

Minutes of Meeting

“MEETING FOR SELECTION OF OPERATORS FOR BUS OPERATIONS IN MAJOR CITIES OF PUNJAB”

Chair:	Co-Chair	Venue:	Dated:
Mr. Syed Zaeem Qadri Provisional Minister for Transport, Government of the Punjab.	Mr. Muhammad Yousaf Secretary Transport	Conference Room (TPU), Transport Department	29-08-2012

List of Participants

The following participants attended the meeting / conference:

1. Mr. Syed Zaeem Qadri, Provincial Minister for Transport.
2. Mr. Muhammad Yousaf, Secretary Transport.
3. Mr. Dr. Syed Murtaza Bukhari, PD-TPU.
4. Mr. Hamid Khan, Senior Traffic Engineer, TPU.
5. Mr. Kamran Ihsan, Transport Planner, TPU.
6. Mr. Faisal Ashfaq, Traffic Data /Survey, TPU.
7. Mr. Hamdan Nazir, M/s First Bus.
8. Mr. Waqar-ul-Haq, M/s First Bus.
9. Mr. Farooq-e-Azam Khan Niazi, M/s Niazi Express Bahawalpur.
10. Mr. Shahbaz Ali, M/s Daewoo City Bus.
11. Mr. Khurram Mirza, M/s Daewoo City Bus.
12. Mr. Fazasat, M/s K.B Ltd.
13. Mr. Imtiaz Ali, M/s New Khan Multan.
14. Mr. Usman Hanif, M/s Habib Rafique Ltd.
15. Mr. Nadir Ali, M/s Baloch Travels.
16. Mr. Habib-u-Rehman, M/s Baloch Travels.
17. Mr. Imran Siddique, M/s Orbit Transport.
18. Mr. Zieo, M/s Golden Dragon.
19. Mr. Hamid Mahmood, M/s Rawal Travels Rawalpindi.
20. Mr. Raja Tariq Aziz Bhatti, M/s Rawal Travels Rawalpindi.
21. Mr. Billu Butt, M/s Skyways.
22. Mr. Tariq Khan, M/s Prance.
23. Mr. Baqir Ali, M/s Foton Pak.
24. Mr. Colo (R) Rizwan, M/s Foton Pak.
25. Mr. Adnan Bandial, M/s Bandial Travels.
26. Mr. Abu Bakar, M/s Sigma Motors

PROCEEDINGS OF THE MEETING:

1. Operator raised concerns regarding availability of spare parts for new buses (to be procured for urban operations)

The GoPb will retain 10 % performance guarantee from manufacturer /supplier to ensure continuous supply of spare parts and after sale service. It is also made mandatory for foreign suppliers to establish local manufacturing facility for supply orders of over 400 buses.

2. Who will bear responsibility to pay monthly instalments to bank; if the supplier / manufacturer failed to deliver parts and after sale service?

The GoPb will confiscate the 10% performance security in case manufacturer / supplier fails to perform as per contract. The manufacturer / supplier will be bound to supply spare parts of the buses through an agreement.

3. How the operators will be compensated against route changes due to policy changes or launch of Mega Project such as MBS

In such circumstances the operator will be allotted a new route as Mega Projects are for the facilitation of general public or the GoPb will review the operational subsidy to compensate against route changes.

4. The Operators raised concerns regarding difference in prices for spare parts, (the price from manufacturer / supplier and open market price). They suggested fixing the price of the spare parts for a certain time period until warranty period is over and parts are readily available in the market.

This concern has already been addressed in the 'after sale service agreement' of the Manufacturers / Suppliers RFP.

5. Operational Subsidy should be released within one month of bus operations

Establishment of 'ESCROW Account' for release of operational subsidy and third party validation will take care of this.

6. Operators raised concerns over the Human Resource strength section of the Technical evaluation. The criteria give maximum points to a company with 40 or over staff. However, there are bigger companies with over 1000 staff getting the same points.

It is one of the objectives of the DoT to encourage new operators in the field of Transportation. The said criteria are set to encourage new operators.

7. A progressive formula should be evaluated to cater for the route development expenditures made by the operators

The DoT will review and may set certain amount in the route subsidy for the route development expenditures.

CHANGES / DECISIONS:

- **If bus operations are disrupted due to non-payment of subsidy in time, the GoPb will be responsible to pay that much part of monthly instalments.**
- **If the operators service is affected due to route alignment changes in effect of GoPb policy changes such MBS or any other Mega Project, the GoPb will provide a new route or review their subsidy to cater for the operational losses**
- **Manufacturers /Suppliers will be bound to make sure the availability of spare parts of buses timely.**