Representative in accordance with Section 4.5 (*Concessionaire's Representative*);

- (c) any alteration to the Dispatch Schedule and Headway Targets and/or the Dispatch Schedule and Headway Targets Change under Section 7.10 (*Dispatch Schedule and Headway Targets*) and Section 7.11 (*Dispatch Schedule*);
- (d) determine whether a replacement Bus is required to be provided in accordance with this Agreement;
- (e) any alteration to the Non-Fare Revenue Plan under Section 4.8.4;
- (f) claiming any warranty in respect of the Buses in accordance with Section 12 (*Warranty*).

7.5.2. Within [•] days of receipt, the Procuring Agencies shall consider the Concessionaire's request for the Procuring Agencies' written approval in relation to any of the Procuring Agencies Authority Matters (the "**Concessionaire's Approval Request**") and shall either:

- (a) approve the Concessionaire's Approval Request; or
- (b) reject the Concessionaire's Approval Request and convey its comments/observations to the Concessionaire.

The Concessionaire shall (at its own cost and expense) re-submit the revised Concessionaire's Approval Request no later than [•] days from receipt of the rejection and/or comments/observations under Section 7.5.2(b) above, and the approval process under this Section 7.5.2 shall be repeated.

7.6. OPERATING RECORDS

7.6.1. The Concessionaire shall Maintain full, complete and accurate records concerning the performance of all O&M Services (as mutually agreed between the Parties) and the provision of equipment, labour employed in respect of performance under this Agreement. Upon request of the Procuring Agencies, the Concessionaire shall provide the Procuring Agencies and/or the Procuring Agencies' Representatives with access to review on [•] hours' prior notice and/or a copy of such records promptly and no later than [•] days.

7.7. INSPECTION

7.7.1. During the Operating Period, the Concessionaire hereby gives the Procuring Agencies, the Procuring Agencies' Representative, the Independent Expert and the Independent Auditor, full opportunity and access to inspect and examine the books, records, management system including inspection of the Buses, and the Covered Assets and the O&M Services being provided by the Concessionaire. Inspection will be carried out by the Procuring Agencies and/or the Independent Expert and/or the Independent Auditor, as and when deemed necessary by the Procuring Agencies during the Operating Period.

7.8. KEY PERFORMANCE INDICATORS

- 7.8.1. The Concessionaire hereby guarantees that it will comply with the Key Performance Indicators during the Operating Period.
- 7.8.2. The Key Performance Indicators may be reviewed, if required, periodically with the mutual consent of the Parties.
- 7.8.3. The performance by the Concessionaire of its obligations under the Agreement, including compliance with Key Performance Indicators, will be monitored, measured and evaluated by the Procuring Agencies, the Independent Expert and the Independent Auditor. Any discrepancies or non-compliances identified by the Procuring Agencies and/or the Independent Expert and/or the Independent Auditor, if any, will be reported to the Concessionaire for corrective action in accordance with Section 7.8.4.
- 7.8.4. In the event of any discrepancy or non-compliance with respect to the Key Performance Indicators, the Concessionaire will be required within [•] days or such additional time period as Notified by the Procuring Agencies, or immediately in case of matters identified as urgent by the Procuring Agencies and/or the Independent Expert and/or the Independent Auditor, to provide assurance, to the satisfaction of the Procuring Agencies and the Independent Expert and the Independent Auditor, that the Concessionaire: (a) is acting in compliance with the Key Performance Indicators (along with supporting evidence); or (b) shall take all necessary actions to cure any discrepancy or non-compliance with Key Performance Indicators, to mitigate and prevent similar discrepancies or non-compliances arising in the future and at all times be compliant with the Key Performance Indicators.
- 7.8.5. Any corrective measures taken by the management of the Concessionaire in accordance with Section 7.8.4 will be immediately reported to the Procuring Agencies and the Independent Expert and the Independent Auditor. Thereafter, the Procuring Agencies and/or the Independent Expert and/or the Independent Auditor may in accordance with Section 7.8.4 undertake an audit to evaluate and report on status of achievement of Key Performance Indicators.

7.9. PERFORMANCE LIQUIDATED DAMAGES DURING OPERATING PERIOD

- 7.9.1. If: (a) the Concessionaire fails to comply with any provision of this Agreement; or (b) any event or circumstance occurs that would give Procuring Agencies a termination right under Section 11.2 (*Termination for Concessionaire's Default*); or (c) the Concessionaire fails to comply with the Key Performance Indicators (each a “**Non-Compliance**”) and if the Concessionaire does not cure such Non-Compliance within [•] days or any other cure period Notified by the Procuring Agencies or prescribed under this Agreement, the Procuring Agencies may at their sole discretion deduct from sums payable under the Invoices, as Performance Liquidated Damages, in the event of occurrence of a Non-Compliance under Section 7.9.1, an amount described and calculated in accordance with **Schedule C (Key Performance Indicators)**. The Performance Liquidated Damages payable shall be calculated for each month during Operating Period in which that Non-Compliance has occurred or continued

for one or more days and deduct the accrued Performance Liquidated Damages from sums payable under the Invoices up to the Performance Liquidated Damages Cap.

- 7.9.2. In the event that the Performance Liquidated Damages (by way of calculation) exceed the Performance Liquidated Damages Cap, the Procuring Agencies shall have the option (to be exercised at their sole and absolute discretion) to terminate this Agreement in accordance with Section 11 (*Default and Termination*) and pursue its remedies set out herein and/or encash the Performance Security.
- 7.9.3. The Performance Liquidated Damages specified in Section 7.9.1 have been calculated by the Parties as representing the actual daily loss to the Procuring Agencies as a result of any Non-Compliance and are not a penalty. Given the nature of the O&M Services to be performed by the Concessionaire, it is entirely possible to calculate the actual loss suffered by the Procuring Agencies and the stated Performance Liquidated Damages in Section 7.9.1 and **Schedule C (Key Performance Indicators)** reflect such calculation. The Concessionaire agrees and acknowledges that the Performance Liquidated Damages are a reflection of actual loss suffered by the Procuring Agencies.

7.10. DISPATCH SCHEDULE AND HEADWAY TARGETS

- 7.10.1. The Procuring Agencies shall provide to the Concessionaire: (i) the initial Dispatch Schedule and Headway Targets, no later than [•] days prior to the Commencement Date and the subsequent Dispatch Schedule and Headway Targets, on a monthly basis no later than [•] days prior to the end of the calendar month for which it is intended to be implemented; and any change to the Dispatch Schedule and Headway Targets (the “**Dispatch Schedule and Headway Targets Change**”) no later than [•] days prior to any Dispatch Schedule and Headway Target coming into effect.
- 7.10.2. The Procuring Agencies shall ensure that the Dispatch Schedule and Headway Targets are issued throughout the Operating Period in accordance with this Agreement. In the event of any delay in the issuance of the Dispatch Schedule and Headway Targets for any month the Concessionaire shall be required to continue Operations in accordance with the last issued Dispatch Schedule and Headway Targets.
- 7.10.3. The Concessionaire shall be required to Operate the Buses in accordance with: (a) the Dispatch Schedule and Headway Targets; and (b) any Dispatch Schedule and Headway Targets Change, unless within [•] days of receipt the Concessionaire requests the Procuring Agencies for an alteration in the Dispatch Schedule and Headway Targets or the Dispatch Schedule and Headway Targets Change (as applicable). In its request, the Concessionaire shall:
- (a) identify if compliance would have any impact on the Concessionaire, the O&M Services, or compliance with Key Performance Indicators; and
 - (b) certify that notwithstanding the use of all prudent commercial endeavours, the Concessionaire would be unable to meet the timetabled journey times;

provided, however, any such alteration in the Dispatch Schedule and Headway Targets or the Dispatch Schedule and Headway Targets Change (as applicable) shall only be made with the prior written approval of the Procuring Agencies and Notified as per timelines set out in Section 7.10.1.

7.11. DISPATCH SCHEDULE

7.11.1. The Concessionaire shall within [•] days of receipt of: (a) the Dispatch Schedule and Headway Targets; and (b) any Dispatch Schedule and Headway Targets Change, prepare and submit to the Procuring Agencies, the details of the dispatch of specific Buses and O&M Personnel including Drivers assigned for the Operations (the “Dispatch Schedule”). Thereafter, the Operations and scheduling of the Buses by the Concessionaire shall correspond to the Dispatch Schedule.

7.11.2. The Procuring Agencies shall Notify the Concessionaire, within [•] days of its receipt of the proposed Dispatch Schedule, whether it: (a) accepts such Dispatch Schedule; or (b) shall propose amendments to the same. In the event the Procuring Agencies propose amendments to the proposed Dispatch Schedule, the Parties shall meet immediately to discuss such amendments and to mutually agree on the same (provided however, any alteration in the in the Dispatch Schedule and Headway Targets or the Dispatch Schedule and Headway Targets Change (as applicable) shall only be made with the prior approval of the Procuring Agencies). The Parties are required to complete the review process and finalise the Dispatch Schedule no later than [•] days prior to its coming into effect.

7.11.3. The Dispatch Schedule:

- (a) submitted by the Concessionaire to the Procuring Agencies and approved by the Procuring Agencies in terms of Section 7.11.2(a) without any amendments; or
- (b) submitted by the Concessionaire to the Procuring Agencies, as amended by the amendments proposed by the Procuring Agencies that are mutually agreed between the Parties in accordance with Section 7.11.2(b);

shall be strictly complied with by the Concessionaire and the Concessionaire shall commence and proceed with the implementation of the Dispatch Schedule in accordance therewith.

7.12. COMPLIANCE MONITORING

7.12.1. The Procuring Agencies, the Independent Expert and the Independent Auditor (if required) shall track performance of the Buses for compliance with the Dispatch Schedule, the Dispatch Schedule and Headway Targets and any Dispatch Schedule and Headway Targets Change and the Key Performance Indicators.

7.13. OPERATION AND MAINTENANCE

- 7.13.1. The Concessionaire shall ensure that: (a) the Buses, and the Covered Assets are Maintained at all times in a good, clean and orderly condition; and (b) all Planned Maintenance and Unplanned Maintenance is carried out in accordance with Applicable Standards.
- 7.13.2. The Concessionaire shall properly Operate and Maintain all the Buses, and the Covered Assets in accordance with the highest standards of care and prudence, in accordance with this Agreement and the Applicable Standard, and the service manuals (if any). The Concessionaire shall be responsible to utilize the best quality fuel as per the Applicable Standards, and the Procuring Agencies have the right to inspect the same in accordance with Section 7.7 (*Inspection*). The Concessionaire shall cause the Buses, and the Covered Assets to be operated only by qualified and experienced O&M Personnel. Furthermore, the Concessionaire shall (as part of the O&M Services) be responsible for: (a) timely execution of all repairs and provision of replacement parts for the Buses, and the Covered Assets; (b) all scheduled overhauls of the Buses, and the Covered Assets; and (c) maintenance of complete records of the O&M Services carried out in relation to the Buses, and the Covered Assets.

7.14. TRAINING AND SUPPLY OF GOODS

- 7.14.1. During the Term, the Concessionaire shall provide or cause to be provided training for Drivers and maintenance supervision as detailed in **Schedule A (*Concessionaire's Scope of Work*)**, provided, that the Concessionaire shall continue to remain responsible for performance of all O&M Services including Maintenance of the Buses, and the Covered Assets and training of O&M Personnel as detailed in **Schedule A (*Concessionaire's Scope of Work*)**.
- 7.14.2. Within [•] days (or such other number of days agreed between the Parties) from use of any Spare Parts under the Goods by the Concessionaire in respect of: (i) the Planned Maintenance and/or ordinary wear and tear; (ii) the Unplanned Maintenance; and (iii) remedying of any Defect or Deficiencies or damage due to such Defect or Deficiencies, the Concessionaire shall replenish such Spare Parts under the Goods used and consumed until the Performance End Date. The Concessionaire shall replenish and deliver such Spare Parts used at its own cost and expense.
- 7.14.3. The Concessionaire shall have care, custody and control of, and shall bear the risk of physical loss and/or damage with respect to the Spare Parts under the Goods until the Performance End Date.
- 7.14.4. Any warranty claims from the sub-supplier's warranty during the Term shall be made through the Procuring Agencies. Determination of whether any Defect or Deficiency during the Term is to be repaired and/or replaced: (a) by the Concessionaire as part of its O&M Services; or (b) through making a claim from sub-supplier under the manufacturer's warranty, shall be a Procuring Agencies Authority Matter approved in accordance with Section 7.5 (*Procuring Agencies Authority Matters*).

7.15. PLANNED MAINTENANCE

7.15.1. The Concessionaire shall in planning and carrying out the Planned Maintenance, ensure that such Planned Maintenance:

- (a) is (to the extent possible) without any interruption in the execution of the O&M Services and operation of the Buses, and the Covered Assets as per the Dispatch Schedule and Headway Targets and the Dispatch Schedule; and
- (b) does not result in any Non-Compliance with the Key Performance Indicators.

7.16. UNPLANNED MAINTENANCE

7.16.1. If, at any time during the Term, the Concessionaire is unable to provide any of the O&M Services on account of an Unplanned Maintenance it shall immediately Notify the Procuring Agencies specifying the reasons for such Unplanned Maintenance and time required to complete the Unplanned Maintenance.

7.16.2. Thereafter, the Independent Expert shall at its sole discretion decide, following inspection (if necessary), whether the Unplanned Maintenance is due to the act, omission, wilful misconduct, negligence or breach under this Agreement of the Concessionaire.

7.16.3. If the Independent Expert determines that the Unplanned Maintenance is:

- (a) attributable to the Concessionaire, then the Procuring Agencies may, at their sole discretion: (i) impose Performance Liquidated Damages under Section 7.9 (*Performance Liquidated Damages During Operating Period*); or (ii) terminate this Agreement in accordance with Section 11 (*Default and Termination*). If the Unplanned Maintenance is determined to be attributable to the Concessionaire, the Concessionaire shall bear the full cost for the same; or
- (b) not attributable to the Concessionaire, then Concessionaire shall be entitled to submit its claim for extensions in any timelines hereunder. The Procuring Agencies shall then proceed in accordance with Section 3.5 (*Determinations*) to agree or determine any extensions in timelines (if any) which the Concessionaire is entitled.

7.17. SUSPENSION OF O&M SERVICES BY PROCURING AGENCIES

7.17.1. The Concessionaire shall upon receipt of a notice from the Procuring Agencies, suspend the O&M Services or any part thereof for such time or times and in such manner as the Procuring Agencies may consider necessary, and shall during such suspension properly protect and secure the Buses, and the Covered Assets against any deterioration, loss and damage.

7.17.2. The Concessionaire shall recommence the O&M Services upon receipt of written notice from the Procuring Agencies provided that during any period of suspension,

the Procuring Agencies shall keep the Concessionaire advised as to the likelihood of its requiring the Concessionaire to recommence the O&M Services and shall give the Concessionaire reasonable notice of recommencement (taking into account the extent of training, re-training and mobilization likely to be required by the Concessionaire prior to recommencement of O&M Services including Operations of the Buses, and the Covered Assets).

7.17.3. During any period of suspension (except to the extent such suspension is caused by the act or omission of the Concessionaire) the Concessionaire shall be entitled to receive the payments for the Operating Period at actual-Cost incurred basis, as examined and recommended by the Independent Expert and the Independent Auditor, during which suspension occurs. The Procuring Agencies waive any and all right or claim to Performance Liquidated Damages for Non-Compliance with any Key Performance Indicators during and as result of any period of suspension (except to the extent such suspension is caused by the act or omission of the Concessionaire).

7.17.4. If suspension under this Section 7.17 (*Suspension Of O&M Services By Procuring Agencies*):

- (a) has continued for more than [•] days in aggregate; and
- (b) relate to the suspension of the entire O&M Services or result in the suspension of entire outstanding O&M Services; and
- (c) is not due to a cause or reason attributable to the Concessionaire;

then, the Concessionaire may by Notice to the Procuring Agencies' Representative require permission to proceed within [•] days. If permission is not granted within the aforementioned [•] days' time period, the Concessionaire will be entitled to terminate this Agreement under Section 11.1 (*Termination for Procuring Agencies' Default*).

7.18. COLLECTION OF REVENUE

7.18.1. During the Operating Period, the Concessionaire shall be authorized to demand and collect the Revenue from the passengers on the Buses or the customers, as per the requirements specified in **Schedule A (Concessionaire's Scope of Work)**. All Revenue collected shall be, in the event of: (a) collection vide an electronic and/or manual fare collection mechanism (including electronic and / or manual), be deposited directly into the Escrow Account designated by the Procuring Agencies; and (b) cash collection, such sums, be deposited within [•] day of receipt/collection in the Escrow Account designated by the Procuring Agencies. In no circumstances will the Concessionaire be permitted to deposit or retain the Revenue in any account other than the Escrow Account designated by the Procuring Agencies, provided that, in the event the Escrow Account is not designated, all the payments shall be made by the BPPPA directly.

- 7.18.2. During the Operating Period, the Concessionaire shall, no later than [•] days after the end of each calendar month in the Operating Period, furnish to the Procuring Agencies, the Independent Expert and the Independent Auditor, a report stating in reasonable detail the status of the Revenue collected from the Project during the month and shall promptly give such other relevant information as may be required by the Procuring Agencies, the Independent Expert and/or the Independent Auditor.

7.19. INSURANCES

- 7.19.1. The Concessionaire shall obtain and maintain at its own cost and expense the Project Insurance Policies set out in **Schedule E (*Insurance*)** in accordance with the requirements set out therein.

7.20. ACCESS TO BUSES, AND COVERED ASSETS

- 7.20.1. The Procuring Agencies shall handover (free of Encumbrances) physical possession of the Covered Assets being licensed to the Concessionaire for the O&M Services within the Mobilization Period. Further, the Procuring Agencies shall handover (free of Encumbrances) the Buses within the Mobilization Period. However, the Concessionaire shall have a right to access to the Covered Assets to carry out Concessionaire's Obligation from the Effective Date.
- 7.20.2. The grant of license for the Term and right to use the Buses, and the Covered Assets, in respect of performance of the Concessionaire's Obligations (including performance of Mobilization Period Requirements), by the Procuring Agencies to the Concessionaire shall always be subject to the right of access of the Procuring Agencies, the Procuring Agencies' Representatives, the Independent Expert and the Independent Auditor.

7.21. TRANSFER

- 7.21.1. On the expiry of the Term, the possession of the Buses, and the Covered Assets shall be transferred to the Procuring Agencies in a good working condition and as per the terms of the Term Expiry Criteria, free from Defects and Deficiencies including Serial Defects.
- 7.21.2. The Concessionaire shall bear and pay all costs and expenses, to be incurred in connection with the transfer under Section 7.21.1 in accordance with the terms of the Term Expiry Criteria and in case of the Concessionaire's failure to do so, the Concessionaire agrees to indemnify and hold the Procuring Agencies harmless against all penalties, damages, losses, costs, charges and expenses resulting from such failure and the Procuring Agencies shall be entitled to set-off such costs from any sums due to the Concessionaire by the Procuring Agencies under this Agreement.

7.22. SECURITY

- 7.22.1 The Concessionaire shall employ at its own cost such security personnel as may be necessary throughout the Term to safeguard the Buses during all hours.

8. O&M FEES AND OTHER PAYMENT TERMS

8.1. O&M FEES

Subject to Section 8.1.1 (*Invoicing and Payment*), in consideration of the Concessionaire's Obligations including the O&M Services performed by the Concessionaire during the Operating Period, the Procuring Agencies shall pay the Concessionaire the O&M Fee.

8.1.1. INVOICING AND PAYMENT

8.1.1.1 The Concessionaire will submit monthly invoices for the O&M Fee by the [•] day of each following month during the Operating Period for the preceding month (the "**Invoice**") which shall then be verified by the Independent Expert and the Independent Auditor. All Invoices will be in the name of the Procuring Agencies who will solely be responsible for payment to the Concessionaire of the Payable Amounts.

8.1.1.2 No payments will be made by the Procuring Agencies without submission of an Invoice in terms of Section 8.1.1.1.

8.1.1.3 The O&M Fees to be paid by the Procuring Agencies hereunder shall be subject to the following:

Actual kilometer travelled per Bus x Per KM Charge (subject to Per KM Charge Adjustment if any in accordance with Schedule G (Price Indexation) less: (a) Fare Revenue; (b) any disputed amounts; (c) any deductions on account of tax; (d) any Liquidated Damages; (e) any other amounts to be adjusted and/or due from the Concessionaire under this Agreement.

8.1.1.4 All due and payable amounts (subject to any deductions in accordance with Section 8.1.1.3) of the O&M Fees set out in the Invoice (the "**Payable Amount**"), shall within [•] days of the Procuring Agencies' receipt of the Invoice along with the Payment Certificate issued by the Independent Auditor, be paid to the Concessionaire by cheque (issued in the name of the Concessionaire) (the "**Payment Date**"). The Fare Revenue generated during that billing month shall also be released to the Concessionaire by the Payment Date. However, if the formalities (of the Independent Expert's and the Independent Auditor's verification and certification) are not completed by the Payment Date, then the Fare Revenue generated during that billing month shall be released to the Concessionaire immediately. The remaining balance of the due and payable amount of the billing month shall be disbursed with the following month's billing invoice subject to verification by the Procuring Agencies, the Independent Expert and the Independent Auditor.

8.1.1.5 Each payment being made by the Procuring Agencies to the Concessionaire shall be subject to the continued validity of the Performance Security in terms of this Agreement.

8.1.1.6 If the Procuring Agencies dispute any part of the invoiced amount, the Concessionaire shall re-submit to the Procuring Agencies a revised Invoice for the disputed amount taking into account objections raised. All disputed amounts shall become due and payable following resolution of the disputes.

8.2. CURRENCY OF PAYMENTS

8.2.1 All due and payable amounts under this Agreement shall be paid in Pakistani Rupees.

8.3. DISPUTED INVOICES

8.3.1. If the Procuring Agencies, on their own or on the recommendation of the Independent Expert and/or the Independent Auditor, dispute the whole or any part of any Invoice or supporting evidence issued by the Concessionaire, it shall immediately Notify the Concessionaire and the Concessionaire shall issue a credit note thereafter together with two (2) invoices, one in respect of the disputed amount and the second in respect of the amount not disputed. All disputed amounts shall become due and payable following resolution of the dispute.

8.3.2. The Procuring Agencies shall pay the invoice in respect of the amount which is not in dispute and shall be entitled to withhold the amount which is in dispute pending resolution of the dispute.

8.3.3. The Procuring Agencies and the Concessionaire shall use best efforts to resolve any dispute within [●] days of the dispute arising.

8.3.4. If the Parties fail to resolve the dispute within such [●] days, the matter shall be referred for dispute resolution in accordance with Section 21 (*Dispute Resolution*).

8.3.5. All payments under Section 8.1.1 (*Invoicing and Payment*) shall be subject to scrutiny by the Procuring Agencies, the Independent Expert and the Independent Auditor and in case of any error, discrepancy or deficiency in the Invoices the same will be Notified to the Concessionaire and thereafter be adjusted against the next Invoice.

8.4. PAYMENT OF DELAY LIQUIDATED DAMAGES

8.4.1. Any amounts payable as Delay Liquidated Damages in accordance with Section 2.6 (*Delay Liquidated Damages During Mobilization Period*), may be set-off and deducted from sums payable under the Invoices by the Procuring Agencies to the Concessionaire in accordance with Section 8.1.1.3 or recovered by encashing the Performance Security.

8.4.2. Notwithstanding encashment of the Performance Security, the Concessionaire shall continue to be responsible for performance of the Concessionaire's Obligations in accordance with this Agreement.

- 8.4.3. In case the Delay Liquidated Damages cannot be adjusted in terms of this Section 8.4 (*Payment of Delay Liquidated Damages*), the Concessionaire shall continue to be liable to pay such amounts within [•] days of receipt of an invoice for the same issued by the Procuring Agencies.

8.5. PAYMENT OF PERFORMANCE LIQUIDATED DAMAGES

- 8.5.1. Any amounts payable as Performance Liquidated Damages under Section 7.9 (*Performance Liquidated Damages During Operating Period*) may be set-off and deducted from sums payable under the Invoices by the Procuring Agencies to the Concessionaire in accordance with Section 8.1.1.3 or recovered by encashing the Performance Security.
- 8.5.2. Notwithstanding encashment of the Performance Security or set-off and deduction of Performance Liquidated Damages from amounts payable under Section 8.1.1.3, the Concessionaire shall continue to be responsible for performance of the Concessionaire's Obligations in accordance with this Agreement.
- 8.5.3. In case the Performance Liquidated Damages cannot be adjusted in terms of this Section 8.5 (*Payment of Performance Liquidated Damages*), the Concessionaire shall continue to be liable to pay such amounts within [•] days of receipt of an invoice for the same issued by the Procuring Agencies.

8.6. TAXES AND DUTIES

- 8.6.1. The O&M Fees includes the Concessionaire Taxes and the Concessionaire shall be responsible for, and shall pay directly, any and all Concessionaire Taxes.
- 8.6.2. The Procuring Agencies shall be responsible for and shall pay, all the Procuring Agencies Taxes, if any.
- 8.6.3. The Concessionaire shall at all times be required to seek and avail all exemptions or reduced rates of taxes, levies and duties, and the Procuring Agencies shall also retain the right to require the Concessionaire to seek and avail all such available exemptions in the knowledge of the Procuring Agencies from time to time, provided that the Procuring Agencies shall, on a best effort basis, facilitate the Concessionaire in procuring any tax exemptions (if permitted by the Applicable Laws) under this Section 8.6 (*Tax and Duties*).
- 8.6.4. The Concessionaire hereby agrees to indemnify, defend and hold the Procuring Agencies harmless from any and all taxes, liabilities, damages, costs, penalties, fines, expenses, fees (including attorney's fees) and charges of any nature associated with any non-compliance and violations by the Concessionaire of this Section 8.6 (*Taxes and Duties*) including the consequences of any failure to pay the Concessionaire's Taxes as required by all Applicable Laws, in relation to the Concessionaire's Obligations.

8.7. FUEL INDEXATION

- 8.7.1. During each month of an Operating Period, in the event the Actual Fuel Price: (a) increases from the Base Fuel Price, the Procuring Agencies shall pay fuel adjustment to the Concessionaire; or (b) reduces from the Base Fuel Price, the Procuring Agencies shall recover the amount of fuel adjustment from the Concessionaire, in accordance with **Schedule G (*Price Indexation*)**.

8.8. LUBRICANT PRICE INDEXATION

- 8.8.1. During each month of an Operating Period, in the event the Actual Lubricant Price: (a) increases from the Base Lubricant Price, the Procuring Agencies shall pay adjustment to the Concessionaire; or (b) reduces from the Base Lubricant Price, the Procuring Agencies shall recover the amount of adjustment from the Concessionaire, in accordance with **Schedule G (*Price Indexation*)**.

8.9. MAINTENANCE PRICE INDEXATION

- 8.9.1 As the time period specified in **Schedule G (*Price indexation*)** of an Operating Period, in the event the Actual Maintenance Price: (a) increases from the Base Maintenance Price, the Procuring Agencies shall pay adjustment to the Concessionaire; or (b) reduces from the Base Maintenance Price, the Procuring Agencies shall recover the amount of adjustment from the Concessionaire, in accordance with **Schedule G (*Price Indexation*)**.

9. CONCESSIONAIRE SECURITIES

9.1 PERFORMANCE SECURITY

- 9.1.1. Within [•] days of the Effective Date, the Concessionaire has delivered to the Procuring Agencies, the Performance Security, in the amount of [•]. The Performance Security shall be encashable in accordance with the terms thereof and shall be payable on the Procuring Agencies' first written demand without any prior notice, reference or recourse to the Concessionaire for encashment.
- 9.1.2. The Performance Security shall be valid for [•] months following its issuance (the "**Performance Security Expiry Date**"). [•] days prior to the Performance Security Expiry Date, the Concessionaire shall extend the validity of each Performance Security for a further period of [•] months which shall then be maintained until the date falling [•] days after the Procuring Agencies' issuance of the Release Certificate.
- 9.1.3. In the event of failure by the Concessionaire to keep valid, extend the validity of Performance Security in accordance with this Section 9.1 (*Performance Security*), the Procuring Agencies shall have the right to encash the Performance Security to its full outstanding value, provided, however, when the Procuring Agencies have encashed the Performance Security in terms of this Section 9.1.3, the Procuring Agencies shall refund the encashed proceeds to the Concessionaire upon the Concessionaire establishing and furnishing to the Procuring Agencies a new Performance Security in accordance with Section 9.1 (*Performance Security*).
- 9.1.4. The Procuring Agencies may make a demand under the Performance Security in the event of:
- (a) failure by the Concessionaire to keep the Performance Security valid or extend the validity of the Performance Security as described in Section 9.1.3 above, in which event the Procuring Agencies may claim the full amount of the Performance Security;
 - (b) failure by the Concessionaire to pay the Procuring Agencies an amount due including any Liquidated Damages or determined under Section 21 (*Dispute Resolution*), within [•] days after such agreement or determination;
 - (c) material breach by the Concessionaire of any Concessionaire's Obligations which remains unremedied for a period of [•] days from the date of the Notice of such material breach;
 - (d) circumstances which entitle the Procuring Agencies to termination under Section 11.2 (*Termination for Concessionaire's Default*), irrespective of whether Notice of termination has been given;
 - (e) any claims that the Procuring Agencies may have up to the Performance End Date;

- (f) failure by the Concessionaire to remedy a Defect or Deficiency (subject to any grace period permitted by the Procuring Agencies or otherwise specified in this Agreement) after receiving the Procuring Agencies' Notice requiring the Defect or Deficiency to be remedied (provided that such default is capable of remedy); and/or
- (g) any other event, circumstance or provision stated under this Agreement which entitles the Procuring Agencies to make a demand under the Performance Security.

9.1.5. The Procuring Agencies shall return the Performance Security to the Concessionaire within [•] days after the Performance End Date, provided that, no event is subsisting that entitles the Procuring Agencies to make a demand under the Performance Security nor are there any outstanding claims by the Procuring Agencies under the Performance Security.

9.1.6. Where, at any time subsequent to the issuance of the Performance Security, the Performance Security issuing bank (as specified in the definition of Performance Security above) or the Performance Security fails to meet the Minimum Credit Rating, then, upon the instructions of the Procuring Agencies, the Concessionaire shall within [•] days of receipt of such instructions from the Procuring Agencies, procure from a bank or financial institution, which meets the Minimum Credit Rating, a substitute Performance Security for the amount prevailing as of that date. Upon receipt of such substitute Performance Security in the form and substance satisfactory to the Procuring Agencies, the Procuring Agencies shall return the earlier issued Performance Security to the Concessionaire.

10. TERM EXPIRY CRITERIA

10.1 FULFILMENT OF TERM EXPIRY CRITERIA

10.1.1 The Concessionaire's Obligations relating to the Operating Period shall expire when the Concessionaire has fulfilled the Term Expiry Criteria as set out in **Schedule D (Term Expiry Criteria)**.

10.1.2 The Concessionaire shall Notify the Procuring Agencies, when each of the Term Expiry Criteria have been met and the Procuring Agencies shall within [•] days of receipt of the Concessionaire's afore-stated Notification, either:

- (a) upon verification of each of the Term Expiry Criteria having been met, confirm the same; or
- (b) in case of failure to meet the Term Expiry Criteria's work required or to be performed, or obligation required to be fulfilled, the Concessionaire shall be requested to complete the said work or fulfil such obligation, at no cost to the Procuring Agencies, before issuing a further Notice under this Section.

11. DEFAULT AND TERMINATION

11.1. TERMINATION FOR PROCURING AGENCIES' DEFAULT

11.1.1. The Concessionaire may terminate this Agreement in the following circumstances by giving Notice of termination on expiry of the period specified in this Section 11.1.1 and its reason for termination:

- (a) if the Procuring Agencies have failed to make due payments as per the terms of this Agreement excluding any: (i) disputed amounts; and (ii) deductions that the Procuring Agencies are entitled to make under this Agreement, provided, however, the right to terminate for Procuring Agencies' payment default only arises where: (A) the Concessionaire has complied with the requirements and the payment terms as prescribed under this Agreement; and (B) the due and payable sums remain unpaid for [•] days after receipt of Notice of non-payment by the Concessionaire to the Procuring Agencies, which Notice will be a precondition for termination; or
- (b) if the Procuring Agencies commit a material breach of this Agreement that has a material adverse effect on the Concessionaire's ability to perform its obligations under this Agreement and fails to remedy the same within [•] days, after Notice from the Concessionaire to the Procuring Agencies stating such material default or material breach; or
- (c) prolonged suspension of O&M Services under Section 7.17.4.

11.2. TERMINATION FOR CONCESSIONAIRE'S DEFAULT

11.2.1. The Procuring Agencies may terminate this Agreement in the following circumstances by giving [•] days' Notice of termination, or any other notice period specified otherwise in this Section 11.2.1 or Notified by the Procuring Agencies, to the Concessionaire and referring to this Section 11.2.1 and its reason for termination:

- (a) the Concessionaire subcontracts the Concessionaire's Obligations (except as permitted hereunder) or assigns this Agreement without approval or consent of the Procuring Agencies;
- (b) the Concessionaire voluntarily abandons the Project and/or the Buses and/or the Covered Assets or repudiates this Agreement or the Concessionaire loses the relevant approvals, licenses and permits required to execute the Concessionaire's Obligations and fails to remedy the same within [•] days of occurrence;
- (c) if the Concessionaire commits a material breach of this Agreement and fails to remedy the same within [•] days or such additional period as may be agreed by the Procuring Agencies, after Notice from the Procuring Agencies to the Concessionaire stating such material default or material breach;

- (d) the O&M Services provided by the Concessionaire fail to meet the Key Performance Indicators and/or the Applicable Standards;
- (e) a final judgment against the Concessionaire in excess of the equivalent of PKR [●] remains unsatisfied for more than [●] days (unless a bond is filed or other steps are taken to effectively stay enforcement of such judgment), or a levy is issued or attachment is made on all or any part of the Concessionaire and such levy or attachment is not discharged or the property is not redeemed within [●] days after such levy or attachment;
- (f) if the Concessionaire fails to furnish, keep valid and maintain in full effect the Performance Security in accordance with this Agreement;
- (g) the: (a) Delay Liquidated Damages Cap; or (b) Performance Liquidated Damages Cap has been exceeded (by way of calculation);
- (h) if: (A) the Concessionaire fails to perform any or all of the supply obligations under this Agreement; (B) the Concessionaire fails to procure any or all of the Goods; or (C) the Commencement Date is not achieved within [●] days from the expiry of the Scheduled Commencement Date;

11.2.2. The Procuring Agencies may terminate this Agreement immediately by Notice to the Concessionaire and without any opportunity to cure if:

- (a) the Concessionaire becomes bankrupt or insolvent, or has a receiving order issued against it, or compounds with its creditors, or, being a corporation, a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction) or a receiver is appointed over any part of its undertaking or assets, or if the Concessionaire takes or suffers any other analogous action in consequence of debt; or
- (b) any statement, representation or warranty set out in Section 14 (*Representations and Warranties*) proves to be incorrect, in any material respect, when made or when reaffirmed and such incorrect statement, representation or warranty having a material adverse effect on the Concessionaire's ability to perform its obligations under this Agreement and/or ensure that the Concessionaire performs its obligations under this Agreement or having a material adverse effect on the rights or obligations of the Procuring Agencies under this Agreement; or
- (c) any willful misstatement or willful misrepresentation (not set out in Section 14 (*Representations and Warranties*)) made by the Concessionaire which has a material adverse effect on the performance of the Concessionaire's Obligations by the Concessionaire under this Agreement; or
- (d) the Concessionaire is found to be engaged in corrupt or fraudulent practices in executing its obligations under this Agreement as decided by the order of the court of competent jurisdiction; or

- (e) the Concessionaire creates any Encumbrance on the Buses and/or the Covered Assets; or
- (f) the Concessionaire or any of its representatives become blacklisted by the GoP, any provincial or local government, or a corporation, company, institution, corporate body, local body, local authority, agency or organization set up or controlled (directly or indirectly) by the GoP and/or GoB.

11.3. OBLIGATIONS PRIOR TO EXPIRY OR TERMINATION

11.3.1. Termination or expiration of this Agreement shall not relieve the Concessionaire of any obligation arising under this Agreement or in respect of Concessionaire's Obligations completed prior to expiry or termination of this Agreement.

11.4. ACTIONS TO BE TAKEN UPON EXPIRY OR TERMINATION

11.4.1. On the date of expiration or termination of this Agreement, the Concessionaire shall, at the Procuring Agencies' request, provide the following services relative to the Concessionaire's Obligations so affected:

- (a) deliver actual possession of the Buses and the Covered Assets, free and clear of all Encumbrances;
- (b) cease all further performance of the Concessionaire's Obligations, except such Concessionaire's Obligations as the Procuring Agencies may specify for protecting and securing the Buses and the Covered Assets against any deterioration, loss or damage;
- (c) terminate all ongoing subcontracts and other contractual agreements including the Non-Fare Revenue Agreements, except those to be assigned to the Procuring Agencies pursuant to Section 11.4.1(d) below;
- (d) assign to the Procuring Agencies, or to any person designated by the Procuring Agencies: (i) title to all equipment and materials not already owned by the Procuring Agencies as may be designated by the Procuring Agencies; (ii) subcontracts, Non-Fare Revenue Agreements and other contractual agreements (including warranties) (as applicable) as may be designated by the Procuring Agencies; (iii) any issued permits, licenses, authorizations, approvals, patents and other proprietary rights, if any, then held by the Concessionaire pertaining to the Covered Assets; and (iv) any proprietary components needed for the operation, maintenance or repair of the Buses and the Covered Assets; and
- (e) deliver to the Procuring Agencies all information and records as may be reasonably requested by the Procuring Agencies for the operation, maintenance or repair of the Covered Assets, including all plans or other manuals and other information prepared hereunder as of the date of termination.

11.5. PAYMENTS BY CONCESSIONAIRE FOLLOWING EXPIRY OR TERMINATION

11.5.1. Upon expiry or termination of this Agreement, the Concessionaire shall pay the Procuring Agencies the sum of (a) and (b) below, in each case as may be due and payable in accordance with the terms of this Agreement:

- (a) any Liquidated Damages accrued, due and payable under the provisions of this Agreement; and
- (b) any Losses incurred by the Procuring Agencies as a result of such termination for Concessionaire's default under Section 11.2 (*Termination for Concessionaire's Default*).

11.5.2. If required by any Party, the amounts payable in Section 11.5.1 may be verified by the Independent Expert and/or Independent Auditor.

11.5.3. In the event, this Agreement is terminated for a Concessionaire's default under Section 11.2 (*Termination for Concessionaire's Default*), the Procuring Agencies shall be entitled to encash the Performance Security to its full value.

11.6. FOLLOWING EXPIRY OR TERMINATION

11.6.1. If this Agreement is terminated by the Procuring Agencies due to Concessionaire's default under Section 11.2 (*Termination for Concessionaire's Default*):

- (a) the Procuring Agencies shall not be obliged to reimburse the Concessionaire for any costs incurred by the Concessionaire in complying with its obligations pursuant to Section 11.4 (*Actions to be Taken Upon Expiry or Termination*);
- (b) the Procuring Agencies shall submit to the Concessionaire for payment an invoice for any direct out-of-pocket expenses properly and reasonably incurred by the Procuring Agencies and solely attributable to such termination and, if the Procuring Agencies engage a replacement operator/entity, the additional costs reasonably incurred by the Procuring Agencies in engaging such replacement operator/entity and the amount by which the reasonable costs payable under the replacement contract for carrying out the relevant Concessionaire's Obligations exceed the amount that would have been payable to the Concessionaire, which amount shall be deducted from any amounts outstanding to the Concessionaire, provided, however, that if the Procuring Agencies elects to engage a replacement company, the Procuring Agencies shall use its best efforts to engage such replacement company as soon as possible after termination of this Agreement; and
- (c) in the event that expenses of the Procuring Agencies under Section 11.6.1(b) are greater than any amount then owing to the Concessionaire (as determined by the Independent Expert and the Independent Auditor), then the Concessionaire shall bear responsibility for the payment of such amount

to the Procuring Agencies provided that the Procuring Agencies shall take all reasonable steps to minimize such costs, and if such costs are less than any amount owing to the Concessionaire, the Procuring Agencies shall pay the remaining balance to the Concessionaire.

- 11.6.1. Any payments made pursuant to this Section 11.6 (*Payments by Procuring Agencies following Expiry or Termination*) shall be made within [•] days of the date of the invoice in immediately available funds.

11.7. SUCCESSOR TO CONCESSIONAIRE UPON EXPIRY OR TERMINATION

- 11.7.1. In addition to any actions taken in accordance with Section 11.4 (*Actions to be Taken Upon Expiry or Termination*), upon expiry or termination of this Agreement, the Concessionaire, if requested in writing by the Procuring Agencies, shall carry out its obligations under this Agreement after the expiry or termination for a period of [•] days or such longer period as may be agreed between the Parties (the “**Transition Period**”), for smooth hand over to a successor company nominated by the Procuring Agencies (the “**Successor Concessionaire**”). This Agreement shall remain in full force and effect during the Transition Period. The Concessionaire shall be paid an operating fee (as determined by the Independent Expert and the Independent Auditor) as consideration for performance of O&M Services (subject to the terms and conditions for payment under Section 8 (*O&M Fees and Other Payment Terms*)) and the Concessionaire’s obligations set out in this Section 11.7 (*Successor to Concessionaire Upon Expiry or Termination*) during the Transition Period.

- 11.7.1. The Concessionaire shall facilitate the appointment and commencement of duties of the Successor Concessionaire so as not to disrupt the normal operation of the Project and shall provide full access to the Buses and the Covered Assets and to all relevant information, data and records relating thereto to the Successor Concessionaire and its representatives and shall accede to all requests made by the Procuring Agencies and/or the Successor Concessionaire in connection with the preparation for taking over the Buses and the Covered Assets and in furtherance thereof, the Concessionaire shall provide to the Procuring Agencies and/or the Successor Concessionaire such information and documents which the Procuring Agencies and/or the Successor Concessionaire may reasonably request from the Concessionaire in connection with the operation of the Buses and the Covered Assets.

11.8. HANDOVER

- 11.8.1. Except as may be required under Section 11.4 (*Actions to be Taken Upon Expiry or Termination*) or Section 11.7 (*Successor to Concessionaire Upon Expiry or Termination*), within [•] days of:
- (a) termination of this Agreement (prior to expiry of the Term), the Concessionaire shall hand over without any Encumbrances, possession of the Buses, and the Covered Assets to the Procuring Agencies;
 - (b) expiry of Term of this Agreement, the Concessionaire shall hand over

without any Encumbrances possession of the Buses, and the Covered Assets to the Procuring Agencies;

(the “**Handover Date**”).

11.8.1. In the event the Concessionaire fails to handover the Buses, and the Covered Assets by the Handover Date each in accordance with Section 11.8.1 within the afore-stated time-period, the Procuring Agencies shall in its sole and absolute discretion, proceed with taking over the Buses and the Covered Assets and shall recover from the Concessionaire all costs in relation thereto.

11.9. END OF TERM ACTIVITIES

11.9.1. Subject to Section 11.7 (*Successor to Concessionaire Upon Expiry or Termination*), the responsibility for the Concessionaire’s Obligations shall transfer to the Procuring Agencies or the Procuring Agencies’ designated company after the Performance End Date, including activities in progress as of the Performance End Date. The Concessionaire shall schedule all planned activities and obligations under this Agreement so that they are concluded prior to the Performance End Date.

11.10. SET-OFF RIGHTS

11.10.1. Without prejudice to other rights and remedies of the Procuring Agencies, the Procuring Agencies shall be entitled to deduct any amounts payable by the Concessionaire to the Procuring Agencies from any amounts due to the Concessionaire by the Procuring Agencies. If payments due to the Procuring Agencies are not sufficient to cover the amounts payable by the Concessionaire, the Concessionaire shall pay the difference to the Procuring Agencies within [•] days of the Procuring Agencies’ demand, failing which the Procuring Agencies may recover the payable amount by encashing the Performance Security.

11.11. OBLIGATIONS PRIOR TO EXPIRY OR TERMINATION

11.11.1. Notwithstanding termination or expiration of the Term of this Agreement and transfer of the responsibility for performance of the Concessionaire’s Obligations at the Performance End Date, the Concessionaire shall not be relieved of any obligation arising out of the Concessionaire’s Obligations performed prior to termination.

12. WARRANTY

12.1. WARRANTY

12.1.1. For the Concessionaire's Obligations provided for under this Agreement, the Concessionaire provides the following warranties, set out in this Section 12 (*Warranty*) (the "**Warranty**").

12.1.2. The Concessionaire warrants to the Procuring Agencies that as part of the Warranty obligations during the Warranty Period:

- (a) the Goods delivered under this Agreement shall be in accordance with the Applicable Standards and supply documents shall be free from any Defects or Deficiencies, including defects in material, workmanship and title; and
- (b) the O&M Services performed under this Agreement shall be performed in a competent and diligent manner in accordance with the Applicable Standards and shall be free from any Defects or Deficiencies.

12.2. WARRANTY PERIOD

12.2.1. The Warranty Period in respect of:

- (a) Goods, shall be for the goods warranty period;
- (b) any O&M Services, shall be from the date of execution of O&M Services in respect of the Covered Assets till the date on which the Release Certificate is issued.

12.2.2. Such period of time as described Section 12.2.1 with respect to the Goods, the Covered Assets and the O&M Services shall be defined as the "**Warranty Period**".

12.3. WARRANTY REMEDY

12.3.1. If any of the Goods do not meet the above warranties during the applicable Warranty Period, the Concessionaire shall, at its cost, correct or shall cause to correct the defective Goods by, at its option, repairing or replacing the defective Goods and, at its option, taking possession of the defective Goods.

12.3.2. Where defective Goods discovered during the applicable Warranty Period, the Concessionaire shall be responsible for the Costs of removing and transporting the defective Goods. However, where a defect in any Goods cannot be corrected by the Concessionaire's reasonable efforts, the defective Goods shall be replaced.

12.3.3. If any part of the O&M Services does not meet the above warranties during the applicable Warranty Period for such part of the O&M Services, the Concessionaire shall thereupon correct any defective part of the O&M Services by re-performing the defective O&M Services at the Cost of the Concessionaire.

12.4. EXTENDED WARRANTY

12.4.1. Any re-performed O&M Service or repaired or replaced Good furnished under the Warranty shall carry warranties on the same terms as set forth above, except that the period of Warranty on such re-performed O&M Service or repaired or replaced Good shall be the longer of:

- (a) the remaining balance of the applicable Warranty Period; or
- (b) a period of [•] months from the date of such re-performed O&M Service or repaired or replaced Good.

In any event where the Warranty can be claimed in respect to any O&M Service or repaired or replaced Goods or part thereof, and the Concessionaire's responsibilities set forth herein for such re-performed O&M Service or repaired or replaced Goods or part thereof shall end [•] months after expiry of the Warranty Period applicable to the initial O&M Service or repaired or replaced Goods or part thereof.

12.5. FAILURE TO REMEDY DEFECTS IN THE GOODS

12.5.1. The Concessionaire shall be required to remedy any Defects or Deficiencies or damage to the Goods within such reasonable time as is instructed by the Procuring Agencies (which period may be extended by the Procuring Agencies in their discretion).

12.5.2. If the Concessionaire: (i) fails to remedy the Defects or Deficiencies or damage in accordance with Section 12.5.1; or (ii) fails to comply with any such instruction under Section 3.3 (*Procuring Agencies' Instructions*), the Procuring Agencies may (at their option):

- (a) carry out the work itself or by others, in a reasonable manner and at the Concessionaire's cost, but the Concessionaire shall have no responsibility for this work; and the Concessionaire shall, subject to Section 3.4 (*Procuring Agencies' Claims*), pay to the Procuring Agencies the costs reasonably incurred by the Procuring Agencies in remedying the Defects or Deficiencies; or
- (b) if the Defects or Deficiencies deprives the Procuring Agencies of substantially the whole benefit of the Supply Obligations or any major part of the Supply or any part thereof do not meet the Applicable Standards, terminate this Agreement as a whole, or in respect of such part. Without prejudice to any other rights, under this Agreement or otherwise, the Procuring Agencies shall then be entitled to recover all sums paid for the Supply Obligations and returning the Goods to the Concessionaire.

12.5.3. At any time following the end of each month, the Procuring Agencies shall compute and advise the Concessionaire in an invoice of the amount(s) due to the Procuring Agencies pursuant to this Section 12.5 (*Failure to Remedy Defects in the Goods*).

Such amounts shall be payable by the Concessionaire within [•] days of the date of delivery of such invoice to the Concessionaire. However, failure by the Procuring Agencies to provide such invoice in a timely manner shall not preclude the Procuring Agencies from claiming the same from the Concessionaire at a later stage.

12.6. EXCLUSIONS

12.6.1. The Concessionaire's aforementioned Warranty does not warrant Goods:

- (a) against normal wear and tear, including effects of the environment or operation;
- (b) when done by a person other than the Concessionaire or its sub-supplier, against: (i) improper; (ii) untimely routine or planned maintenance of the Goods; or (iii) repair or modification of the Goods which is not in accordance with the Concessionaire's instructions/manuals other than when such activities are carried out by the Concessionaire; and
- (c) against improper installation of the Goods other than when such improper installation is carried out by the Concessionaire.

12.7. SERIAL DEFECTS

12.7.1. If before the expiry of the Serial Defects Notification Period, upon the Concessionaire having become aware of or having been notified by the Procuring Agencies of a Serial Defect, the Concessionaire shall investigate and ascertain whether the Serial Defect(s) exist. If a Serial Defect(s) exists and is discovered, the Concessionaire shall furnish the Procuring Agencies with a report, detailing the source and root cause of the Serial Defect(s).

12.7.2. The Concessionaire shall submit to the Procuring Agencies for its approval details of the remedial work which it proposes to make pursuant to this Section 12.7 (*Serial Defects*), the estimated duration of such remedial work, details of such Buses as it may be necessary to halt operations and the proposed dates for the remedial work. If the remedial work can be carried out without halting operations of the Buses, the Concessionaire shall carry out such remedial work as soon as reasonably practicable. If the remedial work necessitates halting operations of Buses, the remedial work shall be carried out at a time and for periods agreed with the Procuring Agencies or failing agreement at such times which minimize disruption to the Operation of the Buses as far as practicable having regard to the nature of defect.

12.7.3. The Concessionaire shall forthwith replace all such parts affected by the Serial Defect(s) with brand new parts and promptly rectify the same free of cost.

13. CONFIDENTIAL INFORMATION

13.1 CONFIDENTIAL INFORMATION

13.1.1 Each Party agrees that it shall, and shall ensure that its contractors, agents, employees, officers (including members of its board of directors and its supervisory board) shall, hold in confidence for the benefit of the other Party all the Confidential Information and shall not disclose to any third party or use (except for the purposes of this Agreement) the Confidential Information or any part thereof without such other Parties prior written approval. The Parties shall be required to limit the number of persons within their respective organisations to whom the Confidential Information is disclosed to the absolute minimum necessary to properly enable such Party to fulfil its obligations under this Agreement.

13.2 LIMITATIONS

13.2.1 The restrictions in Section 13.1 (*Confidential Information*) shall not apply, or shall cease to apply, to any part of the Confidential Information that:

- (a) was in the possession of the recipient Party or a contractor, agent, employee, officer (including members of its board of directors and its supervisory board) or shareholder of the recipient Party at the time of the disclosure;
- (b) was obtained by the recipient Party in good faith from a third party entitled to make disclosure thereof;
- (c) is required to be published or disclosed by a Party under any Applicable Law or the rules of any securities exchange to which any Party or the holders, directly or indirectly, of any of its equity capital is subject;
- (d) a Party, with the approval of the other Party, discloses to financial institutions, bona fide potential purchasers, its consultants and contractors; or
- (e) is in or comes into the public domain other than by reason of a breach of Section 13.1 (*Confidential Information*) above.

13.3 CONFIDENTIALITY PROVISIONS TO SURVIVE

13.3.1 The confidentiality obligation of the Parties pursuant to Sections 13.1 (*Confidential Information*) shall remain in full force and effect for a period of [•] years after the date of the expiration or earlier termination of this Agreement.

14. REPRESENTATIONS AND WARRANTIES

14.1 CONCESSIONAIRE'S REPRESENTATIONS AND WARRANTIES

14.1.1 Without prejudice to the other representations, warranties and conditions expressed elsewhere in this Agreement, or otherwise mandatorily implied by law, the Concessionaire hereby represents, warrants and undertakes to the Procuring Agencies that:

- (a) it is a partnership duly registered and validly existing under the laws of the Pakistan;
- (b) it has full power and authority to enter into this Agreement and to carry out and perform and undertake the Concessionaire's Obligations and that this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- (c) it has submitted certified true copies of all resolutions of the board of directors / governing body of the Concessionaire authorizing execution, delivery of this Agreement and the performance of the Concessionaire's Obligations under this Agreement;
- (d) all information, statements, plans, documents and reports furnished or submitted by the Concessionaire to the Procuring Agencies in connection with this Agreement are in all material respects true and correct;
- (e) the entry into and performance by the Concessionaire of this Agreement does not and will not conflict the terms of its memorandum and articles of association or any covenant, contract, agreement, arrangement, decree, understanding or any other document which is binding upon it or any of its assets to the extent that such conflict would be reasonably likely to have a material adverse effect on the ability of the Concessionaire to perform its obligations under this Agreement;
- (f) no action, litigation, arbitration or administrative proceedings has been commenced, or, to the best of its information, knowledge and belief following the making of all reasonable inquiry, is pending or threatened against the Concessionaire and nor is there subsisting any unsatisfied judgment decree or award given against it by any court, arbitrator or other body which will materially and adversely affect or impede the Concessionaire's ability to perform its obligations under this Agreement;
- (g) the Concessionaire: (i) has reviewed the requirements for execution of the Concessionaire's Obligations; and (ii) has familiarized itself with all prevailing factors and conditions affecting the obligations of the Concessionaire under this Agreement, and all other factors and conditions affecting execution of the Concessionaire's Obligations, and accepts the same and agrees that all such matters are satisfactory and will not prevent performance by the Concessionaire of its obligations under this Agreement, and accepts that it shall not be entitled to raise any defense or make any claim under or in relation to this Agreement as a consequence of:

- (i) any mistake, gap or insufficiency in or in relation to its knowledge or understanding of the above matters; or
 - (ii) the state, condition or content of any such matters, including the state of the Covered Assets and waives any right it may have to raise any such defence or make any such claim;
- (h) it has provided the Procuring Agencies with true and accurate information about its experience and qualifications and has not omitted any information that would be relevant to the Procuring Agencies' decision to retain the Concessionaire to carry out and perform the Concessionaire's Obligations in the manner and to the extent contemplated herein;
- (i) it shall not change its legal status or otherwise amend its constitutive documents except without prior written approval of the Procuring Agencies;
- (j) it has not granted and will not during the Term of this Agreement grant to any third-party any rights which are inconsistent with the rights granted under this Agreement;
- (k) the entry into and performance by the Concessionaire of this Agreement does not and will not conflict with any Applicable Law in effect on the date of this Agreement;
- (l) the entry into and performance by the Concessionaire of this Agreement requires no governmental or other approvals, or if required, all such approvals have been obtained;
- (m) the entry into and performance by the Concessionaire of this Agreement does not and will not conflict with any document which is binding upon it or any of its assets to the extent that such conflict would be reasonably likely to have a material adverse effect on the ability of the Concessionaire to perform its obligations under this Agreement;
- (n) it has not taken any action nor, to the best of its information and knowledge, after making all due enquiry, have any steps been taken or legal proceedings been started or threatened against it for winding-up, dissolution or re-organisation, the enforcement of any security interest over its assets or for the appointment of a receiver, administrative receiver or administrator, trustee, judicial factor or similar officer of it or of its assets;
- (o) no action, litigation, arbitration or administrative proceedings has been commenced, or, to the best of its information, knowledge and belief following the making of all reasonable inquiry, is pending or threatened against the Concessionaire and nor is there subsisting any unsatisfied judgment decree or award given against it by any court, arbitrator or other body which will materially and adversely affect or impede the Concessionaire's ability to perform its obligations under this Agreement;
- (p) ensure compliance with all Applicable Laws while performing all its obligations under this Agreement and be completely liable for any breach in this respect;

- (q) use the Buses and the Covered Assets exclusively for the purposes and in the manner prescribed under this Agreement;
- (r) ensure the payment of all dues in a timely manner, whether to the competent authorities or in respect of use of utilities or to any other parties, incurred while performing its obligations under this Agreement;
- (s) Operate the Buses as per the Dispatch Schedule and the Dispatch Schedule and Headway Targets, as notified by the Procuring Agencies from time to time in accordance with Section 7.11 (*Dispatch Schedule and Headway Targets*);
- (t) ensure that the Concessionaire's Obligations are preformed and implemented in an uninterrupted and continuous manner and that the same are not suspended or stopped unless provided for under this Agreement or under the directions of the Procuring Agencies;
- (u) operate the Buses maintaining the highest standards of service quality as per Applicable Standards, pertaining to all aspects of the operation of the Buses including, but not limited to, the behaviour of the crew and the other staff, and implementation of all Procuring Agencies' Instructions issued through various means of communications by the Procuring Agencies from time to time;
- (v) it has sufficient O&M Personnel, trained staff, facilities and approved subcontracts or other agreements in place and available to enable the Concessionaire to fully execute and perform the Concessionaire's Obligations;
- (w) it has not granted and will not during the Operating Period grant to any third party any rights which are inconsistent with the rights granted under this Agreement;
- (x) allow access on the Buses to all members of the public without any prejudice or discrimination;
- (y) it will promptly Notify the Procuring Agencies of any event or claim, including but not limited, to any violation or default with respect to any order, writ, injunction etc., which, if substantiated, is reasonably likely to either have a material adverse effect or result in any liability for the Procuring Agencies;
- (z) keep the Buses and the Covered Assets free from any Encumbrances;
- (aa) all rights and interests vested in the Concessionaire pursuant to this Agreement shall automatically pass to and vest in the Procuring Agencies or to any nominee specified by the Procuring Agencies, without any claims or Encumbrances, on the termination or expiry of this Agreement;
- (bb) no representation or warranty contained herein or in any other ancillary agreement entered into by the Procuring Agencies pursuant to this Agreement contains or shall contain any untrue, incorrect or misleading

statement or omit to state a material fact. In the event that any occurrence or circumstances comes to the attention of the Concessionaire that renders any of its aforesaid representations or warranties untrue or incorrect, the Concessionaire shall immediately Notify the Procuring Agencies of the same. For the avoidance of any doubt, such Notice shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any right, remedy or obligation of the Parties under this Agreement.

14.1.2 Each of the aforesaid representations and warranties shall be deemed to be repeated by the Concessionaire prior to each payment by the Procuring Agencies in accordance with Section 8 (*O&M Fees and Other Payment Terms*).

14.2 PROCURING AGENCIES' REPRESENTATIONS AND WARRANTIES

14.2.1 Without prejudice to the other representations, warranties and conditions expressed elsewhere in this Agreement, or otherwise mandatorily implied by law, the Procuring Agencies represents, warrants and undertakes to the Concessionaire that:

- (a) The Procuring Agencies shall facilitate the Concessionaire in obtaining the all Applicable Permits from the relevant Government Authorities on a best effort basis, provided that the Concessionaire has complied with all the requirements contained in the Applicable Laws for applying for such Applicable Permits.
- (b) it will promptly make payments of all amounts due to the Concessionaire under the provisions of this Agreement.

15. ASSIGNMENT AND NOVATION

15.1 ASSIGNMENT

- 15.1.1 the Concessionaire shall not assign, transfer or charge, in whole or in part, its rights and obligations to perform or deal in any other manner with any or all of its rights and obligations under this Agreement without the Procuring Agencies' prior written consent.
- 15.1.2 The Procuring Agencies may at any time assign, transfer, charge, subcontract, or deal in any other manner with any or all of its rights under this Agreement without the Concessionaire's prior consent.

16. GENERAL INDEMNITY

16.1 INDEMNITY BY THE CONCESSIONAIRE

16.1.1 The Concessionaire on behalf of itself, its sub-contractors, sub-supplier, O&M Personnel, Concessionaire's Personnel, employees, successors and assignees shall save, defend, indemnify and hold harmless the Procuring Agencies, the Procuring Agencies' Representative and each of its respective contractors, agents, representatives, consultants and employees from and against all claims, damages (including any environmental damages), Losses and expenses arising out of or resulting from the performance, non-performance or breach by the Concessionaire of its obligations under this Agreement or the negligence, willful default or fraud of the Concessionaire, Concessionaire's Personnel, sub-supplier, O&M Personnel, employees, officers, agents or sub-contractors, including, without any limitation, as a result of any claim;

- (a) in respect of injury or destruction of physical property including third party property; or
- (b) in respect of bodily injury, sickness, disease, or death or personal injury or other health and safety liability; or
- (c) arising in relation to any liabilities, incurred by the Concessionaire on the Procuring Agencies' behalf which are not authorised under this Agreement; or
- (d) by any passenger on the Buses; or
- (e) for any breach of the Applicable Standards; or
- (f) for the breach of any intellectual property rights or patents as provided in Section 17.2 (*Ownership of Relevant Documents*) and Section 17.3 (*Intellectual Property Rights*); or
- (g) for breach of any obligation, term and/or condition of this Agreement by the Concessionaire; or

which may be brought or alleged or threatened against the Procuring Agencies or any of its employees, officers and agents by any person.

16.1.2 This Section 16 (*General Indemnity*) shall survive expiration or termination of this Agreement.

16.1.3 For the purposes of this Section 16 (*General Indemnity*), the term "*Concessionaire*" shall mean Concessionaire, its affiliates, Concessionaire's Personnel, sub-contractors, sub-supplier and O&M Personnel of any tier, and their respective agents and employees, whether individually or collectively.

17. OWNERSHIP

17.1 OWNERSHIP

17.1.1 Subject to the right to use and/or to operate and maintain the Buses including the Covered Assets, the Concessionaire shall not acquire through this Agreement any right, title or interest in or to the Buses/Covered Assets. The Buses and the Covered Assets are, and shall at all times be and remain, solely and exclusively the property of and continue to remain vested in the Procuring Agencies, and no right, title or interest in the Buses and/or the Covered Assets shall pass to the Concessionaire.

17.1.2 All records, information and data collected by the Concessionaire in execution of the supply documents, O&M Services and all Relevant Documents are the property of the Procuring Agencies. Such records, information, data and Relevant Documents may not be published, transferred, disseminated, or otherwise used in any way without the prior written approval of the Procuring Agencies.

17.2 OWNERSHIP OF RELEVANT DOCUMENTS

17.2.1 Without prejudice to the other rights of the Procuring Agencies in respect of this Agreement, the records, information, know-how, plans, maps, documentation, designs, data, results and any associated intellectual property prepared by the Concessionaire pursuant to this Agreement, and the records, information and data collected by the Concessionaire during the performance of the Concessionaire's Obligations (collectively referred to as the "**Relevant Documents**") shall be in the exclusive ownership of the Procuring Agencies. The Procuring Agencies shall retain the copyright and other intellectual property rights in all Relevant Documents and other data furnished or to be furnished by (or on behalf of) the Concessionaire in connection with the Concessionaire's Obligations.

17.2.2 The Concessionaire hereby agrees to indemnify the Procuring Agencies for any breach of any intellectual property rights by the Concessionaire, its employees, officers, agents, sub-Supplier and / or members arising out of the performance of the Concessionaire's Obligations and this Agreement.

18. FORCE MAJEURE

18.1 FORCE MAJEURE

18.1.1 A “**Force Majeure Event**” will mean an event beyond the reasonable control of the Parties, which materially and adversely affects the performance by such affected Party of its obligations under or pursuant to this Agreement; provided, however, that such material and adverse effect could not have been prevented, overcome or remedied in whole or in part by the affected Party through the exercise of diligence and reasonable care, such events include but are not limited to, any of the following:

- (a) Acts of God, including fire, flood, earthquake, windstorm, tornado, hurricane, or other natural disaster;
- (b) War, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, breaking off of diplomatic relations or similar actions;
- (c) Terrorist attacks, civil war, civil commotion, strikes, or riots;
- (d) Nuclear, chemical or biological contamination or sonic boom;
- (e) Fire, explosion or accidental damage; and
- (f) Military takeover or political instability.

18.2 NOTIFICATION OBLIGATION

18.2.1 The Party affected by a Force Majeure Event will give Notice thereof within [•] days from the commencement of the occurrence of such event in writing to the other Party and such Notice will include specific details of the occurrence.

18.2.2 Provided a Notice has been duly given by the affected Party in accordance with Section 18.2.1, then during the currency of any Force Majeure Event, neither Party will be responsible or liable to the other for any failure or delay in performance of its obligations or be deemed to be in breach of this Agreement, to the extent that such failure or delay is caused by Force Majeure Event.

18.3 DUTY TO MITIGATE

18.3.1 The affected Party will use all reasonable efforts and will ensure that it uses all reasonable efforts to mitigate the effects of a Force Majeure Event. Furthermore, notwithstanding Section 18 (*Force Majeure*), the affected Party will continue to perform its obligations under this Agreement as far as it is reasonably practical and will seek all reasonable alternative means for performance of its obligations not prevented by the Force Majeure Event.

18.4 TERMINATION FOR FORCE MAJEURE

18.4.1 In the event the interruption of the affected Party’s obligations continues for a period in excess of [•] days, either Party will have the right to terminate this Agreement upon [•] days’ prior written notice to the other Party.

18.5 PAYMENT DURING FORCE MAJEURE EVENT

18.5.1 In the event that a Force Majeure Event results in material damage to the Buses and/or Covered Assets, the Concessionaire shall within [•] days deliver to the Procuring Agencies a schedule of activities and the Cost of restoring the Buses/Covered Assets (as the case may be) to an operatable condition in compliance with the Applicable Standards ("**Restoration**") less any insurance proceeds available or likely to become available under the Project Insurance Policies ("**Restoration Cost**"). The Restoration Cost shall be subject to verification and approval of the Independent Auditor. Within [•] days of the **Independent Auditor's** approval, the Procuring Agencies shall pay the Restoration Cost to the Concessionaire.

18.5.2 If the Parties mutually agree that the: (a) Restoration Cost is not feasible; and/or (b) Restoration of the Buses is not technically viable, then the Procuring Agencies may elect to either:

- (a) terminate this Agreement in accordance with Section 18.4 (*Termination for Force Majeure*); or
- (b) provide replacement Buses in accordance with this Agreement.

19. CHANGES

19.1 CHANGES

19.1.1 Each Party may, from time to time, propose changes in the scope of Concessionaire's Obligations to be provided and undertaken by the Concessionaire under this Agreement, which changes will be subject to mutual agreement of the Parties. The Concessionaire will advise the Procuring Agencies if any proposed change results in a change in the price or payments, anticipated schedule of performance or have other impacts upon the terms or performance of this Agreement. Neither Party shall be obligated to proceed with any change until the Parties have agreed upon its effect and signed a written amendment or change order document.

20. NOTICES

20.1 All notices required or desired to be given pursuant to this Agreement shall be in writing and shall be delivered by personal in-hand delivery, sent by facsimile transmission, or sent prepaid by recognized delivery service, addressed as follows:

(a) If to the Concessionaire:

Address: [•]
Tel.: [•]
Email: [•]
Attention: [•]

(b) If to the Procuring Agencies:

Address: [•]
Tel.: [•]
Email: [•]
Attention: [•]

Such notices shall be deemed to have been given when delivered in the case of in-hand delivery, on the date shown by a facsimile transmission report or confirmation in the case of successfully completed facsimile transmission, and on the date of delivery in the case of delivery service. Either Party may modify its address for notices by advance written notice to the other Party delivered in conformance with this Section 20 (*Notices*).

21. DISPUTE RESOLUTION

21.1 NOTICE OF DISPUTE

21.1.1 In the event that there arises between the Parties any dispute, controversy or claim arising out of or relating to this Agreement, including, without prejudice to the generality of the foregoing, the breach, termination or validity thereof, the Party wishing to declare a dispute shall deliver to the other Party a written Notice identifying the disputed issue (the “**Dispute**”).

21.2 RESOLUTION BY PARTIES

21.2.1 Within [•] days of delivery of a Notice of a Dispute, the Parties shall use best efforts to settle the Dispute by discussions between members of the senior management of each Party. In the event that such individuals are unable to reach agreement within [•] days, or such longer period as they may agree, then both Parties (if acceptable) shall refer the Dispute for arbitration.

21.3 ARBITRATION

21.3.1 Any Dispute that is not resolved within [•] days of delivery of a Notice of dispute pursuant to Section 21.2 (*Resolution by Parties*) shall be finally settled by arbitration under the Arbitration Act.

21.3.2 The arbitration shall be conducted in [*Insert Place*]. Except as awarded by the arbitral tribunal, each Party shall be responsible for its own costs incurred by it in connection with an arbitration hereunder.

21.3.3 No arbitrator shall be an employee or agent or former employee or agent of the Parties.

21.3.4 The decision of the arbitrators shall be final and binding upon the Parties. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction. The Party in whose favour the award is given may enforce such award or judgment in any jurisdiction, including any jurisdiction where the other Party’s assets may be located. Except as the Concessionaire and the Procuring Agencies otherwise agree in writing pending the final resolution of any dispute in accordance with this Section 21 (Dispute Resolution), the Concessionaire shall proceed diligently with the performance of the Concessionaire’s obligations under this Agreement and in compliance with the Procuring Agencies’ or Procuring Agencies’ Representative’s directions, respectively.

21.3.5 The language at any arbitration under this Agreement shall be English.

21.4 PERFORMANCE TO CONTINUE DURING ARBITRATION OR LITIGATION

21.4.1 Unless this Agreement shall already have been terminated, the Parties shall in every case proceed with the performance of all of their obligations under this Agreement during, and notwithstanding, any resolution of Disputes in accordance with Section 21 (*Dispute Resolution*).

22. RELATIONSHIP

- 22.1 The Parties to this Agreement are independent entities. Neither Party is an agent, representative or partner of the other Party. Neither Party shall have any right, power or authority to enter into any contract or memorandum of understanding for or on behalf of, or incur any obligation or liability of, or to otherwise bind, the other Party. This Agreement shall not be interpreted or construed to create an association, agency, joint venture, collaboration or partnership between the Parties or to impose any liability attributable to such relationship upon either Party.
- 22.2 At all times, the Concessionaire shall act with appropriate propriety and discretion and in particular shall refrain from making any public statement concerning this Agreement or the Concessionaire's Obligations without the prior approval of the Procuring Agencies and shall refrain from engaging in any political activity.
- 22.3 The Concessionaire shall report immediately to the Procuring Agencies any accident or injury and any damage to the property of the GoB/Procuring Agencies or to the property of persons or any third parties occurring in or arising out of the performance of the Concessionaire's Obligations and any act, manner, or thing which, within his knowledge, may have caused such accident or injury. The Concessionaire shall also report immediately to the Procuring Agencies any circumstances or events which might reasonably be expected to hinder or prejudice the performance of the Concessionaire's Obligations.

23. AMENDMENTS

- 23.1 This Agreement may only be amended or modified with the mutual consent of both the Parties. However, no amendment or modification of the terms of this Agreement shall be valid and binding unless made in writing and signed by authorized representatives of each Party.

24. VALIDITY AND ENFORCEABILITY

- 24.1 The invalidity or unenforceability of any portion or provision of this Agreement will not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision will be deemed separated from this Agreement, and the balance of the Agreement will be construed and enforced as if the Agreement did not contain such invalid or unenforceable portion or provision. Notwithstanding the provisions of the preceding sentence, should any term or provision of this Agreement be found invalid by any court of law having jurisdiction thereof, the Parties will immediately renegotiate in good faith such term or provision of the Agreement to rectify such invalidity.

25. EXCLUSIVE RIGHTS AND REMEDIES

- 25.1. The rights and remedies set forth in this Agreement are the exclusive rights and remedies of each Party with respect to this Agreement, its performance or breach.

26. ENTIRE AGREEMENT

- 26.1. This Agreement and all schedules, exhibits, attachments, and annexures, if any, hereto, constitutes the entire agreement between the Parties pertaining to the subject matter thereof and there are no binding understandings between the Parties pertaining to the subject matter hereto that are not contained in this Agreement. This Agreement will supersede and cancel any and all previous contracts, arrangements or understandings that may have existed or may exist on these matters between the Parties. This Agreement may only be amended by a written instrument executed between the Parties.

27. LANGUAGE

- 27.1. The language of this Agreement, and all documents, materials and training, if any, to be supplied by the Concessionaire under this Agreement shall be English.

28. SURVIVAL

- 28.1. Notwithstanding anything to the contrary contained in this Agreement, all such relevant provisions of this Agreement that are required for the enforcement of each Party's obligations and for the settlement of liabilities, in each case, upon termination or expiry of this Agreement shall survive the termination or expiry of this Agreement until such obligations have been performed and the liabilities settled. Furthermore, any other provisions expressly specified in this Agreement to survive termination shall survive termination of this Agreement.

29. No WAIVER

- 29.1. No forbearance, indulgence or relaxation or inaction by any Party at any time, to require performance of any of the provisions of this Agreement shall, in any way, affect, diminish or prejudice the right of such Party to require performance of that provision and any waiver or acquiescence by any Party of any breach of any of the provisions of this Agreement shall not be construed as a waiver of or acquiescence to any continuing or succeeding breach of such provisions or a waiver of any right under or arising out of this Agreement, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Agreement.

30. GOVERNING LAW

- 30.1. This Agreement will be governed in accordance with the laws of Islamic Republic of Pakistan.

31. COUNTERPARTS

- 31.1. This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were a single copy of this Agreement, provided, that all counterparts have been duly executed by both Parties hereto.

32. STEERING COMMITTEE (SC)

- 32.1. The Steering Committee (the “SC”) shall be responsible for the overall support, direction and implementation supervision of the Project including review of fare, monthly O&M Plan, review the reports submitted by Independent Auditor and Independent Expert, monitoring of the Project and other tasks as required to successfully manage the Project.
- 32.2. The SC will be chaired by the [*Insert Name of the Party to Chair*] having representation of the Procuring Agencies’ [*Insert the Number of Members representing the Procuring Agencies*] along with [*Insert the Number of Members representing the Concessionaire*] members from the Concessionaire.
- 32.3. The SC may, however, co-opt any professional representing local industry or civil society by a vote of two third majority. Each such member shall be initially co-opted for [•] year. Such members will be non-voting members.
- 32.4. The SC shall meet on a [*Insert the number of times SC shall meet i.e, annually/ quarterly*], or as required, to conduct their business to manage the Project efficiently. However, for any ad hoc and urgent matter, approval of the request may be sought from the SC via circulation.

33. REPORTING

- 33.1. The Independent Auditor shall, as and when requested by the Parties, prepare, finalise and submit reports in respect matters pertaining to the Project. The Independent Auditor shall further be obligated to report to the Parties (on a [*bi annual/annual/quarterly/monthly*] basis) in respect of financial matters of the Project.
- 33.2. The Independent Expert shall, as and when requested by the Parties, prepare, finalise and submit reports in respect matters pertaining to the Project. The Independent Expert shall further be obligated to report to the Parties (on a [*bi annual/annual/quarterly/monthly*] basis) in respect of technical matters of the Project.

SIGNATURE PAGES

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first above written.

AS PROCURING AGENCIES

For and on behalf of THE TRANSPORT
DEPARTMENT, GOVERNMENT OF
BALOCHISTAN through its authorised
signatory }

SIGNATURE

Name:
Designation:

.....

SIGNATURES

IN THE PRESENCE OF

WITNESSES:-

1- Name:
Address:
CNIC / Passport No:

.....

2- Name:
Address:
CNIC / Passport No:

.....

AS CONCESSIONAIRE

For and on behalf of **M/S. [•]**
through its authorised signatory

}
Name:
Designation:

SIGNATURE

.....

IN THE PRESENCE OF

SIGNATURES

WITNESSES:-

1- Name:
Address:
CNIC / Passport No:

.....

2- Name:
Address:
CNIC / Passport No:

.....

SCHEDULE A: CONCESSIONAIRE’S SCOPE OF WORK

PROJECT DETAILS

The Procuring Agencies intends to engage a private party on Public Private Partnership (PPP) mode to operate and maintain a fleet of twenty-five (25) buses on a defined route in Quetta including depots, bus stops, maintenance facilities, and passenger facilities, as and when provided by the GoB to the concessionaire. The Project is being undertaken via Operate & Maintain and Transfer mode and focuses on addressing the growing mobility challenges in Quetta.

Route Map: The Project will be undertaken on route as provided under Annexure K.

Route Length:

Appeox 40 Kms

Start and End Points for Up and Down Routes:

Kuchlak / Sohna Khan Chowk

Bus Specification:

As provided in Annexure K (II).

Bus Stands/Stops:

Approx. 66

Operations (values are indicative):

Bus Service Timings:

Winters: As per the operational plan
Summers: As per the operational plan
Headway timing: Approx. 10-15 minutes

Daily Expected trips (up and down):

As per the operational plan

No. of operational days:
7 days.

Fare to be charged per passenger:
As decided by the GoB. Current fare is PkR 40 per passenger.

Parking Area:

As allocated by the GoB.

Indicative guaranteed KMs:

40,000 KM per bus per annum.

DATASHEET

Total Buses	Twenty-Five (25)
Total Reserve Bus	0-2 (as per the operational plan)
Operational Buses	23-25 (as per the operational plan)
One Round Trip	~40 KMs
Daily Rounds	as per the operational plan)
Total working days	07 days
Outsourcing mode	O&M Contract
Contract Period	Five (5) years + Extension of further Five (5) years (subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement)

SCOPE OF WORK

The scope of wok of the Concessionaire consist of:

- (a) operation of allocated twenty-five (25) bus vehicles in accordance with a schedule set in this RFP and O&M Agreement for a period of five (5) years, further extendable for additional term of five (5) years subject to satisfactory performance of the Concessionaire in accordance with terms and conditions defined in the final O&M Agreement;
- (b) proper repair and maintenance of twenty-five (25) buses;
- (c) ply the buses and ensure following agreed upon schedules. Finalizing of the schedules which will include schedule trips, routes, number of buses on each route, hour of service, buses required, buses to be parked;
- (d) dedicate and maintain no more than **0-2** buses as reserve fleet from the existing fleet of twenty-five (25) buses;
- (e) employee adequate and trained staff including drivers, conductors, engineers and other staff as required;
- (f) equip every bus with GPS device/tracker;
- (g) obtain route license;
- (h) hire security guards to secure buses at night;
- (i) insure the buses;

- (j) arrange for the bus spare parts;
- (k) ensure cleanliness of the bus;
- (l) install cameras, if required;
- (m) provide rechargeable smart fare cards;
- (n) green cards for students;
- (o) proper bus ticketing systems;
- (p) open required bank accounts to manage the fare collection;
- (q) be responsible for conduct and functioning of all the employees;
- (r) provision of Bus System operations training to the vehicle drivers; and
- (s) any other scope and responsibility as assigned by the Procuring Agencies related to successful operations of the Project.

Revenue Collection

The Bidder should strive for maximization of both fare and non-fare revenues, which shall be collected by the Bidder and submitted to Procuring Agencies. (The mechanism for revenue submission will be provided in the O&M Agreement).

Hand-over of the Project

The Concessionaire is responsible for handing over the Project to the Procuring Agencies in a good working condition at the end of the Concession Period as specified in the O&M Agreement.

SCHEDULE B: FORM OF PERFORMANCE SECURITY

....., 2023

To:

[●]

[Insert Address]

Performance SECURITY No. (the **Security**)

We, [●]⁷, being the Security issuing bank (the Issuing Bank) understand that the following parties have entered into an agreement entitled “OPERATIONS AND MAINTENANCE AGREEMENT” dated, 2023 (the **Agreement**):

- (a) XXXXXX, with its office located at [●], Pakistan (the **Procuring Agencies**); and
- (b) [●], existing under the laws of Pakistan having its registered office located at [●] (the **Concessionaire**).

Further, we understand that pursuant to the Notification of Award dated [●] (the “**Notification of Award**”) and the Agreement, the Concessionaire is required to provide the Procuring Agencies with a performance Security equal to [●] [●]/- ([●] [●]) and maintain the same in accordance with the terms of the Agreement.

The above premised, we (the Issuing Bank) hereby undertake irrevocably and unconditionally on demand to pay to the Procuring Agencies, without any notice, reference or recourse to the Concessionaire or to any other entity or without any recourse or reference to the Notification of Award, Agreement or any other document, agreement, instrument or deed, any sum or sums (or any part thereof) equivalent in aggregate up to but not exceeding a maximum amount of:

[●] [●]/- ([●][●])

(the Guaranteed Amount)

at sight and immediately, however not later than [three (3)] business days from the date of receipt of the Procuring Agencies’ first written demand (the **Demand**) at the Issuing Bank’s offices located at [●] or through SWIFT instructions transmitted by the Procuring Agencies’ bank (i.e. [the *[to be inserted]*]), on behalf of the Procuring Agencies, to the Issuing Bank, such Demand stating:

- (a) that the Concessionaire is in breach of its obligations towards the Procuring Agencies:
 - (i) specifying the breach and, if applicable, requesting the Concessionaire to cure the breach;
 - (ii) if applicable, certifying that the Concessionaire has failed to remedy the breach within the period allowed for remedial action; and

⁷ Insert name of Issuing Bank;

(b) the total amounts demanded.

A Demand shall only be honoured by us (i) in the case of a written Demand, if it is made by and bears the signature of an authorised officer or other representative of the Procuring Agencies; or (ii) in the case of a Demand transmitted through SWIFT, if it is transmitted through authenticated SWIFT instructions by the Procuring Agencies' bank (i.e. *[to be inserted]*), on behalf of the Procuring Agencies.

We, the Issuing Bank, shall unconditionally honour a Demand hereunder made in compliance with this Security at sight and immediately on the date of receipt of your Demand, as stated earlier, and shall transfer the amount specified in the Demand to the bank account, as notified in the Demand, in immediately available and freely transferable funds in the currency of this Security, free and clear of and without any set-off or deduction for or on account of any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomsoever imposed.

This Security shall come into force and shall become automatically effective upon its issuance.

After having come into force, this Security and our obligations hereunder will expire on the earlier of:

- (i) [●] (the **Performance Security Original Expiry Date**) provided that, in the event the Issuing Bank has receipt of the Demand on or immediately prior to the Performance Security Original Expiry Date, the Issuing Bank shall honour that Demand; or
- (ii) when the aggregate of all payments made by us under this Security equal the Guaranteed Amount.

Upon expiry, this Security shall be returned to the Concessionaire without undue delay. Multiple Demands may be made by the Procuring Agencies under this Security but our aggregate liability will be restricted up to the Guaranteed Amount.

The Guaranteed Amount shall be revised upon receipt by us of a notice duly signed by the Procuring Agencies and the Concessionaire of the revised guaranteed amount.

We hereby agree that any amendment, renewal, extension, modification, compromise, release or discharge by mutual agreement by the Procuring Agencies, the Concessionaire or any other entity of any document, agreement, instrument or deed shall not in any way impair or affect our liabilities hereunder and maybe undertaken without notice to us and without the necessity for any additional endorsement, consent or guarantee by us.

This Security for its validity period shall not be affected in any manner by any change in our constitution or of the Concessionaire's constitution or of their successors and assignees and this Security shall be legally valid, enforceable and binding on each of their successors and permitted assignees.

All references to any contract, agreement, deed or other instruments or documents are by way of reference only and shall not affect our obligations to make payment under the terms of this Security.

If one or more of the provisions of this Security are held or found to be invalid, illegal, or unenforceable for any reason whatsoever, in any respect, any such invalidity, illegality, or

unenforceability of any provision shall not affect the validity of the remaining provisions of this Security.

We hereby declare and confirm that under our constitution and applicable laws and regulations, we have the necessary power and authority, and all necessary authorizations, approvals thereunder to enter into, execute, deliver and perform the obligations we have undertaken under this Security, which obligations are valid and legally binding on and enforceable against us under the laws of Pakistan and under the laws of the jurisdiction where this Security is issued. For the avoidance of doubt, in the event of any inconsistency between the laws of Pakistan and the laws of the jurisdiction where the Security was issued, we agree that the laws of Pakistan shall prevail. Further, that the signatory(ies) to this Security is/are our duly authorized officer(s) to execute this Security.

This Security and all rights and obligations arising from this Security shall be governed and construed in all respects in accordance with the laws of Pakistan. The courts in Pakistan shall have exclusive jurisdiction in respect of any dispute relating to any matter contained herein.

The issuance of this Security is permitted according to the laws of Pakistan and the laws of the jurisdiction where this Security is issued.

This Security is subject to the Uniform Rules for Demand Guarantee, ICC Publication No.758. To the extent that there is any inconsistency between the terms of this Security and the Uniform Rules for Demand Guarantees, ICC Publication No. 758, the terms of this Security shall prevail.

.....

Name:

Designation:

SCHEDULE C: KEY PERFORMANCE INDICATORS

[Insert Key Performance Indicators]

SCHEDULE D: TERM EXPIRY CRITERIA

Term Expiry Criteria means the Concessionaire fulfilling each of the following criteria:

- (a) all Concessionaire's Obligations have been completed and fulfilled as per this Agreement;
- (b) all reports under this Agreement have been submitted to the Procuring Agencies;
- (c) the Concessionaire has paid the Liquidated Damages to the Procuring Agencies in accordance with **Schedule C (Key Performance Indicators)** of this Agreement;
- (d) the Concessionaire has settled and paid the Procuring Agencies all amounts that are due to the Procuring Agencies pursuant to the terms and conditions of this Agreement;
- (e) the Buses and Covered Assets have been handed over to the Procuring Agencies;
- (f) the Concessionaire has performed all other O&M Services, including the Operations and Maintenance obligations, free of Defects or Deficiencies that are contemplated under this Agreement to be performed by the Concessionaire prior to expiry of the Term; and
- (g) the Buses and Covered Assets are free Defects or Deficiencies and Serial Defects.

SCHEDULE E: INSURANCE

PROJECT INSURANCES:

Within [•] days of the Effective Date and till the Performance End Date the Concessionaire shall procure and maintain the insurance coverage for all the [Insert Number of Buses] Buses at its own cost.

FAILURE TO MAINTAIN INSURANCE:

Failure to maintain any insurance required under this **Schedule E (*Insurances*)** shall constitute a material breach of this Agreement.

SCHEDULE F: LOSS OF REVENUE

Loss of Revenue

In the Operating Period, if Loss of Revenue is payable then the same shall be calculated as follows:

Operating Period determination of Loss of Revenue would be computed by the 3rd Party Monitoring Agency based on claims raised by the Concessionaire w.r.t non-operationalization/ compromised operationalization of Buses due to events attributable to the Procuring Agencies. The costs can be received on basis of actual incurred Cost.

The Concessionaire shall submit an invoice for the Loss of Revenue and shall be entitled to payment within [•] days of determination and certification of the same by the 3rd Party Monitoring Agency.

SCHEDULE G: PRICE INDEXATION

[Insert Price Indexation]

SCHEDULE H: BUS SPECIFICATIONS

S. No.	Criteria	Specification
1.	Model year	2024 or latest
2.	Vehicle length (minimum - maximum)	9.0 / 12.0 meters
3.	Vehicle width (not including mirrors)	~2.55 meters
4.	Vehicle height (from road surface to highest point on roof) (maximum)	~3.5 meters
5.	Floor height (from road surface to interior floor at doorways)	350 mm
6.	Ceiling height in front passenger area (from interior floor to ceiling) (minimum)	2.1 meters
7.	Clearance at doorway (from interior floor to door header) (minimum)	1.9 meters
8.	Axle load, front axle (maximum)	7,700 kg
9.	Axle load, middle axle	Not Applicable
10.	Axle load, rear-axle (maximum)	13,000 kg
11.	Grade ability (Fully Laden)	Min 17%
12.	Angle of Approach (Fully Laden)	>=7 degrees
13.	Angle of Departure (Fully Laden)	>=7 degrees
14.	Steering	Driver compartment on right- hand side of vehicle for vehicle operation on left-hand side of Roadway. Power Steering assisted with height and angle adjustment
15.	Useful life of vehicle (projected)	1.2 million km or 12 years

S. No.	Criteria	Specification
16.	Center-line distance between the two doorways	2.0 meters
17.	Free door width per passenger door (minimum)	1.2 meters
18.	Number of curb-side passenger doorways	2
19.	Number of manual flap-type boarding bridges from curb-side doors	1 (for middle door)
20.	General seat configuration	2 x 2 (predominantly)
21.	Seat pitch (minimum)	730 mm
22.	Seat width (minimum)	420 mm
23.	Number of passenger seats (including preferential seats but excluding flip down seats and driver seat) (minimum)	26
24.	Number of wheelchair bays (minimum)	1
25.	Total number of flip-down seats in wheelchair bay(s) (minimum)	2
26.	Length of wheelchair bay(s) (minimum)	1.3 meters each
27.	Number of seats in front women-only section (minimum)	8
28.	Thickness of flooring material (minimum)	2 mm
29.	Side window height (minimum)	900 mm (excluding last row of seats)
30.	For the median side (right-side) of the vehicle, distance of outside edge of the wing mirror from the vehicle body (maximum)	150 mm
31.	For the curb side (left side) of the vehicle, distance of outside edge of the wing	200 mm

S. No.	Criteria	Specification
	<i>mirror from the vehicle body (maximum)</i>	
32.	<i>Tire width</i>	<i>275 mm</i>
33.	<i>Tire construction type</i>	<i>Radial</i>
34.	<i>Distance between outside edge of tire sidewall to outside edge of vehicle body for front axle (maximum)</i>	<i>125 mm</i>
35.	<i>Distance between outside edge of tire sidewall to outside edge of vehicle body for middle axle (maximum)</i>	<i>Not Applicable</i>
36.	<i>Distance between outside edge of tire sidewall to outside edge of vehicle body for rear axle (maximum)</i>	<i>80 mm</i>
37.	<i>Power on gradient (minimum)</i>	<i>Maintain 50 km/hr on 4% up grade and 30 km/hr on 8% upgrade when fully loaded</i>
38.	<i>Projected maximum operating speed (maximum)</i>	<i>80 km/hr</i>
39.	<i>Propulsion system</i>	<i>Battery Bus (not applicable for Diesel buses)</i>
40.	<i>Size of motor for propulsion system (peak power minimum)</i>	<i>250 kW (not applicable for Diesel buses)</i>
41.	<i>Size of motor for propulsion system (Rated power minimum)</i>	<i>150 kW (not applicable for Diesel buses)</i>
42.	<i>Internal idling noise standard (maximum)</i>	<i>60 dB</i>
43.	<i>Maximum Haulage</i>	<i>280 KM (not applicable for Diesel buses)</i>
44.	<i>External idling noise standard (maximum)</i>	<i>65 dB</i>
45.	<i>Turning radius, outer wheel track (maximum)</i>	<i>12.0 meters</i>

SCHEDULE I: SCOPE OF INDEPENDENT MONITORING PARTIES

VOLUME 3: TECHNICAL DOCUMENTS

EXECUTIVE SUMMARY

The Government of Balochistan is undertaking a significant expansion of public transportation infrastructure through the Green Buses Project, a strategic initiative aimed at addressing the growing mobility challenges in Quetta. This comprehensive feasibility study evaluates the technical and operational viability of this important public service investment.

The project consists of following component:

i. Quetta Component

Extension of the current 18.7 km route from Baleli Customs to University of Balochistan to connect DHA Quetta to Hazarganji, creating an approx. 40.3 km corridor served by a fleet of 25 buses (21 twelve-meter buses and 4 nine-meter buses).

The component will be operated through a performance-based Operations and Maintenance (O&M) contract with a third-party service provider.

Our comprehensive assessment confirms the project's feasibility across multiple dimensions:

a. Technical Viability

The proposed routes, fleet composition, and operational plans are technically sound and well-adapted to the urban contexts of Quetta. In Quetta, the implementation of 11.5-minute peak and 15-minute off-peak headways will effectively serve the projected ridership of 15,100 daily passengers (Year 1), with capacity for growth to 17,178 passengers by Year 10.

Passenger turnover analysis, validated through historical data from the existing Baleli-University route, confirms that the average passenger travels approximately 25% of the Quetta route, resulting in turnover factors of 4.0. This enables efficient capacity utilization and supports the projected ridership figures.

b. Value for Money

While requiring substantial public investment, the project delivers compelling socioeconomic returns through enhanced mobility, reduced congestion, decreased pollution, improved accessibility to education and employment, and broader social inclusion. These benefits justify the government's financial commitment and align with international best practices in public transportation provision.

c. Risk Management

Key risks identified include implementation timeline pressures, fuel price volatility, and potential ridership fluctuations. These risks are addressed through a structured monitoring framework and appropriate risk allocation between the government and private operator.

Path Forward

This study recommends immediate implementation of the Green Buses Project in Quetta, establishing a foundation for sustainable urban mobility. The implementation roadmap outlines a phased approach to achieve operational readiness by the target date, while the long-term strategy envisions this project as a stepping stone toward a more comprehensive Bus Rapid Transit (BRT) system for Quetta in the future.

The Green Buses Project represents a significant advancement in addressing urban mobility challenges in key urban centers of Balochistan. While requiring ongoing government support, the numerous socioeconomic benefits of the project and alignment with sustainable development goals make it a worthwhile public investment. By implementing this project with a focus on operational excellence and continuous improvement, the Government of Balochistan will create lasting positive impacts on the quality of life, economic development, and environmental sustainability in Quetta.

1. INTRODUCTION AND PROJECT BACKGROUND
1.1 PROJECT OVERVIEW



The Green Buses Project represents a significant step in modernizing public transportation in Quetta.

In Quetta, the initiative builds on the existing pilot initiative, spearheaded by the Balochistan Public Private Partnership Authority (BPPPA) which offers a modern, sustainable, and accessible alternative for its residents. The Green Bus project materialized through a strategic collaboration between the Provincial Transport Department, the BPPPA and Private Party. Eight buses, deployed on the city's main artery – connecting Baleli Customs to the University of Balochistan – marked the beginning of a new era in public transportation.

The provincial government now plans to expand this service by deploying 21 twelve-meter diesel buses and 4 nine-meter buses and extending the route to connect DHA Quetta to Hazarganji, covering approximately 40.3 kilometers.

This expansion comes in response to growing transportation demands in both cities. Quetta, the provincial capital of Balochistan and the 10th most populous city in Pakistan, faces significant mobility challenges with its rapidly growing population⁸, including traffic congestion, inadequate public transport options, and increasing dependency on private vehicles. The city experiences substantial traffic congestion, particularly during peak hours (7:30 – 8:30 am and 4:00 – 6:00 pm), resulting in delays on average of at least 30 minutes for commuters.

Given the socioeconomic and demographic profile of Quetta, affordable and efficient public transportation is the urgent need. With an average monthly household income for the 40th percentile at approximately Rs. 30,000, and a significant portion of the population, especially in underserved areas, relies on daily wage labour (54%) and small businesses (24%) for income while the large average household size of 8.99 persons per household in Quetta district creates substantial demand for transit options which should not only accommodate large family units but also provide cost-effective mobility options for low and middle-income residents.

⁸ The city has had a growth rate of 5.85% from 1998 to 2017 and has grown almost three and a half times since the 1980s. Its green area has shrunk concomitantly. Population density continues to increase.

Observational evidence reveals a transportation ecosystem characterized by forced reliance on personal vehicles, dependence on informal modes of transportation including rickshaws or three-wheelers, shared vans, and prevalence of non-motorized transport among lower-income residents. As per the recent study on the traffic issues in the Quetta city, a vehicle composition analysis at peak hours revealed that two-wheelers constitute the largest share of traffic at nearly 60% followed by three-wheelers at 21% and automobiles at 18%. Buses do not constitute more than 0.5% even on roads which mostly consist of a limited network of aging buses operated by both registered and unregistered private owners that service only 14 functional routes—wholly inadequate for a city that has experienced substantial urban expansion over the past three decades. This rudimentary system predominantly serves a narrow demographic segment within lower income brackets, while three-wheelers have emerged as the dominant mode in the commercial transport sector, supplemented by small vans for goods transportation and school transit services.

The project has been prioritized by the Government of Balochistan as per the directives from the Chief Minister of Balochistan to operationalize the new buses within a two-month timeframe.

1.2 PROJECT OBJECTIVES

In addition to laying down the foundations for the more comprehensive BRT system, the Green Buses Project aims to achieve following key objectives as follows:

Access to reliable, efficient and cost effective public transportation
Provide reliable, efficient and comfortable public transportation particularly focusing on connecting major residential, educational, and commercial areas, and to provide affordable transportation options to daily commuters, particularly to lower and middle-income residents. Further, providing a safe and convenient travel experience for women and children.
Reduce Traffic Congestion
Decrease the number of private vehicles by offering a viable public transport alternative, thereby reducing congestion, particularly during peak hours.
Lower Environmental Impact
Promoting mass transit over individual transportation for environmental sustainability by reducing emissions.

1.3 SCOPE OF THE FEASIBILITY STUDY

This feasibility study focuses on the operations and maintenance (O&M) phase of the Green Buses Project in Quetta, specifically addressing:

- Technical feasibility of operating the expanded fleet on the Quetta route
- Value for Money analysis for the Government of Balochistan
- Risk assessment and mitigation strategies for the combined project
- Framework for future transition to a BRT system in Quetta

The study includes route specifications, passenger counts, fleet details, and financial parameters. The assessment methodology includes technical analysis of route and infrastructure requirements, financial modelling based on projected ridership and cost structures, value for money assessment comparing different operational models, and risk analysis using scenario planning techniques.

1.4 PROJECT CONTEXT

Quetta city faces unique transportation challenges due to its geographical layout, rapid urbanization, and limited public transport infrastructure. The population of the city which is approximately 1.2 million is expected to continue growing at 3.4% annually, putting additional pressure on the already strained transportation system.

The existing transportation network primarily consists of private vehicles, rickshaws, and limited bus services, resulting in traffic congestion, pollution, and high transportation costs for residents.

2. TECHNICAL FEASIBILITY ASSESSMENT

2.1 ROUTE ANALYSIS AND TECHNICAL PARAMETERS

Route Details - Quetta Route

The existing route from Baleli Customs to University of Balochistan will be extended to DHA in the north and Hazarganji in the south, increasing its length to 40.3 km⁹. This extension will connect crucial commercial and residential areas, offering a convenient travel option for a larger population segment.

The route characteristics include:

Total Route Length (one-way)	40.3 km
Dead Mileage (one-way)	5.0 km
Round Trip Distance (including dead mileage)	90.6 km
Number of Stops	30 (approximately every 1.3 km)

Figure 1: Existing Route - Quetta



⁹ The route at South may stop at Gahi Khan Chowk and be extended at north to Kuchlak instead of DHA, Quetta. Route length will remain the same i.e. ~40KMs



Figure 2: Extended Route - Quetta

Topographical and Road Conditions

Quetta Route

The Quetta route traverses varied terrain with elevation changes typical of Quetta's bowl-like valley structure. Road conditions are generally adequate for bus operations, with the following characteristics:

- Road width ranges from 10-14 meters, sufficient for standard bus operations
- Asphalt pavement in fair to good condition on most segments
- Gradients are manageable for standard diesel buses (maximum 6% grade)
- Weather conditions, particularly rainfall and occasional snowfall in winter, may affect operations seasonally

Travel Time and Speed Parameters

Based on comprehensive route analysis, traffic patterns, and field assessments, we have established realistic travel time and speed parameters for Quetta routes. These parameters account for varying traffic conditions, topography, stop frequency, and passenger boarding/alighting patterns.

Quetta Route

The extended 40.3 km Quetta route traverses diverse urban environments with varying traffic densities. Our operational analysis indicates:

Average operational speed	22.5 km/h	Accounting for traffic congestion, signal delays, and topographical factors.
One-way travel time	128.30 minutes	This includes passenger boarding/alighting at stops.
Average dwell time per stop	0.25 minutes	Alternatively 15 seconds
Terminal recovery time	10 minutes	Providing operational buffer for schedule adherence
Round trip time	276.60 minutes	Approximately 4.6 hours.

These operational parameters account for non-revenue dead mileage (5 km one-way for Quetta) between depots and route endpoints, an important consideration for comprehensive operational planning.

The travel time calculations form the foundation for determining vehicle requirements, scheduling, and headway planning. Based on these parameters and the proposed service frequencies, 60 one-way trips (30 round trips) per weekday on the Quetta route.

FLEET SPECIFICATIONS AND REQUIREMENTS

Fleet Composition

The Green Buses Project will utilize a mix of vehicle types to optimize capacity and operational efficiency:

Quetta Fleet

- 21 twelve-meter diesel buses
- 4 nine-meter diesel buses
- Total fleet: 25 buses

This fleet composition provides appropriate capacity for the projected ridership while allowing operational flexibility to match vehicle deployment with demand patterns.

Technical Specifications

12-meter Diesel Buses (Quetta Route)

The 12-meter diesel buses have the following specifications to ensure that the buses are suitable for the respective route conditions, provide adequate passenger capacity, and meet basic environmental and safety standards.

Engine Type	Diesel, Euro IV/V compliant
Dimensions	12000×2550×3160 mm
Wheelbase	6000 mm
Fuel Tank Capacity	300 liters
Seating Configuration	36+1 (driver)
Total Passenger Capacity	77 passengers
Floor Type	Low entry
Interior Features	Aluminum alloy air duct, PVC roof, aluminum composite side panel
Engine	Cummins, ISDe 310-30, EURO III, 310 HP, 1200 N-m Torque
Transmission	ZF, 6AP2000B, automatic
Accessibility Features	Manual ramp for disabled passengers
Safety Features	CCTV surveillance, fire extinguishers (4kg, 2pcs)
Fuel Efficiency	0.33km/ liter

9-meter Diesel Buses (Quetta Route Only)

Engine Type	Diesel, Euro IV compliant
Dimensions	9000×2400×3050 mm
Seating Configuration	25+1 (driver)
Total Passenger Capacity	60 passengers
Floor Type	Low entry
Safety Features	CCTV surveillance, fire extinguishers
Fuel Efficiency	0.33 liters/km

Fleet Requirements Calculation

The fleet size for Quetta routes has been determined through a comprehensive analysis of operational parameters, including route characteristics, travel times, headways, and passenger demand. This methodical approach ensures adequate service coverage while maintaining operational efficiency.

Quetta Route

The fleet requirement for the Quetta route is calculated based on the following parameters:

Headway during peak hours (a)	11.5 minutes
Headway during off-peak hours	15 minutes
Round trip time (b)	276.60 minutes
Daily operational hours	14 hours on weekdays, 12 hours on weekends
Maximum possible trips per bus per weekday	3 trips
Number of buses required	~ 24 buses (a/b)
Spare Ratio	1 bus (4%)

The calculated fleet size allows for 60 one-way trips (30 round trips) per weekday, providing sufficient service frequency to meet the projected ridership demand of 15,100 passengers per day. The daily operational distance per bus is approximately 189.20 kilometres, including both revenue and non-revenue (dead) kilometres. The mixed fleet approach for Quetta leverages available resources while providing appropriate capacity for the expected ridership. The larger 12-meter buses will be deployed during peak periods and on segments with higher passenger volumes, while the 9-meter buses will provide service flexibility for off-peak periods and lower-demand segments.

3. RIDERSHIP ANALYSIS

3.1 Current and Projected Ridership

The Green Buses Project's ridership projections are substantiated by comprehensive historical data from the existing Baleli-University of Balochistan route. Ticket data collected between July 2024 and March 2025 reveals consistent passenger patterns that inform our projections for the expanded service:

The 18.7 km existing route demonstrates an average daily ridership of approximately 6,600 passengers, with weekday averages reaching 7,000 passengers and weekend ridership averaging 5,000 passengers. During peak periods, buses operate at near capacity, with morning peak forward passenger counts averaging 66.61 per bus and evening peak backward passengers reaching 69.08-69.35 per bus.

This historical data has been fundamental in validating the passenger turnover assumptions for both cities. The average trip length on the existing route is 5 km, representing approximately 29% of the total route length. This translates to a passenger turnover factor of 3.7, meaning each seat serves 3.7 passengers during a one-way trip as passengers board and alight at different points.

Quetta Route Projections

For the expanded 40.30 km Quetta route, our analysis projects:

Initial daily ridership (weekdays)	15,100 passengers
Initial daily ridership (weekends)	9,815 passengers
Annual ridership (Year 1)	4,756,500 passengers
Anticipated growth	2% annually for first five years, 1% for years 6-10
Projected daily ridership by Year 10	17,178 passengers (weekdays)

The average trip length of 10 km (25% of the route) yields a passenger turnover factor of 4.0.

3.2 Passenger Load Analysis

Quetta Route

Morning peak (7:30-8:30 AM)	20% of daily ridership (3,020 passengers)
Evening peak (4:00-6:00 PM)	30% of daily ridership (4,530 passengers)
Off-peak hours	50% of daily ridership (7,550 passengers)

With a target load factor of 85% and effective passenger turnover, the planned fleet capacity will adequately serve the projected demand. The daily effective capacity with turnover consideration is 17,760 passengers, providing sufficient margin for peak demand and future growth.

3.3 Ridership Growth Projections

Our multi-year analysis forecasts steady growth in ridership as service reliability improves and public awareness increases:

Quetta Route

Year 1 (2026)	15,100 passengers/day (weekdays, base)
Year 5 (2030)	16,345 passengers/day (weekdays, 8.2% increase)
Year 10 (2035)	17,178 passengers/day (weekdays, 13.8% increase from base)

4. INFRASTRUCTURE AND SUPPORT SYSTEMS

4.1 Depot and Maintenance Facilities

Quetta Depot

The Government of Balochistan will provide land for depot facilities in Quetta to support the operations and maintenance of the bus fleet along with the defraying the cost of construction. The depot should include:

Bus Parking Area	Capacity for 25 buses with expansion potential
Maintenance Workshop	4-5 service bays with inspection pits
Manual Washing Area	Basic washing facilities
Fueling Station	Diesel pumps with storage tanks
Administrative Offices	Dispatch, management, and staff facilities
Driver Facilities	Rest areas, training rooms, lockers
Spare Parts Storage	Secure storage area

The estimated spatial requirement is approximately 2.5-3 hectares, with two facilities planned at strategic locations to minimize dead mileage. The total cost allocation for depot construction in Quetta is PKR 150 million, which will be funded through the Government of Balochistan's Public Sector Development Program (PSDP).

4.2 Bus Stops and Passenger Facilities

Well-designed bus stops and passenger facilities are critical to the success of the Green Buses Project, enhancing service accessibility, passenger comfort, and overall user experience. The design and placement of these facilities needs to be carefully planned to optimize passenger convenience while considering local conditions in Quetta.

Quetta Route

The 40.3 km Quetta route will be served by a total of 30 bus stops (15 in each direction), designed to maximize accessibility while maintaining operational efficiency. The stop spacing averages 1.3 kilometers, with adjustments based on population density, demand patterns, and street configuration. Each stop location has been selected to optimize passenger access while minimizing traffic disruption.

While Standard Stops (11 locations) would contain seating for 4-6 passengers with weather protective shelters for 8-10 waiting passengers and basic lighting, premium stops (4 locations) will feature extended shelters accommodating 15-20 waiting passengers, seating for 8-10 passengers and enhanced lighting systems. Static information displays with route maps and schedules will be included in the stops. These enhanced facilities will be positioned at major activity centers with high passenger volumes including:

- DHA Quetta Terminal
- GPO Chowk
- University of Balochistan
- Hazarganji Terminal

5. OPERATIONS AND SERVICE PLAN

5.1 Service Schedule

The service schedule for the Green Buses Project has been designed to balance passenger demand, operational efficiency, and resource optimization. The schedules for Quetta routes account for local travel patterns, peak demand periods, and urban activity pattern specific to each city.

Quetta Route

The Quetta route service is structured to accommodate the city's distinct travel patterns, particularly the pronounced morning and evening commuting peaks associated with government offices, educational institutions, and commercial centers.

<i>Operating Hours</i>	
Weekdays (Monday-Friday)	7:00 AM to 9:00 PM (14 hours)
Weekends (Saturday-Sunday)	8:00 AM to 8:00 PM (12 hours)

<i>Service Frequency</i>	
Morning Peak (7:30 AM - 8:30 AM)	11.5-minute headways
Evening Peak (4:00 PM - 6:00 PM)	11.5-minute headways
Off-Peak Hours	15-minute headways

This schedule provides approximately 60 one-way trips (30 round trips) per weekday. Weekend service operates with 15-minute headways throughout the day, yielding approximately 48 one-way trips (24 round trips) per day.

The 12-meter buses will primarily serve peak hours and high-demand segments, while the 9-meter buses will be utilized during off-peak periods and on segments with lower passenger volumes, optimizing operational costs while maintaining adequate capacity.

5.2 Operations Model

The Green Buses Project will be implemented using Operations and Maintenance (O&M) contract model to ensure service quality, operational efficiency, and clear accountability.

Contract Structure

Parameter	Details
Contract Type	Performance-based O&M Management Contract
Duration	5 years with extension up to 5-years

Scope of Services

Service Area	Responsibilities
Fleet Operations	Daily deployment, schedule adherence, route management
Fare Collection	Revenue collection, reconciliation, and reporting
Maintenance	Preventive and corrective maintenance, depot management
Human Resources	Staff recruitment, training, and management
Customer Service	Passenger assistance, complaint resolution
Safety and Security	Safety protocols, emergency response, asset security
ITS Management	System operation, data collection, performance reporting

All staff, as required, will undergo appropriate training before operations commencement, with drivers receiving certification in safe bus operation and customer service protocols.

5.3 Performance Standards and KPIs (details to be added in the final agreement)

Key Performance Indicator	Target	Measurement Method
Schedule Adherence	≥95% of trips departing within 5 minutes of scheduled time	GPS tracking data
Service Reliability	≥98% of scheduled trips completed	Daily operations report
Vehicle Availability	≥90% of fleet available daily	Daily readiness inspection
Cleanliness	100% interior cleaning daily; exterior washing 3x weekly	Random inspections
Maintenance Compliance	100% adherence to manufacturer-recommended schedules	Maintenance records audit
Safety Performance	Zero preventable accidents per 100,000 km	Incident reports
Customer Satisfaction	≥85% positive feedback	Quarterly passenger surveys
Revenue Collection	≤2% variance from projected collection	Financial reconciliation
ITS Uptime	99.5% system availability	System monitoring logs

6. SOCIAL BENEFITS ASSESSMENT

The Green Buses Project delivers substantial social benefits that extend beyond conventional economic analysis:

- **Improved mobility for underserved communities**, with 40% of projected ridership from lower-income areas
- **Enhanced access to education** for approximately 8,500 students in Quetta
- **Employment creation** totalling 185 direct jobs and approximately 275 indirect positions
- **Improved quality of life** through reduced commuting stress and consistent transit service
- **Gender inclusion benefits** with enhanced transportation options for women, who represent approximately 35% of projected ridership

7. VALUE FOR MONEY CONCLUSION

The Green Buses Project delivers strong value for money through:

- i. **Efficient Delivery Approach**
The PPP model generates substantial savings compared to traditional public delivery.
- ii. **Economic Benefits**
While direct economic benefits cover approximately 17% of financial costs, this is comparable to public transportation systems globally, which typically require government support.
- iii. **Social Return on Investment**
The significant social benefits in mobility, accessibility, inclusion, and quality of life provide compelling justification for public investment.
- iv. **Strategic Value**
The project establishes essential transportation infrastructure that supports broader urban development objectives and lays groundwork for future transit enhancements.
- v. **Risk-Optimized Approach**
The selected delivery model allocates risks to the parties best positioned to manage them, enhancing overall project resilience.

The Green Buses Project represents a prudent public investment that advances essential transportation services in Quetta while delivering quantifiable value through an efficient delivery approach. The government subsidy requirement is justified by the project's substantial social and economic returns, which align with international best practices in sustainable urban transportation investment.

RISK ASSESSMENT AND MITIGATION REPORT

8. RISK IDENTIFICATION AND ASSESSMENT

This section presents a streamlined analysis of key project risks, their allocation, and mitigation strategies for the Green Buses Project in Quetta.

Risk Category	Description	Probability	Impact	Risk Level	Primary Responsibility
Demand Risk	Uncertainty in actual ridership vs. projections	Medium-High	High	High	Government
Revenue Risk	Shortfalls in fare collection and non-fare revenue	Medium	Medium-High	Medium	Shared
Operational Risk	Challenges in day-to-day operations affecting service quality	Medium	Medium	Medium	Private Partner
Performance Risk	Failure to meet established service standards and KPIs	Medium	Medium	Medium	Private Partner
Political Risk	Changes in political support, regulations, or policies	Low-Medium	High	Medium	Government
Implementation Risk	Delays in project implementation affecting timeline and costs	High	Medium-High	High	Shared
Force Majeure Risk	Unforeseeable events beyond parties' control	Low	High	Low-Medium	Shared

9. RISK MITIGATION STRATEGIES

9.1 Demand and Revenue Risks

Mitigation Strategy	Description	Implementation Timeline
Minimum Revenue Guarantee	Government provides subsidy to cover gap between actual and projected revenue	Throughout contract period
Marketing Campaign	Comprehensive public awareness program to drive ridership	Pre-launch and first 6 months
Fare Policy Optimization	Strategic fare adjustments based on affordability and cost recovery	Annual review
Revenue Diversification	Development of non-fare revenue streams	Ongoing with quarterly targets

9.2 Operational and Performance Risks

Mitigation Strategy	Description	Implementation Timeline
Performance-Based Contract	Link payment to achievement of specified KPIs	Contract structure
Regular Monitoring System	GPS-based fleet tracking and performance monitoring	From day 1 of operations
Preventive Maintenance Program	Structured approach to fleet maintenance	Weekly/monthly schedules
Staff Training and Development	Comprehensive training for drivers and key personnel	Pre-launch and ongoing
Performance Review Mechanism	Regular assessment of operator performance	Monthly reviews

9.3 Political and Implementation Risks

Mitigation Strategy	Description	Implementation Timeline
Stakeholder Engagement Plan	Regular consultation with key stakeholders	Pre-implementation and ongoing
Phased Implementation	Gradual rollout of services to manage complexity	Implementation phase
Clear Legal Framework	Robust contractual structure to protect against arbitrary changes	Finalized before contract signing
Detailed Implementation Plan	Comprehensive project plan with clear milestones	Pre-implementation
Experienced Project Management	Dedicated team with public transport expertise	Throughout project

10. RISK ALLOCATION MATRIX

Risk Factor	Government	Private Partner	Shared	Rationale
Ridership below projections	●			Government best positioned to manage demand risk through policy measures
Fare evasion			●	Shared responsibility for fare enforcement and collection systems
Operating cost increases beyond indexation		●		Operator has direct control over operational efficiency
Service quality failures		●		Directly linked to operator performance
Regulatory/policy changes	●			Within government control
Implementation delays			●	Requires coordination between both parties
Force majeure events			●	Neither party can control but can share impacts
Labor disputes		●		Operator manages human resources
Fuel price volatility			●	Addressed through indexation mechanism
Infrastructure availability	●			Government responsible for depot and road infrastructure

11. RISK MONITORING FRAMEWORK

Component	Description	Frequency	Responsibility
Risk Register Update	Systematic review and update of identified risks	Quarterly	PMU Risk Officer
Key Risk Indicators	Tracking of specific metrics for each risk category	Monthly	PMU Monitoring Team
Risk Review Committee	Cross-functional team evaluating risk status	Quarterly	Joint Committee
Contingency Planning	Development of response plans for high-priority risks	Biannually	PMU with Operator Input
Risk Reporting	Structured reporting of risk status to stakeholders	Monthly & Quarterly	PMU Director

12. RISK RESPONSE TRIGGERS AND ACTIONS

Risk Level	Trigger	Response Action	Authority
Alert	Minor deviation from KPIs	Increased monitoring and operator notification	PMU Operations Manager
Action	Significant KPI deviation for 2 consecutive periods	Implementation of specific mitigation measures	PMU Director
Escalation	Critical deviation or persistent issues	Senior management intervention and potential contract adjustments	Steering Committee

NOTES:

[illegible]