

RHD Ferries Start Operation in Patuakhali on Bare Boat Charter Model.

The role of ferry services for road communication in a densely riverine country like Bangladesh is very important. RHD ferries provide safe, prompt and cheap mass communication service all along the road network of Bangladesh.

During recent years, inspite of construction of bridges across some major rivers of the country, the total number of ferry ghats is increasing every year, due to fast expansion of national and regional highways and also feeder roads network throughout the length and breadth of Bangladesh.

Danish assistance to the Transport Sector of Bangladesh implies a long term commitment by the Government of Bangladesh and Danida to co-operate on transport sector development with special emphasis on selected components within the sector, one of which is RHD Ferries Sub-Sector.

This ferry project aims at a more efficient operation of selected ferry services in Patuakhali and Barguna districts of Bangladesh, on commercial basis. Through this Project, Improved ferry services would have a positive impact on the socio-economic development of the region and will result in improved safety and environmental aspects.

The 2 ferries and 2 pontoons already newbuilt by RHD under Danida Programme have started operations under Bare Boat Charter Model at Patuakhali ghat from 1st July 2003. A plan has been taken up for ferry operation at Lebukhlali and Amtoli Ghats under the same system during the next couple of years.

Lessees have been involved in operation of RHD for the past years. Under the old lease contracts, the Lessee is responsible for toll collection and supply of fuel and lubrication oils, while RHD has been responsible for operation and maintenance of ferries.



In compliance with the Government's policies, RHD now intend to have the participation of Lessees in the management, operation and maintenance of ferries. RHD therefore decided to commence a pilot project under Bareboat Charter conditions for Patuakhali Ferry Ghat. Subject to satisfactory initiation of the pilot project in Patuakhali it has further been decided to arrange for lease of Lebukhlali Ferry Ghat by the end of 2003 on the same conditions.

The Conditions of Contract adopted by RHD in the Tender Documents for the pilot project are based on the Bareboat Charter Conditions used by the International shipping community. However, as the Bareboat Charter is a new concept in Bangladesh, RHD has decided to reduce the Charterer's risks in the Patuakhali pilot project in the following areas:

I. RHD has built 2 new ferries and 2 new pontoons and made available to the Charterer for the pilot project. The ferries and pontoons as well as their machinery and equipment will be covered by a 12 months' guarantee from the shipyard and the manufacturers.

II. RHD has developed a Planned Maintenance Systems (PMS) for the ferries and their machinery and equipment. The Charterer will be required to follow and adhere to the PMS and RHD will monitor and control compliance with the PMS through regular inspections on board the ferries.



III. RHD will be offering a training programme for the Charterer's staff and crew during commencement of the contract. The training will be provided by RHD's Consultant and will cover understanding of the contract as well as operation and maintenance of the ferries and their equipment with special emphasis on the PMS.

Procedure for Repairs of Damages and Break-down of Ferries and pontoons under Bareboat Charter model.

The Charterer will perform maintenance of the pontoons and the ferries and their machinery and equipment in compliance with RHD's Planned Maintenance System (PMS). RHD will monitor and control that maintenance is carried out as described in the PMS.

In the event the pontoons or ferries are damaged or any machinery or equipment suffers break-down, the following procedure shall apply:

- I. The Charterer shall immediately inform the RHD, Ferry Division, Barisal, and the Executive Engineer, Road Division, Patuakhali, of the incident with details of the damage/break-down and, if possible, the cause of the incident.
- II. Representatives of RHD and the Charterer shall jointly inspect the damage and establish the cause.
- III. The Charterer shall be responsible for the costs of repairs, unless the damage or break-down is deemed to be covered under marine or war risks insurances, in which case RHD will arrange, and pay, for the repairs as soon as practicable. In case the damage or break-down is covered under the 12 months guarantee, the Charterer shall seek a satisfactory solution with the Builders and/or the equipment manufactures.
- IV. When the Charterer is responsible for the costs of the repairs, he may request RHD to undertake the repair on his behalf and at his cost, or he may contract a private workshop to do the job. Materials and spare parts to be used in the repairs must always be in accordance with the Manufactures instructions and recommendations.
- V. If the repair time is estimated to exceed one week, RHD shall endeavour to make a replacement ferry available to Charterer in compliance with Conditions of Contract.