

**To all prospective Bidders**

**Reference: RFP\_007/2016 - REQUEST FOR PROPOSALS FOR A CONCESSION CONTRACT FOR THE  
OPERATION OF A CAR-SHARING PROGRAM THROUGHOUT THE MALTESE ISLANDS**

**Subject: - Clarification Number 2**

Reference is made to the above-mentioned public call for tenders for which the deadline for submission of offers is 27<sup>th</sup> January 2017 at 10.00 hrs. Hereunder please find clarification which is construed to form an integral part of the Quotation Document:

General Comments		
	A	Legally what is stopping someone else from doing this?
		In terms of applicable legislation, the letting or hiring of vehicles is only permitted with a licence from the Authority for Transport in Malta and subject to meeting certain specific conditions. Legislation is currently under review and will be amended to deal specifically with Car Sharing.
Comments on Specific Clauses in RFP		
<b>5.2</b>		<b>Duration</b>
5.2.1		Clause refers to 10 years + 2 years at Govt discretion. Definition of "Term" on Pg 7 refers to 9 years. Which is correct?
		The definition of Term should refer to 10 years. A two (2) year extension may be granted in terms of Section 5.2.1 of the RFP.
<b>5.3</b>		<b>Fleet &amp; Fleet Management</b>
5.3.1	i	Can we set targets for this? (Also see 5.13.2)
		The targets for implementation are set out in Section 5.13. Please clarify the question.
	ii	What do they see as the right utilization that would trigger such an event?
		<p>This Section provides that the demand would need to warrant the need for additional vehicles.</p> <p>The increase in the fleet will only be required if it is commercially feasible and, in accordance with Section 5.3.2, the Concessionaire may refuse to accede to such request if he provides satisfactory evidence showing that it is not commercially feasible to increase its fleet.</p>
5.3.1/2		Regarding increase of fleet size as may be imposed by Govt. after 2 years: is there any requirement as to type of vehicle added or would concessionaire be free to add any type of vehicle?
		Refer to response in 5.3.1(ii) above. The intention is that the demand to increase the fleet will be made to cater for actual shortages in supply if this proves to be the case
5.3.3	i	Vehicle sizes - What is your rationale behind having various vehicles sizes etc?
		The rationale for a mixed fleet is for the Car Sharing Program to be able to accommodate the various needs of users. For example, a two seater owner may

		<p>need to make use of a van or a small crew van to either carry merchandise, equipment or furniture or additional passengers.</p> <p>Bidders are to propose the assortment of different vehicles, including a combination of commercial and non-commercial vehicles, as deemed appropriate.</p> <p>The Contracting Authority clarifies that the reference to commercial vehicles is simply indicative and not compulsory. It is up to bidders to decide on assortment of vehicles and to include commercial vehicles or medium and large vehicles if they believe there is a demand for such vehicles.</p>
	ii	Average passengers per trip is 1.15 in Malta.
		<p>Refer to reply to 5.3.3 above.</p> <p>As explained above, the reference to commercial vehicles is simply indicative and not compulsory. It is up to bidders to decide on assortment of vehicles and to include commercial vehicles or medium and large vehicles if they believe there is a demand for such vehicles.</p>
	iii	Use cases for larger vehicles is still only (X%)
		The proposed assortment, and the number of larger vehicles (if any), is left to the discretion of the bidders (as explained above).
<b>5.3.5</b>		<b>Infant car seats</b>
		Tender calls for infant car seats to be made available in every pre booked vehicle
		This isn't realistic, unless considering inflatable seats ( <a href="http://www.luftikid.com/">http://www.luftikid.com/</a> or <a href="http://abcnews.go.com/blogs/headlines/2014/04/volvo-is-working-on-an-inflatable-infant-car-seat/">http://abcnews.go.com/blogs/headlines/2014/04/volvo-is-working-on-an-inflatable-infant-car-seat/</a> ).
		An alternative would be to offer vehicles with ISOFIX feature only (user will be able to fit his own seat) OR to offer infant car seat to a limited number of vehicles (like <a href="https://enjoy.eni.com">https://enjoy.eni.com</a> )
		The RFP provides that a car seat should be available if pre-booked. This is however subject to availability. Therefore bidders may offer a limited number of infant car seats. Please refer to revised Section 5.
5.3.7		May a non-electric car be used as a substitute vehicle for an electric vehicle?
		Yes, as long as this is done only on a temporary basis in accordance with Section

		5.3.7. Please refer to revised Section 5.
5.3.9		<b>EV requirements</b>
		Having a fleet of 50% EV is a serious challenge and will require a certain number of dedicating charging stations depending on the foreseen use and vehicle models.
		This is going to hinder the business hugely due to the cost and logistical issues for charging etc that it would cause
		The bidder would have to charge a much higher price for the service causing no one to use it.
		<p>Research and experience has shown that the operational cost of an electric vehicle is cheaper than conventional cars. Accordingly, whilst the purchase price is slightly higher, electricity is cheaper and therefore the more the electric vehicle is used the more cost-savings the Concessionaire will benefit from. There are car rental companies and chauffeur-driven cars, both in Malta and outside of Malta, which already use electric vehicles.</p> <p>Since bidders may purchase second hand EVs in accordance with RFP, the cost of such EVs would also be relatively close to the cost of a new non-EV. Also, given the short distances in Malta, the range of electric vehicles is not a real issue. That said, future EVs are set to have longer range.</p> <p>Notwithstanding the above, the Contracting Authority has removed the requirement to have a minimum of forty (40) electric vehicles. However, bidders shall be awarded more points for the number of electric vehicles included in their fleet. Please refer to revised Section 5.</p>
5.4		<b>Geographical Coverage</b>
	i	All our research has shown that you need to start in a smaller area so that cars are well utilised if this is to succeed
		Please clarify the question.
	ii	Each station / parking bay will attract people within 500m / 750m of that car. There is no point in having 5 cars near each other. One way car sharing needs 2.2 to 2.5 car spaces
		<p>The specific locations of each parking space, within a particular locality, shall be finally determined during discussions between Contracting Authority, local councils and the Concessionaire. The RFP does not state that there shall be five (5) vehicles near each other. On the contrary, it is expected that the vehicles and parking slots requested will be identified in different locations within the respective locality.</p> <p>The Contracting Authority shall grant three (3) car parking spaces for each vehicle</p>

		<p>to be deployed by the Concessionaire. Please refer to revised Section 5.</p> <p>Bidders are to be reminded that the requested service must be given nationwide, hence only one operating license will be awarded. TM has been advised that if the fleet is too small, it will not be financially feasible in the long term.</p>
	iii	<p>What is the governments views on this and how can we work together to formulate a spread of cars to ensure maximum utilisation &amp; the LT success of the project?</p>
		<p>Refer to above.</p> <p>The locations to be serviced must be entertained and that users requesting the service should be accommodated. Bidders shall however have the right to move vehicles around the said locations in order to ensure availability of vehicle where demand is high turn around.</p> <p>A number of locations in the list are indicated to promote inter-modality.</p> <p>Also, in some areas (such as for example adjacent to ferry landing sites), the bidder is not expected to leave a vehicle there unless the vehicle is pre-booked by a user. However the availability of exclusive parking spaces in these localities need to be indicated and assigned to accommodate, for example, a car sharing user arriving from another destination to park the vehicle there in order to catch a ferry.</p>
	iv	<p>Gozo is definitely unrealistic at least at this early stage?</p>
		<p>There are four locations where the services must be implemented which are in Gozo. These are: Mgarr Gozo, Victoria Gozo, Marsalforn Gozo and Xlendi. The Contracting Authority considers Gozo an ideal location for car sharing, especially when one considers the increase over the last few years in the number of people crossing between the two islands. Car sharing is ideal to be used with other modes of transport. Not crossing with one's own personal car due to high costs is another reason why car sharing should make more sense.</p>
	v	<p>One way car sharing needs 2.2 to 2.5 car spaces</p>
		<p>Refer to revised Section 5. Three (3) car spaces per car shall be provided.</p>
<b>5.5</b>		<p><b>Vehicle Parking</b></p>

5.5.1.ii	i	15 mins parking - the average round trip around the world for ZipCar is 5 to 8 hours depending on the area. This is a fundamental limitation of the project and undermines the success of the project. It is not reasonable to expect a car sharing user to not be able to park the car on a car parking space that would otherwise be available to other cars for longer than 15m.
		<p>The geographical area of Malta is very particular given the small size and high number of vehicles. The scope of this Project is to, amongst other things, address parking problems and congestion, hence the introduction of exclusive car parking spaces making it more attractive to use such service.</p> <p>If users of the Car Sharing Program use public spaces other than the designated exclusive public spaces, this may result in designated parking spaces remaining unused (and therefore unnecessarily empty while reducing car parking spaces for non car-sharing users).</p> <p>The intention is for a user to drive from one designated parking space to another designated parking space, to eliminate the need for one to go round in circles searching for a car parking space which a user can do with his/her own car. One of the aims and objectives of the Project is to use car sharing in conjunction with other modes of transport.</p> <p>The fifteen (15) minutes refers to parking in a space which is not a space designated for vehicles of the Car-Sharing Program. In accordance with this RFP, the intention is that the Car-Sharing Program will be used for one-way trips, parked in a designated space and left there for use by other users. A user however can take a car from a designated space and return it to the original place he or she took the car from.</p> <p>Please clarify the question since the fifteen (15) minutes is not related to the average round trip.</p> <p>As for the fifteen (15) minutes, this has been extended to two (2) hours. Please refer to revised Section 5.</p>
5.5.2.ii		As per points in 5.4
		Refer to above responses.
5.7.7		Additional Drop off points if no parking space at destination
		Please clarify the question if not already answered above.

5.7.8		<b>Length of Bookings</b>
		What does long term booking mean?
		<p>As explained above, the intention is not to provide a service similar to car hire or car leasing but to provide an innovative service which allows users to use a car for a journey from Point A to Point B or Point A to various points and Back to Point A, with the car being parked in an exclusive parking space after use.</p> <p>If a person would need the vehicle again, that person has to re-book the car again. The idea is that the car is used by different persons as much as possible so it will not stay parked and idle. This is one of the aims of car sharing services in Malta, to limit and address congestion.</p> <p>The Contracting Authority is not interested in any other arrangement. Other services already provided on the market cater for persons wishing to keep the car for a long duration.</p>
		What do you consider as an overnight booking? I.e. can someone book from 11pm to 2am for example?
		A car cannot be parked overnight for more than two (2) hours unless it is parked in a private car park or garage. Please refer to revised Section 5.
5.7.9		<b>Booking in Advance</b>
		In a one way model booking in advance is usually not allowed for more than 30mins, max 60 mins before booking.
		Bidders are to determine how to carry and manage their booking system to best suit the needs of the service. Please refer to revised Section 5.
5.7.11		Real time online journey planning app including all available locations of hubs and parking spaces
		Please clarify the question.
5.9		<b>Users</b>
5.9.1		Additional premium allowed up to 23 year old drivers? Ideally this is up to 25 year olds in line with normal car insurance policies.
		The RFP simply provides that the minimum age for use of the car sharing program as determined by the bidder should be between 18 and 23. This refers to minimum age for users and not to insurance or cost.

		The RFP expressly states that " <i>The Concessionaire may charge an additional premium depending on age</i> ". Accordingly, there is not precluding bidders from charging an additional premium for drivers under the age of 25.
<b>5.13</b>		<b>Timeline for Implementation of Project</b>
5.13.2		Can we set some utilisation targets for the 2nd half of the fleet? i.e. we strongly believe that the additional 50% of the fleet should be stage according to demand and utilisation
		<p>The entire fleet must be implemented within 8 months, with 50% being deployed in 5 months and the remaining 50% in a maximum of 3 months thereafter, from the award of the license.</p> <p>Please clarify question.</p>
<b>6.1</b>		<b>Incentives</b>
6.1.3		CVA - What about non EV vehicles?
		<p>Current legislation excludes the payment of CVA by user of electric vehicles (irrespective of whether such vehicle is privately owned or not). There is currently no legislation providing that car sharing vehicles will not be required to pay CVA.</p> <p>Not charging CVA charges for non EV Car-sharing vehicles will be considered.</p> <p>Bidders will also be eligible to apply for Government EV Grants for 2017 under the conditions which will be laid out in the respective Legal Notice.</p>
<b>6.2</b>		<b>Operating License</b>
6.2.4		Is the right to grant the license to other private operators as referred to in this clause 6.2.4 subject to the refusal of the concessionaire to add cars to its fleet as referred to in clause 5.3.2 <u>or</u> can the Govt. grant the license to operate a car sharing scheme from one privately operated car park to another at any point in time during concession term?
		The Contracting Authority reserves the right to grant licences to operate car sharing schemes from one private car park to another at any time. Vehicles used in the Car Sharing Program will have to be branded and will also have a specially designated number plate. Car sharing vehicles operating under a private car



		<p>sharing program from a private car park to another private car park cannot be parked in public car parking spaces at any time. Users of such programs can only park said vehicles on private property.</p> <p>Reference is also made to Section 5.5.2. Bidders are encouraged to seek to reach arrangements with private car parks to provide additional parking spaces for users in shopping malls, hotels and other private car parks.</p>
<b>8.14</b>		<b>Business Plan</b>
8.14.3		Marketing Strategy - can you give us a better idea of how detailed you would like this to be as statement is quite broad
		<p>It is in the interest of the bidder to have a marketing strategy for the Car Sharing Program since this is a new service for Malta and Gozo. The marketing strategy should simply identify the marketing plan and initiatives the bidder wishes to undertake to market the service and should include:</p> <ul style="list-style-type: none"> <li>• A broad description of the overall marketing strategy, <i>inter alia</i>, dealing with customer target markets, branding and communications strategy;</li> <li>• The theme planned to be used in advertising and promotion; and</li> <li>• Plans for advertising, promotion and public relations.</li> </ul>