



Two Regional Hospitals under Public-Private Contracts

1. Kulhudufushi Regional Hospital
2. Laamu Gan Regional Hospital

Republic of Maldives

Request for Expressions of Interest



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1 Introduction

Fast economic growth and an increased health awareness is driving strong demand for high quality health services in the Maldives. Since 2008, the Government of Maldives (GOM) has initiated a policy shift toward increased involvement of the private sector in service and infrastructure delivery. To this end, the GOM has introduced a nation-wide strategy to implement Public Private Partnerships (PPP) in many services and infrastructure, including the health sector.

The Ministry of Health (MoH) is the largest provider of health care services in the Maldives. It has a total of 20 public Hospitals and 174 Health Centers under operation. The GOM wishes to improve the quality and range of healthcare in the main public Hospitals in the country, by increasing partnerships with private parties able to bring innovation and technical expertise in health services.

In this context, the GOM intends to procure the refurbishment, possible expansion, maintenance and operation (operation of the medical and health services and the hospital facilities) of two existing regional hospitals under 15 year concession contracts with a private partner or partners:

- The **Laamu Gan Regional Hospital** (75 beds in operation) is the only Hospital in the South Central Province and provides a full range of regional health services to the population of the province.
- The **Kulhudufushi Regional Hospital** (50 beds in operation) is the only Hospital in the Upper Northern Province, also providing a full range of regional health services.

Providers are expected to improve the range and the quality of medical and health services provided. In addition, the MoH is interested in the potential to introduce new national medical specializations at either of the hospitals. The existing facilities in both hospitals also require refurbishment.

The contracts will be awarded separately through a transparent competitive bidding process to the party offering best value-for-money. Interested parties can express their interest for either one of the Hospitals, or separately for both. In the case of the latter, interest needs to be expressed for each Hospital individually.

2 Scope and Objectives

The Laamu Gan Regional Hospital and the Kulhudufushi Regional Hospital are currently in operation with properly maintained facilities. Currently, the two Hospitals provide the following health services:

- **OPD consultations:** general; internal medicines; obstetrics and gynecology; pediatric; orthopedic; ophthalmology; dental; ENT; surgery
- **In-patient services:** medical; major/minor surgeries (general, orthopedic, obstetrics & gynecology); pediatric; normal/caesarean/other deliveries; ICU
- **Public health services:** immunization; family planning; STD/TB/NCD/Leprosy control; distribution of medicines for psychiatric patients; disease surveillances & epidemic control, etc.
- **Blood transfusion:** thalassemia, pregnancy, and anemia cases
- **Physiotherapy**
- **Para-clinical services:** laboratory investigations; ECG; X-ray; ultrasound scan

The Hospitals do not provide catering/dietary services to the patients. Neither do they provide pharmacy services as the patients are required to buy the prescribed medicines from the market. Full details on existing facilities and services provided at both Hospitals will be made available in the Data Room which will be accessible to shortlisted firms during the Request for Proposal stage.

The indicatively 15-year Design, Build, Finance, Maintain and Operate (DBFMO) contract for each hospital entered into between the GOM and the appointed private operator will include the refurbishment, maintenance, operation (including the provision of the medical and health services) and possibly the expansion of the two regional Hospitals. The Project targets the following key objectives:

3 Key Project Features

- **Availability Payment** – the GOM may pay an agreed availability payment during part of the contract period.
- **Market based revenues** – the operator will be allowed to generate revenues from private patients, health insurance or any other aligned activity (e.g. sale of medicines).
- **Land and asset ownership** – ownership of the land and facilities will remain with the MoH. The operator will have usage and will maintain the property under a lease agreement with the GOM.
- **Compensation for costs of staff restructuring** – within defined criteria, any costs related to staff restructuring (e.g. retrenchment) will be borne by the GOM.

4 Procurement Process

The procurement process entails two consecutive stages, the current Pre-qualification Stage and the Request-for-Proposal Stage. During the current Pre-qualification Stage, interested parties are requested to submit an Expression of Interest (as described below). Based on the Expressions of Interest received, a limited number of firms will be shortlisted and invited to the Request-for-Proposal Stage.

Interested parties are now invited to submit an Expression of Interest with information indicating that they are qualified to carry out the project, in particular in relation to the following criteria:

- A clear and effective vision on health services and facilities to be provided
- Technical and managerial qualifications to implement and manage projects of this nature over the full period of the contract
- Sufficient experience by demonstrating the execution of at least three similar projects (in size and nature, i.e. health services, health services under a PPP contract) in the last three years
- Sufficient financial standing by demonstrating (through audited financial statements) sound financial performance and an annual turnover of at least U\$5 million in the last three years

Interested parties can express their interest for either one Hospital or both. In case of the latter, interest needs to be expressed for each Hospital individually. Firms may request to be qualified alone, or in consortium with other firms. If the Expression of Interest is from a consortium of firms, information on all firms making up the consortium must be provided, it must be clearly indicated which firm is the lead firm of the consortium, and the nature of the consortium arrangement should be specified, including a consortium letter or agreement signed by all firms. The involvement of appropriately qualified Maldivian firms as bidders or in consortiums is encouraged.

Each Expression of Interest should be no longer than 20 pages, excluding supporting financial information or brochures. Submissions should be clearly marked either as “Expression of Interest – Laamu Gan Regional Hospital” or as “Expression of Interest – Kulhudufushi Regional Hospital” and be submitted electronically by email (PDF document) and/or in hard copy, before **17:00 Maldives Time, 23rd August 2010** to the address below:

Ministry of Economic Development / Invest Maldives

To the attention of: Ms Fathimath Niuma

fathimath.niuma@trade.gov.mv

Ghazee Building, 1st Floor,

AmeerAhmed Magu, Male’, Republic of Maldives

Tel: (960) 3324767, Fax (960) 3322528

Website: www.investmaldives.org

This project is part of a nation-wide strategy supported by the Asian Development Bank to introduce Public Private Partnerships (PPP) in social and other infrastructure sectors in the Maldives. The GoM has retained RebelGroup Advisory of The Netherlands as Transaction Advisor.