Early Warning System

EBRD-48535

Bursa Hospital PPP

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Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	U
Voting Date	2017-04-05
Borrower	BRS SAGLIK YATIRIM A.S.
Sectors	Education and Health, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	$ 327.00 million
Project Cost (USD)	$ 560.00 million

Project Description

The EBRD is considering financing a hospital infrastructure PPP project involving the design, construction, equipping, financing, and maintenance of an integrated health campus in Bursa, Turkey, pursuant to a 28-year concession awarded by Turkey's Ministry of Health. Under this PPP structure, the concessionaire will supply and maintain the hospital facilities, while the provision of medical care and services will remain the responsibility of the MoH. Total project costs are estimated at around EUR 513 million.

The EBRD will assist in increasing private sector participation in the hospital infrastructure sector in Turkey. In response to the need for large capacity investments in healthcare systems, the government is seeking to tap private sector resources and know-how to construct and manage infrastructure related facilities more rapidly and more efficiently, while medical service provision remains under the responsibility of the state.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

The client is BRS Saglik Yatirim A.S., a special purpose company incorporated in Turkey and owned by Ronesans Saglik Yatirim A.S., Meridiam Infrastructure Eastern Europe S.a.r.l., Sila Consulting Medical Services, Sam Engineering and TTT Saglik Hizmetleri A.S. The client is responsible for designing, building, financing and operating the Bursa Hospital PPP, whilst MoH will remain responsible for the provision of medical care and services.

The EBRD is planning to arrange an A/B loan of up to EUR 300 million (up to EUR 75 million A-loan, up to EUR 225 million B-loan). The Bank will provide finance in parallel with international financing institutions and commercial banks alongside the sponsors' equity commitments under an 80:20 debt-to-equity structure.The EBRD will assist in increasing private sector participation in the hospital infrastructure sector in Turkey.

The consortium of sponsors includes Ronesans Saglik Yatirim A.S., Meridiam Infrastructure Eastern Europe S.a.r.l., Sila Consulting Medical Services, Sam Engineering and TTT Saglik Hizmetleri A.S. who are active across various hospital PPPs in Turkey, including the Adana and Elazig campuses.

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ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.