1. BACKGROUND

The Ministry of Healthcare of the Republic of Kazakhstan (MH) is developing a full programme for modernisation of the healthcare sector in Kazakhstan; a priority will be given to primary healthcare and involvement of the private sector into the management of the existing facilities in the regions. MH wants to enhance medical education to the standards of the leading western medical universities. It will embark on the modernisation of the few state medical clinical universities across the country by building new clinical facilities used to support the teaching of the next generation of medical professionals. Given this context, the MH has selected the concessional project of "Construction and Operation of a Multi-disciplinary 300-beds Hospital under “S.D. Asfendiyarov Kazakh National Medical University” Republican State Enterprise on the Right of Economic Management of the Ministry of Health of the Republic of Kazakhstan in Almaty” (the “Project”) as a pilot project.

The MH is currently developing the Project as its first PPP/concession project in the healthcare sector on the basis of a “facility management” model (“FM” model). The future concessionaire is expected to design, finance, construct and operate the new hospital and provide the non-medical services, whereas the Kazakh National Medical University (KazNMU) will be the medical operator of the Project.

MH and Kazakhstan Project Preparation Fund (KPPF) approached the EBRD for technical assistance in reviewing the documentation and providing consultative support at the stage of securing relevant approvals and expert assessments from authorized bodies in accordance with the legislation of the Republic of Kazakhstan, as well as at the stage of the bidding till the signing of the Direct Agreement. The EBRD agreed to support the Project. Thus, the EBRD is willing to select a consultant (the “Consultant”) to provide such support.

1.1 Scope of the PPP Project

The concessionaire will design, finance, build, fully equip, maintain the facilities and transfer to the KazNMU/MH the asset for providing primary care hospital services. In parallel, the concessionaire will provide hard and soft Facility Management (FM) services during the period of the concession agreement. In return, the concessionaire will receive regular availability payments over the term of the agreement modulated by an incentive and/or penalties schemes to be developed.

The estimated capital investment for the new hospital is KZT 27.9 billion or approx. EUR 70 million (current 1 EUR = 400 KZT), which includes the cost of design, construction of the building and development of the site together with the supply of the required medical equipment and nonmedical equipment and the financing costs during the construction period.

The concession contract duration is expected to be set at 16 years including the design and construction period. The estimated design and construction period is estimated to last 38 months. During the operation phase, the concessionaire shall provide the following additional hard and soft FM services, which may include the following:

- Maintenance of medical equipment;
- Technical support of the building,
The KazNMU will be responsible for the operation of the hospital and the provision of health and education services (the Medical Operator) under the Interaction agreement #1 to be signed between KazNMU and Concessionaire. The general Project organisation is shown in the following graph:

For the avoidance of doubts, the scope of this Assignment only includes Project related agreements where the MoH, the concessionaire, its subcontractors, its lenders and Medical operator are a party. In this context, only the Interaction agreement #1 and Interaction agreement #2 where the Medical operator is the party shall be included in the scope of this Assignment.

1.2 Location

A 7.75 hectare land plot located in the south west of Almaty. The land plot is partially occupied by the existing University hospital “Aksay” (http://aksay.kaznmu.kz/).

1.3 Project Objectives

The following are the objectives of the MH for the Project:
- Improving access to health care in Almaty, including primary and tertiary care;
- Improving the quality of medical training on the basis of KazNMU;
- Increase in the number and scope of scientific and clinical research conducted at KazNMU in collaboration with leading domestic and foreign scientific communities.

1.4 Project Grantor

The MH will be the Grantor of the Project (the “Grantor” or the “Granting Authorities”) and as such will be responsible for the overall Project. Pursuant to Decree No. 428, dated 30 April 2014, of the Government of Kazakhstan "On the Selection of a Legal Entity for Consultancy Support of Concession Projects”, the MH has appointed the Kazakhstan Project Preparation Fund (KPPF- [www.kppf.kz](http://www.kppf.kz)) to act as Project Implementation Unit for the project.

1.5 Legal Framework

The tender procedure and the subsequent concession agreement will be implemented under, and regulated by Law on Concessions No.167-III adopted on 7 July 2006 (the “Concession Law”), Order of the Minister of National Economy of the Republic of Kazakhstan from December 22, 2014 No. 157 “On some issues of planning and implementation of concession projects”, and other Laws of the RK. This Project is Kazakhstan’s first Hospital PPP based on the FM model.

The Kazakhstan Public-Private Partnership Centre (KPPPC) owned by the Government of Kazakhstan under the Ministry of National Economy) will review the “Information List” (part of the tender documentation) which is former of Concession Proposal, the Project tender documentation and draft concession agreement after the Consultant has undertaken its analysis and will provide expert opinion to the provided documentation.

1.6 Status of Project Preparation

KPPF, mandated by the MH, together with its consultants has prepared the Concession Proposal that is known as the Information list under the current legislation of the Republic of Kazakhstan. In parallel, the KPPF together with its consultants has developed a draft of the Project tender documentation, a draft concession agreement and Interaction agreements # 1 and 2 in accordance with the legislation of the Republic of Kazakhstan. The content of the these documents is presented below.

I. Tender documentation including:
1) The Information List or formerly called Concession Proposal with approx. 1,400 pages, including the financial model that supports the business case;
2) Concession Agreement (approx. 380 pages);
II. Interaction agreement between the concessionaire and Medical operator (Medical university) as submitted by the KPPF (approx. 89 pages);
III. Interaction agreement between the Partner university clinics and Medical operator (Medical university) as submitted by the KPPF.
All of them are called Project Transaction Draft Documents.

(A) Tender documentation is prepared in accordance with the legislation of the Republic of Kazakhstan and includes the following information:

1) requirements to documents, that shall be provided by potential concessionaries in confirmation of their conformity of presented qualification requirements;
2) the information list, containing the description of the concession project (the content of the information list is presented below);
3) location of facility, suggested for a transfer into concession;
4) possible types and volumes of the state support of activity of concessionaires and also sources of compensation of expenses and income generation of the concessionaire for this concession project;
5) draft concession agreements (the content of the information list is presented below);
6) description of all criteria, including obligations on a local content, on the basis of which a winning concessional bid will be determined, as well as specific value of each of these criteria, description of criterion and comparison of concessional bids;
7) currency or currencies, in which the cost of concession facility shall be expressed;
8) requirements to the language of composition and submission of concessional bids in accordance with the legislation of the Republic of Kazakhstan on languages;
9) relevant notice on the right of potential concessionary to change or withdraw a tender bid prior to expiration of deadline for submission of tender bids;
10) method, place and deadline of submission of tender bids and their period of validity;
11) methods, through which a potential concessionary may ask an explanation on the content of tender documentation, and notice on intension of tender organizer to hold a meeting with potential concessionaries at this stage, that shall be held in the open form and shall be minuted;
12) conditions of introduction and content of a tender bid, as well as conditions of provision of a tender application securing;
13) place, date and time of opening of envelops with tender bids;
14) procedures, used for opening of envelops with tender bids and their consideration;
15) other information.
In considering the tender documentation, the special focus shall be on the evaluation criteria on the basis of which a winning concessional bid will be determined, as well as specific value of each of these criteria, description of criterion and comparison of concessional bids.

(B) Information list (formerly known as Concessional proposal) is prepared in accordance with the legislation of the Republic of Kazakhstan and includes the following information:
(i) Project passport containing general information on the Project in tabular form, including:
1) name of the concession project;
2) name of the government authority – the project developer;
3) purpose of the concession project;
4) name of the social infrastructure and life support facility to be constructed and operated under the concession agreement;
5) justification for including the concession project in the list of special importance concession projects;
6) period (term) of construction of the concession facility, period (term) of its operation;
7) the expected final result of the concession project (type and volume of goods, works, services);
8) the estimated net present value of the concessionaire’s profit and internal rate of return;
9) sources of the concessionaire’s cost reimbursement and income generation;
10) expected measures of state support;
11) method of tendering process for selecting a concessionaire (with or without two-stage procedures);
12) type of the concession agreement.

(ii) “Introduction” section, including:
1) description of the problem in the field (region) to be solved through the implementation of the concession project;
2) information on the compliance of the concession project with the country’s strategic and program documents;
3) economic sector (field), region and settlement within the territory of which it is planned to implement a concession project;
4) name of the social infrastructure and life support facility to be constructed and operated under the concession agreement, as well as its legal status (ownership, balance holder, restrictions and encumbrances);
5) expected activities of the Concessionaire within the framework of the concession project;
6) information about the activities not to be transferred to concession;
7) information on encumbrances and restrictions against the existing facility transferred to concession (pledge, arrest, right of limited permitted use of someone’s real estate (easement));
8) information on the presence of interest in the concession project implementation on the part of potential concessionaires;
9) the planned algorithm for transferring the concession facility by the parties to each other, as well as the procedure and conditions for transferring other property not included in the concession facility, specifying the right on the basis of which this property is transferred;
10) international and/or Kazakhstan’s positive experience in the implementation of similar concession projects in this economic sector (field);
11) justification of the tendering method for the selection of concessionaire (with or without two-stage procedures);
12) justification of the type of concession agreement;
13) information on referring of the concession project to the areas of natural monopolies;
14) conditions on the rights of concessionary to concession facility as well as on the rights to incomplete concession facility in case of termination of concession agreement, and (or) the rights on carrying out of a certain type of activity, conditions on property rights on the results of intellectual and creative activity, arising during execution of terms of concession agreement;
15) other information.

(iii) Institutional section contains information on the mechanisms of interaction between the parties, the responsibilities of each party of the concession project, including the third parties, namely state-owned enterprises (with the interaction chart attached) during the investment and post-investment periods.

(iv) Marketing section contains the results of marketing research, including the analysis of the existing and estimated (for the concession project implementation period) demand for products (goods/services) generated as a result of the concession project implementation and supply of production input factors.

Marketing section includes:
1) analysis and justification of quantitative parameters of demand, its trends or evaluation of the need for products (goods/services) to be produced under the concession project;
2) analysis of volumes, types and prices of products (goods/services), taking into account the current situation in the field (region) by consumer categories, including competition analysis (current competitors, the probability of occurrence of new competitors, substitute products);
3) analysis and justification of a certain acceptable (socially-fair) price per unit of products (services), including the analysis of the willingness and ability of potential consumers to purchase a unit of products (goods/services) (pay per unit of products) within the concession project;
4) analysis of volumes, types and prices of products (goods/services), which will be produced as a result of the implementation of the concession project by consumer categories;
5) analysis of markets of materials and supplies, equipment necessary for the implementation of the concession project, including a comparative analysis of producers and suppliers, prices, quality and terms of delivery of products;
6) analysis of availability of specialists of the relevant qualifications in the investment and post-investment period, and justification for attracting foreign specialists, if needed;
7) SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) - identifying and assessing the potential strengths and weaknesses, opportunities and threats of goods, works, services anticipated under the concession project).

(v) Financial section contains the following information:
1) information on the possibility of implementing a concession project within the established limit of concession obligations, which is submitted annually during the entire period of the concession project implementation;
2) the estimated cost of construction of the concession facility, supported by calculations;
3) the volume of investments in the concession project;
4) preliminary calculation of tariffs (prices, fee rates) for services (goods, works), including those related to natural monopolies, including the feasibility for calculations
and information on the impact of tariffs (prices, fee rates) on the social and economic situation in the country, region;
5) results of the analysis of the need and the possibility of providing state support and sources of reimbursement of investment, operating costs and management fees in order to prevent a sharp increase in tariffs
7) expected types, volumes, terms and conditions for granting state support in accordance with the Law of the Republic of Kazakhstan “On Concessions”;
8) estimated total cost of state concession obligations, broken down by years, including the feasibility in the form of preliminary calculations;
9) the supposed sources of cost reimbursement and income generation of the concessionaire;
10) information on the possibility of applying an availability payment for the concession facility, if the concession project is classified as socially significant;
11) the expected final result of the concession project (type and amount of goods, works, services), as well as the estimated net present value of profit and the internal rate of return of the concessionaire, including the feasibility in the form of preliminary calculations;
12) feasibility for the project implementation under the concession scheme as the most rational scheme of the project implementation as compared with other possible schemes for the project implementation (budget financing, state loan and others);
13) determination of effective concession term.
14) other information.

In addition, the Information list contains annexes, as well as information within the sections of the Information list, which includes the financial and economic model, graphs, diagrams, figures, location maps that confirm and disclose information provided in the information list.

The project’s financial and economic model is compiled in Excel for each considered option of the project implementation (budget financing, state loan and concession), specifying the formulas and accepted assumptions. FEM variant for the concession is based on the Methodology for determining the cost of the concession facility, the total cost of state support provided to concessionaires and cost recovery sources approved by the Order of the Minister of Economy and Budget Planning of the Republic of Kazakhstan No. 24 dated February 23, 2009 (registered in the Register of State Registration of Regulatory Legal Acts of the Republic Kazakhstan under No. 5604).

(vi) Social and economic section reflects the social and economic aspects of the concession project and the benefits of the project implementation.

This section includes:
1) analysis of the existing social and economic situation in the field (region) and the Republic of Kazakhstan and prospects for its development without taking into account the project, including:
   basic social indicators (income level of the population, employment and unemployment rates, death rate, birth rate);
   key field (regional) indicators (the volume of production of goods (services), the share of the field (region) in the structure of the gross domestic product, the volume of investments in the field (region) and their trends in the planned period);
2) analysis of prospects for the development of the social and economic situation in the field (region) and in the Republic of Kazakhstan in the case of the concession project implementation, including:
basic social indicators (income level of the population, employment and unemployment rates, death rate, birth rate);
key field (regional) indicators (the volume of production of goods (services), the share of the field (region) in the structure of the gross domestic product, the volume of investments in the field (region) and their trends in the planned period);
3) analysis of benefits and costs of the concession project, including the analysis of results, effects and impacts, incremental benefits and costs, additional consumer benefits, irreversible costs, externalities, international effects, indirect benefits from the implementation of the concession project;
4) calculation of direct, indirect and aggregate macroeconomic effect in current prices and in comparable prices of the previous year;
5) calculation of net social benefits, economic net present value (ENPV), economic internal rate of return (EIRR);
6) analysis of impact of the concession project implementation on the development of related industries (adjacent regions);
7) analysis of the influence of the concession project on the growth of export potential of the Republic of Kazakhstan and import substitution, development of innovations.
8) other information.

(vii) Technical and technological section contains:

1) information on technological innovations to be introduced in the tender for selection of a concessionaire using the two-stage procedures;
2) information on the availability of developed design estimates, model projects, standard project solutions and reuse projects;
3) planned physical parameters and technical characteristics of the facility created as a result of the concession project implementation, including the planned production capacity of the concession project;
4) justification of the place of the project implementation regarding the sources and location of potential suppliers of materials and supplies, equipment, consumers of products (goods/services) and proximity to transport highways, taking into account the geographic features of the region;
5) planned terms of construction and operation of the facility, possible for the transfer to concession;
6) information on the site location, land site (sites) characteristics, as well as information on engineering infrastructure (railways, highways, pipelines, power and heating networks, water pipelines, gas pipelines and other infrastructure) that exist and/or required for the project implementation;
7) tender for the Project is planned using two-stage procedures and it is expected that the feasibility study will be independently developed by potential concessionaires and submitted as part of the concession bid.
8) the detailed list of medical equipment planned at the concession facility with their description and estimated cost;
9) other information.

(viii) “Risk allocation” section describes the possible risks of the project implementation, the distribution of risks between the concessionaire and the grantor, as well as planned measures for risk management, including at the preparatory stage, the stage of construction/ of the concession facility and its operation.

This section includes:
1) commercial risk assessment;
2) social risk assessment;
3) economic risk assessment;
4) technical risk assessment;
5) financial risk assessment;
6) assessment of specific risks for the concessionaire and grantor, determining the main risk factors, the alleged nature and range of their changes, the proposed measures to mitigate them;
7) analysis of risk distribution between the project participants;
8) analysis in terms of uncertainty, including sensitivity analysis by main parameters (sales volume, sales price, direct costs), including determination of threshold limit values for the parameter variation.

The risks are assessed by the method of quantitative and qualitative analysis.
(ix) “Project conclusions” section indicates the key results of marketing, financial and technical and technological sections given the main risks.

The Information List does not include the feasibility study and design of the hospital. Careful consideration should be done to the technical specifications and check if they are in accordance with relevant international standards and current legislation of the Republic of Kazakhstan, to the financial model (imputes and calculations) and risks’ allocation and evaluation. The Consultant shall feel comfortable that the provided information is enough to develop relevant documents/specifications needed for the tender of the project so any bidder to the concession agreement is able to accurately price the construction of the Project and services to be delivered by the concessionaire.

In addition, special attention should be paid to the project's institutional scheme, interaction of the parties and mechanism for transferring the concession facility to state ownership, as well as to the ownership and use of the Concessionaire in connection with the change in the organizational form of the Asfendiyarov Kazakh National Medical University, to which the concession facility is planned to be assigned from the state enterprise to a non-commercial joint-stock company.

In turn, it should be noted that in late 2016, the developed concession proposal (at present known as the Information list) received a positive expert conclusion of the KPPPC.
(C) The Concession agreement is prepared in accordance with the legislation of the Republic of Kazakhstan and includes the following information:

1) data on concession facility, its description, as well as data on property assets, technical condition, performance period, initial, residual and reinstatement value of a transferred concession facility;
2) conditions on the rights of concessionary to concession facility as well as on the rights to incomplete concession facility in case of termination of concession agreement, and (or) the rights on carrying out of a certain type of activity, conditions on property rights on the results of intellectual and creative activity, arising during execution of terms of concession agreement;
3) sources of compensation for expenses and acquisition of income of concessionary;
4) condition on sizes of investments, periods, sources and conditions of financing concessionary projects;
5) types of activity (works (services) performed (provided) under the terms of concession agreement);
6) standards of quality of commodities (works, services) provided by concessionary, according to concession agreement;
7) validity period of concession agreement;
8) rights and obligations of parties;
9) requirements on environmental protection and safe conduct of works;
10) procedure and terms of transfer of concession facility by parties, including persons, authorised to accept a facility, and requirements to its quality, as well as procedure and terms of transferring other property, that is not a part of concession facility, as well as specifying the right, on the basis of which mentioned property shall be transferred;
11) liability of parties;
12) conditions of modification and termination of concession agreement;
13) location (legal address) and banking details of parties;
14) procedure for carrying out the control over performance of concession agreement by Grantor;
15) criteria of evaluation on fulfilment of accepted obligations by concessionary, payment of a penalty in case of their non-performance or improper performance and procedure for reduction of the volume of the state concessional obligations;
16) types, volumes, periods and conditions of provision of the state support;
17) obligations on a local content;
18) obligations of a concessionary on providing the annual program of the procurement of commodities, works, services for the forthcoming year not later than 1 February of the year planning for procurement and information on purchased commodities, works, services to an authorised body in the field of regulation of commercial activity in the forms and deadlines, established by this body;
19) distribution of risks between parties;
20) conditions and periods of transfer of disutility of maintaining a property, transferred under concession agreement, as well as the risks of accidental loss or accidental injury of mentioned property;
21) data on authorised state bodies, representing the interests of Grantor;
22) deadlines for performance of works on establishment of concession facility, putting into service, as well as procedure for extension of this deadline;
23) exceptional cases of unilateral modification of terms of concession agreement and (or) its unilateral non-performance;
24) procedure for resolution of disputes under concession agreement;
25) procedure for reimbursement for expenses of parties in case of early termination of concession agreement.
26) methods of securing performance of obligations of concession agreement parties;
27) approval of organization, engaged by concessionary for carrying out of operation of concession facility and essential terms of agreement with it;
28) approval of contractor (general contractor), engaged by concessionary for establishment of concession facility and essential terms of agreement with him (her);
29) procedure and terms of conclusion the direct agreement by parties with creditors of concessionary within implementation of concessionary projects of the special importance;
30) other information.

(D) Interaction agreement № 1 between the concessionaire and Medical operator (Medical university)
In accordance with the Concession Agreement, the Concessionaire's obligations include conclusion of the Interaction agreement No. 1 with KazNMU (Medical Operator) for effective joint management and operation of the New University Clinic, which includes:

**Determining the scope of the relationship between the Medical Operator and the Concessionaire, including but not limited to:**

- terms and conditions of cooperation between the Concessionaire and the Medical Operator regarding joint management and operation of the New University Clinic;
- identifying the list of medical services to be provided by the Medical Operator;
- identifying the list of persons, including employees of the Medical Operator and third parties identified under the Interaction Agreement No. 2, responsible for provision of medical services, and / or having access to equipment, including medical equipment;
- Concessionaire’s obligation to ensure implementation of advanced New University Clinic management and operation practices, etc. (know-how), in the Project. These obligations will also be included in the Concession Agreement;
- Concessionaire’s liability for losses incurred due to faulty actions / omission;
- Concessionaire's obligation to ensure continuous technical operation of premises, equipment, units, etc., intended for provision of medical services by the Medical Operator.
- Concessionaire's obligation to ensure direct organizational support of the Concession Facility in ensuring its permanent operational readiness;
- the term of the Interaction Agreement No. 1 is the same as the term of the Concession Agreement. At the same time, after the Medical Operator updates the equipment.
- Other information.

**Procedure for interaction of the parties during operation of the Concession facility, including the mutual rights and obligations of the parties, and including, but not limited to:**

- delineation of rights, duties and responsibilities of the Medical Operator and the Concessionaire;
- obligation of the parties to develop schedules, instructions and other documents determining the procedure for the daily operation of the Concession Facility, monitoring of operation of the Concession Facility, and, in cases of emergency situations, the parties' obligations for immediate elimination of malfunctions, etc.;
- procedure for interaction between the Medical Operator and the Concessionaire during the operation of the Concession Facility;
- obligation determining that each party shall use the Concession Facility for its intended purpose, taking into account the interests of the other party;
- possibility of engaging third parties for exercise of certain rights and obligations of the Medical Operator and the Concessionaire in a procedure that is not inconsistent with the legislation of the Republic of Kazakhstan;
- obligation of the parties to organize guarding of the Concession Facility;
- identifying the list of persons, employees responsible for organization of guarding of the Concession Facility;
- obligation of the parties determining that during operation of the Concession Facility, the Medical Operator and the Concessionaire shall be guided by the Concession Agreement, the legislation of the Republic of Kazakhstan, and other regulatory documents regulating the operation of the Concession Facility;
liability of the Concessionaire and the Medical Operator for violating the requirements of the legislation of the Republic of Kazakhstan in the field of occupational health, safety and environment during the operation and maintenance of the Concession Facility and for losses incurred due to faulty actions / omission;

obligation to perform maintenance, repair and operation of medical equipment that is on the balance sheet of the New University Clinic and is used in the joint activities of the parties;

obligation to use medical equipment, belonging to both the Concessionaire and the New University Clinic, in full, for medical and preventive, diagnostic, pedagogical processes and scientific purposes;

arrangement of access and intra-facility regime at the Concession Facility (if necessary);

procedure for joint use of the territory, parking lots, sites, roads, radio and lighting equipment, communication lines, medical equipment, equipment and machinery, technical training aids, etc.;

obligation of the parties to restore medical equipment, equipment, machinery and inventory that failed due to improper operation.

**procedure for settlement of disputes, including but not limited to:**

- obligation of the Concessionaire and the Medical Operator to ensure compliance with the conditions specified in the Interaction Agreement No. 1;
- provisions relating to settlement of disputes by the parties to the Interaction Agreement No. 1 through negotiations, including with third parties, in the exercise of certain rights and obligations of the Medical Operator and the Concessionaire;
- provisions relating to the rights of the parties to the Interaction Agreement No. 1 on appealing to the judicial authorities of the Republic of Kazakhstan or by applying to international arbitration in accordance with the legislation of Kazakhstan in case of failure to reach a compromise.

The relationship between the Concessionaire and the Medical Operator under the Interaction Agreement No. 1 will be provided free of charge.

**(E) Interaction agreement № 2 between the Partner university clinics and Medical operator**

For the purpose of efficient management of the New University Clinic, the Medical Operator may, at its discretion, conclude Interaction Agreement No. 2 with a Partner University Clinic. The main goal of the Interaction Agreement No. 2 will be introduction of advanced management practices at medical institutions. The draft Interaction Agreement No. 2 includes the following services:

- exchange of information and other reference materials on various areas of activity in the field of medicine;
- exchange of guidance papers and experience in the field of medical services;
- exchange of employees for exchange of experience;
- participation of the parties’ delegations in plenums, conferences and seminars;
– preparation of materials, organization of publication of joint materials in the media, highlighting the activities of the New University Clinic;
– improvement of the efficiency of teaching students through introduction of active teaching methods and participation in the work of the New University Clinic.

The Consultant is expected to pay special attention to the Interaction Agreement No. 1, namely, the interaction / mechanisms of interaction of the parties in the investment and post-investment period, the liability of the parties, the rights and obligations of the parties, dispute settlement, interaction during and after the update of medical equipment by the Medical Operator.

2. OBJECTIVES

The overall objective of the Assignment is to provide advisory services to MH and KPPF, that allow for the Project to proceed successfully to the next stage of tender, provide further advisory support at tender stage, in the commercial close of the Project, and in stage of the negotiations and signing of the Direct agreement. Legal, technical, and financial consultants should be involved as part of the services provided by the consortium. The Consultant shall, as needed, liaise and coordinate closely with the KPPF, the MH and any other relevant administrative body dealing with any aspects of the Project.

The objective is to facilitate the development of a common understanding of:

(i) the Project Transaction Draft Documents (documents specified under section 1.6 of this ToR) are in accordance with the legislation of the Republic of Kazakhstan and international standards for this kind of procurement and project;

(ii) legal, financial, tax and commercial review of the Project Transaction Draft Documents: compliance with the legislation of the Republic of Kazakhstan, overall bankability and correspondence with applicable international standards;

(iii) technical assessment of the project’s bankability in accordance with the legislation of the Republic of Kazakhstan and applicable international standards;

(iv) propose amendment and improvements to the Project Transaction Draft Documents (including update / amendment of the financial model), if necessary, to make the Project attractive to potential concessionaires, private investors/operators and lenders;

(v) assess if the structure fits the EBRD’s policies: (i) Financing private parties to Concessions (which regulates tender process) and (ii) Environmental and Social Policy, in case of necessity make the amendments and improvements;

(vi) implement changes as needed in the Project Transaction Draft Documents and develop all documentation and analysis (if necessary) required to undertake the procurement. Implementation of the changes in the Project Transaction Draft Documents (if necessary) are provided by the consultants at the tender stage till the signing of the Direct Agreement of the Project, as well as at the other stages based on the request of MH and/or the other public authorities and/or KPPF, and/or the results of the negotiations with the potential investors;

(vii) develop the Terms of Reference of the Project in accordance with the legislation of the Republic of Kazakhstan and applicable international practice. This will also shall take the form of a detailed Project Information Memorandum;

(viii) propose amendments and improvements of the main conditions of the Direct Agreement, preparation of the Direct Agreement as the annex of the Tender Documentation;

(ix) provide consultative support to KPPF at the stage of securing approvals and expert reviews from authorized bodies until receiving a positive conclusion of the expertise
and approvals from the authorized bodies in accordance with the legislation of the Republic of Kazakhstan;

(x) Support in the procurement, and negotiation of the project to KPPF until signing of the Direct Agreement, including but not limited to participation in the qualifications-based selection of potential concessionaires (review of submissions, independent evaluation thereof, drafting of minutes and other documents), independent evaluation of potential concessionaires’ bids, participation in negotiations, making amendments and additions to the Project Transaction Draft Documents until signing of the Direct Agreement of the Project, if necessary.

3. **SCOPE OF WORK**

Overall, the scope includes the following key tasks:

**Stage 1: Review of Existing Information:**

The Consultant should review and revise the existing Project Transaction Draft Documents and prepare an *Issues List* that covers financial, tax, legal, technical and risk aspect of the Project Transaction Draft Documents. This analysis will focus on the feasibility of the project and ways of improvement, including but not limited to:

- technical review on the inputs and assumptions used in the financial model for the base case, and benchmark capital, operational, lifecycle and administrative costs with other similar projects. Review information available of the site, and technical specifications for the construction and operation of the hospital;
- review the affordability analysis;
- legal framework, review of the draft concession agreement and other agreements, tender documentation drafted and procurement structure;
- risk matrix;
- review of the financial model and calculations (including tax assumptions);
- proposed payment mechanism and termination clause;
- review of technical sections and annexes to contracts, party interaction processes, KPIs, service scores and calculation of fines, monitoring procedures at operation stage;
- other information included in the Proposal Data Room provided.

Some of the issues the Consultant will need to advice are the following:

- Rebalancing of the risk allocation in regards of: macroeconomic risks, forex, tax, legislation, (medical) risks, market risks (volume),
- Payment mechanism finalization,
- Rights and obligations of medical operator,
- Alignment of termination conditions to the legislation of the Republic of Kazakhstan and international standards,
- Review of Technical services, including exhaustive list of services with description of volumes / quality of the services,
- Financial Model update with the technical services, new risk allocation, medical equipment and cost of replacement, and update of financial terms.
- Financial criteria of tender documents

For the purposes of review of the Project Transaction Draft Documents, the Consultant shall take into account a positive expert opinion over the concession proposal for the project "Construction and Operation of the Multi-Disciplinary Hospital under the Republican State
Enterprise based on the Right of Economic Management - S.D. Asfendiyarov Kazakh National Medical University” of the Ministry of Health of the Republic of Kazakhstan in the city of Almaty” dated December 26, 2016 No. 18 of "Kazakhstan Public-Private Partnership Centre" JSC.

Consultants should also review the existing Project Transaction Draft Documents of the Project for compliance with the project-related legislation of the Republic of Kazakhstan, including international practice, and determine any discrepancies and inconsistencies in the information and documentation provided.

The Consultant will also prepare a **Gap Analysis** of all the information and documentation that it is missing and that needs to be developed before the start of the tender.

Consideration should be made to the need to develop a new project **financial model** or to use the existing financial model, in which case, the Consultant should take full responsibility of the results provided by the model.

The Consultant will also prepare a draft **Project Timeline** for the project indicating party responsible, timing of the delivery, completion forms of the Project and tender of the Project, including those prepared in Microsoft Project (hereinafter - the Action Plan as per the definition in the legislation) in accordance with the legislation of the Republic of Kazakhstan.

The Consultant should also prepare the **Action Plan for Stage 2**, indicating specific tasks to address and refine the discrepancies identified and not complying with the legislation of the Republic of Kazakhstan, and any other Project-related discrepancies in the Project Transaction Draft Documents.

**Stage 2: Develop the Documentation and analysis:**

The Consultant will complement, or amend the Project Transaction Draft Documents, as well as develop the new documents, parts and components of the Project Transaction Draft Documents (if necessary) and the Direct Agreement as the annex of the Tender Documentation as needed to get a bankable Facility Management PPP under Kazakhstani legal framework that shall be agreed by KPPF, MH and the other public authorities under the legislation of the Republic of Kazakhstan.

The Consultant will conduct a formal **market sounding** exercise to test the Project characteristics with local and international potential investors and lenders.

The Consultant will provide consultative support to the Project in the course of having approvals issued for the Project Transaction Draft Documents by the MH, attend meetings and conferences in order to provide comments and elaborate MH comments and suggestions. In case where the MH provides remarks and concerns, the Consultant shall address them within the time limits set by KPPF and/or MH of the Republic of Kazakhstan.

The Consultant will provide advisory support to the Project in the course of having relevant approvals issued and expert evaluation secured from the authorized bodies in accordance with the legislation of the Republic of Kazakhstan until obtaining a positive expert opinion of the KPPPC and the Ministry of National Economy of the Republic of Kazakhstan (hereinafter - the MNE).

The Consultant will respond to requests, provide commentaries and make amendments and changes to the Project Transaction Draft Documents, if necessary, in order to secure approvals and positive expert opinion from authorized organizations. In the course of obtaining approvals and expert evaluation for the Project Transaction Draft Documents, the Consultant is expected to adjust and supplement this documentation, provide answers and comments on the requests regarding Project Transaction Draft Documents, as well as attend meetings and conferences in order to provide comments and elaborate comments and suggestions of the governmental
authorities, including the Ministry of Finance of the Republic of Kazakhstan, the MH of the Republic of Kazakhstan, the MNE, as well as the KPPPC.

The Consultant, if necessary, should remotely participate (via videoconference or telephone conference) in meetings and conferences of KPPF, and other state and non-governmental organizations.

Project consultants will work closely with each other to improve the Project Transaction Draft Documents, including improvement / development / drafting of their various parts, components, sections and annexes in order to build legal, technical, and financial components of the Project Transaction Draft Documents.

As part of the provision of services under this ToR, the Consultant will, if necessary, improve and update, and, if necessary, develop requisite risk sections and components, legal, financial, tax and technical components, sections and annexes for Project Transaction Draft Documents, including but not limited to:

1) preparation of technical, engineering and architectural functional specifications;
2) preparation of performance standards for maintenance and operation services;
3) preparation of a format in which tender participants are expected to submit conceptual decisions and criteria for evaluation thereof;
4) payment mechanism and termination clause;
5) quantitative information on the mechanism of penalties and incentives, the use of fines and crediting service scores for the Project, with due regard for, and based on, the PPP practices, including international practice;
6) fully elaborated and detailed (if any) technical specifications for the equipment necessary to be purchased for the Project based on the relevant and updated documents of the state planning system and regulations of Kazakhstan as part of healthcare reforms;
7) the technical parameters of the object of concession fully elaborated and detailed (if necessary);
8) tender announcement template;
9) pre-qualification and tender criteria;
10) the evaluation of financial and technical part of pre-qualification submissions and tender bids thereof;
11) preparation of the schedule and terms of the Project delivery, as well as of the Project bidding, including those prepared in Microsoft Project;
12) mechanism, time limits and process for upgrading medical equipment of S.D. Asfendiyarov Kazakh National Medical University (hereinafter - Medical Services Operator), interaction between the Concessionaire and the Medical Services Operator in the process and after the renovation of medical equipment, an action plan in this regard, dispute settlement procedures, responsibilities, rights and obligations of the Concessionaire and the Medical Services Operator in this matter;
13) requirements for the financing plan and financial model, preparation of an action plan and procedures for the procurement of materials, medical and non-medical equipment, and other;
14) draw up all relevant Project risks, risks’ allocation and evaluation;
15) elaborate and include taxation and customs issues in the Project Transaction Draft Documents;
16) elaborate the facility’s running repair expenses in comparison with the current industry standards on their reimbursement/financing and/or on similar health facilities;
17) provide information and/or description of the requirements for the Project Financial Close;
18) provide information and/or description of the requirements of financial
institution and funding agreements;
19) detailed consideration of quality and performance indicators of the services provided by the private party and evaluation criteria thereof, procedure for carrying out the control over performance of concession agreement by Grantor, mechanism of acceptance by the Grantor of services rendered by the Concessionaire in the post-investment period, interaction of the Grantor, the Concessionaire and the Medical Operator in the post-investment period.
20) conditions on the rights of concessionary to concession facility as well as on the rights to incomplete concession facility in case of termination of concession agreement, and (or) the rights on carrying out of a certain type of activity, conditions on property rights on the results of intellectual and creative activity, arising during execution of terms of concession agreement;
21) interaction/mechanism of interaction of the Concessionaire with the Medical Operator in the investment and post-investment period, liability of the parties, their rights and obligations, dispute settlement.
22) procedure and terms of conclusion the direct agreement by parties with creditors of concessionary within implementation of concessionary projects of the special importance, preparation of the Direct Agreement as the annex of the Tender Documentation.
23) conditions and periods of transfer of disutility of maintaining a property, transferred under concession agreement, as well as the risks of accidental loss or accidental injury of mentioned property;
24) conditions of modification and termination of concession agreement;
25) under the concession agreement a condition of Grantor to unilaterally modify terms or terminate a concession agreement for public and state interest, including the exhaustive list of these terms, that do not contradict the legislation of the Republic of Kazakhstan, as well as when these actions are committed for the purpose of securing of the national and ecological safety, health care and good morals.
26) early cancellation conditions of concession agreement to unilaterally as well as the order, terms and conditions of compensation to concessionary of expenditures and (or) costs and (or) the losses resulting from early cancellation of concession agreement if necessary.
27) the Projects's institutional scheme, interaction of the parties and mechanism for transferring the concession facility to state ownership, as well as to the ownership and use of the Concessionaire in connection with the change in the organizational form of the Asfendiyarov Kazakh National Medical University, to which the concession facility is planned to be assigned from the state enterprise to a non-commercial joint-stock company.
28) terms of transfer of the Concessionaire's rights as collateral, as well as assignment of a claim or transfer of a concessionaire's debt under the concession agreement in accordance with the legislation of the Republic of Kazakhstan.

The list specified in this paragraph is not exhaustive; Consultants will finalize all requisite Project Documentation annexes and components in the course of provision of services under this Agreement, including legal, technical, financial and tax. Consultant will also develop the terms of reference for the Project’s concessionaire in accordance with the legislation of the Republic of Kazakhstan and international practices, and, if necessary, will finalize and update the Project Transaction Draft Documents as per
comments, proposals and recommendations provided in the expert opinion (positive) over the concession proposal for the project "Construction and Operation of the Multi-Disciplinary Hospital under the Republican State Enterprise based on the Right of Economic Management - S.D. Asfendiyarov Kazakh National Medical University" of the Ministry of Health and Social Development of the Republic of Kazakhstan in the city of Almaty” dated December 26, 2016 No. 18 of "Kazakhstan Public-Private Partnership Centre" JSC.

Consultant shall undertake an Environmental and Social Action Plan assessment based on EBRD policies and incorporate Environmental and Social requirements, if any into the procurement documents. Details are included in Annex 2: Environmental and Social Impact Assessment requirements.

The Consultant will arrange for the translation to English of all legal and binding procurement documents (the Procurement document package).

In case of any amendments any changes to the legislation of the Republic of Kazakhstan at the all Stages of the Project including the changes of the organizational legal form of the Asfendiyarov Kazakh National Medical University the Consultant shall make amendments and changes to the Project Transaction Draft Documents, if necessary. Herein, if necessary, the Consultant shall analyse and give recommendations on the necessary amendments to the legislation of the Republic of Kazakhstan (directly relating to the implementation of the Project only).

Stage 3: Support during Tender Phase:

The Consultant team will manage and operate the Data Room and interface with prequalified and shortlisted bidders.

The Consultant shall organise in close coordination with KPPF, MH and EBRD, a road show event in London or any European capital for the Project at a date coordinated with the formal launch of the Project tender. The final location will be decided by the MH and EBRD.

The Consultant shall support KPPF and MH RK at the stage of preparation for tender, as well as during tender, including the negotiation stage until signing of the Direct Agreement, including but not limited to participation in the qualifications-based selection of potential concessionaires (review of submissions, independent evaluation thereof, drafting minutes and other documents), independent evaluation of potential concessionaires’ bids, participation in negotiations, making changes and additions to the Project Transaction Draft Documents and other services as part of tender, if necessary, until signing of the Direct Agreement of the Project.

Support to KPPF during the Tender Phase in the following tasks:

1) Provide explanations of the provisions of the tender documentation and answers to the questions of interested parties (before and during the announcement/tender process). Participate in the meetings with potential concessionaires to clarify and communicate the provisions of the tender documentation (if necessary).

2) At the qualifications-based selection stage: provide review and assessment of the documents provided by the potential concessionaires for completeness and formalities, compliance with qualification requirements, obtaining clarifications, generate an authorization list for potential concessionaires who passed the 1st stage to participate in the 2nd stage. Provide the services at qualification-based selection stage according to the legislation of the Republic of Kazakhstan.

3) Participate in the meetings with potential concessionaires who passed qualifications-based selection (1st stage) in order to discuss issues in accordance with the legislation of the Republic of Kazakhstan. Make amendments and/or
additions to the terms of reference and Project Transaction Draft Documents, as well as obtaining relevant approvals and (positive) expert conclusion from the authorized bodies in accordance with the legislation of the Republic of Kazakhstan (if necessary).

4) Review the bids at the 2nd stage of tender (including feasibility studies conducted by potential concessionaires) for completeness and formalities; independent evaluation of bids, including concession bids by potential concessionaires. The Consultant will evaluate and score together with the KPPF and MH the responses and verify that the interested firms comply with the requirements, especially regarding their construction, operational and technical expertise, and financial capability. Provide the recommendations to the Selection Committee on the selection of tender participants, as well as on the ranking of bids and selection of the preferred bidder.

5) Assistance for responding to potential appeals. The Consultant will assist with the negotiations with the preferred bidder to reach agreement on the concession agreement.

6) The Consultant will make all amendments and additions to the draft concession agreement, financial model and other documents, if necessary, during negotiations with the potential concessionaire until signing of the Direct Agreement of the Project. Where amendments and additions are to be made to the draft concession agreement and other documents on the terms indicated in the normative legal acts of the Republic of Kazakhstan and there will be needed to secure approvals and expert evaluations from the authorized bodies of the Republic of Kazakhstan, the Consultant will provide consultative support to the Project during the process of securing relevant approvals and expert evaluations from authorized bodies in accordance with the legislation of the Republic of Kazakhstan until the positive expert opinions of KPPPC and the MNE and conditions specified in Stage 2.

7) If necessary, the Consultant will draft presentations, minutes, reports and other documents during the provision of Stage 3 services.

8) Provide Assistance in commercial close, when signing and registering a concession agreement, participation in all commercial close procedures in accordance with the legislation of the Republic of Kazakhstan.

9) Other tasks required by legislation of the Republic of Kazakhstan for the successful award of the Project.

In the case that the tender is declared void and the follow-up tender on the Project is announced, the Consultant will provide the services required to amend and retender the project following agreement/supplemental agreement with EBRD and KPPF for the extra cost. If during the tender there is no work done by the consultant, above mentioned agreement will result in no extra cost.

Stage 4: Support until Signing of the Direct Agreement:

The Consultant shall provide support to MH, KPPF, and Commission on Concession Projects of Special Importance during negotiations, assessment, analysis, making amendments and/or additions to the Direct Agreement. The Consultant shall assists in completing the preparation of all financial documentation to achieve the signing of the Direct Agreement. In the discussions with the concessionaire and its potential creditors, the Consultant shall advise MH in its best interest in order to preserve the general balance of risks and responsibilities. At this stage Consultant shall participate in negotiations, attend the meetings, prepare if necessary the presentations and other documents as well.
The Consultant may be required to adjust the financial model with final macroeconomic values and interest rates. The Consultant will review the preferred bidder’s financial model and check that the adjustment required in payments is fair and the adjustment process is observed. The Consultant shall provide changes and additions to the relevant documentation the content of which are affected by the above-mentioned adjustments to the financial model, as well as obtaining relevant approvals from authorized bodies (if necessary).

4. IMPLEMENTATION ARRANGEMENTS AND DELIVERABLES

Logistic:
It is estimated that the Project Team Leader will spend a significant amount of time working in Astana during the term of the engagement. The Consultant shall continuously interact with KPPF and the MH in order to discuss financial, legal, technical and risk issues, as well as the contents of the Project Transaction Draft Documents.

At least one financial, tax, legal and technical Russian-and-English speaking Consultant engaged in the project team to support this Project and directly involved in providing services under this ToR must attend the procedure of securing approvals and expert evaluations from authorized bodies, the bidding process, negotiations, as well as be present, if necessary, at the request of KPPF (attend meetings, conferences, presentations, Project road shows and others), with the aim of providing services as part of the Project in the city of Astana or other big city in Kazakhstan (if requested).

Consultant will prepare Deliverables within the time limits and on terms set out in the Schedule of Service Deliverables, which is Annex No. 1 to this ToR.

All documentation and related data transmitted by the Parties to each other during the execution of the ToR are deemed to be duly transmitted if they were sent to the following e-mail addresses from KPPF: Valiyeva Laura (Projects Leader), e-mail: l.valiyeva@kppf.kz, Tuleugaliyeva Sayana (Project Manager), e-mail: s.tuleugaliyeva@kppf.kz;
The Consultant shall be responsible to fulfil its own expenses while working on this engagement.

Timing:
The overall duration of the assignment will be 4 years after the date of Consultancy contract. In turn, if the tender is declared void and is re-announced, due to the length of the period for securing approvals and expert opinions from authorized bodies as well as negotiations and other grounds, the above term should be prolonged upon agreement with the Consultant and EBRD.

Language and translations:
The tasks of the assignment will be conducted in English and Russian languages. Any Deliverable shall be provided by the Consultant in English and Russian. The Consultant will be required to review existing documentation mostly in Russian. Most of the communication with the KPPF and MH will be in Russian. The Consultant shall ensure that its Project Team is able to communicate fluently in English and Russian.

Deliverables must be provided in Russian and English in 2 (two) copies in hardcopy and electronic format, bind securely, paginated and signed by an authorized person. The financial model will be made available in Microsoft Excel without passwords or lock/hidden cells.

The Consultant shall be required to explain and disclose to KPPF, MH and EBRD all information, calculations, references, all input data and otherwise that are indicated in the Deliverables, including the financial model. None of the above may be deemed confidential information in relation to KPPF, MH and EBRD.

Reporting to the Bank:
Additionally, the Consultant will be expected to produce monthly Project Reports to EBRD in English in order to communicate concepts and progress of the Assignment to the EBRD. These reports will have the following structure addressed through bullet points and will be consistently updated monthly:

1. Report Date.
2. Overall Status.
3. Project Summary.
5. Identified Risks.
6. Tasks and Next Steps.
8. Key Future Dates.

Deliverables:
Consultant will prepare Deliverables within the time limits and on terms set out in the Schedule of Service Deliverables, which is Annex No. 1 to this ToR.

Meetings and trips:
It is expected that the Consultant will attend two meetings a month in Astana or Almaty to present the deliverables.

Knowledge Platforms
Subject to approval by KPPF and in order to ensure links into emerging international online project information platforms for the infrastructure sector, the Consultant will facilitate the upload and updating of non-confidential Project information on-line via:

- Source (https://public.sif-source.org/) - an online cloud based project preparation and management tool, which provides templates for infrastructure projects, with the aim of improving the quality, consistency and transparency of project preparation and designed to speed up the delivery of infrastructure in the public sector across the developing world.

- GViP (https://www.gvip.io/mygvip) – an online public utility tool which uses social networking technology to tap into a large pool of sector experts who can be consulted to improve project design, hence providing infrastructure project decision-makers, public and private sector users just-in-time access to expertise worldwide. GViP is aimed to address the issue of project development and project preparation by allowing project developers (public and private) rapid, accurate, access to global expertise.

The overall aim is to disseminate EBRD project information on-line and ultimately to increase project quality, reduce project development costs, and reduce project preparation time. On this task, the Consultant will report to IPPF representative, as instructed by the Bank. Further information on Source and GViP can be provided to the Consultant at the start of the assignment, including User Guides on these Platforms.

5. CONSULTANT PROFILE

The Consultant’s team should combine an in depth expertise of the Kazakh legal, financial, tax and administrative environment with necessary experience in hospitals or similar Facility Management PPP projects that involved private financing, including specific experience on at least two health PPP (involving private financing) projects within the last 10 years anywhere, and also well-versed in planning and regulatory approaches of PPPs in Kazakhstan, including current PPP legislation of the Republic of Kazakhstan.
The Consultant is expected to set up its Project team itself as well as to make its own assessment for the necessary man-days of specialist input for the project. The proposed expert will have the professional qualifications and experience required to successfully cover all the activities as indicate in these ToR. However, the Project team should include most of the following experts which experts shall meet the minimum requirements defined below:

**Expert 1: Project Team Leader**
The Project Team Leader will be responsible for: (i) the coordination of the consultant Project team; (ii) the interaction with the MH/KPPF, the EBRD as well as all other relevant parties for the Project. He/she will also be responsible for the overall Project delivery, managing all processes and inputs as necessary.

**Qualifications and skills:**
- university degree in law, finance, or equivalent;
- excellent command of English and Russian;
- excellent interpersonal and communication skills.

**Professional experience:**
- 10+ years of substantial team management practice;
- experience in hospital or similar FM PPP projects that involved private financing, including specific experience on at least two health PPP projects for more than two years within the last 10 years
- strong advisory track record in PPP/concessions;
- experience in Kazakhstan or similar CIS countries;
- Knowledge of Kazakhstan legislation, regulations and standards, including PPP/Concession approval process.

**Other:**
- The Project Team Leader will spend a significant amount of time working in Astana during the term of the engagement; a local based expert will be highly valuable.

**Expert 2: PPP Specialists/ Project Finance Expert**

**Qualifications and skills:**
- university degree in finance, economics, accounting or other relevant field;
- excellent knowledge of English and Russian.

**Professional experience:**
- in excess of 5 years of practice in complex infrastructure projects, with advantage given to project finance transactions;
- experience in hospital or similar FM PPP projects that involved private financing, including specific experience on at least two health PPP projects within the last 10 years in developing payment mechanism, technical and performance specifications for hospitals;
- extensive financial modelling expertise in privately financed infrastructure projects;
- experience in Kazakh projects and or Kazakh financial market will be an advantage.

Knowledge of Kazakhstan legislation on PPPs and Concessions, regulations and standards, including construction, health sector, and facility management.

**Expert 3: Hospital/Facility Management Expert**

The Hospital/Facility Management Expert will lead on all hospital services matters and related documentation. It is expected to have experience in hospital design and hospital technical specifications, including medical equipment.

**Professional experience:**
- in excess of 5 years (Principal) or 10 + years (Senior) of practice in hospital management, with advantage given to people with PPP, PFI, FM experience;
- experience in Hospital or similar FM PPP projects that involved private financing, including specific experience on at least two health PPP projects within the last 10 years;
- extensive expertise in hospital management and organisation;
- experience in Kazakhstan or similar CIS countries will be an important advantage;
- Knowledge of Kazakhstan legislation, regulations and standards is required including health sector, and facility management;
- excellent knowledge of English and Russian.

In case there is no single expert with the required experience and skills, a combination of two experts both speaking English and Russian is also acceptable.

Expert 4: Civil Engineering or Architect Expert
The Civil Engineering or Architects Experts will lead on all technical matters and related documentation.
Qualifications and skills:
- University degree in architecture, engineering or equivalent;
- Excellent command of English and Russian;
- Experience in design of hospitals or similar public buildings in the health sector that contains medical equipment and treat patients:
- Degree or certification in hospital building will be a very important advantage;
- Knowledge of Kazakhstan legislation, regulations and standards, permits, building design standards.

In case there is no single expert with the required experience and skills, a combination of two experts both speaking English and Russian is also acceptable.

Expert 5: Environmental & Social Experts
The Environmental & Social Experts will prepare the Environmental and Social Impact Assessment.

Qualifications and skills:
- relevant university degree;
- excellent command of English and Russian.

Professional experience:
- in excess of 5 years (Principal) in developing and implementing ESIA, E&S due diligence and ESAPs; stakeholder engagement; public consultation and disclosure in the local context; land acquisition/ resettlement in urban developments; familiarity and expertise with addressing and promoting gender equality / inclusion issues preferred;
- experience in Kazakhstan or similar CIS countries.

Expert 6: Local Legal expert on Private Public Partnerships
A Kazakh lawyer with experience in PPPs and structuring of procurement process for PPPs under local legislation and experience on October 2015 Law on Public Private Partnership (‘PPP Law’) the Concession Law the Law on State Procurement and other legislation of RK.
At least 5 years acting as legal advisor on public and private side of large-scale PPP projects. It acts as representing contracting authorities, as well as lead advisers for banks involved in financing and bidders in major projects.
Demonstrate experience working for public entities in the structuring of PPPs in the last 5 years under above-mentioned laws.
Excellent knowledge of English and Russian is required.

Expert 7: International Legal expert - Project Finance
A lawyer with experience in PPPs, privatization and structuring of commercial contracts in the infrastructure sector, including in PPPs under Availability Payments with a deep understanding of the existing and developing regulatory framework with a reputation for bridging the legal and cultural gaps between foreign investors and Kazakh counterparts. The expertise shall include advising international lenders, sponsors or contractors on substantial infrastructure, or energy projects and PPPs in Kazakhstan.

Excellent knowledge of English is required.

Knowledge of Kazakhstan legislation, regulations and standards will be valuable.

Non-key experts are likely to cover non-core expertise or activities that require local knowledge or capability and may be nominated on a task-by-task basis. The Consultant is encouraged to include local Young Professionals (“YP”) in the team when appropriate. A YP should be a recent graduate, Kazakh national, with at least a Master’s degree in a field relevant to the Project. The objective is for practical knowledge transfer to occur between experienced professional consultants and the YP. This will be an opportunity for the YP to gain real-world sector experience, acting as a junior member of an international consulting team.

6. STRUCTURE OF THE PROPOSAL

The proponents, as part of its deliverables, will be required to present two proposals, which will include the following details:

Technical proposal:
1. Approach to implement the scope of work (covering the scope outlined above) including: (i) an explanation of key issues and gaps identified in the Project Transaction Draft Documents relevant to the transaction, (ii) approach to implementation: (maximum of 5 pages).
2. Project team, with clear identification of the role of team members, their proposed time spent on the project (by Phase) and their experience in (i) Facility Management PPP transactions with an indication, for each transaction of the role of the person, and status of the transaction (closed, aborted, strand-by, in progress), (ii) Experience in Kazakhstan or other CIS countries in infrastructure, (iii) and their language skills.

Provide a summary table that includes the following:

<table>
<thead>
<tr>
<th>Name</th>
<th>Current Employer</th>
<th>Estimated Time in days in this assignment</th>
<th>Facility Management Experience</th>
<th>Local Experience</th>
<th>Languages</th>
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<td></td>
<td></td>
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<td>Name of Project</td>
<td>Year</td>
<td>Role</td>
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Include a tick on local experience if it is more than one year accumulated in the last 10 years,

3. Firms experience with financing PPP projects in the infrastructure sectors, including: (i) experience in Public side mandates for PPP transactions (specifying in each case role and whether the transaction closed, (ii) experience in undertaking private sector mandates in Facility Management PPPs (specifying in each case the role and whether the transaction closed), and (iii) other relevant infrastructure projects. (Include a summary table).

4. Staff time. Please provide detailed allocation of staff time to this project in a table format by tasks and in man/days.

Long version references and CVs should be included as Annex.

5. List scope clarifications, caveats and limitations of the proposal.

Financial proposal:
The financial proposal should be structured into four components:
1. Lump Sum for Stage 1 with a breakdown per deliverable.
2. Lump Sum for Stage 2 with a breakdown per deliverable.
3. Lump Sum for Stage 3 with a breakdown per deliverable.
4. Lump Sum for Stage 4 with a breakdown per deliverable.
Separately, the Consultant will be able to claim reimbursable expenses on the project for the Road Show organisation other than staff costs up to a maximum of EUR 5,000.
Annex 1 to the ToR of the project “Construction and Operation of the Multi-Disciplinary Hospital under the Republican State Enterprise based on the Right of Economic Management “S.D. Asfendiyarov Kazakh National Medical University” of the Ministry of Health of the Republic of Kazakhstan in the city of Almaty” on the basis of a concession scheme

**Service Results Delivery Schedule of the Project “Construction and Operation of the Multi-Disciplinary Hospital under the Republican State Enterprise based on the Right of Economic Management “S.D. Asfendiyarov Kazakh National Medical University” of the Ministry of Health of the Republic of Kazakhstan in the city of Almaty” on the basis of a concession scheme**

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<thead>
<tr>
<th>No.</th>
<th>Activity</th>
<th>Service deliverable</th>
<th>Intermediate service deliverable</th>
<th>Service delivery deadline</th>
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<td><strong>Stage 1: Review of Existing Information:</strong></td>
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<td>1.1</td>
<td>Stage 1 activities according to ToR.</td>
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<td>Designed:</td>
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<td>1) Issues List and Gap Analysis in the form of a report;</td>
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<td>2) Project Timeline for the project indicating party responsible, timing of the delivery, completion forms of the Project and tender of the Project, including those prepared in Microsoft Project;</td>
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<td>3) Action Plan for Stage 2 indicating specific tasks to address and refine the discrepancies identified and not complying with the legislation of the Republic of Kazakhstan and any other Project-related discrepancies in the Project Transaction Draft Documents according to ToR.</td>
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<td>Stage 2: Develop the Documentation and analysis:</td>
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<td>Stage 2 activities according to ToR, including:</td>
<td>Project Transaction Draft Documents, including tender documentation, the draft concession agreement, Direct Agreement and other documents, which received relevant approvals of the Ministry of Finance of the Republic of Kazakhstan and</td>
<td>Until 20.08.2019</td>
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<td>positive expert opinions of KPPPC and the MNE.</td>
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<td><strong>2.1</strong></td>
<td>Refining and amending Project Transaction Draft Documents, as well as the development of the Terms of Reference of the Project and Direct Agreement development of new documents, parts and components of Project Transaction Draft Documents, if necessary (1 tranche).</td>
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<td>Refined Project Transaction Draft Documents including Terms of reference of the Project, developed new documents (if necessary) (1 tranche).</td>
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<td><strong>2.2.</strong></td>
<td>Securing interim approvals for refined Project Transaction Draft Documents and developed new documents, if any, (1 tranche) by KPPF, issue of KPPF’s comments, remarks and recommendations to Consultants, refinement of the comments and recommendations received from KPPF and their elimination.</td>
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<td>Refined Project Transaction Draft Documents, developed new documents, if any, (1 tranche) based on KPPF’s remarks and suggestions.</td>
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<td>Until 26.02.2019</td>
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<td><strong>2.3.</strong></td>
<td>1) Refining and amending Project Transaction Draft Documents, including Terms of reference of the Project and Direct Agreement, as well as the development of new documents, parts and components of Project Transaction Draft Document, if necessary (2 tranche); 2) Provision of Market Sounding Report.</td>
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<td>Until 13.03.2019</td>
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<td><strong>2.4.</strong></td>
<td>Final refining of Project Transaction Draft Documents, developed new documents (2 tranche) with KPPF, issue of KPPF’s comments, remarks and recommendations to Consultants, refinement of the comments and recommendations received from KPPF and their elimination.</td>
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<td></td>
<td>Final refined Project Transaction Draft Documents, developed new documents, if any, (2 tranche) based on KPPF’s remarks and suggestions.</td>
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<td>Until 29.03.2019</td>
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<td>2.5.</td>
<td>Securing approvals for refined Project Transaction Draft Documents, developed new documents, parts and components of Project Transaction Draft Document (if any) by the MH.</td>
<td>Receiving MH remarks, suggestions and recommendations concerning Project Transaction Draft Documents, developed new documents (herewith the Consultants are physically present at MH in order to get clarifications to the documents, as well as to receive relevant approvals from MH).</td>
<td>Until 12.04.2019</td>
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<td>2.6.</td>
<td>Implementation of corrections for Project Transaction Draft Documents based on MH remarks, suggestions and recommendations.</td>
<td>Project Transaction Draft Documents, developed new documents (if any), based on MH remarks, suggestions and recommendations.</td>
<td>Until 23.04.2019</td>
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<td>2.7.</td>
<td>Securing approvals for Project Transaction Draft Documents, as updated with MH remarks, suggestions and recommendations.</td>
<td>Project Transaction Draft Documents approved by MH (herewith the Consultants are physically present at MH to receive approvals).</td>
<td>Until 26.04.2019</td>
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<td>2.8.</td>
<td>Obtaining the securing approvals by Ministry of Finance of the Republic of Kazakhstan (MF) for Project Transaction Draft Documents and a positive conclusion of KPPPC and MNE based on positive conclusion of KPPPC.</td>
<td>Project Transaction Draft Documents including tender documentation, the draft concession agreement and other documents which received the approval letter from the Ministry of Finance of the Republic of Kazakhstan, positive expert conclusion of KPPPC and MNE (herewith the Consultant is physically present at the authorized bodies in order to get clarifications to the documents and to receive relevant approvals and positive expert conclusions).</td>
<td>Until 20.08.2019</td>
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<td>2.9.</td>
<td>Other Stage 2 activities.</td>
<td>Documents on request of KPPF.</td>
<td>Within the time limit prescribed by KPPF.</td>
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</table>

**Stage 3: Support during Tender Phase**

| 3. | Stage 3 activities according to ToR, (at this stage, the Consultants will provide all | Report on the tender results following the signing of the concession agreement between the | Within 10 (ten) calendar days from the date of signing of |

Within 10 (ten) calendar days from the date of signing of
<table>
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<tr>
<th>3.1.</th>
<th>Organization and conducting of Road show, meetings with potential investors, answers to questions.</th>
<th>Presentation of the Project for potential investors in a certain city/cities.</th>
<th>Within the time limit prescribed by KPPF.</th>
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<tr>
<td>3.2.</td>
<td>Providing explanations of the provisions of the tender documentation and answers to the questions of interested parties (before and during the announcement/tendering process). Meetings with potential concessionaires to clarify and communicate the provisions of the Tender Documentation (if necessary).</td>
<td>Written explanations of the provisions of the tender documentation. Answers to questions. Minutes of meetings.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.3.</td>
<td>Qualifications-based selection: review and assessment of the documents provided by the potential concessionaires for completeness and formalities, compliance with qualification requirements, obtaining clarifications, generating an authorization list for potential concessionaires who passed the 1st stage to participate in the 2nd stage. Provision of services at qualification-based selection stage according to the legislation of the Republic of Kazakhstan.</td>
<td>Report of qualification-based selection results, the drafts of the relevant minutes of the Selection Committee in accordance with the legislation of the Republic of Kazakhstan, other documents on the request of KPPF.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.4.</td>
<td>Meetings with Potential Concessionaires who passed qualifications-based selection (1st Stage) in order to discuss technical, qualitative and/or other parameters of terms of reference of the Project, including the definition of the period for the development and provision of a feasibility study, including its expertise in accordance with the legislation of the Republic of Kazakhstan and others. Amendments and/or additions to the terms of</td>
<td>Minutes of the meetings, Project Transaction Draft Documents as amended and supplemented, which received relevant approvals and (positive) expert conclusion from the authorized bodies in accordance with the legislation of the Republic of Kazakhstan (if necessary), other documents on request of KPPF.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.5.</td>
<td>Review of bids, including concession bids at the 2&lt;sup&gt;nd&lt;/sup&gt; stage of tender (including feasibility studies conducted by potential concessionaires) for completeness and formality; independent evaluation of bids, including concession bids by potential concessionaires. The Consultant together with KPPF and MH will analyse, evaluate and score the compliance of interested firms and their bids, including concession bids, with the requirements, especially regarding their construction, operational and technical expertise, and financial capability. Provision of recommendations to the Selection Committee on the selection of tender participants, as well as on the ranking of bids and selection of the Preferred Bidder.</td>
<td>Reports on the results of the independent evaluation of tender bids, including concession bids, recommendations for the selection of tender participant, as well as on the ranking of tender bids and selection of the preferred tender participant. Drafts of the relevant minutes of the Selection Committee in accordance with the legislation of the Republic of Kazakhstan, other documents on the request of KPPF.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.6.</td>
<td>Assistance for responding to potential appeals.</td>
<td>Assistance/ consultations / answers to questions.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.7.</td>
<td>Negotiations with the Preferred Bidder, making amendments and changes (if necessary) to the Draft Concession Agreement and other documents. Amendments and / or additions to the concession agreement and / or other documentation in the framework of the negotiations with the Preferred Bidder, and receiving relevant (positive) approvals from authorized state bodies in accordance with the legislation of the Republic of Kazakhstan.</td>
<td>Draft minutes of negotiations/results of negotiations. Concession agreement (other documents) agreed (positively) by authorized state bodies in accordance with the legislation of the Republic of Kazakhstan.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.8.</td>
<td>Assisting in commercial closure, when signing and registering a concession agreement, participation in all commercial closure procedures in accordance with the legislation of the Republic of Kazakhstan.</td>
<td>The concession agreement concluded between Concessionary and MH of Kazakhstan.</td>
<td>Within the time limit prescribed by KPPF.</td>
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<td>3.9.</td>
<td>Other Stage 3 activities.</td>
<td>Documents on request of KPPF.</td>
<td>Within the time limit prescribed by KPPF.</td>
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**Stage 4: Support until Signing of the Direct Agreement:**

| 4 | Stage 4 activities according to ToR, (at this stage, the Consultants will provide all necessary services for the Project, where the ultimate goal is signing of a Direct agreement), including but not limited to: | Report on the results of signing of the Direct Agreement. | Within 10 (ten) calendar days from the date of signing of Direct agreement. |
| 4.1. | The Consultant shall provide support to MH, KPPF, and Commission on Concession Projects of Special Importance during negotiations, assessment, analysis, making amendments and/or additions to the Direct Agreement (if necessary). Consultant assists in completing the preparation of all financial documentation to achieve the signing of the Direct Agreement. | Minutes of meetings. The Final Direct Agreement, agreed by the authorized bodies in accordance with the legislation of the Republic of Kazakhstan | Within the time limit prescribed by KPPF. |
| 4.2. | The Consultants may be required to adjust the financial model with final macroeconomic values and interest rates. The Consultant will review the preferred bidder’s financial model and check that the adjustment required in payments is fair and the adjustment process is | Finalized financial model and relevant documents, the content of which was affected by the adjustment to the financial model, to which the relevant approvals of the authorized bodies were obtained (if necessary). | Within the time limit prescribed by KPPF. |
observed. Introduction of changes and additions to the relevant documentation the content of which was affected by the above-mentioned adjustments to the financial model, as well as obtaining relevant approvals from authorized bodies (if necessary).

| 4.3. Other Stage 4 activities. | Documents on request of KPPF. | Within the time limit prescribed by KPPF. |
Annex 2: Environmental And Social Impact Assessment requirements

The scope of work described below is applicable to a typical greenfield category B project. Should the Information List involve any Category A components, the terms of reference for the ESA will be revised by the EBRD to include an Environmental and Social Impact Assessment (“ESIA”) in line with the ESP. The revised ToR will be agreed with the Consultant together with the necessary cost implications.

The E&S Assessment is to be carried out in accordance with:

- Close communication/co-operation with EBRD’s Environment & Sustainability Department (ESD) as well as ESD’s guidance note provided at the initial communication.
- Applicable local, national and regional requirements, including those related with ESIAs / EIAs and associated public disclosure and consultation requirements.
- Requirements of other potential lenders, such as other International Financing Institutions (IFIs) and commercial banks adhering to the Equator Principles.
- Relevant international conventions and protocols relating to environmental and social issues, as transposed into national legislation.

Objectives of the E&S Assessment:

The objective of the E&S Assessment is to identify and assess the potentially significant existing and future adverse environmental and social impacts associated with the proposed Project, assess compliance with applicable laws and the EBRD ESP and PRs, determine the measures needed to prevent or minimise and mitigate the adverse impacts, and identify potential environmental and social opportunities, including those that would improve the environmental and social sustainability of the Project and/or the associated current operations.

The assessment process will be commensurate with, and proportional to, the potential impacts and issues of the Project operations. The assessment will cover, in an integrated way, all relevant direct and indirect environmental and social impacts and issues of the Project and the relevant stages of the project cycle (e.g. pre-construction, construction, operation, and decommissioning or closure maintenance of the hospital facility).

The Environmental and Social Assessment will also determine whether further studies are required, focusing on specific risks and impacts, such as environmental conditions of the project site, environmental permits and local EIA requirements, resettlement and economic displacement, public consultation and stakeholder engagement, environmental infrastructure provisions, cultural and historical heritage, construction-related noise, dust, vibration and traffic management, construction worker OHS and labour issues, subcontractor management, operation-related life and fire safety, waste water management, solid and medical waste management, radio-active substance and hazardous substance management, patients’ safety and rights, hygiene management, staff OHS, staff, patients and the public grievance mechanism, patients’ right, energy and water footprint, climate change, human rights and / or gender.

Specifically, the Consultant will:
• Identify existing and Project-related environmental and social impacts and risks.
• Describe and characterise a relevant environmental and social baseline commensurate with the risks posed by the current site and the Project.
• Identify stakeholders such as the medical school/existing hospital staff, the patients, medical and nursing association and their concerns and views.
• Assess potential gender aspects and priorities among nearby communities to understand women’s and men’s concerns (e.g. determine women’s current activity schedules/water use practices, attitudes towards public health etc.).
• Carry out E&S Assessment and Audit and develop a draft E&S Assessment report in accordance with the Bank’s requirements as defined in the ESP, including a Compliance Summary table with the Bank’s PRs.
• Prepare a draft Stakeholder Engagement Plan (SEP), draft Environmental and Social Action Plan (ESAP) and draft Non-Technical Summary (NTS).
• Identify if any additional studies will be required to cover relevant aspects in greater detail (e.g. biodiversity, resettlement, retrenchment, etc.). (Any such work will be commissioned under separate Terms of Reference).
• Finalise all Project documentation in good and concise English and Russian documentation further to the EBRD, and KPPF’s comments.
• This Terms of Reference for the E&S Assessment refer to various E&S guidance documents (e.g. E&S Guidance 1). These are available as a separate package of E&S guidance documents.

Review of Available Data and Site Visit
The Consultant will review the studies and baseline data available from KPPF in Russian and English.
Following the review of available data, the Consultant will visit the site, to obtain any supplementary information needed to complete the E&S Assessment and carry out the on-site activities necessary to fulfil the E&S Assessment requirements.
The data review process will include a simple media search to determine whether any relevant issues regarding the Project, MH have been reported through the media and to determine the importance of these through additional verification during the due diligence work. If no relevant issues are identified through this process the Consultant will include a statement to this effect in its report.
Following completion of the data review and site visit the Consultant will deliver a summary of key findings.