
Royal Government of Bhutan

Ministry of Finance

Thimphu Thromde (Municipality)
(Implementing Agency)

Terms of Reference Consultancy Services for Project Preparation For Expression of Interest

Bhutan Green Transport Support

July 1, 2020

BACKGROUND

1. Bhutan's urban areas are experiencing rapid growth in population, as well as in vehicle ownership. Between 1990 and 2010, the number of Bhutanese living in urban areas nearly tripled and this growth has continued. The capital city, Thimphu, with 127,864 population is the largest urban center in Bhutan and accounts for 17 percent of Bhutan's overall population or 41 percent of Bhutan's total urban population.

2. At the same, the number of vehicles has been increasing at roughly 9-10 percent per annum, over the last decade. There are over 96,307 registered vehicles in Bhutan as of June 2018. Taxis and personalized vehicles are currently meeting most of the travel needs for Bhutan's population. For lower income households with fewer travel options, the absence of quality alternatives to private transport constrains their access to economic opportunity and social services. In addition, the rapid growth in private vehicle ownership is placing a strain on Bhutan's commitment to remain carbon neutral under the United Nations Framework Convention on Climate Change.

3. The Royal Government of Bhutan (RGoB) has set out its policy for urban transport in a guiding document known as "Bhutan Transport 2040 Integrated Strategic Vision". This policy aims to create vibrant, functional, and livable "green" cities. It focuses on providing attractive public transport services and facilities for pedestrians, with a view that public transport and walking may become the dominant mode in the central area of cities and for short trips.

4. The RGoB has already acted to implement with this policy (to try and stem rising dependence on private conventional vehicles and fossil fuel). This began with the development in 1999 of a City Bus Service within the structure of the Bhutan Postal Corporation. Services have expanded and now include a fleet of 46 buses that carry about 8,000 passengers per day, but it is insufficient to meet the travel demand and the services are losing productivity and quality as traffic worsens. In January 2020, it was decided to transfer the City Bus Service to Thimphu Thromde (Thimphu Municipality, or TT), together with commitment of the RGoB to finance an additional 24 buses to be procured during 2020.

5. Walking and taxis are the principal modes of urban transport, while personal car mode share is increasing. This exacerbates the traffic situation and worsens the conditions for public transport and erodes its attractiveness for users. As Thimphu continues to grow, it is imperative that an efficient, safe and reliable public transport options be provided to the residents, and active mobility be promoted. Gradual adjustments to the current system will not meet this need.

6. The RGoB, through the implementing agency TT, now wishes to introduce a high-quality bus priority service on a key corridor in Thimphu City and pedestrianize part of a main boulevard in the center of the city. The objective is to improve access to opportunities for the residents of Thimphu City, and provide reliable, safe, and green urban mobility options to them along the North-South Axis of Thimphu City, as well as the City Center. The proposed interventions are also intended to mitigate the problems of increasing congestion, noise and air pollution, improve safety, and encourage modal shift.

7. More specifically, the proposed project interventions are expected to encompass the following:

- Component 1—Priority bus service infrastructure, fleet, and systems. This component will finance the development of the 16 km priority bus service corridor along Thimphu's north-south axis (Babesa to Dechencholing). The characteristics of the service (grade separated, priority lane, supporting traffic management measures, etc.) will be determined during project preparation. Provisionally, the interventions are expected to include road infrastructure (including cycling and pedestrian pathways), vehicles, and an Intelligent Transport Systems (ITS). For the vehicle fleet, different bus technologies will be assessed to select an environmentally friendly technology suitable for the context of Thimphu. The ITS is expected to include, Automatic Vehicle Location System, Passenger Information System, and Automated Fare Collection;

- Component 2—Pedestrianization of Norzin Lam, for which the Urban Design is already prepared. This component will finance the pedestrianization of Phase 2 and Phase 3 of Thimphu’s main 1.3 km boulevard known as Norzin Lam (Phase 1 will be implemented by RGOB during 2020 using own funds). This will allow priority for pedestrian access along Thimphu’s main business district and is expected to decongest the city center. Norzin Lam is envisaged as exclusively for pedestrian and non-motorized traffic during peak hours with vehicle traffic to support businesses allowed only during defined morning or late evening hours (with exceptions made for emergency vehicles, disability access, public service vehicles, and possibly buses). There are two parking garages close to Norzin Lam, an assessment of whether these would suffice as an alternative parking option for Norzin Lam will be evaluated during project preparation and suitable additional alternative parking options identified as needed; and
- Component 3—Capacity Development. This component will finance goods purchase, consultancies, and trainings for institutional strengthening for the operation of the Priority Bus Service. The technical assistance provided through this component may include administrative and financial management aspects of the Priority Bus Service, study of alternative enforcement measures, training to operators and drivers, and better user information systems. This component will also finance a communication campaign to promote the Priority Bus Service and modern public transport in Thimphu.

8. The RoGB has received project preparation funding from the Green Climate Fund (GCF) and Korea-World Bank Group Partnership Facility (KWPF), administered by the World Bank, to fund the preparatory activities detailed in this Terms of Reference for consultancy services. One of the conditions of the provision of the PPG by the GCF is that a full application for grant financing for the implementation stage, be submitted to GCF by the end of January 2021. This necessitates that the necessary preparatory activities are substantially complete by that time.

THE OBJECTIVE OF THE ASSIGNMENT

9. The primary objective of the assignment is to assess the technical, economic, financial, environmental and social viability of, and preparations for¹, the introduction of a high-quality bus priority service (low carbon transport concept) along the main north-south corridor (Babesa to Dechencholing), and the pedestrianization of Norzin Lam, in Thimphu.

THE SCOPE OF THE ASSIGNMENT²

10. The assignment will consist of the following seven (7) activities:

- Activity 1: Development of a reference framework for low-emission transport in Thimphu
- Activity 2: Technical Assessment and Preparations for Bus Priority Infrastructure and Services;
- Activity 3: Technical Assessment and Preparations for the pedestrianisation of Norzin Lam;
- Activity 4: Technical Assessment and Preparations for low or zero-emission public transport mobility;
- Activity 5: Economic and Financial Analysis and Opportunities for private sector involvement;
- Activity 6: Gender and persons with special needs analysis and action plan;
- Activity 7: Environmental and social assessments and plans for the technical designs developed under Activities 2, 3 and 4.

¹ Including detailed engineering designs.

² Detailed scope of each activity will be provided at RFP stage.

THE RESOURCES FOR THE ASSIGNMENT

11. The total duration of the assignment is 8 months;

12. The assignment is intended to be undertaken by a very experienced and high-quality Consultant firm (or a consortium), familiar with undertaking assessments of this type, both in the region and internationally. The Consultant's team are expected to include qualified personnel in the field of urban transport planning; bus/BRT operations and pedestrianization; economic and financial analysis; gender issues; social and environmental issues.

13. Whilst the Consultant is responsible for proposing a senior and high quality team appropriate for undertaking the assignment as envisaged in the Terms of Reference, to the required standard, it is likely that the team, as a minimum, will include the following key staff/experts, which should ideally be full-time employees of the consulting firm(s):

- Urban Transport Planning Expert
- Bus/BRT operations and Pedestrianization Expert
- Transport Economist
- Civil Engineering Expert
- Gender Expert
- Social Expert
- Environmental Expert