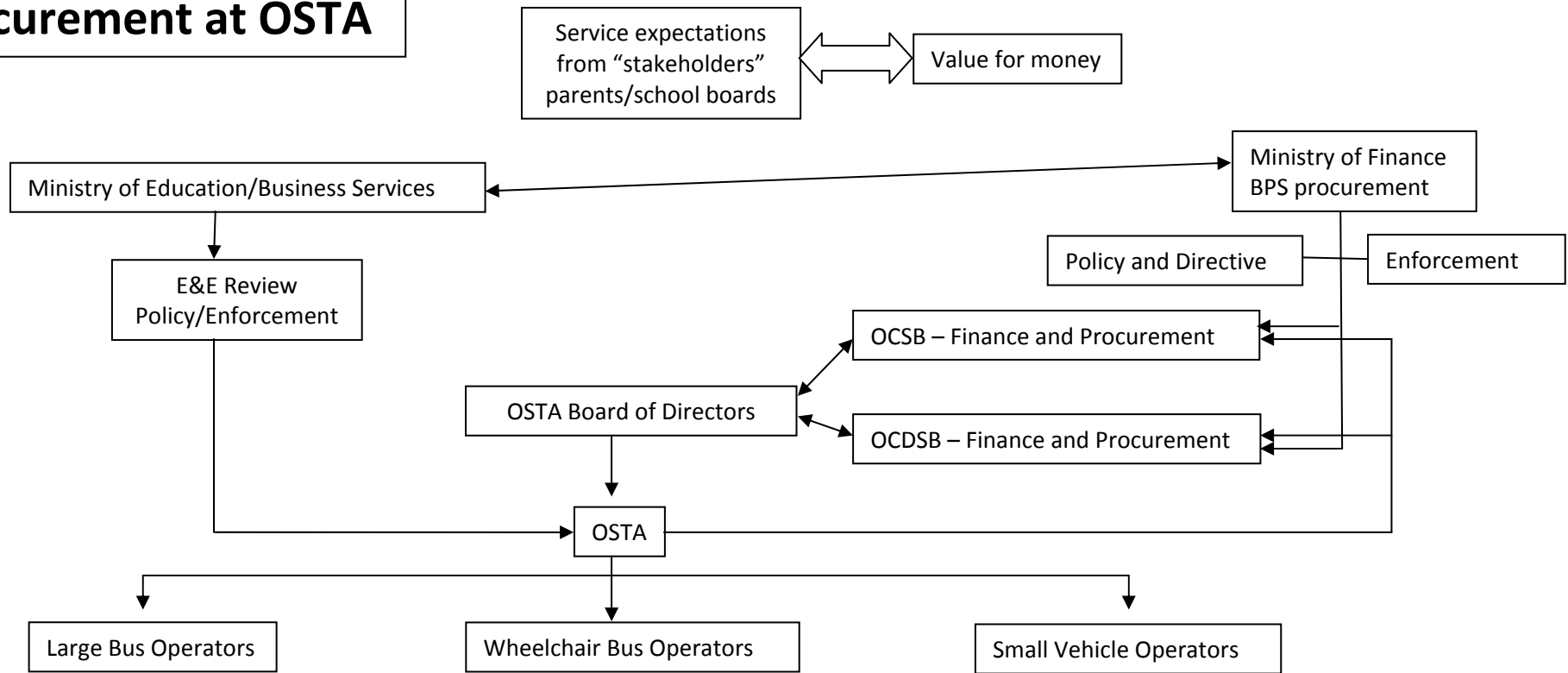


# Procurement at OSTA



**Market Conditions**

- 2 operators control 85% of market
- mechanism to increase capacity limited to BPS Procurement Directive
- difficulty hiring, retaining drivers - compensation
- revenue opportunities limited to Ministry funding
- Operators expect and have always received the same contract terms
- No used buses available
- Ratio of new business to existing business increases risk

**Legal Implications**

- ISBOA/operators – litigation against consortium and Ministry
- BPS Procurement Directive
- Negotiations vs arbitrary extension vs market control
- Setting precedents for other consortia and future legal action