



THE MINISTRY OF
HEALTHCARE OF THE
REPUBLIC OF
KAZAKHSTAN

Concession Project: Construction and Operation of 300-beds University Hospital in Almaty

Teaser

November 2020



Content



Page

1	Project overview	3
2	Legal&Financial structure	7
3	Contacts	12



Project overview

In this section:

1. Project overview
2. Project location
3. Socio-economic Impact



Project overview

Key highlights of the Project



300-beds hospital and clinics diagnostic center



Location – Nauryzbai district of Almaty city, Kazakhstan



Grantor – The Ministry of Healthcare of the Republic of Kazakhstan



The Project structure implies an output-based tender



The concession period is 18 years, including construction period of 38 months



Medical services will be provided by the Grantor, presented by the Kazakh National Medical University (hereinafter – the “KazNMU”)



Concessionaire will provide hard and soft facility management services








Concessionaire will be compensated for CAPEX, OPEX and management fee through the availability payments mechanism



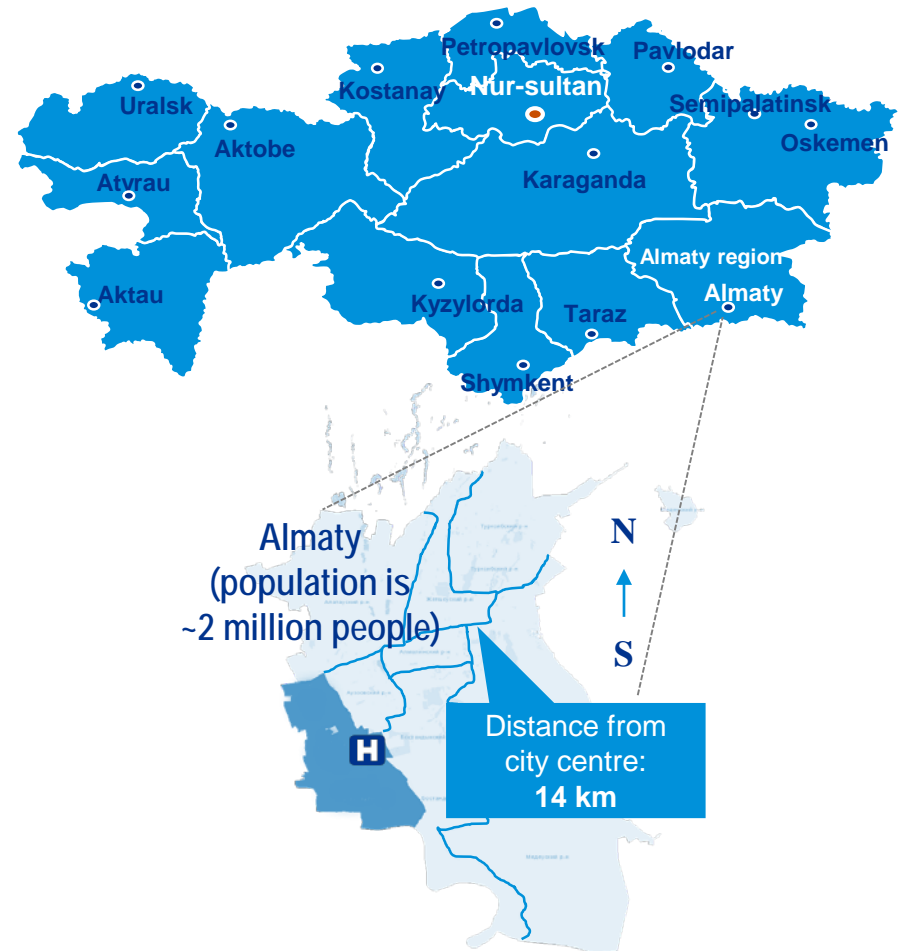
Project location

City	Region	Area
Almaty	Nauryzbai district	4,48 ha

Characteristics of the land plot

	The land plot is located near the existing children's hospital
	The land plot is fairly accessible in terms of public and private transportation for patients, visitors and medical personnel
	All necessary infrastructure is in place (electricity, heat, water, gas and sewerage)
	Nauryzbai district is a new, developing and densely-populated area
	The land plot is owned by the Grantor and ready to be transferred to the Concessionaire

Source: Ministry of Healthcare, KPMG analysis



Socio-economic Impact



**Higher quality
Healthcare
system**



**Increased life
expectancy of
citizens**



**Alignment of educational
process with scientific
research**



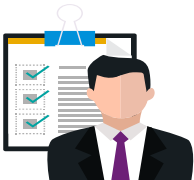
**New workplaces
for professionals**



**Multidisciplinary
treatment of
patients**



**Clinical examination of
pharmacological
agents**



**Attraction of highly-
qualified medical
personnel**



**Adoption of quality
management system
for patient treatment**



**Reduced outflow
of patients abroad**



**Increased publication
activity for medical
research**



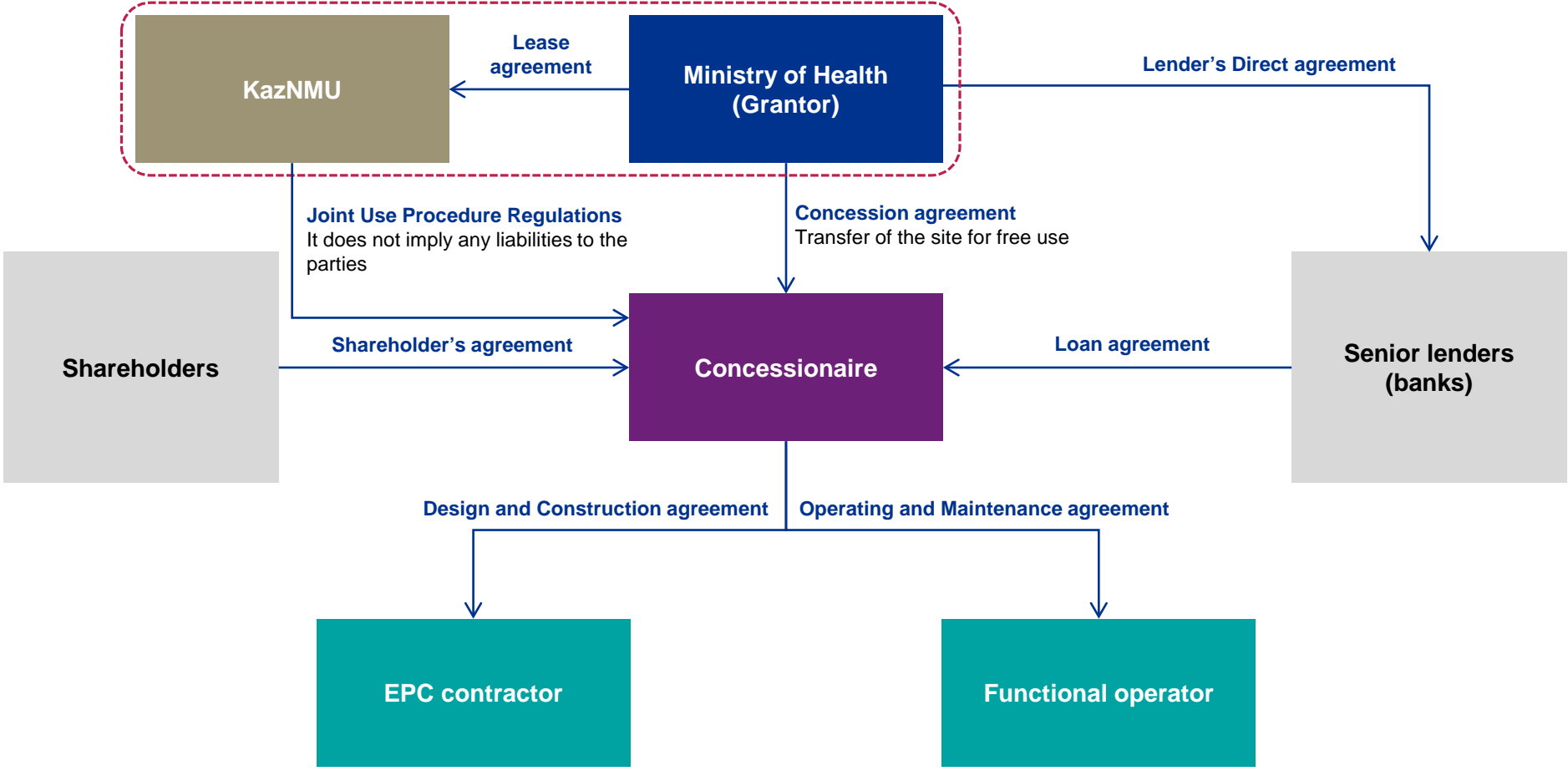
Legal & Financial structure

In this section:

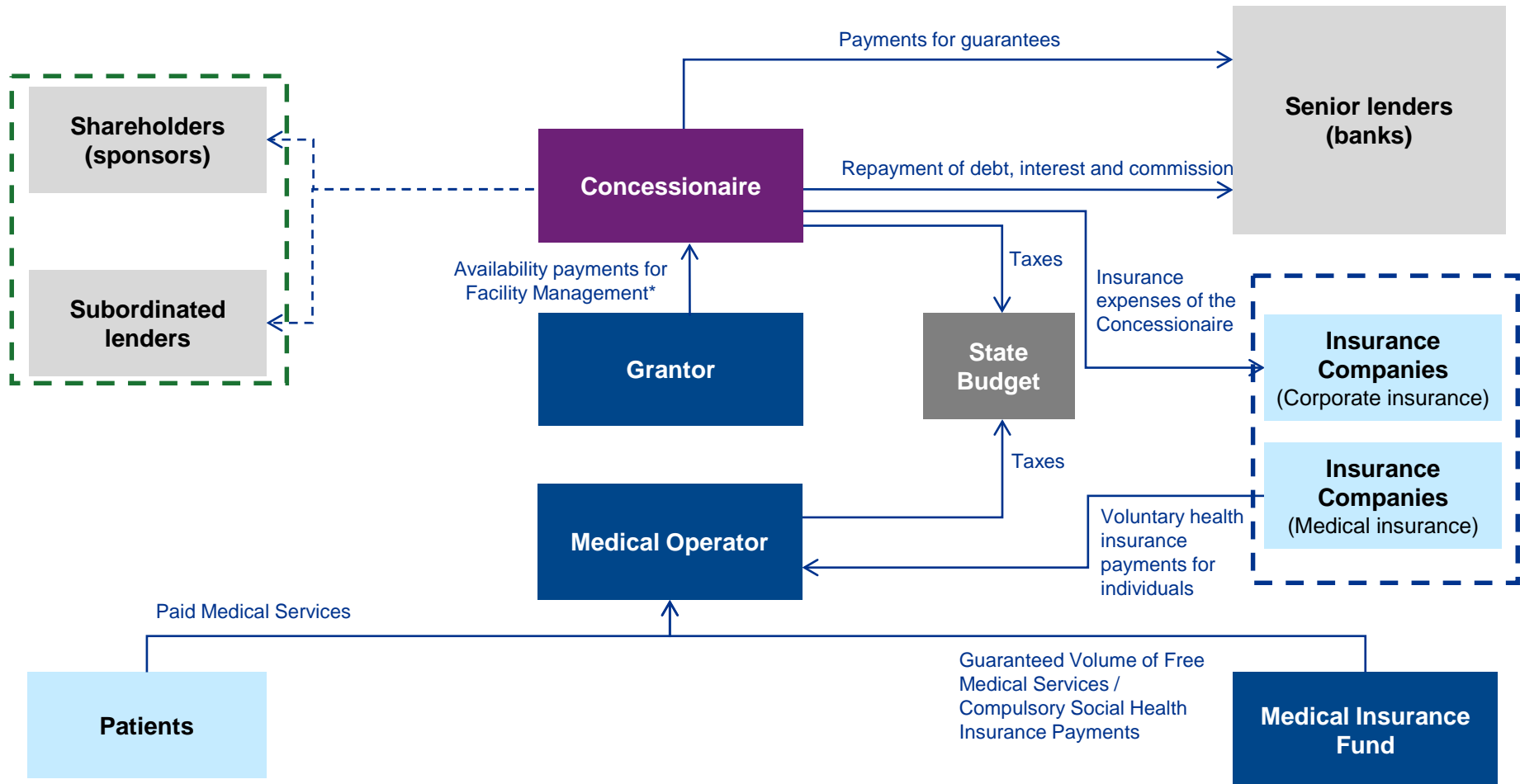
1. Legal structure
2. Financial structure
3. Payment mechanism
4. Risk allocation



Legal structure of the Project

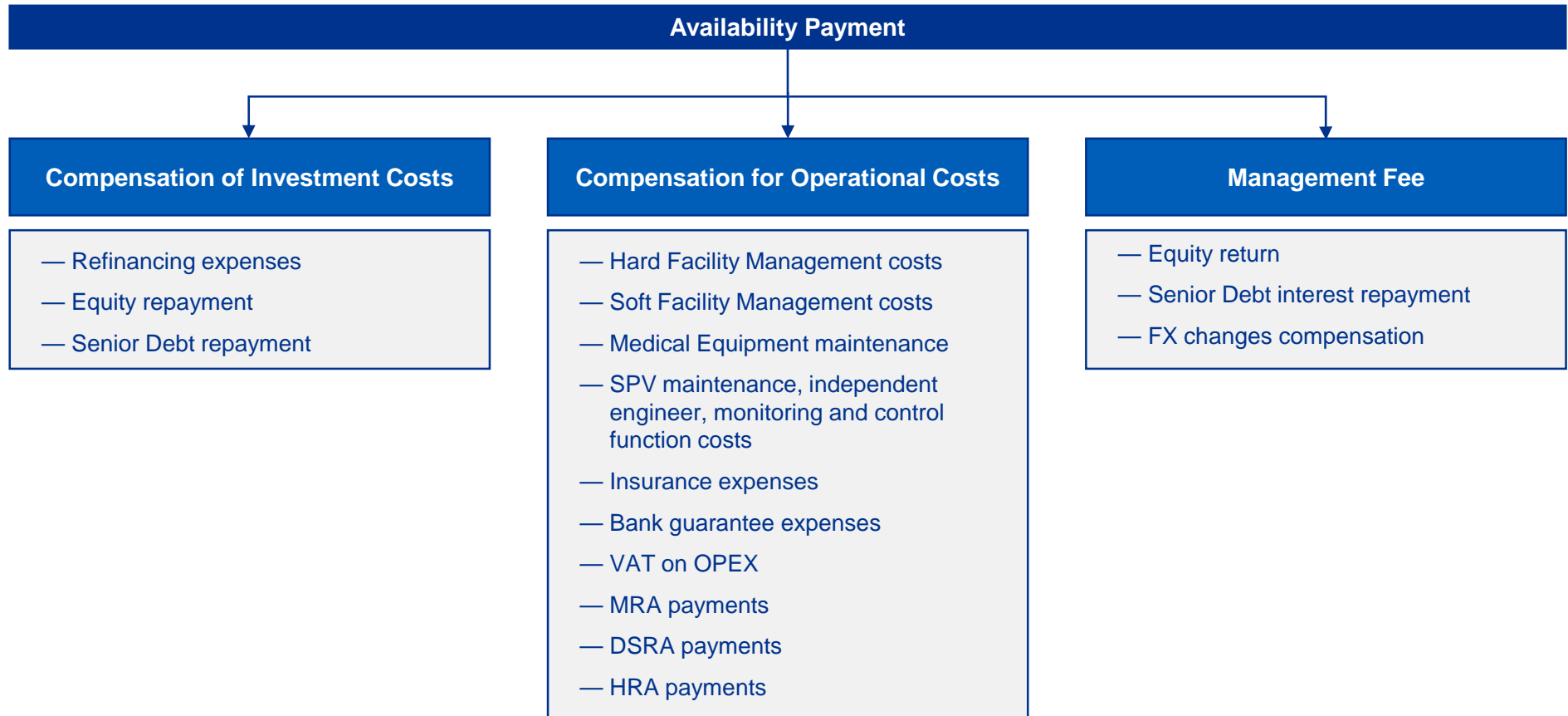


Financial structure of the Project



*Availability payment is paid out by the Ministry of Finance at the request of the Grantor

Payment mechanism



Source: KPMG analysis

Risk allocation

Risk Category	Concession Agreement		
	Private	Public	Shared
Political Risks		✓	
Project Site/ Land Risk		✓	
Design			✓*
Construction	✓		
Demand		✓	
Operation / Maintenance	✓		
Financing / Refinancing risks	✓		
Changes in interest rates after financial close	✓		
Changes in rate of inflation during operation		✓	
Currency risk			✓
Legislation and tax changes - specific		✓	
Natural Force Majeure			✓
Early Termination (not Concessionaire Fault)		✓	
Early Termination (Concessionaire Fault)	✓		

Source: KPMG analysis

*Technical feasibility study will be prepared by Public side



Contacts

Stepan Svetankov

Deal Advisory

Partner, Deal Advisory, KPMG in Russia and CIS

Tel: +7 (495) 937 4444 x13575

Mob: +7 (916) 870 7450

ssvetankov@kpmg.ru

Arman Akhanov

Advisory

Director, Deal Advisory, KPMG in Kazakhstan

Tel: +7 (727) 298 08 98 x62221

Mob: +7 (777) 776 73 92

aakhanov@kpmg.kz



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG Tax and Advisory LLC, a company incorporated under the Laws of the Republic of Kazakhstan, a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

The KPMG name, logo and “cutting through complexity” are registered trademarks or trademarks of KPMG International Cooperative (“KPMG International”).