



Red

Movilidad

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PUBLIC PROCUREMENT PROCESS

**ROAD USE CONCESSION FOR BUS SUPPLY AND
OPERATION IN THE METROPOLITAN PUBLIC
TRANSPORT SYSTEM OF SANTIAGO**

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The Chilean Ministry of Transportation and Communications (MTT) is responsible for regulating and overseeing the Metropolitan Public Transportation System, known as “Red Movilidad”, through the Directorio de Transporte Público Metropolitano (DTPM). As part of its mission, the MTT is launching an international tender to modernize the system’s fleet and introduce zero-emission buses, while also ensuring that bus operating companies provide efficient, safe, and accessible public transport services with a gender perspective. The goal is to create a sustainable and user-friendly public transportation system that meets the needs of all citizens.

1. Context of the Public Transportation System.

The National Electromobility Strategy 2017-2021 established ambitious goals regarding the incorporation of vehicles with clean propulsion technologies into Chile's public transport systems. By 2050, the strategy sets a challenge for 100% of the country's urban public transportation buses to be "zero-emission." The goal is to improve mobility and the quality of life for people, making Chile a worldwide leader and referent in sustainable transport. Since 2017, Red Movilidad has gradually incorporated an increasing

number of battery electric buses, providing a modern and eco-friendly transportation service that benefits over 7 million inhabitants on a network that spans more than 850 km², connecting with 140 subway stations and a 20 km suburban railway line. By June 2023, the system will have a fleet of 1,910 electric buses, making Santiago the lead and pioneer city in zero-emission technologies for bus fleets outside of China.

2. Consultation processes related to the public tender.

In this context, DTPM has set up open participation and public consultation processes to receive feedback from the industry, academia and citizens regarding the upcoming procurement process. The first is a public consultation process that began with the publication of the Statement of Work of the "Road Use Concession for Bus Supply and Operation" public tender. This document aims to establish the main guidelines and strategic definitions of the tender, and anyone interested in participating in the process can submit their observations and comments through the form available on the website www.dtpm.cl/licitaciones, which will be available 24 hours a day until June 19th.

The second initiative is a Request for Information aimed at OEMs, bodybuilders and onboard technology providers for zero-emission buses. This consultation is also available on the website www.dtpm.cl/licitaciones, in both English and Spanish. National or foreign companies interested in participating can complete and submit the file provided to respond to the email indicated in the Market Consultation document before 2:00 p.m. (GMT-4) on May 12.

3. Description of the public tender

3.1. Bus routes: The tender will be structured in five groups of bus routes that are going to be awarded in parallel. The design of the service network considers the needs expressed by Municipalities and the experience from the transport system's operation, seeking to improve accessibility to health and education centers, as well as connecting to the metro network. The tender will cover 47% of the city's urban transport network, corresponding to 1,434 kilometers of the road network covered by bus services.

3.2. Zero-emission buses: In line with the National Electromobility Strategy, all the new buses must be zero-emission technologies, making it a key factor in the procurement process. This tender will renew approximately 15% of the bus fleet that operates in Red Movilidad, integrating around 1,000 new zero-emission technology vehicles with the objective of making this technology part of the daily lives of the city's population.

3.3. Concession contract: The awarded companies must sign a road use concession for bus supply and operation contract with the Ministry of Transportation and Communications to provide the urban public passenger transportation service through buses in the System. The contracts will have an initial duration of 5 to 7 years, which can be extended for an equal period if the service provided meets the established quality parameters.

3.4. Concessionaire's income: To provide the transportation service, the Concessionaire will be entitled to payment for: (i) fee per transported passenger; (ii) fee per kilometer for each bus type (size, technology); (iii) payment for fleet quotas of the bus provision contracts; (iv) fee for additional terminal/depots and bus charging infrastructure (if applicable), among other fees. The provision of transportation services is financed through resources from fares paid by users to access the system, a subsidy provided by the State in accordance with the provisions of Law No. 20,378, and any other available financing source.



DTPM is currently engaged in a citizen participation process through various initiatives aimed at incorporating learnings about diverse mobilities and gender perspectives into the procurement process. These fundamental principles guide the development of our work, which seeks to provide efficient, safe, and high-quality public transportation in Santiago through a technical and citizen-driven process.

In its ongoing efforts to improve public transportation in Santiago, **DTPM invites manufacturers of buses, investors, public transport operators, technology companies, and other interested parties to participate in current consultation processes and future tender processes**, with the goal of providing efficient, safe, and high-quality public transportation. The Santiago's Metropolitan Public Transportation System is internationally recognized for its leadership in electromobility, which has been consolidated after over 5 years operating electric buses.





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