

**CHIEF MINISTER  
BUS RAPID TRANSIT SYSTEM  
FOR CITY OF LAHORE**



**REQUEST FOR PROPOSALS (RFP)  
FOR  
TRANSACTION ADVISORY SERVICES  
FOR**

**ESTABLISHING BUS RAPID TRANSIT (BRT) SYSTEM  
ON TWO CORRIDORS IN LAHORE**

**December 21, 2010**



**Transport Department**

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# REQUEST FOR PROPOSALS FOR HIRING TRANSACTION ADVISOR (TA)

## 1. Definitions

Unless the context otherwise requires, the following terms, wherever used in this RFP, shall have the following meanings:

- a) "Advisory Fee" means amount of compensation that will be paid as per schedule of payment subject to submission and approval of the deliverables.
- b) "Agreement" means the Agreement signed between the Client and the Transaction Advisor (TA) to carry out the Assignment.
- c) "Applicable Law" means the laws of Islamic Republic of Pakistan.
- d) "Assignment" means the advisory work to be performed by the TA for the development and implementation of the Project.
- e) "Client" means the Lahore transport Company (LTC), a company incorporated under section 42 of the Companies Ordinance, 1984.
- f) "Consortium" means any entity with whom the TA has made arrangements to provide any part of the Services as joint venture (JV) before submission of proposals.
- g) "Company(ies)" means a Company or Companies selected to implement the Project.
- h) "Contract" means Contract signed between the Client and the selected Company(ies) to implement the Project.
- i) "Effective Date" means the date on which Agreement/Contract is signed between the Parties.
- j) "End Date" means the date on which the period of assignment as given in the TORs expires, unless agreed in writing by the Parties.
- k) "Entity" means any firm which has legal entity i.e. registration with Security and Exchange Commission of Pakistan (SECP) or Registrar of Firms (ROFs).
- l) "Force Majeure" for the purpose of this Agreement means
  - i. An event or circumstance which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under this Agreement impossible, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts,

other industrial action or any sanction or restriction imposed by any governmental authority or body within or outside Pakistan; which has a material adverse affect on the ability of the TA to carry out the Services.

ii. Force Majeure shall not include: (i) any action or failure to take action by a Party; (ii) any event which is caused by the negligence or willful act or omission of a Party or that Party's personnel, and (iii) any event which a diligent Party could reasonably have been expected both: (a) to have taken into account at the time of the Effective Date of this Agreement; and (b) to have avoided or overcome in the course of carrying out its obligations under this Agreement.

- m) "Foreign Personnel" means such professionals and support staff who at the time of being so provided had their domicile outside Pakistan;
- n) "Local Personnel" means such professionals and support staff who at the time of being so provided had their domicile inside Pakistan.
- o) "Party" means the Client and the Transaction Advisor (TA) as the case may be and the Client and the TA shall collectively mean the "Parties".
- p) "Personnel" means professionals and support staff provided by the TA or by any of their consortium member to perform the Services or any part thereof;
- q) "Project" means Establishment of Rapid Bus Transit (BRT) System to be launched by the Client.
- r) "Proposals" means the Technical Proposal and the Financial Proposal.
- s) "Starting Date" means the starting date of the Assignment as specified in the Agreement
- t) "Services" means the Advisory Services to be provided by the TA for the Assignment.
- u) "Terms of Reference" (TORs) means the document included in the RFP as **Annexure-1** which explains the objectives, scope of work, activities, tasks to be performed, prescribed core team, and expected results and deliverables of the Assignment.
- v) "Third Party" means any person or entity other than the LTC, DOT and the TA.
- w) "Transaction Advisor" means the Firm hired to provide services as specified under the Agreement.

## **2. Introduction**

The present conditions of the bus transport system cause extreme hardship and stress for the people of Lahore in the course of their day to day lives, impacting significantly on social and economic wellbeing and the quality of life. Furthermore, the wider urban transit problems of traffic congestion, air and noise pollution cause significant economic and social costs to the city, and for its people, and a decline in health and quality of life, including the loss of opportunity in work, education and social activities. Rapid increase in population, average distance traveled by the commuters and failure of adequate maintenance of the existing public transport system has contributed extensively to the deterioration of transport system of the city. With the financial and banking sector boom in the country from 2004 till 2008 and the subsequent easing of car lease terms, the city has experienced an exponential rise in private vehicle ownership leading to deteriorating traffic and environmental conditions in the city.

The total numbers of the registered motor vehicles in Lahore in 2005 were 1.2 million as compared to 0.5 million in 1998 (Source: Excise & Taxation Department Government of Punjab 2006). The city of Lahore amongst all the five big cities of Punjab has the highest annual vehicle growth rate of about 16 percent. Keeping in view the growth rate of 16 % the total number of vehicles in Lahore in 2009 was approximately 2.30 million.

There are around 700 large size buses operating in Lahore. Most of the public transport is through overcrowded, poorly managed and rashly driven mini-buses and vans. There is a need to organize the public transport infrastructure, such as terminals, halting points and routes.

The privately-operated bus system, while providing extensive coverage and high frequency is not meeting the full demand, and generally provides a low standard of service which is often unsafe and uncomfortable to use. The informal institutional frameworks and the economic structures, under which private transporters operate, result in marginal returns. Contributing to the problems is low level of regulatory control

which often results in unsafe operations and a high level of traffic accidents and passenger deaths and injuries.

The Punjab Road Transport Corporation wound up its operations in 1998. The task of bus service provision was taken over by the private sector. The competition between High Occupancy Vehicle (HOV) and Low Occupancy Vehicle (LOV) operators, in addition to high diesel prices and the fare system has been blamed for the failure of urban transport system (UTS). Presently the system has great difficulty in attracting private sector investment on larger scales and therefore level of service is deteriorating under higher costs and lack of efficient / effective monitoring mechanism, which has resulted in the collapse of the public transport in Lahore.

The transport problems in Lahore are now being taken up very seriously by Government of the Punjab (GoPb) as vision of the Chief Minister to provide comfortable, affordable and safe mode of transportation for the masses. With the availability of a good deal of knowledge base about these problems in the form of a number of studies conducted in the city for various mass transit initiatives, efforts are now underway to evolve a permanent solution to the problem by carving out future transport plans for the city on modern lines with an integration of:

- Bus Rapid Transit system
- Feeder service and large city buses
- Lahore Rapid Mass Transit System

### **3. Instructions to the Bidders**

3.1 The perspective firms should familiarize themselves with Assignment conditions and services to be provided and take these into account in preparing their Proposals.

3.2 The Client will timely provide at no cost to the firms all the inputs, assist the firm in obtaining licenses and permits needed to carry out the services (if any), and make available relevant project data and reports.

3.3 The firms shall bear all costs associated with the preparation and submission of their proposals. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Agreement award, without thereby incurring any liability to the firms.

3.4 Qualified firms having work experience in Transaction Advisory Services, preferably in the Transport sector will also be required to:

- i. Assist the Client in selection of Company(ies) to implement BRT Project;
- ii. Evaluate feasibility study and detailed design to be submitted by the selected Company(ies).
- iii. Contracting with selected company(ies) for Project implementation.

3.5 A detailed description of the Services is set out in the Terms of Reference (TORs)

3.6 The Services shall be carried out in accordance with the TORs. The continuation of Services shall be subject to satisfactory performance of the TA as determined by the Client.

3.7 In order to achieve the objectives of the Assignment, the TA will be expected to take complete responsibility for all the activities identified in the attached TORs. The overall quality and due diligence in carrying out the Assignment and establishment of BRT infrastructure by the selected Company(ies) shall be the key responsibility of the TA.

3.9 The TA will structure the project with the understanding that each selected company shall be given exclusive rights to operate BRT on designated corridor.

3.10 The TA will also propose dovetailing of existing infrastructure of the Client with the BRT project.

3.11 Should any of the firm require clarification on any of the terms contained in this RFP including any of the Annexure or Appendix attached hereto, shall contact authorized representative of the Client as provided under clause 1.5 of the Agreement.

3.13 This RFP and the attachments hereto are subject to the overriding Special Conditions (**Annexure-2**).

#### **4. Technical and Financial Proposals**

4.1 Technical Proposal shall contain a complete description and explanation of the proposed methodology for the services to be provided (work plan), timeline, staffing, names and qualifications of core team/allocated personnel and any other resources that the TA will make available to execute the Assignment and achieve the objective.

4.2 The Financial proposal shall contain complete description of Advisory Fee to be charged for the Services for the Assignment. The schedule of Advisory Fee to be charged shall be quoted on the format for financial proposal (**Appendix-A**). The fee to be charged shall be quoted on man-months basis of the personnel deployed as core team.

4.3 The Technical and Financial Proposals with all the supporting data and information should be prepared and submitted in accordance with the prescribed format (**Annexure-3**). Financial or Technical Proposal not prepared and submitted in strict conformity with the prescribed format will be rejected.

4.4 The Client will not be responsible for any tax or insurance liability arising out of the performance of the Services for the Assignment except the one to be deducted at source.

4.5 All fee and costs are to be expressed in Pakistan Rupees only.

4.6 The Technical and Financial Proposals shall be evaluated by the notified Selection Committee.

4.7 All the proposals received in response to the RFP shall be evaluated as per criteria laid down in **Annexure-4**.

4.4 The negotiations with the TA shall be carried out in terms of the criteria based on the draft Agreement (**Annexure-5**).



# **ANNEXURE-1: TERMS OF REFERENCE (TORs) FOR HIRING OF TRANSACTION ADVISOR (TA)**

## **1. Introduction and Project Description**

The concept of Bus Rapid Transit (BRT) is a rapid mode of transportation that can provide the quality of rail transit and the flexibility of buses. A dedicated lane is provided to the buses uninterrupted with well coordinated integrated operational system and bus bays in between the Main carriage way. Pedestrian bridges/underpasses shall be introduced on each of the bus bay to provide ease of access to the commuters. BRT has been implemented in several cities throughout the world as a low-cost, rail-like method of moving people quickly and efficiently. It has also been successfully implemented as an incremental approach to provide transit solutions to address roadway congestion.

Bus Rapid Transit (BRT) system offers well-organized, effective way of transportation to the public providing a high quality transportation service and also improves job access. The BRT system will improve the efficiency and effectiveness of the region's current transit system. Currently many major cities all over the world use BRT. For instance, Seoul in South Korea; Twin-City and Los Angeles in USA; Toronto in Canada are the main cities that enjoy its benefit. And other cities are engaged to apply the BRTS as a benchmarking business model.

The implementation of BRT is an important component of the transportation system for improvement measures and schemes being undertaken by the GoPb to transform Lahore into a modern city of vast business opportunities and growth potential. The City District Government Lahore (CDGL) and Lahore Transport Company (LTC) has already undertaken an ambitious program of upgrading the city infrastructure such as construction of roads, flyovers and underpasses, bus shelters, bus bays etc.

The need for new system in the city can be accessed from the fact that the existing transportation mechanism is simply inadequate both in number of buses and quality to serve the existing and incremental travel demand. During peak hours, vehicles are

overloaded with people hanging on the doors and lately riding on the roof top of the mini buses thus endangering their lives and causing traffic hazards. Therefore, the only viable option left is a Bus Rapid Transit system which is low cost and highly effective to cater for the transportation needs of the citizens of Lahore. In order to overcome these problems;

- a) The Department of Transport (DOT) in collaboration with LTC & Planning and Development (P&D) Department are committed to bring a robust economic growth by providing sustainable transport system for the masses.
- b) In line with the vision of the Chief Minister Punjab, DOT is proposing a project on BRT for Ferozpur and Multan Road in Lahore; under the finance, design, build, operate, and transfer basis (FDBOT) on PPP modality.
- c) The existing public transport system requires a major uplift in level of service and quality in the wake of increasing demand owing to rapid growth of urban population. The overall objective of this project is to improve the efficiency and performance of the public transport system in Lahore by introducing environment friendly mass transit through public-private partnership.
- d) The LTC intends to develop and implement the BRT Project on PPP modality and desires the services of a Technical/Transaction Advisor (TA), a firm consultant having expertise in the area of developing and implementing Mass Transit projects on PPP modality.
- e) The LTC intends to seek qualified private companies to establish and operate Bus Rapid Transit Systems. The project in its first phase will be limited to the provision of the BRT system in Lahore on the following two corridors:
  - Ferozpur Road From Shahdra to Gajjumata (Kahna)
  - Multan Road From Thokar Niaz Baig to PMG office (lower mall)

## **2. Objectives**

The TA will provide the services as provided in the following scope of work.

### **3. Period of Assignment and Scope of Work**

The period of assignment shall be 12 months. The scope of work for the TA is divided in following three phases;

**Phase 1:** Feasibility Study based on Benchmark information

**Phase 2:** Hiring of Company(ies)

**Phase 3:** Implement of BRT project

Tasks to be accomplished under each phase are described below;

#### **3.1. Phase 1 (10 weeks)**

During this phase the TA will familiarize itself with the complete plan of activities for project implementation and conduct a detailed feasibility study based on benchmark data. The TA will also review and summarize global experiences and lessons learnt through similar projects carried out in other jurisdictions. Activities to be performed under this phase are further divided in to two tasks as described below;

##### **Task 1(a): Kick-off/Preliminary Meeting**

Within two weeks of signing the Agreement, the TA will conduct a kick-off meeting with the representatives of the Client. The objective of this meeting will be to discuss and review the complete plan of activities to be undertaken by the TA. Specifically this meeting will cover the following:

- Review of the proposed methodology and requirements to complete the Assignment.
- Review of timeline of activities/milestones; going forward
- Review of the team organization and detailed functions of the team members
- Any specific issues requiring immediate attention of the Client.
- Discussion and finalization of a communication strategy whereby all stakeholders will be regularly involved and consulted throughout the assignment.

**Deliverables:**

- a) Detailed methodology and time schedule for the said advisory assignment.
- b) A communication strategy

Timeframe: 2 weeks from signing of Agreement

**Task 1(b): Feasibility Study**

The TA will conduct detailed feasibility study to structure the project. This study will recommend benchmarks of the project specially in terms of ridership data and design parameters of the infrastructure. While preparing this study the TA will ensure that the followings have been addressed properly:

- i. Existing legal framework, organizational structure, and technological, environmental and financial aspects of the BRT.
- ii. Implementation strategy of the Project under Public Private Partnership (PPP) modality.
- iii. The BRT system that is customized to the local public transport needs and is in-line with the appropriate global technologies/socially acceptable best practices.
- iv. The current and projected ridership data, to prepare a financial model to work out the financial viability of the project indicating FIRR and NPV and other financial parameters along with qualitative economic and social benefits
- v. Coordination with TEPA, Urban Unit (P&D Department), and the Lahore Ring Road (LRR) PMU to ascertain the most feasible design of the proposed BRT Project.
- vi. The cost of designing, building, and operating the most feasible design of the BRT for the proposed corridors.
- vii. Appropriate concession period for integrated or independent operation on the two roads/routes and pricing structure for the minimum return guarantee (MRG), on investment to ensure project bankability and viability.
- viii. General framework and concession agreement to be signed with the successful bidder leading to a successful PPP contract with LTC.
- ix. The rider ship data and the proposed benchmark (state of the art) infrastructure required to be established for facilitation and security of the passengers.

- x. Cost of the most efficient MIS/e-ticketing for monitoring of the BRT.
- xi. Integration with other modes of transportation including bus/rail service in Lahore.
- xii. Analysis of the economic, technological and financial aspects of the prospective BRT design and identification of the potential risks and remedies for the smooth implementation and execution of the Project.
- xiii. Different alternatives towards an effective and workable Public Private Partnership; and proposing the best possible option in light of technical and financial considerations that may create a win-win scenario for all the stakeholders in context with the BRT Project.
- xiv. Capability of the proposed BRT system in terms of customization to the indigenous requirements and environment and is in-line with the international standards and best global practices. (repetition)
- xv. Ticketing system, whether there will be single rate for the entire route or the tickets shall be different for different route segments.
- xvi. Designing, installation, and implementation of a network based computerized management information system (MIS) for the client as well as for the Company(ies) to control, monitor, and coordinate BRT system. The MIS shall include capturing of the CCTV based pictures that provides evidence of physical presence of BRT and embed such evidence with the trip data. The system shall be designed to ensure that all data is easily retrievable, and remains accessible for the period of 10 years.
- xvii. Structure the MIS system; and propose, design, and develop related SOPs for successful operation of the project.
- xviii. Provisions for future expansion of the domain of the website <http://mtmis.punjab.gov.pk/> making available the retrieval of BRT information on real time basis in consultation with the Punjab IT Department.
- xix. Measures required to enhance the technical capability and capacity of the DOT to use the MIS system and to perform real time checking of the status of the BRTS.
- xx. Requirements of institutional and capacity enhancements in DOT to enable the Department to meet the operational requirements of BRT; organizational structure, job descriptions, necessary equipment, space requirements, SOPs, and estimated budget for three years;
- xxi. CAPEX and OPEX for individual routes as well as the entire project.

- xxii. Compliance with the standards, specifications, and quality of service.
- xxiii. Requirements for future expansion of the proposed system on other routes of the Lahore.
- xxiv. Proposed enforcement strategy for success of BRT.

The Feasibility Study, shall thoroughly investigate the preferred implementation options and finalize the transaction structure covering but not limited to, legal & regulatory issues, organizational structure, technical details, an excel based financial model reflecting optimal design parameters, risks & costs, and the service levels.

Feasibility Study shall clearly demonstrate affordability for the full project life cycle, and propose the optimal solution for LTC to achieve its desired outcomes. The optimal solution option and the recommended structure must be genuinely reflective of the constraints and concerns of all the key stakeholders involved. Feasibility report should be prepared using Government of the Punjab feasibility guidelines for PPP projects. The Feasibility Study should cover all aspects mentioned in the Scope of Work

The TA will also assist the Client to get the feasibility report approved from the steering committee of the PPP cell.

**Deliverables:**

- a) Approved Feasibility Report based on benchmarks

Timeframe: 8 weeks after submission of feasibility report and design.

**3.2. Phase 2 (12 weeks)**

**Task 2(a): Hiring of the Company(ies)**

The TA will invite the companies to submit their proposals for project implementation. These proposals shall strictly be in accordance with the benchmarks provided in the Feasibility study report. The selection of the Company(ies) shall include the process of;

- i. Holding of pre-bid meeting,
- ii. Inviting "Expression of Interest (EOI)",
- iii. Short listing and prequalification of the firms,

- iv. Preparation of RFP and its approval from the competent forum,
- v. Evaluation of technical proposals as per prescribed criteria,
- vi. Opening of financial proposals of the firms securing qualifying marks,
- vii. Ranking of firms on the basis of cumulative marks,
- viii. Negotiations with the firms in order of their rank,
- ix. Select the Company(ies) and
- x. Award of the Contract.

During procurement, The TA will also ensure that the company(ies) to be selected meet the requirements of the chosen structure and the bidding process is based on competitive tendering so that the selected company(ies) could most effectively implement the BRT on one or both of the prescribed BRT corridors, with least assistance from the Client. The process to be adopted will be transparent with clearly defined evaluation criteria. The TA will assist the Client in bid evaluation, negotiations and contracting with the selected company(ies) for BRT project.

**Deliverables:**

- a) Contracted Company(ies)

Timeframe: 12 weeks from invitation of EOI

### **3.3 Phase 3 (30 weeks)**

#### **Task 3(a): Implementation of BRT Project**

During this phase, the Contracted Company(ies) will be required to establish infrastructure for BRT as per agreed terms and conditions and strictly in accordance with the benchmark design requirements of infrastructure. The TA will be required to assist the selected companies in establishing their infrastructure to establish BRT at designated routes. The TA will also assist the selected companies in land acquisition/obtaining any concession from the Government. During this phase the TA will also ensure that the BRT system are set up in accordance with the prescribed layout plan and machinery and equipment as prescribed in the bidding document has been installed. The TA will also certify that project has been implemented as per requirements.

**Deliverables:**

- a) Established BRT infrastructure

Timeframe: 30 weeks after award of contract.

**4. General Conditions**

4.1 The TA shall be responsible for successful completion of the project as well as assisting LTC and DOT in all activities leading to and including the design review during the procurement process. While a detailed scope of work has been spelled out in the present TORs, the TA shall also be responsible for providing assistance in activities, not specifically mentioned in the TORs, that are necessary for successful completion of the Assignment. The TA will appoint a core team with designated Team Leader to assume overall responsibility of the BRT Project and to have interface with the LTC and DOT. The TA will maintain all records of the BRT Project for a period of one year from the termination of activities under the Agreement of this Assignment. During this period, the TA will assist the LTC and DOT in dealing with queries/issues related to the Project, if any. The TA will be required to formulate proposals for a communication plan whereby all stakeholders are regularly informed of Project progress.

4.2 The TA will use the prescribed formats for preparing required documents/reports mentioned under deliverable.

4.3 Five hard copies and one soft copy of each draft document mentioned under deliverables will be submitted to the LTC who will share the documents with the LTC and DOT that will offer its comments and recommendations which shall be incorporated in the final documents by the TA. After incorporation of the comments of LTC and DOT, the TA shall submit 10 hard copies and one soft copy of each of the final documents to the LTC and DOT.

4.4 All documents shall be prepared in English and submitted in the form of soft as well as hard copies in the required number.

4.5 All the data, documents and reports produced by the TA for the said services shall be the property of the Client. The TA shall not share and use any data, document and reports for any other purpose/job without the explicit written approval of the Client.



4.6. The DOT will nominate one Project Manager (PM) to liaise with the TA and the Client on all activities pertaining to this Assignment. The PM will be responsible to keep check of the outcomes and also for providing basic requirements/information to the TA for the Assignment in general and on the Project in particular. The PM will assist TA in securing appointments with any other government departments, as may be required.

**5. Time Duration of the Assignment**

The time duration of the Assignment is 12 months.

**6. Qualification and Experience of Core Team**

<b>Sr. No.</b>	<b>Core Team</b>	<b>Proposed Qualifications</b>	<b>Proposed experience</b>
I	Transport planner(Team Leader)	M.Sc. Transport Engg.	10 years in transport sector
II	Contract Expert	B.Sc. Engineering with LLB degree	10 years
III	Mechanical Engineer	B.Sc. Mech. Engg.	10 years in Automobile Industry
IV	Financial Expert	ACMA	5 years
V	System Design Analyst	MSc System Engineering	5 years

**7. Consultant Fee**

The TA shall quote fee of all the inputs on man month basis.

## **ANNEXURE-2: FORMAT FOR PREPARATION AND SUBMISSION OF PROPOSALS**

### **1. General:**

The Technical Proposal will provide information on how the Technical Advisor would approach the transaction and why he is qualified to undertake the Assignment. Technical Proposal should include the following:

- a) Specific firm/consortium/Joint Venture experience
- b) Competence and qualification of team
- c) Work Plan and methodology

#### **1.1 Specific firm/consortium experience**

The Bidder should give a comprehensive explanation of team's relevant experience and capability to undertake the assignment and the services envisaged under the TORs. For each relevant experience cited, outline the precise role of the professionals (designated to perform the assigned activities) along with duration, outcomes, and value of the assignments undertaken.

#### **1.2 Competence and qualification of team**

In this part, the Bidder should propose the structure and composition of his team keeping in view the required core team as prescribed in the TORs. The Bidder should list the main disciplines of the assignment performed, the key experts responsible and the respective qualifications and credentials along with those of the proposed technical and support staff.

#### **1.3 Work Plan and Methodology**

In this part, the Bidder should explain the understanding of the objectives of the Assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. The Bidder

should highlight the problems being addressed and their importance, and explain the approach he would adopt to address these. The Bidder should also explain the methodologies proposed to adopt and highlight the compatibility of those methodologies with the proposed approach.

The Bidder should propose the main activities to be undertaken to complete the assignment, their content and duration, phasing and interrelations, milestones with achievement indicators (including interim approvals by the LTC and DOT), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TORs and ability to translate these into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here.

## **2. Preparation of Proposals**

The Technical Proposal in triplicate (one original and two copies) shall be placed in a sealed envelope clearly marked “Technical Proposal – Transaction Advisory Services for BRT Assignment”.

4.8 The Financial Proposal (one original) shall be placed in a separate sealed envelope clearly marked “Financial Proposal – Transaction Advisory Services for the BRT Assignment”. Bidders are requested to submit their Technical and Financial Proposals in separate sealed envelopes enclosed in one larger sealed envelope addressed correctly to the Client.

4.9 The Technical and Financial Proposals shall be signed by a duly authorized representative. The Proposals should include a power of attorney/letter of authority, authorizing such representative to sign and submit the Technical and Financial Proposals to the Client.

4.10 The Proposals shall be submitted under a covering letter as shown in **Appendix-B**.

# ANNEXURE-3: PROCEDURE AND CRITERIA FOR PROPOSALS' EVALUATION

## 1. General

On expiry of the date for submission of Proposals, the evaluation process will begin. The notified Evaluation Committee will open and process the Technical Proposals, while the sealed Financial Proposals will remain with LTC.

A two-stage procedure shall be adopted in evaluating the Proposals. The evaluation of the Technical Proposals shall be carried out first, followed by the financial evaluation. The notified Evaluation Committee shall carry out evaluation of the Technical Proposals, applying the evaluation criteria and point system specified below. Each responsive proposal shall be attributed a technical score ( $S_{tr}$ ). The bidder scoring less than 70 points shall be rejected and their Financial Proposals returned unopened.

Each Technical Proposal shall be evaluated using the following categories and weightage below:

Category	Weight
Specific firm/consortium/JV experience Related to the Assignment	25%
Competence and qualifications of the team	50%
Work plan and methodology	25%

The Financial Proposals of only those bidders who secure a raw technical score ( $S_{tr}$ ) of 70 points or higher will be informed the date, time and venue of opening of the Financial Proposals by the notified TA selection committee. The sealed Financial Proposals of all other bidders will be returned to them unopened. The Financial Proposals will be opened by the notified selection committee in the presence of the Bidders representatives who choose to be present on the eve of opening of the Financial Proposals.

Remuneration of the TA will be made on running basis as per the "Indicative Fee Payment Schedule" attached as **Appendix-C**. The amount of bid is to be in Pak Rupees inclusive of all applicable taxes.

## **2. Criteria for scoring of Technical and Financial Proposals**

The Technical Proposal shall be assigned a raw score ( $S_{tr}$ ), which shall be scaled up to constitute a final technical score ( $S_t$ ) as follows:

$$S_t = S_{tr} \times 100/S_{tmax}$$

where  $S_{tmax}$  = Raw score of the highest ranked prequalified Bidder on technical criteria.

The financial score ( $S_f$ ) will be calculated as follows:

$$S_f = 100 \times (F_{min}/F_f)$$

where  $F_{min}$  = Lowest Total Fee bid, and

$F_f$  = Total Fee bid by the prequalified Bidder under consideration.

The combined Technical and Financial score ( $S_c$ ) shall be calculated as follows:

$$S_c = 0.80 \times S_t + 0.20 \times S_f$$

(Technical Proposal will have 80% weightage, while Financial Proposal will have a 20% weightage)

## **4. Finalizing the Technical Scores**

A meeting of the notified selection Committee to finalize the technical scores will be called. The final individual technical scores of the Evaluation Committee members will be tabulated by the PM on a top sheet, which will be signed by all the members of the Evaluation Committee.

## **5. Opening of Financial Proposals**

The Financial Proposals of only those bidders who have received a raw technical score ( $S_{tr}$ ) of 70 points or higher will be invited to attend the opening of the sealed financial bids. All other parties will stand disqualified and their sealed Financial Proposals will be returned to them unopened. The sealed Financial Proposals shall be opened in the

presence of the notified selection committee and the representatives of the invited Bidders who choose to be present.

## **6. Ranking the Firms**

The convener of the Evaluation Committee will work out the cumulative scores (technical plus financial) of the firms who have secured a raw technical score of 70 marks or above on the basis of calculations set out above. The Evaluation Committee will rank the bidders in order of their cumulative scores and get it approved from the notified selection committee. The bidder securing the highest cumulative score (the "top-ranked party") will then be invited for Agreement negotiations with the notified selection committee.

## **7. Negotiations**

The negotiations will be held and finalized with the authorized representatives of the top-ranked party. The negotiations will primarily focus on issues related to the work plan, deliverables, and resource loading as per activity schedule, assignment duration and procedure for disbursements. In case the negotiations with the top-ranked party are unsuccessful, negotiations with the second-highest ranked party may be carried out, and so on and so forth. The selection committee is under no obligation to select any of the firm submitting the proposal, and have the right to annul process of bidding at any time without assigning any reason.

## **8. Address and Date of Submission**

The proposals should be delivered to the LTC located at 4th Floor 98-B/D-1 IEP Building, Gulberg-III, Lahore, Pakistan, on or before the closing date as specified in the advertisement latest by 1500 hours. Failure to deliver the Proposals as aforesaid shall mean immediate disqualification.

## **9. Exclusion and Prohibitions**

The Bidder selected as TA will be prohibited from using any of the proprietary information without the approval of LTC and DOT for a period of two (2) years after the completion of the Assignment. The Client is under no obligation to select any of the company submitting the proposal and have the right to cancel the Assignment without assigning any cause.

## **10. Grievances, disputes and arbitration**

- 10.1 If any dispute or difference of any kind whatsoever arises between the LTC and the aggrieved bidder, in connection with, or arising out of the bid, it shall in the first place, be referred to and settled/resolved by the Arbitrator to be appointed by the CE LTC in consultation with the aggrieved party within 15 days of intimation of grievance or dispute. The decision of the arbitrator shall be final and binding on both the parties.
- 10.2 Arbitration shall be carried out in accordance with the rules and provisions of Arbitration Act 1940 as amended or any statutory modifications or re-enactment thereof for the time being in force. The said arbitrator shall have full powers to open up, revise and review any decision, opinion, direction, certificate or valuation of the Client Agency referred to arbitration.
- 10.3 In case of failure of the Arbitrator to settle/resolve the dispute, the matter shall be referred for adjudication to the appropriate court of law.
- 10.4 The bidder, if not satisfied with the decision of the Arbitrator, may lodge an appeal in the relevant court of jurisdiction at Islamabad, Pakistan.
- 10.5 The venue of arbitration shall be Lahore, Pakistan.

## **ANNEXURE-4: DRAFT AGREEMENT**

THIS AGREEMENT, (hereinafter together with the recitals and the appendices attached hereto called "Agreement") is made on the \_\_\_\_ day of \_\_\_\_ 2011, between;

Lahore Transport Company (LTC), a company incorporated under section 42 of the Companies Ordinance, 1984 by the Government of Punjab, Lahore, which expression shall mean and include its successors, administrators and legal representatives

AND

Department of Transport (DOT), Government of the Punjab Lahore having its office at Transport House, 11-Egerton Road, Lahore which expression shall mean and include its successors, administrators and legal representatives,

AND

M/s \_\_\_\_\_ the TA, which expression shall mean and include its successors, administrators and legal representatives, and together with LTC and DOT hereinafter called the "parties").

WHEREAS;

(a) the LTC wishes to appoint a specialized firm to act as the Transaction Advisor to carry out the Services as specified in the TORs.

(b) The TA represents and covenants to the Client that they have the required professional skills, personnel and technical resources, and have agreed to provide on the terms set out in this Agreement for provision of advisory services which are essential to carry out the Assignment in terms of this Agreement, and which the TA recommends from similar experiences in the field.

**NOW THIS AGREEMENT WITNESSETH**

### **1. GENERAL PROVISIONS**



## **1.1 Relation between the Parties**

(a) The TA shall act as Advisor to the Client for all Services; shall manage, and be responsible for the work carried out by designated core team (whether local or foreign); shall be solely responsible for any payments due to Personnel deployed by the TA; shall have complete charge of all Personnel performing the Services and shall be fully responsible for the Services performed by them or on their behalf under this Agreement.

(b) The Advisor shall not assign this Agreement or its rights or obligations under this Agreement, without the prior written consent of the Client.

## **1.2 Law Governing Agreement**

This Agreement, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law. The TA undertakes to comply with the Applicable Law during the performance of the Services and completion of the Project.

## **1.3 Headings**

The headings shall not limit, alter or affect the meaning of this Agreement.

## **1.4 Notices**

**1.4.1** Any notice, request or consent required or permitted to be given or made pursuant to this Agreement shall be in writing and shall be deemed to have been given or made when delivered in person to any authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, courier service or facsimile to such Party at the following address:

**For Technical Advisor:**

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**For the Client:**

GM Operations  
Lahore Transport Company  
4th Floor 98-B/D-1 IEP Building,  
Gulberg-III,  
Lahore, Pakistan.  
Tele: (+92-42) 35882864-66  
Fax: (+92-42) 35882863

**1.4.2 Notice:**

In case of personal delivery or registered mail, on delivery; and in the case of facsimiles, four (4) hours following confirmed transmission, only if confirmation is during business hours otherwise notice will be deemed effective as of the next working day, disregarding weekends and national holidays in the country to which the facsimile is transmitted. Facsimile notices shall not require confirmation by hard copies.

**1.4.3 Change of Address**

A Party may change its address for notice under this Agreement by giving the other Party notice pursuant to this Clause.

**1.5 Authorized Representatives**

Any action required and permitted to be taken, and any document required or permitted to be executed under this Agreement, may be taken or executed:

(a) on behalf of the Client , Mr. \_\_\_\_\_

(b) on behalf of the TA, Mr. \_\_\_\_\_.

## **2. COMMENCEMENT, COMPLETION, SUSPENSION, MODIFICATION AND TERMINATION OF AGREEMENT**

### **2.1 Effectiveness of Agreement**

This Agreement shall come into force from the Effective Date.

### **2.2 Commencement of Services**

The Technical Advisor shall commence carrying out the Services not later than 7 (seven) days ("Starting Date") after the Effective Date, or on any other date the Parties agree in writing. The Services shall be performed and completed by the TA before the End Date or as mutually agreed in writing by the Parties.

### **2.3 Expiration of Agreement**

Unless terminated pursuant to Clause 2.7, this Agreement shall expire when the Services have been completed.

### **2.4 Entire Agreement**

This Agreement constitutes the final expression and exclusive and entire agreement and understanding between the Parties in relation to the Services and contains all covenants, stipulations and provisions agreed by the Parties as at the date hereof. The TORs, Annexures and Appendices attached hereto shall also form an integral part of this Agreement. This Agreement together with the TORs shall override and supersede all previous or concurrent communications or documents or agreements exchanged on the subject matter between the Client and the TA shall not for any or all purposes place reliance on any other document/agreement except this Agreement.

### **2.5 Modification**

Modification of the terms of this Agreement, including any modification of the scope of the Services may only be made by written agreement between the Parties. Each Party shall give due consideration, and not unreasonably delay or withhold a considered response to any proposals for modification made by the other Party.

## **2.6 Suspension of Services**

The Client may, by written notice of suspension to the TA, suspend the Services under this Agreement for a cumulative period not exceeding 60 (sixty) days without assigning any reasons.

## **2.7 Termination**

### **2.7.1 Termination by the Client**

The Client may terminate this Agreement if the Transaction Advisor:

- (a) Is in breach of its obligations under this Agreement and has not remedied the same within thirty (30) days (or such longer period as the Client may have subsequently approved in writing) of being called to do so by the Client ; OR
- (b) becomes insolvent or bankrupt or enters into any arrangements with its creditors for relief of debt or takes advantage of any Applicable Law for the benefit of debtors or goes into liquidation or receivership whether compulsory or voluntary; OR
- (c) is unable as a result of force majeure to perform a material portion of the Services for a continuous period of thirty (30) days unless services are suspended under the provision of clause 2.6.

In any event, the Client may terminate this Agreement at its sole discretion without assigning any reason without liability or continuing obligation except as set forth in this Agreement. In the event of such termination (where termination is without default of the TA), the Client shall be required to make payment to the Technical Advisor in relation to fees which have been duly accrued or billed by the Technical Advisor in accordance with this Agreement.

### **2.7.2 Termination by Technical Advisor**

In the event the Services are not completed by the Technical Advisor, due to no fault on the part of the TA, the TA shall have the rights to terminate this Agreement after expiry of twelve (12) months from the Start Date.

### **2.7.3 Cessation of Rights and Obligations**

On termination of this Agreement pursuant to any part of Clause 2.7, or upon expiration of this Agreement pursuant to Clause 2.3, all rights and obligations of the Parties shall cease, except (i) rights and obligations that have accrued as of the date of termination or expiration, (ii) any right which a Party may have under the Applicable Law and (iii) the indemnification obligations in Clauses 3.4 and 3.5 hereof.

### **2.7.4 Cessation of Services**

On termination of this Agreement pursuant to Clause 2.7.1, the TA shall, immediately on receipt/issue of notice to that effect, take all necessary steps to bring the Services to a close within seven (7) days of the receipt/issue of the notice in an orderly manner. Upon cessation of Services hereunder, the TA shall hand over to the Client all documents prepared directly by the TA or by any of its consortium member, whether in final or in draft form, for submission to third parties in connection with the Assignment or the Project on paper and electronic format, which for the avoidance of doubt, do not include research reports or other private material produced by the Technical Advisor.

## **3. OBLIGATIONS OF THE TRANSACTION ADVISOR**

### **3.1 General**

#### **3.1.1 Scope of Work**

The Transaction Advisor shall perform the Services in accordance with the terms and conditions of this Agreement.

#### **3.1.2 Standard of Performance**

The TA shall perform the Services and carry out their obligations under this Agreement with all reasonable due diligence, efficiency and economy, in accordance with generally accepted techniques and practices and shall observe sound management practices. The TA shall be under a duty of care and always act in good faith/respect of any matter relating to this Agreement or to the Services, and shall at all times support and safeguard the Client legitimate and proper interests in any dealings with any other party. The TA shall ensure that all the consortium members shall be skilled and experienced

and competent in their respective trades and professions and that their work shall conform with the standards applicable to the Transaction Advisor.

### **3.1.3 Coordination**

The Transaction Advisor shall be responsible for the overall coordination of the Project, including the work of its consortium members in relation to the carrying out of the services and the timely completion of the activities necessary for carrying out the activities envisaged under this Agreement. The TA shall ensure the representation of its relevant personnel at the meetings required including those of the representatives of LTC and DOT and any other meetings/presentations necessary for the successful and timely completion of the Project.

## **3.2 Conflict of Interests**

### **3.2.1 Transaction Advisor not to Benefit from Commissions or Discounts**

The Transaction Advisor, as consideration for its work under this Agreement or the Services, will only be entitled to receive payments from the Client as per Clause 6 hereunder, and neither the TA nor any person (natural or legal) associated with it shall accept for its benefit or otherwise any remuneration/consideration in the forms including but not limited to trade commission, discount, gifts, payments in kind or financial inducements whatsoever or similar payment in connection with activities pursuant to this Agreement or to the Services or the discharge of its obligations under this Agreement, and the TA shall use its reasonable efforts to ensure that any personnel neither for itself nor for the benefit of the TA receive any such additional remuneration.

### **3.2.2 Prohibition of Conflicting Activities**

Subject to clause 3.2.3 below, during the subsistence of this Agreement, neither the TA nor its personnel shall engage, either directly or indirectly, in any business or professional activities in and with respect to the LTCT which would conflict with the activities assigned to them under this Agreement.

### **3.2.3 Transaction Advisor not to provide other Services**

During the term of this Agreement, the Technical Advisor or any of its personnel shall not provide similar/related services to other parties involved in the procurement of this Project.

### **3.3 Confidentiality / Disclosure**

#### **3.3.1 Confidentiality / Disclosure by Transaction Advisor**

The TA shall not, during the term of this Agreement, disclose any proprietary or confidential information relating to the Project, the Services, this Agreement, or the Client business or operations (other than for the purposes of the Services) without the prior written consent of the Client, unless such disclosure is required by Applicable Law or regulation or such information is required for research purposes or has entered the public domain other than by a breach of this Agreement, or was already in public domain, or was already lawfully in the possession of the Transaction Advisor at the time of such disclosure to them. The fact that the TA has a professional relationship with the Client shall not be treated as confidential information and the TA may disclose this fact, and the general nature of its work, to Clients, or other third parties. However, any such disclosure will not be made until the completion or abandonment of the transaction, as the case may be, or until the time that this fact is declared by the Client to the regulators or is made public by DOT.

#### **3.3.2 Confidentiality / Disclosure by the Client**

There shall be no prohibition on part of the Client to disclose any information relating to the Project or the Assignment to any third party. The Client acknowledges that all the TA's deliverables including reports will include statements limiting its liability towards any third party readers.

### **3.4 Indemnification of the LTC and DOT by the Transaction Advisor**

The TA shall indemnify and hold harmless against all losses, claims, damages or liabilities to which the Client or DOT may become liable only to the extent, that such losses, claims, damages or liabilities arise out of any act or omission by the TA relating

to the Services, provided that the TA shall not be liable for indirect or consequential losses or damages.

### **3.5 Indemnification of the TA by the Client and DOT**

The Client shall indemnify the TA, and hold it harmless against all losses, claims, damages or liabilities to which TA may become liable only to the extent that such losses, claims, damages or liabilities arise out of any act or omission of the Client relating to this Agreement and the information to be provided to the TA in terms of this Agreement, provided that the Client shall not be liable for indirect or consequential losses or damages.

### **3.6 Limitation of liability**

To the fullest extent permitted by applicable law (including, without limitation, regulations and interpretations promulgated by the Securities and Exchange Commission of Pakistan), the total aggregate liability of the TA to the Client and all of its affiliates and their respective successors and permitted assigns, regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose or otherwise, in connection with the performance of the Services or otherwise under this Agreement, shall be limited to the fees actually paid or to be paid to the TA in respect of such Services.

### **3.7 Duration for Claim of Liability**

Any claim for breach of Agreement, breach of duty or fault or negligence or otherwise whatsoever arising out of or in connection with this Agreement shall not be brought against the other Party after one year of the financial close of the Project or the termination of this Agreement, whichever occurs first.

### **3.8 Insurance**

The TA and any of the personnel shall be responsible for their own insurance and shall take out and maintain sufficient liability insurance, or will be adequately self insured to provide for the risks incurred by providing the Services. In the event the TA receives any claim for damages/compensation in respect of the services for which it seeks



indemnification from the Client in terms of clause 3.5 herein then the TA shall first seek settlement from its insurers, where available, for satisfaction of such claims before resorting to the Client for purposes of indemnification.

### **3.9 Seeking prior Approval of the Client**

Other than those defined in clause 4.2 below, the TA shall obtain the prior approval of the Client in writing before:

(i) Entering into or termination of a subcontract for the performance of any part of the Services.

(ii) Termination of a consortium member for the non-performance of any part of the Services.

Provided that approval by the Client hereunder shall not relieve the TA of their obligations under this Agreement.

### **3.10 Accounting, Inspection and Auditing**

The TA shall keep accurate and systematic accounts and records regarding the Services and the Project, which records a duly authorized representative of the Client shall be entitled to inspect and make copies thereof, as and when required during the dependency of this Agreement and for the one year from the expiry or termination of this Agreement, provided that the modalities of conducting such audit/inspection are agreed in advance with the TA.

### **3.11 Documents prepared by the Transaction Advisor to be the Property of the Client/DOT**

All reports, models and other documents, including all software data prepared by the TA and deployed personnel in performing the Services shall become and remain the property of the Client and the TA shall, upon the prior receipt by the personnel appointed by him, of all amounts payable to them under this Agreement, hand over to the Client, all documents and records prepared directly by it or by any of its personnel, or any of the consortium member whether in final or in draft form, complete or in the process of being

completed, in connection with the Project or Assignment on paper and electronic form, together with a detailed inventory thereof. The TA and the relevant personnel may retain a copy of any such documents or records.

**3.12 Taxes and Duties**

The TA shall pay all taxes as and when applicable, including income taxes, sales and use taxes, excise duties, import and export duties, taxes on property of the Transaction Advisor, any personnel, duties, license fees, electricity duty, impositions, levies etc, for the TA, any of the personnel and any and all other Governmental taxes, fees, duties, levies or charges whatsoever arising out of or in connection with the performance of the Services. The withholding tax @ as prescribed by the Government shall be deducted at source.

**4. TRANSACTION ADVISOR'S PERSONNEL**

**4.1 General**

The TA shall deploy professionally qualified and experienced Personnel to carry out the Services. The Client and the TA have agreed that the following Personnel shall form the core team:

Sr. No.	Core Team	Qualifications of the incumbent	Experience of the incumbent
I	Mr. ----- Transport planner(Team Leader)	M.Sc. Transport Engg.	---- years
II	Mr. ----- Contract Expert	B.Sc. Engineering with LLB degree	---- years
III	Mr. ----- Mechanical Engineer	B.Sc. Mech. Engg.	----- Years Experience in Automobile Industry
IV	Mr. ----- Financial Expert	ACMA or MSc Finance	---- years
V	Mr. ----- System Design Analyst	MSc MIS/IT	----- years

The Team Leader, Mr./Ms. \_\_\_\_\_ shall be available on first call to the Client throughout the period of the Assignment, subject only to personal holidays and personal emergencies, when Mr./Ms. \_\_\_\_\_ shall be available in his place.

#### **4.2 Appointment of Sub-contractors / Consultants**

The Transaction Advisor shall not engage the services of the any Sub-contractors/consultants except the ones indicated as consortium in their Technical Proposal for the successful completion of Assignment.

#### **4.4 Approval of Personnel**

All Personnel of the TA and those of the consortium and any other personnel that may be employed during the course of the Assignment under the provision of clause 3.9 will be subject to normal security clearances where so required by the notified selection committee.

#### **4.5 Removal and Replacement of Personnel**

(a) If, for any reason, it becomes necessary to replace any of the Personnel identified in the Core Team, or any of the deployed personnel after the Effective Date, the TA shall forthwith provide as a replacement a person of equivalent qualifications, whose curriculum vitae or resume, the TA shall submit to the DOT for review and approval and whom the Client may if it so desires call for an interview at the cost and expense of the TA if the Client does not object in writing within seven (7) days from the date of receipt of the CV or interview, that person shall be deemed to have been approved by the Client.

(b) If the Client (i) finds that any of the Personnel or Subcontractors has committed misconduct as ascertained by Client in its discretion or has been charged with having committed an offence or a wrong or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel or Subcontractors, or (iii) finds that any of the Personnel or Subcontractors has misrepresented with respect to its qualifications, expertise and resources, then the TA shall, at the Clients' written request, immediately remove the respective Personnel or Subcontractors from this Assignment and provide a

replacement with qualifications and experience reasonably acceptable to the Client subject to the same terms and conditions specified in Clause 4.5 (a).

#### **4.6 Transaction Advisor's Staff**

The Client undertakes that during the course of this engagement and for a period of six months following its conclusion, Client will not:

- a) Solicit or entice away (or assist anyone else in soliciting or enticing away) any member of professional staff of the TA with whom the Client has had dealings in connection with this engagement: or
- b) Employ any such person or engage them in any way to provide services to the Client.

This undertaking shall not apply in respect of any member of TA staff who without having been previously approached directly or indirectly by the Client responds to an advertisement placed by them.

### **5. OBLIGATIONS OF THE Client**

#### **5.1 Assistance and Exemptions**

The Client shall use its best efforts, where such efforts are specifically requested stating the reasons for the Clients' assistance, to ensure that the Client issues to its officials, agents and representatives all such instructions as may be specified by the TA as being necessary or appropriate for the prompt and effective completion of the Assignment.

#### **5.2 Access to Information and Decisions**

(a) The Client will co-operate with the TA and will endeavor to furnish the TA with all such information and data concerning 'BRT Project, which the TA may require in connection with the performance of the Services. The Client will provide TA access to officers and employees of the Department, and access to such other information and reports as the TA may reasonably require. The Client will use its best efforts to ensure that all such information (including expressions of opinions) or documentation as is provided to the TA is complete, true, fair, accurate and not misleading and that there are

no omissions which could be material. In the event, during the course of the TA's engagement under this Agreement, The Client subsequently discovers something, which renders any such information untrue, unfair, inaccurate or misleading it will notify the TA at once.

(b) The Client shall use its best efforts to ensure that, where co-operation is required from, or decisions need to be taken or approvals given by the Client in the course of the Assignment, that co-operation will be promptly given and these decisions or approvals will not be unreasonably withheld or delayed.

(c) The Client acknowledges and agrees that, in rendering the Services hereunder; the TA will be using and relying on the information supplied to them by the Client in addition to other information which the TA shall be responsible for gathering for efficient completion of the Assignment

**6. PAYMENTS TO THE TRANSACTION ADVISOR**

**6.1 Currency of Payment**

All payments to the TA for the Services shall be in Pak Rupees and shall be subject to deduction of applicable taxes, as specified under clause 3.2.

**6.2 Mode of Billing and Payment**

Payments in respect of the Services shall be made within thirty (30) days of receipt of original invoices as follows:

(a) The Advisory Fee shall be paid on milestone basis based on the submission of deliverables by the TA as required in the TORs and following acceptance of the same by the Client. The Advisory Fee to be paid by the Client for provision of Services under this agreement shall not exceed a total of Pak Rupees, \_\_\_\_\_ (\_\_\_\_\_ Pak Rupees Only), to the TA for the performance of services under this agreement as per the milestones shown in the Gantt Chart.

(b) The Client shall withhold 10% as security from all the payments made to the TA which shall be refunded upon satisfactory completion of the Assignment. Anyhow, if

completion of the Assignment is delayed, LD charges @ 2% per month or part thereof shall apply.

(c) All payments under this Agreement shall be made to the account of the TA as follows:

[Bank Account Details]

## **7. FAIRNESS AND GOOD FAITH**

### **7.1 Good Faith**

The Parties undertake to act in good faith with respect to each other's rights under this Agreement and to adopt all reasonable measures to ensure the realization of the objectives of this Assignment.

### **7.2 Operation of the Agreement**

The Parties recognize that it is impractical in this Agreement to provide for every contingency which may arise during the life of the Agreement, and the Parties agree that it is their intention that this Agreement shall operate fairly between them, and without detriment to the interest of either of them and that if, during the term of this Agreement, either Party believes that this Agreement is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness.

## **8. GRIEVANCES, DISPUTES AND ARBITRATION**

8.1 If any dispute or difference of any kind whatsoever arises between the Client and TA, after signing of the Agreement in connection with, or arising out of the Agreement, it shall in the first place, be referred to and settled/resolved by the Arbitrator to be appointed by the Client in consultation with the TA within 15 days of intimation of grievance or dispute. The decision of the arbitrator shall be final and binding on both the parties.

8.3 Arbitration shall be carried out in accordance with the rules and provisions of Arbitration Act 1940 as amended or any statutory modifications or re-enactment thereof for the time being in force. The said arbitrator shall have full powers to open up, revise and review any decision, opinion, direction, certificate or valuation of the Client Agency referred to arbitration.

8.4 In case of failure of the Arbitrator to settle/resolve the dispute, the matter shall be referred for adjudication to the appropriate court of law.

8.5 The bidder, if not satisfied with the decision of the Arbitrator, may lodge an appeal in the relevant court of jurisdiction at Lahore, Pakistan.

## **9. ADDITIONAL COVENANTS**

### **9.1 Publicity**

The TA shall ensure that any publicity, press releases, advertisements and publications and public statements concerning the Services, the Project and the Agreement shall be in consultation with and approved in writing in advance by DOT/LTC before release by the TA, or any of his associate/personnel.

### **9.2 Waivers**

Time shall be of the essence of the Agreement. No failure or delay of either Party hereto in exercising any right or remedy hereunder shall operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise of any right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

### **9.3 Severability**

Each of the provisions of this Agreement is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

### **9.4 Originals**

This Agreement is being executed in three originals, one each to be retained by the TA, DOT and the LTC.

IN WITNESS OF WHICH the Parties have caused this Agreement to be signed as of the day and year first above written.

**FOR AND ON BEHALF OF LTC**

\_\_\_\_\_  
\_\_\_\_\_

**WITNESS**

\_\_\_\_\_  
\_\_\_\_\_

**FOR AND ON BEHALF OF DOT**

\_\_\_\_\_  
\_\_\_\_\_

**WITNESS**

\_\_\_\_\_  
\_\_\_\_\_

**FOR AND ON BEHALF OF THE TA**

\_\_\_\_\_  
\_\_\_\_\_

**WITNESS**

\_\_\_\_\_  
\_\_\_\_\_



## **ANNEXURE-5: SPECIAL CONDITIONS**

1. The LTC shall have the right at all times to:

- Cancel the process for selection of the TA before signing of the Agreement
- Vary any of the terms set out in the RFP or any of the Annexure and Appendices, thereto
- Reject any Proposal not delivered in the prescribed format and at the prescribed venue at the prescribed time

2. The TA shall protect and defend unconditionally as well as indemnify and hold the Client, or any other relevant government body/agency, its employees, directors, officers and agents free and harmless from and against any and all liability, losses, claims, liens, demands, damages against any and all causes of action of every kind and character, including without limitation any judgments, penalties, interest, court costs and any legal fees incurred in enforcing this indemnity, arising under this Agreement. The Client makes no representation, covenants, warrants or guarantees, express or implied, other than those expressly set forth in this Agreement. In no case shall the Client be liable for contingent or consequential, special or indirect damages.

## APPENDIX-A: FORMAT FOR FINANCIAL PROPOSAL

In addition to the Technical Proposal, the Bidders will be required to submit in a separately sealed envelope a Financial Proposal describing the amount of its fees in accordance with the requirements of this RFP Package. The fee to be charged shall be quoted on man-months basis as per following format.

Team Member	Man months (Nos.)	Monthly Rate (Rs)	Total (Rs)
<b>Phase 1</b>			
Transport planner(Team Leader)			
Contract Expert			
Mechanical Engineer			
Financial Expert			
System Design Analyst			
<b>Phase 2</b>			
Transport planner(Team Leader)			
Contract Expert			
Mechanical Engineer			
Financial Expert			
System Design Analyst			
<b>Phase 3</b>			
Transport planner(Team Leader)			
Contract Expert			
Mechanical Engineer			
Financial Expert			
System Design Analyst			

**APPENDIX-B: SAMPLE LETTER TO SUBMIT PROPOSALS**

FROM:

TO:

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Sir/Madam:

Subject: Transaction Advisory Services for the "VICS Project"

I/We \_\_\_\_\_ M/s \_\_\_\_\_, hereby enclose the Technical Proposal (3 copies) and Financial Proposal (1 original) of our firm(s)/organization(s) (s) for JVs only for the services of Technical Advisor for the 'VICS Project'.

Yours faithfully,

Signature \_\_\_\_\_  
(Authorized Representative)

Full Name \_\_\_\_\_

Designation \_\_\_\_\_

Address \_\_\_\_\_

## APPENDIX-C: INDICATIVE FEE PAYMENT SCHEDULE

The TA may draw 5% of his fee as advance against payment of bank security of equivalent amount. The schedule of payment for the Advisory Fee shall be as under (Payment to be made in Pak. Rupees):

Indicative Deliverables	%age of Advisory Fee	Time schedule
<b>Phase 1: Feasibility study based on benchmark information</b>		
Deliverables pertaining to task 1 (a)	10	2 weeks
Deliverables pertaining to task 1 (b)	30	8 weeks
<b>Sub-Total</b>	<b>40</b>	<b>10 weeks</b>
<b>Phase 2: Hiring of Company(ies)</b>		
Deliverables pertaining to task 2 (a)	20	12 weeks
<b>Sub-total</b>	<b>20</b>	<b>12 weeks</b>
<b>Phase 3: Implementation of BRT Project</b>		
Deliverables pertaining to task 3 (a)	40	30 weeks
<b>Sub-total</b>	<b>40</b>	<b>30 weeks</b>
<b>Grand Total</b>	<b>100 %</b>	<b>52 weeks</b>