



JAMAICA: FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT

Loan No.:8408-JM / Component 2A

Assignment Title: PPP Advisory for the Ministry of Health's Centre of Excellence (St Joseph's Complex & Cornwall Regional Hospital)

Reference No. : FCG/CON/039

Terms of Reference

1.0 Background

The Foundations for Competitiveness and Growth (FCG) Project in the amount of US\$50 million was approved by the International Bank for Reconstruction and Development (the World Bank) on July 25, 2014. The Government of Jamaica (GoJ) and the World Bank signed the loan agreement on September 3, 2014. The Project is being implemented by the Planning Institute of Jamaica in collaboration with the Jamaica Promotions Corporation and the Development Bank of Jamaica (DBJ). It is aimed at strengthening the business environment in Jamaica for private sector investment through:

- *Component 1: Enhancing competition in the business environment through an improved business climate*
- *Component 2: Facilitating strategic private investments through a Project Preparation Facility (PPF) for public-private partnerships (PPP), divestments and other strategic investments*
- *Component 3: Supporting small and medium enterprises (SME) capabilities and finance through matching grants to facilitate supply chain linkages, a line of credit and SME skills upgrading.*

Relative to Component 2 above, the FCGP aims to facilitate strategic private investments through financing feasibility and other related studies and technical assistance to enable the government to prepare for and close investment transactions with private sector participation in a way that enables transformational growth impacts.

The Government of Jamaica's (GoJ's) Medium Term Socio-Economic Development Framework and the overarching Vision 2030 – National Development Plan, seeks to extend average life expectancy to over 76 years, by raising the standards of health care delivery. It is acknowledged that the lack of adequate financing is an impediment, and under the Vision 2030 various mechanisms such as public-private partnerships, are to be explored. The Policy further highlights the need to explore appropriate and sustainable mechanisms for continued health financing.

In its capacity as the GOJ's Privatisation and Public-Private Partnership (PPP) agency, the DBJ will provide Transaction Management and Secretariat services to the MOH/Enterprise Team and will ensure that all processes and actions undertaken in the Business Case and Transaction Stages are consistent with the PPP Policy.

The MOH is desirous of examining the feasibility of developing Centres of Excellence (COE) for oncology and nephrology through a PPP. The locations identified for the Centre of Excellence is a portion of the 11 acre property which currently houses the St. Joseph's Hospital with a satellite cancer treatment facility on the grounds of the Cornwall Regional Hospital (CRH) located two miles from the centre of Montego Bay, St. James. The CRH is a 10 story, 400-bed

capacity multidisciplinary institution. The Cornwall Regional Hospital is a Type 'A' hospital¹ providing specialist services, and is the only hospital outside of Kingston providing most of the specialist services.

Non-communicable diseases (NCDs) are one of the leading causes of morbidity and mortality in Jamaica and increase the burden on the health care system. Diagnosis treatment and care for specific diseases must be prioritized in order to reduce the prevalence nationally. Chief among these NCDs are Cancer and Chronic Kidney Disease (CKD).

Cancer has become one of the leading causes of death in Jamaica accounting for 3,198 persons (118.2 per 100,000 populations) deaths in 2010. Breast cancer (12%), cancers of the trachea, bronchus and lung (11%) and cervical cancer (8%) were the predominant causes of deaths due to cancer. As such, the Strategic Plan and Action Plan for the Prevention and Control of Cancer in Jamaica (2013-2018)² supports the establishment of a Cancer Care Institute to enhance primary prevention and early detection and to provide a three-pronged service focused on diagnosis, treatment and palliative care.

Against this background the decision was taken in the year 2014 by the Government of Jamaica to establish two radiation treatment centres to provide external beam therapy with a Linear Accelerator and additionally to provide HDR brachytherapy. These centres are currently being established in the parishes of Kingston/St. Andrew and in St. James. The radiation centre at the Cornwall Regional Hospital will be operational as of December 2017, while the centre at the St. Josephs' Hospital will be opened within the first quarter of 2018. It is proposed that the aforesaid radiation treatment centres will be incorporated as part of the operations of the Centre of Excellence in Oncology to be established under this PPP. The main objectives for establishing the radiation treatment centres are (1) to reduce the financial burden on the health care sector with reduced treatment times and overall costs per patient and (2) to increase the availability/access to modern radiotherapy services for cancer treatment. The current radiotherapy at CRH is with Cobalt and the Radiotherapy working days are approximately 250 working days, 5 days a week (minus 52 Saturdays and Sundays and about 10 public holidays). At its height, the Cobalt Unit had over 400 patients registering annually and would provide treatment to approximately 75% annually. At times the waiting list at CRH for some patients was as long as 4 weeks. At KPH there is a single 26-year-old cobalt unit in operation (Theratronics, 1991) with approximately 500-700 patients treated per year, 50-60 patients treated daily. Despite this, there can be as much as 600 patients on the waiting list for radiation treatment at the facility. The resulting waiting time for service is currently up to 8 months³.

CKD or chronic renal failure (CRF) as it was historically termed, encompasses all degrees of decreased renal function, from damaged, at risk through mild, moderate, and severe chronic kidney failure. CKD is a worldwide public health problem. Diabetes and high blood pressure are the predominant contributors for approximately two-thirds of the cases of chronic kidney disease. CKD is associated with an increased risk of cardiovascular disease and chronic renal failure.

Within Jamaica, renal failure is managed primarily through dialysis treatment and to a lesser extent through kidney transplants. Access to dialysis treatment is limited owing to the cost of treatment and the availability of machines. Most patients average two dialysis sessions per week rather than the ideal of three. A dialysis treatment session in the private health sector ranges from \$12,000 to \$15,000 per patient which puts three visits per week beyond the means of most patients. CKD costs an average of \$3 million per year for dialysis treatment at the University Hospital of the West Indies⁴. In 2015 there were 454 patients in Jamaica on kidney replacement treatment (dialysis and transplantation). Each patient

¹ The classification of 'Type A' denotes final referral to a tertiary hospital offering a broad range of services that include Anaesthesiology; Cardiology; Cardiothoracic Surgery; Casualty/Emergency (24 hour); Dermatology; Ear, Nose & Throat; General Medicine; General Surgery Gynaecology, Haematology; Immunology; Intensive Care; Microbiology; Neonatology; Neurology; Neurology; Neurosurgery; Nuclear Medicine; Obstetrics; Ophthalmology; Orthopaedic; Paediatric; Medicine and Surgery; Pathology & Laboratory; Plastic Surgery; Psychiatry; Radiology; Radiotherapy; Respiratory; Urology

² Ministry of Health. Strategic Plan and Action Plan for the Prevention and Control of Cancer in Jamaica 2013 - 2018

³ IAEA study reported that the lack of a functional treatment planning system (TPS) since 2012 has meant that a large proportion of radiotherapy is now in the palliative mode and the resulting waiting time is up to 2 years.

⁴ Dr. Curtis Yeates presenting at the Jamaica Urological Society JUS's annual symposium at the Jamaica Conference Centre,

needs approximately twelve hours of dialysis treatment each week. Aside from the St. Joseph's Hospital, dialysis services are available at the Mandeville Regional Hospital, Cornwall Regional Hospital (CRH), Kingston Public Hospital (KPH), and Spanish Town Hospital within the public sector. Presently, more than 2000 persons are on the registry with chronic kidney disease and of these persons, about 800 are accessing dialysis treatment. Estimates are that there are 50 dialysis machines island⁵ and while kidney transplants are currently done at KPH, CRH and UHWI; this, however, is not extensive.

Sickle Nephropathy is also another concern and undoubtedly, as the population of persons with sickle cell diseases (SCD) live longer, sickle nephropathy and its various manifestations will emerge in larger numbers. Sickle glomerulopathy, which can progress to end stage renal disease, will continue to rise in its prevalence and have increasing contributions to the morbidity and mortality profile of these persons. End stage renal failure is found to be present in about 11% of persons with SCD and tends to rise with age

Accordingly, a Nephrology Institute is needed critically and will offer the full scope of treatment for renal conditions ranging from dialysis to kidney transplants.

2.0 Objectives

MOH wishes to explore these projects as a Public-Private Partnership (PPP) in keeping with the 2012 Public-Private Partnership (PPP) Programme of the GoJ and the Fiscal rules as outlined in the Public Bodies Management and Accountability Act and the Financial Audit and Administration Act. These terms of reference invite proposals for a Transaction Advisor with a team of suitably qualified and experienced financial, technical and legal advisors to assist the MoH and/or its appointed Enterprise Team throughout the following phases:

Phase 1: Undertake a comprehensive Business Case for the Centres of Excellence(s); and

Phase 2: Provide Transactions Options Report and Preparation of Procurement Plan and Draft Bidding Documents for the procurement and contract management of the PPP.

The main objective of this project is to prepare a comprehensive feasibility study (Business Case) as well as Transactions Advisory Services for the development of Centres of Excellence in Oncology and Nephrology at St Joseph's Hospital.

The Ministry has identified several criteria that the PPP must fulfill and they are, inter alia:

- supports access and patient-centred care which is culturally and spiritually sensitive, and respects the dignity of patients and their caregivers;
- has flexibility in design and infrastructure capable of adapting to new technologies (clinical, research and information) and emerging trends in:
 - the clinical management of cancer and renal disease
 - changes in clinical practice and models of care
 - models of research delivery
 - changes in government policy, legislation and standards
- is operationally efficient, optimising the use of people and resources, capable of achieving service plan targets, research activity and sustaining service levels into the future;
- promotes an environment where research is a part of clinical care and other activities of the Centres Of Excellence
- supports shared platform technologies and services for research;
- makes proper demarcation between the health and the Ministry's corporate office complex (to be housed on the remaining acreage at the St Joseph's Hospital location) according to the different amenities but achieving the right mix of proximal services; and
- engenders an active learning environment, providing appropriate facilities for teaching and research within clinical and research areas and between the Centres of Excellence, and where appropriate to link with other Integrated Cancer Services within the Region.

⁵ Kidney Dialysis. (2013). Retrieved from Diabetes Association of Jamaica:
http://www.diabetesjamaica.com/kidney_dialysis#.VbfWzbNViko

3.0 Statement of Work

It is anticipated that a consulting firm will be hired to assist the Enterprise Team (to be established) in implementing this Project, hereafter referred to as the “Consultant”. The Consultant shall make clear which personnel it is assigning to each task, as well as the specific activities and expected duration of each task.

The Consultant shall give consideration to technical specifications, spatial planning, social, environmental management and sustainability issues related to the slated activities to be undertaken within the development areas. The Consultant shall also remain cognizant and be informed by the following important factors, and their associated potential impacts on the project:

- The legislation, regulations and policy framework related to the project. These would include but not necessarily be limited to laws and regulations pertaining to operations of health service providers, payment policy guidelines (who will pay and how payments will be made for service), laws and regulations for the local authorities, planning and building laws, regulations, and policy directives;
- The approved GOJ PPP Policy;
- GOJ’s plans related to health tourism including its proposed Medical Tourism Policy;
- Initiatives regarding the establishment of a National Health Insurance Plan;
- All technical or other studies towards the Centres Of Excellence;
- Topographical survey of the St. Joseph’s Hospital site; and
- The requirement for sustainable and “green” infrastructure, in keeping with current global trends.

The Study must consider the best uses and development phasing projects, in a manner that is financially feasible for a private developer, PPP, or other arrangement. The venture will operate under the rubric of Jamaica’s Health and PPP policies, and the feasibility study analysis and recommendations should reflect that. The study should also draw upon best practices in the region, as well as consider the particular circumstances that affect private investors in Jamaica. The project design must ensure that the commercial opportunities do not compromise or unduly increase risk associated with the delivery of the project objectives, the core clinical, research and educational activities, or otherwise impact the business of the operator, other project members and the GoJ.

The following documents will be made available to the consultant at the start of the assignment:

1. National Health Services Act
2. Draft Medical Tourism Policy
3. GoJ PPP Policy
4. Report on the Analysis and Recommendations for Lineac Treatment Centre
5. National Health Services (Fees) (Amendment) Regulations 2016IAEA, 2013.
6. Jamaica imPACT Mission Report
7. St Joseph’s Property Title ;
8. Floor Plan for radiation treatment centres as well as specifications of varian radiotherapy equipment and related documents such as functional guarantee
9. Topographical survey of the St. Joseph’s Hospital site
10. Surveyor’s ID Report
11. Situational Analysis of Cornwall Regional Hospital Radiotherapy Department
12. Situational Analysis of Kingston Public Hospital Radiotherapy Department
13. Template documents for the approval of GoJ projects by the Public Investment Management Committee (PIMC)
14. Indicative layout of the Health-related vis-à-vis the Ministry’s corporate office complex at St. Joseph’s Hospital (when available)

The entire assignment is proposed to be completed within a period of 10 months.

The Consultant shall prepare a feasibility study that addresses each of the tasks described in this Statement of Work. The Consultant shall undertake the work in two (2) distinct phases: PHASE I – Business Case (*Project Design & Feasibility*

including Draft PPP Procurement Documents); and PHASE II – Competitive Tender (PPP Procurement). Upon completion of Phase I, the Consultant shall submit the stipulated written reports for approval before commencing Phase II. At the end of each phase the MOH will use the required deliverables to form recommendations to seek approval to proceed to the next phase or engage in a transaction, accordingly.

Phase I – Project Design & Feasibility Study

In Phase I, the Consultant is required to produce, in close liaison with MOH, DBJ and other key stakeholders, (i) a Project Design and Scope Report, (ii) a Feasibility Study or Business Case Report and (iii) a Draft Procurement Plan together with the requisite Bidding Documents.

Phase I shall constitute the first half of the feasibility study. Deliverables will include: a) a written report submitted to the Enterprise Team; and b) an oral presentation given to relevant stakeholders on the key findings of Phase I. Individual task deliverables, as described below, each shall constitute a separate chapter of the written report.

TASK 1: Vision Statement & Master Plan for the Centres of Excellence

Task 1: The Consultant shall conduct meetings with the Enterprise Team, MOH, and other relevant stakeholders to agree upon a common vision and Master Plan for the Project, upon which the Business Case / feasibility study will be based. This vision will serve as a starting point for the study. The role of the Consultant throughout the study shall be to determine if this vision is feasible, and if not, to provide suggestions on what could be feasible for the Project. The Master Plan must identify the minimum requirements for the facilities with regard to Treatment Services, Diagnostic Services and Research. In this regard, the Consultant must guide the Ministry in translating its want-list into a standardized definition of Centre of Excellence in the Jamaican context. Of necessity, a clarification of the transition of current operation to a future PPP must be outlined.

The identification of a cost sharing mechanism between the private partner and the MoH will need to be agreed in the vision statement so that the feasibility and mechanism for same can be developed in the Business Case.

Task 1 Deliverable: A statement on the vision & the Project Master Plan for the Centres of Excellence at St Joseph's Hospital, and the Cornwall Regional Hospital, as agreed upon with the Enterprise Team.

Task 2 The Consultant shall further develop the concept master plan to demonstrate existing land/building layout and propose each Centre Of Excellence project spatial planning. The conceptual master plan design will reflect the types of activities in each designated area and will include but is not limited to the inclusion of:

- An assessment of the designated site/building identified for the Centres of Excellence;
- Identifying developmental constraints at proposed locations as well as the assessment of the technical specification of equipment previously purchased;
- minimum requirements superstructure and infrastructure to serve their functional purposes;
- Sustainable and “green” solutions wherever possible and feasible, and the consultant shall make specific note of these. This includes, but is not limited to energy efficiency, green building guidelines, efficient uses of water and secondary uses of waste water, etc.;
- Design guidelines including at minimum: a) general patient flow management; b) building facades; c) service and customer access; d) servicing requirements; e) landscaping requirements; f) parking and loading requirements; g) signage; and h) public space lighting requirements;
- Details on the surrounding context of the site (off-site developments, fence line communities, proximity to social and civil defense infrastructure, etc.), including how the proposed works (and target market) identified in the business model fits into the overall development area land use plan, and any potential conflicts with such;
- Operations and Maintenance so that the standards and specifications of the following can be detailed and reflected in operational costs:

- Treatment Services, including but not limited to *oncologists, Radiation therapists, radiation nursing staff and administrative support , consultant surgeon, medical oncologists (or at least one medical oncologist and one clinical haematologist), pharmacists specialist nurse educator for resident nursing staff and for peer support of outreach and community nurses.*
- Diagnostic services - *pathologists, Computed tomography (CT), nuclear medicine and magnetic resonance imaging (MRI) imaging facilities and operators, rolled out into regional locations.*
- Research & Training Aspects of the COEs

Task 2 Deliverable: The Consultant shall prepare a **Technical Feasibility Report**.

The Report must indicate, in detail, the minimum scale of the Centres of Excellence and related facilities that are to be developed, technical standards to be followed, basic assumptions about project(s).

The technical feasibility report shall also include:

1. Site boundaries or floor plans;
2. An assessment of the specific diagnostic and medical equipment required (in addition to those previously acquired) to achieve the project objectives and determine the infrastructural and human resource requirements to install and operate same; layout concept drawings should be produced at a size that can be easily reduced and included in the final report; and
3. Detailed estimates of the capital and operating costs based on conceptual plan and operational and maintenance assumptions developed through other technical investigations. Estimates of capital costs may be presented based on different scope scenarios and technical requirements for a PPP and must be in line with the conceptual master plan.
4. Advise on feasibility of joint/separation of infrastructure and clinical service and the options for transition of current operation to a future PPP

Task 3: Business Case

Building on the findings in Tasks 1-2, the Consultant will conduct more detailed analyses with reference to the recommended PPP model. The Business Case needs to clearly demonstrate affordability for the full project cycle and propose the optimal value-for-money solution for MOH (GOJ) as well as fiscal responsibility and accounting treatment to achieve its desired outcomes. The Business Case is to be undertaken with consideration to comply with the PPP Criteria, which is contained in the *2012 PPP Policy*.

The Business Case must be able to serve as a base document for the purpose of carrying out due diligence by prospective bidders. The Business Case shall determine the following elements, at a minimum:

- a) **Market Assessment:** An estimate of the size of the market for the services (including GOJ availability payment prospects) including regional, international and Diaspora patients within the context of medical tourism as well as local and international private patients. A Market Analysis must discuss the competitive position of the Centres Of Excellence vis-à-vis comparator private providers locally and regionally as well as determining the appetite for investors into these kinds of PPP opportunities ;
- b) **Market / Investor Sounding :** Discreet discussion with local and international investors to assess potential investors' appetite for the project and the elements of form and content of the PPP transaction;
- c) **Legal Due Diligence:** A recommendation on the most appropriate transaction structure based on an assessment of appropriate PPP models that can deliver the project.
- d) **Financial Analysis:**
 - i. A financial model, taking into account all the findings from the technical, legal and financial due diligence. The aim of such financial model will be to: (i) present likely future cash flow for the Centres of Excellence (under a range of sensitivities to be determined with the client), (ii) test the financial feasibility of the proposed transaction structures, and (iii) evaluate the financial impact of such structures on the Government and its finances. The model shall be structured in a way that will enable MOH to manipulate the model for the purposes of contract monitoring or to replicate the project; financial models should be provided in manner that gives guidance on how to use, which will allow for manipulation by the GOJ when required.

- ii. Value-for-money analysis for the project which would facilitate assessing the viability of the project from the GoJ's perspective – bearing in mind market and non-market values
- iii. Risk assessment and risk matrix representing a fair and bankable allocation of risks;
- iv. Developing a Term Sheet detailing output requirements and performance indicators of the recommended PPP arrangement; and
- v. Assessment of the financial management and accounting policies and structures proposed for these to be in line with Government policy and good practice.

Task 3 Deliverable: The Consultant shall deliver a **Business Case Report** containing the elements described above and any other information that would facilitate the appraisal of the project(s). In addition, the consultant shall prepare The **Transactions Structure Options Report** which will propose a final recommendation about how the projects would be structured (for example in a Term Sheet), which should be consistent with the PPP Criteria.

TASK 4: Development of Procurement Plan and Bidding Documents

The Transaction Advisor must prepare a complete set of procurement documents, complying with GoJ PPP Policy and international best practices. The documentation must be consistent with the results of the approved Business Case prior to commencement of Phase II.

Task 4 Deliverables:

- a) **Detailed Procurement Plan**- the Transaction Advisor will design a complete procurement plan including revised work plan and schedules, identification of required resources, and details about the procedures and processes for conducting a fair and transparent competitive tender process.
- b) **Pre-qualification Documents** - the Transaction Advisor must design a pre-qualification (request for qualification (RFQ)) process with the intention of:
 - Ensuring that MOH's exact interest is communicated clearly to the market;
 - Determining the extent and nature of interest in the private sector; and
 - Pre-qualifying a competitive number of competent consortia in an equitable and transparent way.
 - bid evaluation criteria;

The bidding process should accord with good international practice and inspire market confidence. If appropriate, a system that allows for variant bids may be designed.

- c) **Request for Proposals (RFP)** - The Transaction Advisor must prepare an RFP document in accordance with best industry practice and applicable laws and regulations, consistent with the results of the Business Case. The RFP must concisely set out:
 - the output specifications of the Ministry
 - requirements for compliant bids
 - a risk profile as established in the Business Case
 - the payment mechanism
 - the bid process
 - evaluation criteria
 - Bidder communication systems.
- d) **A draft PPP Agreement** - The Transaction Advisor must prepare a Draft PPP Agreement, in close liaison with the Ministry, DBJ, ET, Attorney General's Chambers and MOH. The Draft Agreement must reflect the risk allocation regime and ensure best practice that maximize competition and minimize costs, while protecting the Ministry's interests. It must include terms to monitor project implementation and manageability over the life of the project. The agreement will include all necessary annexes and subsidiary documentation, e.g. performance specification, project scope, client's requirements, technical specifications, project performance monitoring

regime, code of construction practice, requirements for network integration, and any other relevant processes or documentation. Particular attention will also be placed on developing the arbitration agreement in order to ensure it conforms to model international contract practices.

Phase II – PPP Procurement

Upon approval from the GoJ on a PPP procurement solution, the Consultant (hereafter also referred to as Transaction Advisor) will provide the necessary technical, legal and financial advisory support for the procurement of a private partner.

The following tasks (5 through 6) are indicative of an expected allocation of responsibilities between the Transaction Advisor, the Procuring Entity and other GoJ stakeholders.

Task 5 Approval and administration of the bidding process

The Transaction Advisor must give MOH all the necessary drafting, bidder communication and administrative support necessary for the entire procurement process to be conducted in accordance with law and policy, and to the highest standards of efficiency, transparency, quality and integrity, as per the agreed Procurement Plan.

Task 5.1 Pre-qualification

The Transaction Advisor must coordinate and lead a pre-qualification (request for qualification (RFQ)) process with the intention of:

- Ensuring that MOH's exact interest is communicated clearly to the market;
- Determining the extent and nature of interest in the private sector; and
- Pre-qualifying a competitive number of competent consortia in an equitable and transparent way.

The desired result is that every pre-qualified bidder is capable of providing the facilities and services required by MOH. Therefore, the Transaction Advisor must:

- Prepare all the necessary advertising materials (including but not limited to Information Memorandum) and RFQ documentation;
- Set up and administer the process by which the MOH can pre-qualify the parties, including organizing a bidders' conference in order to respond to questions and interface with bidders; and
- Help MOH to evaluate and pre-qualify bidders.

In the event of a conference, the transaction advisor will lead the preparation of the bidders conference logistics (including drafting the invitation letter, prepare presentation, organize the program and venue, and draft a list of potential Q&A in advance, and conference minutes) and agenda, and facilitate such a conference.

Task 5.2 Administration of the Bidding Process

The Transaction Advisor is to provide all necessary technical and administrative support to MOH for the efficient and professional management of the bidding process. This includes a Data Room to be set up, where bidding firms can access studies and documents of relevance to the Study and other dissemination of project data to bidders, facilitating structured engagement between MOH and the bidders, helping MOH to communicate effectively with bidders, including responding to bidder queries, managing bidder conferences and responding to communications with bidders to manage Government liabilities, and receiving bids.

Task 5.3 Evaluation of bids, demonstrating value for money, fiscal responsibility and accounting treatment

The appointed Evaluation Committee, with the assistance of Transaction Advisor, must evaluate bids.

Value for money must be demonstrated by comparing the MOH net present value (NPV) of the bids received with the NPV of the financial projections, with a suitable adjustment for risks assumed. The results of the bidding and evaluation of bids must be presented in a single Evaluation Report (with relevant annexes) that demonstrates clearly how value for money will be achieved with the preferred bidder. The report must clearly indicate the preferred and second-ranked bidders and provide motivations. The value-for-money report must be in a suitable format and of a suitable standard for MOH to get necessary GoJ approvals.

Task 5 Deliverables:

- i. RFQ Screening Report & Notification to pre-qualified bidders
- ii. Bidders' conference and minutes
- iii. Question and Answer Report
- iv. RFP Evaluation Report and Notification to Bidders

TASK 6: PPP agreement negotiations & PPP agreement management plan

The objective of this task is to help the Government hold successful negotiations with the bidder. The consultant will support the Project Team throughout the negotiation phase as required until its conclusion. This is defined as the completion of the PPP Agreement between the parties. The Consultant is to provide advice through to **Commercial Close** (signing of PPP agreements) and further to **Financial Close** (that is signaled by the conclusion of all financing arrangements). The Transaction Advisor must help MOH with all functions related to negotiations with the objective of signing a final agreement and reaching financial close. This may include reviewing and assessing of the financial agreements to ensure that the integrity of commercial terms is maintained.

They are expected to provide comprehensive advice on how to address the points raised and attend related meetings where necessary.

Task 6.1 Negotiations

The Transaction Advisor must assist MOH/ET with the negotiations with the preferred bidder. This will involve inter alia:

- preparing suitable negotiations teams,
- categorizing issues appropriately and developing timelines for completion,
- planning negotiation tactics,
- reviewing proposed sub-contracts, in particular with the construction contractor and operator, to the extent forms of these contracts have not been included in the PPP contract or the tender documents,
- advising on proposed changes to the agreed form of sub-contracts,
- advising on the proposed amendments to all agreements by the preferred bidder (reflected in the Comments Matrix),
- advising on appropriate conditions precedent to the effectiveness of the contract (typically non-negotiable) related to satisfying all applicable permitting, licensing, and regulatory requirements Processes for reaching agreement, which will normally involve a second set of negotiations with the lenders arguing similar points as those raised by the preferred bidder during the tender process and new issues often focused on financial covenants and protections. This may involve extended discussions of Government financial participation to protect the lenders from specific risks.
- an assessment by the team's Legal Expert about whether the transaction is binding on its terms, and

- An assessment by the team's Legal Expert about whether security and financial management structure are appropriate.

The Transaction Advisor must (i) incorporate all agreements reached through up to three (3) rounds of negotiations into all the financial, commercial and legal documentation (the 'Transaction Documents'), and must assist with drafting the necessary and related correspondence and prepare a draft PPP agreement management plan for the Project.

Task 6.2 Draft PPP agreement and management plan

The final terms of the agreement, each as negotiated with the preferred bidder through up to three (3) rounds of negotiation, must be submitted by MOH, along with the Draft PPP agreement management plan for the Project for approval by the Cabinet. The Transaction Advisor is responsible for compiling the necessary submissions for MOH to obtain this approval, namely a Cover Note for the Marked-up Transaction Documents and a note to Cabinet summarizing the negotiations and other recommendations.

Task 6 Deliverables:

- i. Negotiation Plan prior to commencement of negotiations
- ii. Comments Matrix
- iii. Marked-up Transaction Documents accompanied by Cover Note
- iv. Final Negotiation Report
- v. Funding Options Sheet
- vi. Draft PPP Agreement Management Plan
- vii. Draft Cabinet Submission

This will be followed by a 2-day workshop with the MOH Project Team to discuss project contract management and management of MOH rights and obligations over the term of the Concession.

4.0 Stakeholder Engagement

The Consultant shall engage in monthly briefings with the Project / Enterprise Team throughout Phases I and II of the project.

5.0 Schedule of Deliverables

The intended Start date for the commencement of services is April 2018 and the duration of the contract is estimated to be 41 weeks, including time to support GOJ in relation to the financial close process. The Consultant shall prepare deliverables according to the following suggested schedule. DBJ shall provide timely feedback to the Consultant

Name of Report	Deliverable	WORK WEEKS	Deadline for Submission	Per Cent
PHASE 1				
TASK 1	Vision Statement & Master Plan	2	2	
TASK 2	Technical Feasibility Report	2	4	
REVIEW & APPROVE by MoH, DBJ & ET		2	6	20%
TASK 3	Business Case & Transactions Structuring Options Report.	2	8	
TASK 4	i. Detailed Procurement Plan	4	12	
	ii. Final draft RFQ			
	iii. Final draft RFP			
	iv. Draft concession agreement			
REVIEW by MoH, ET, PIMC & Cabinet Decision whether to proceed into Phase 2 of the Transactions Phase.		3	15	20%
PHASE 2				
TASK 5	i. RFQ Screening Report & Notification to pre-qualified bidders	12	27	
	ii. Bidders' conference and minutes			
	iii. Question and Answer Report			
	iv. RFP Evaluation Report and Notification to Bidder			
REVIEW & APPROVE by MoH DBJ & ET		2	29	30%
TASK 6	PPP agreement negotiations & PPP agreement management plan. Financial closure signifies that all the procurement deliverables have been successfully completed and that the Transaction Advisor's work is finished, if applicable.	8	37	
REVIEW & APPROVE by MoH DBJ & ET		2	39	20%
	Workshop	2	41	
	REVIEW & APPROVE by MoH DBJ & ET	2	43	10%
	TOTAL	43		100%

Consultant Requirements, Qualifications & Team Composition

The Transaction Advisor will comprise a team, managed by a single lead advisor. The members of the team will have the skills and experience necessary to undertake the range of tasks set out in this Terms of Reference. Each individual on the team must be personally available to do the work as and when required. The lead advisor will be held accountable, in

terms of the transaction advisor contract, for ensuring project deliverables and for the professional conduct and integrity of the team.

The Consultant shall form a team of experts that includes, at minimum, the following Key Experts. The Consultant can add other positions as necessary to undertake the terms of reference of the study including engineering support staff member(s). The Team Leader, to be identified, will manage the team and act as the primary liaison between the consulting team and GOJ.

The skills and experience required in the transaction advisory team are as follows:

Key Experts	Required Qualifications
KE - 1 PPP Expert /Team Lead	<ol style="list-style-type: none"> 1. Postgraduate degree in finance, economics, business or a similar relevant professional qualification (for e.g. CFA) 2. At least 10 years' experience of working in a relevant financial, accounting or commercial discipline in a relevant enterprise(s) (for e.g. financial institution, accountancy firm, law firm, financial consultancy firm). 3. At least 5 years international work experience in a senior role in reviewing, assessing, structuring, or advising on PPP transactions 4. Minimum of 5-years' experience conducting economic analyses, financial feasibility studies within the health services sector. 5. Experience in Health PPP projects and negotiating agreements through to financial close is a distinct asset.
KE - 2 Legal Consultant	<ol style="list-style-type: none"> 1. Certification of legal education (CLE) with minimum 7 years' experience in corporate business / commercial law, evidence of experience working in Jamaican legal environment; 2. At least 10 years' experience as a legal advisor in the drafting and negotiating PPP (Concession) agreements would be a distinct asset; strong judgment, negotiating and problem-solving skills; and 3. A minimum of 5-years experience for health sector PPPs and experience working within the Commonwealth legal framework is a distinct asset.
KE 3 Health System Analyst/Health Economist	<ol style="list-style-type: none"> 1. Post graduate degree in Social Sciences, preferably in Health Economics, Business Management or similar fields. 2. 10 years' experience in economics, including 5 years in health econometric analysis and health policy.
NKE 4 - Technical Specialist	<ol style="list-style-type: none"> 1. Post Graduate Degree with at least 12 years relevant experience in the field of Oncology; and 2. At least 5 years of experience in Public / Private Health Services projects
NKE 5 - Technical Specialist	<ol style="list-style-type: none"> 1. Post Graduate Degree with at least 12 years relevant experience in the field of nephrology; and 2. At least 5 years of experience in Public / Private Health Services projects

6.0 Project Coordination

The Planning Institute of Jamaica is the Contracting Authority and shall be responsible for contractual amendments and payments.

The DBJ is the designated Supervising Entity⁶ and shall be responsible for the approval of contractual reports and payment requests. In fulfilling this role, the designated representative of the Supervising Entity will facilitate and incorporate inputs from relevant stakeholders and issue instructions to the consultant in this regard.

In particular, the designated representative of the Supervising Entity will facilitate and incorporate inputs from the following core stakeholders:

- The Ministry of Health, which has portfolio and policy responsibility for the project as well as responsibility for overseeing project development, PPP procurement and monitoring of the PPP contracts (i.e. contract management);
- Planning Institute of Jamaica (PIOJ), an agency of the Ministry of Economic Growth & Job Creation and is responsible for the procurement and management of consultants hired under the FCG; and
- The Enterprise Team which is established specifically to oversee the development and closing the PPP transaction.

Finally, the Consultant will also work closely with all other public and private sector stakeholders, as appropriate, in undertaking the work of this project.

The MOH will establish an Enterprise Team/Project Steering Committee to engage regularly with the transaction advisor for efficiently completing the various delivery items. The Enterprise Team will meet at least monthly and the Transaction Advisor will report progress at these meetings, as instructed by the designated representative of the Supervising Entity.

7.0 Client's Input and Counterpart Personnel

The DBJ will assist in helping to provide relevant information and consultations to be held as part of this assignment.

The DBJ staff will be thoroughly and substantially involved in the day-to-day preparation and handling of the transaction we will advise on, to gain the needed institutional experience to replicate the scheme. If necessary, PIOJ/DBJ meeting space will be made available for meetings when the Consultants are in Jamaica.

The GoJ, through the DBJ, will cover the costs of venues, refreshments, and equipment (projector, speakers, etc.) for workshops and conferences; whereas the Consultant will cover costs for printing materials (reports, notes, agenda) prepared for the workshops and conferences presented in the work plan.

⁶ The completion of the MOH/DBJ Services Agreement is a prerequisite for this supervision

Appendix 1

LINEAR ACCELERATOR CLINAC IX

FOR EXTERNAL BEAM RADITAIION TREATMENTS FOR PATIENTS WITH CANCER

MAIN FEATURES

- 2 photon energies with dose rate up to 600UM/min for ALL energies and with an option for upgrade in future to one additional photon energy with dose rate up to 800 UM/min (SRS mode) or one High Intensity Mode photon energy with dose rate up to 1400UM/min.
- 6 electrons energies (6, 9, 12, 15, 18, 22MeV) with dose rate of 1000UM/min for ALL electron energies.
- Automates set up of all mechanical axes and beam parameters for each treatment field when used with the Oncology Information System – ARIA.
- Exact IGRT Couch in carbon fiber, totally prepared for IGRT procedures.
- Multileaf Collimator Millennium with 120 leaves and resolution of 5mm at is centre.
- Capable of delivering Intensity Modulated Radiation Therapy IMRT.
- Portal Vision aS1000 imager system, with all movements totally controlled from inside of the treatment room and/or 4D treatment console with option to acquire MV-MV images with automatic fusion and patient positioning corrections totally automatically and remotely.
- Capable of delivering Volumetric Modulated Arc Therapy – RapidArc – with instantaneously variation of dose rate, gantry speed and multileaf conformance.
- Additional Accessories: patient intercom, CCTV, lasers and chiller.