

Noticias FAD/FEV

Terms of reference Feasibility study for the implementation of a PPP Schema in a pilot hospital (Turkey)

Outline of the tender

1. The Ministry of Health of The Republic of Turkey, subject to the conformity of the Spanish Administration, calls a tender for the elaboration of the feasibility study «Implementation of a PPP Scheme in a Pilot Hospital in Turkey».
2. All the Spanish companies interested in the elaboration of the study should present their bids according to the requirements detailed in this document of *Terms of Reference*.
3. The Ministry of Health, under the supervision of the Spanish Administration will assess the offers complying with the following conditions of participation.
4. The amount of the study will not exceed the quantity of 450,000 euros.
5. The execution of the study will not exceed twelve months limit time.



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Background

Healthcare infrastructures finance has been historically included in public expenses, from the construction of Hospitals to their operation and maintenance.

Nowadays there are other options in this field, such as Public - Private Partnership (PPP), which allows Public Authorities:

- To draw the Private Sector into this kind of projects, and take profit from the efficiency and financial capacity of private partners.
- To advance the launching of the complete service and infrastructure
- To assign limited resources to non-profitable projects
- To avoid the accounting of the whole cost of the hospital as a punctual investment, turning it into annual spending paid for the rendering of services. This is especially important in the European Union, where Member and Acceding Countries have their deficit limited by the Stability and Growth Pact.

PPP schemes have been successfully applied in many countries . Although in first steps these models were implemented only in motorway projects, recently social infrastructures such as schools or hospitals have been financed in this way.

These schemes modify the point of view of Public Authorities, changing from buying infrastructures to paying for the rendering of services.

The proposed feasibility study regards the modernization of social infrastructure finance in Turkey, specially focused in hospitals.

Objectives of the project

The main objective of the project is to prepare the feasibility study for the construction and operation of a new regional hospital in Turkey under a PPP scheme, including the tender documents for the concession, concerning the construction and rendering of services.

The study aims to be a pilot experience about the viability of PPP schemes in Turkey for the construction and operation of new hospitals and the identification and advise on the legal and financial conditions that need to be addressed for the implementation of such schemes.

More particularly, the project will cover:

- Legislative infrastructure studies,
- Planning, design and feasibility analysis for the development of a new regional hospital in Turkey under a PPP scheme.
- Definition of the hospital's function program,
- The development concept design for the new hospital.
- Feasibility of a PPP scheme.
- Technical assistance to the procurement process.
- Final works: preparation of the operational handbook, trainings and workshops.



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Scope of the study

The study will cover the following aspects:

1. Legal infrastructure studies

This study concerns the existing and future Turkish legislation on health sector PPPs. One of the key aspects that must be achieved in PPP models in order to draw private initiative is legal and juristic stability. This allows private partners to allocate certain risks away from the project, which, consequently, will turn into a more bankable and attractive-to-investors one.

The legal infrastructure studies will be undertaken in three stages:

- Study on the legislation on health sector PPP scheme on similar projects in the international bases
- Study on a similar legislation with the conformity of Turkish PPP legislation and to prepare a compact package of draft «Turkish PPP Law on health Sector».
- To prepare a workshop in order to discuss the legislative infrastructure of the «Turkish PPP legislation on health Sector» and the Pilot Project Studies.

The first two stages of this study are intimately related. The knowledge of the way in which different countries have solved the legal definition on PPPs will make possible the study of a similar legislation for Turkey.

2. Definition of the hospital's functional program

This study attempts to identify those services, resources and related issues that will be crucial for the successful development of the project.

The objectives of this part of the study are:

- Analysis and validation of the foreseen healthcare needs in terms of population and type of services required.
- Identification of support or complementary services
- Identification of auxiliary and commercial services
- Dimension of human resources and equipment required
- Identification of related infrastructures

It is important to identify what shall be understood as support services, because health-care services will continue to be provided by the Public Sector, thus this will establish a certain boundary between public and private services. The Private Sector would welcome the inclusion of income-generating opportunities from the provision of clinical auxiliary services such as radiology, pathology, pharmacy, etc.

Among the auxiliary and commercial services mentioned in the third point, the Private Sector will provide non-clinical support services such as catering, security and maintenance and building services. The Private Sector can have rights to the revenue generated from the public use of car-parking facilities at the hospital.

It will also be important to define the dimension of resources required, both human resources and equipment. According to this estimation, investments will be appraised and therefore private companies will make their offers.

Finally, related infrastructures will be identified, understanding that the hospital is not an independent entity. Of special importance are the facilities that enables access to users, such as public transport and motorways, some of them could be existing and could determine the final election of the site, while others would have to be built.



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3. Concept design of the new hospital

In this phase, the tasks to be accomplished are:

- Technical concept design of the project
- Identification of spatial concepts of the project
- Preliminary cost estimation and work planning schedule (building works and equipment)
- Environmental studies

This study entails all those technical works that shall arise as a result of the construction project of the hospital.

4. Feasibility of a PPP scheme

The aims of this part of the study will be:

- Analysis of PPP schemes and multi-Criteria analysis
- Economic and financial analysis
- Risk and guarantees analysis
- Legal advice

This phase comprises all those analysis that are necessary to confirm whether the project is viable in the way it has been designed or not.

5. Technical assistance to the procurement process

This phase will basically consist in the preparation of the Terms of Reference and the Tender Documents, as well as a technical assistance in the qualification of the different offers.

Specifications should be worked in great detail, reducing uncertainty in the process that will select the final consortium to undertake the construction, maintenance and exploitation of the new hospital's non medical fields.



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6. Final works: preparation of the operational handbook, trainings and Workshops

This part of the study will include the know-how of specialists involved in the project. It shall also include a visit to successful hospital projects in Spain, which will permit getting information from the operational part of the project of a hospital constructed under a PPP financing model. Finally, training will be provided to those professionals from the Ministry of Health that will participate in this or future similar projects.

- The stages contained in this phase will be.
- Preparing the operational handbook.
- Visit to Spain, to a hospital financed under a PPP scheme.

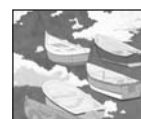
Training the key personnel who are going to take part in the PPP concession on behalf of the Ministry of Health

Work team

The team of professionals considered to be necessary for carrying out this study will be managed by an expert specialized in infrastructure finance schemes. It will also have experts in infrastructure legislation, hospital design and engineering, environmental impact and economic evaluation of projects.

Information to be submitted in the tender

STAFF	TIME DEDICATION (months)						
Duties	Dedication	I	II	III	IV	V	VI
Project Manager	3,0						
Lawyer	1,0	1,0					
Specialist on PPP2	3,5	1,0			2,0		0,5
Specialist on hospitals management	1,5	1,0					0,5
Arquitect specialised in hospitals	2,0			2,0			
Civil engineer	2,0			2,0			
Installations engineer	2,0			2,0			
Arquitect specialised in hospitals	1,0			1,0			
Civil engineer	1,0			1,0			
Installation engineer	1,0			1,0			
Environmentalist - waste treatment	0,5			0,5			
Expert in procurement process	2,0					2,0	
Assistant in procurement process	1,0					1,0	
Assistant in PPPs	0,5						0,5
Auxiliary personnel							
Secretary	12,0						
Draughtsman	4,0						
Translator - interpreter	12,0						



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1. The companies interested in the tender must present their offers according to the conditions established by these Terms of Reference. Three copies will be presented, as follows: two copies in English for the Ministry of Health and one copy in Spanish for the State Secretariat for Tourism and Trade. The Copies will be forwarded to the following address:

Republic of Turkey Ministry of Healths, Head of Stretegy Development Deparment

Person in charge: Memet ATASEVER
 Fax: (0090)312-4344602
 E-mail: atasever@saglik.gov.tr
 Telephone: (0090) 312-433 77 77
 Address: T.C. Saglik Bakanligi, Sihhiye/Ankara

Secretaría de Estado de Turismo y Comercio

Dirección General de Comercio e Inversiones

S. G Fomento Financiero a la Internacionalización.

Person in charge: Rosario Paradinas Zorrilla

Address: Paseo de la Castellana 162. planta 9- 28046 Madrid

Telephone: 00 34 91 583 55 24

Fax: 91.349.35.12

Email: rparadinas@mcx.es

2. The offer must include both technical and economic proposals. The technical proposal will include: the description of the proposed objectives and works, the strategy and the method of realization of the works, the activity schedule (working schedule) and a break down of the hours each expert will work on the project by task. The economic proposal must include the cost of all items needed for the realization of the project and it will be presented in detail, clearly indicating the units, the cost of each unit and the total Cost for each Item. The Cost of each expert of the working team, the experts' schedule and the expenses for the study elaboration (travels, per diem and other expenses) will be presented in detail.

3. The offer must emphasize the company experience in the field of health and PPP projects. The company must prove its experience in similar projects in this field. The projects carried out in Turkey and the European Union will be also taken into account. In particular, the company must submit the following information:

- Financial records for the last three years available certified (balance sheet, income tables and audited accounts)
- General information on the company:
- Share ownership
- Date of incorporation
- Turnover data for the last 3 years
- Number of employees. Full time and part time employees. Employees with a high education diploma
- Detailed information about the most important projects carried out, indicating clearly: client name, contract value, start and finishing dates for the projects, working team and description of the project. Studies similar in technical content and objectives with the one intended to be contracted through this technical assistance should be particularly emphasized. References from the beneficiaries will also be presented

4. Detailed information on the structure and experience of the proposed working team and the resumes (3 pages maximum) of the proposed staff will be presented, including at least the following data:

- name.
- place and date of birth.
- nationality.
- proposed position within the project.
- titles and courses.
- languages (English is a requirement).
- experience in similar projects (indicating the responsibilities within).
- other (academic experience, publication, etc.).



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General requirements for key experts:

- studies in the field
- very good level of English
- relevant experience (list of projects)
- knowledge of European legislation

5. Any change in the structure of the working team proposed by the company must be submitted to the Turkish Ministry of Health and the Spanish Administration for approval and if not accepted, it can be a reason for exclusion from the bid or for contract cancellation.

6. The firm awarded the contract will present a list of potential Spanish suppliers of goods and services required for the execution of the project.

7. The offers must have a period of validity of 6 months during which the participant companies are committed to honour the conditions of the offer, especially those concerning the structure of the working team, scope of the project, activities proposed for the objectives realization, methodology, period of execution and price.

8. In case of association between consulting companies or subcontracting, the competencies and responsibilities of each one of the associates or subcontracting parties must be clearly defined.

9. During the elaboration of the study, the company awarded the contract will submit periodically a progress report stating the tasks carried out during the relevant period, existing and foreseen problems, proposed actions and possible deviations from the initial schedule

10. The maximum percentage allowed for local expenses will be equivalent to 15% of the total contract amount.

11. Payment method:

- 25% after signing the contract. with the «no objection» from the Spanish Administration
- 25% after reaching and intermediate milestone to be agreed upon by the Turkish Ministry of Health and the contract - winning company. The Client shall sign the corresponding certificate and send it to the Spanish Administration to receive the «no objection»
- 50% once the study has been concluded and approved by the Turkish Ministry of Health and the Spanish Administration.

12. The works must begin as soon as the contract - winning company considers appropriate and no later than two weeks after signing the contract.

Working Terms

The lump sum fee for the commission will be EUR 150,000 euros. This commission will be funded by a grant from the Spanish Feasibility Studies Financing Facility (FEV).



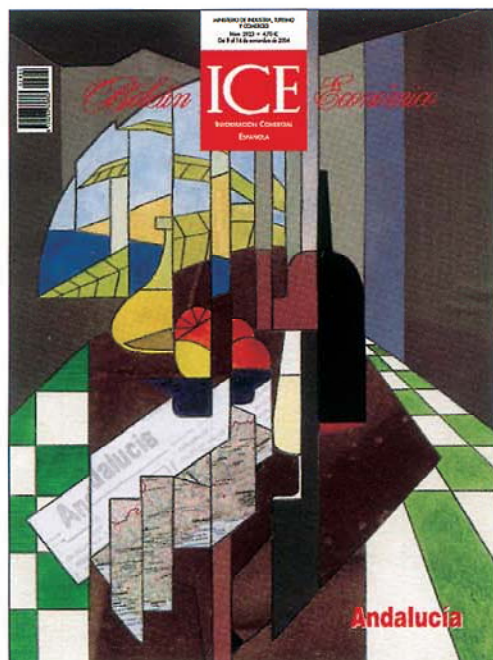
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SELECTION/AWARD CRITERIA	
Technical proposal	80
— Professional experience and technical capacity	15
— Methodology and working program	15
— Working experience in the country, im FEV and multilateral financed projects	30
— Adequacy of the working team skills (C.V.)	10
— Knowledge of the country, of foreign languages (English and/or turkish) and experience in similar projects	10
Economic proposal	20
	100



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ÚLTIMOS MONOGRÁFICOS PUBLICADOS



Información:
Ministerio de Industria, Turismo y Comercio
Paseo de la Castellana, 162-Vestíbulo
28071 Madrid
Teléf. 91 349 36 47

