

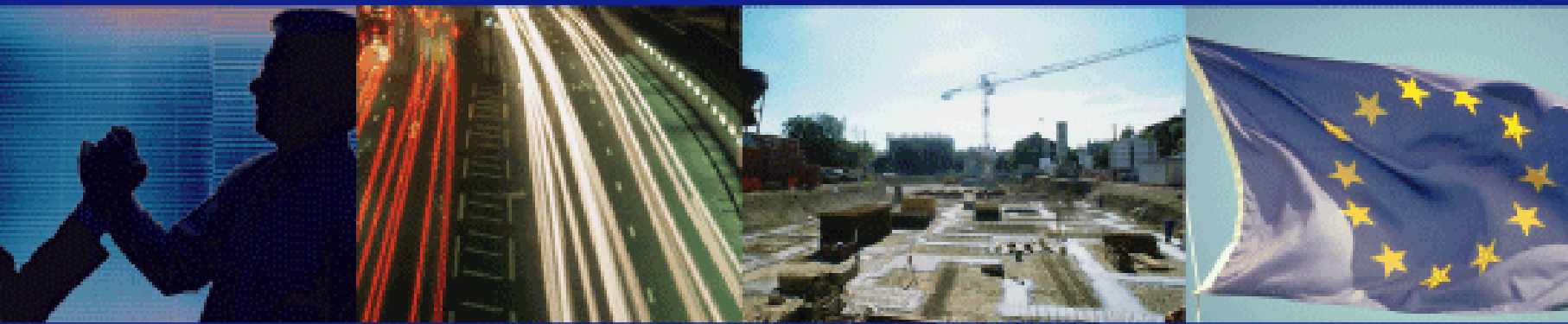
New Mestre Hospital (Venice)

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Presidency of the Council of Ministers

Department for Economic Policy Coordination and Planning

PPP Task Force, Italy



Models and Strategies for Public-Private Partnerships (PPP): Experiences from Italy and Bulgaria

Rome, 23 October 2007



Bulgaria - Italy Bilateral Cooperation



- **Project Characteristics**
- **Shareholders**
- **Financial Structure**
- **Services provided**
- **PPP in the Italian Healthcare Service**

Project Characteristics

The Project focuses on the construction of a new hospital replacing an inadequate existing hospital. The new structure will overcome the shortfalls of the existing one and will allow the area of Venice/Mestre to consolidate and improve hospital specialist services (i.e. Oncology, cardiology, eye-surgery)

The Project will be designed, built, financed and operated (DBFO) by *Veneziana Sanitaria Finanza di Progetto S.p.A (VSFP)* under a long-term concession granted by the Local Health Authority

Environmental aspects: the Project implies works on a green field site (not protected area) and does not present any specific conservation issue. In addition, the selected architectural design aims at integrating the building with the environment through green area and terraces

New Mestre Hospital

PROJECT DATA

Project Name: New Mestre Hospital

Category: DBFO (Design, Build, Finance & Operate)

Sector: Healthcare

Awarding Authority: Unità Sanitaria Locale 12 Venezia (NHS)
Local Authority 12 - Venice)

Procedure: Concession under private initiative

Beds: 680

Operating Rooms: 16

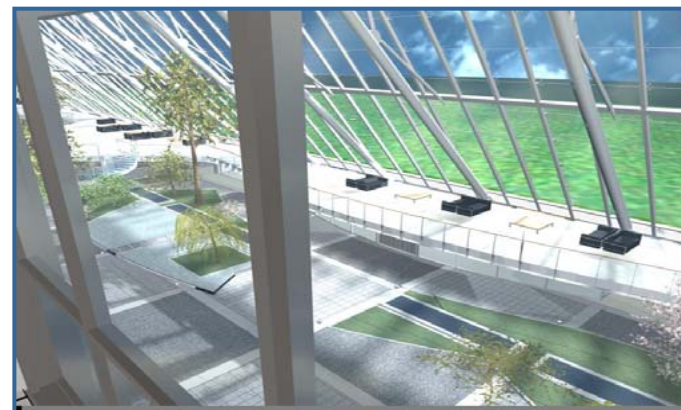
Intensive Care Rooms: 24

Parking Spaces: 1,092 (incl. 557 for visitors)

Total investment: € 236 million (VAT included)

Public Contribution: € 105 million (45%)

Concession Duration: 29 years (incl. 4 years of construction)

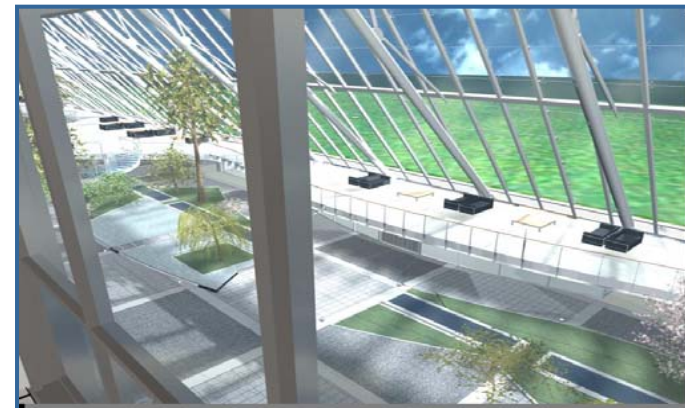


Project Characteristics

New Mestre Hospital

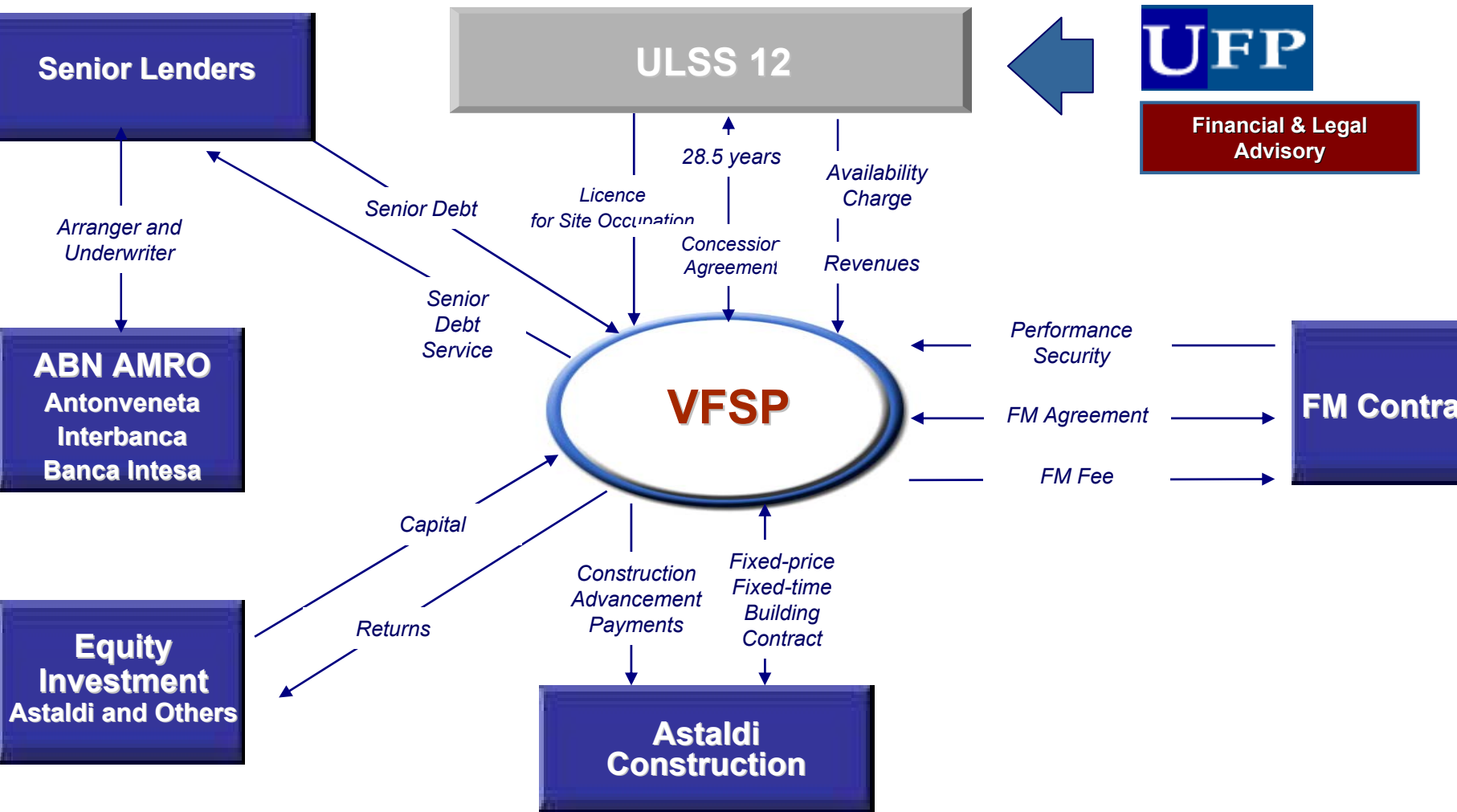
PROJECT MILESTONES

- June 2001: Proposal Submission
- October 2001: Promoter Selection
- December 2001: Tender Launch
- July 2002: Restricted Procedure
- August 2002: Concession Award
- October 2002: New Preliminary Project Signing
- April 2003: Definitive Project Signing
- April 2005: Financial Close
- June 2007: Construction Phase Conclusion
- September 2007: New Hospital Inauguration
- January 2008: Operating Phase Beginning



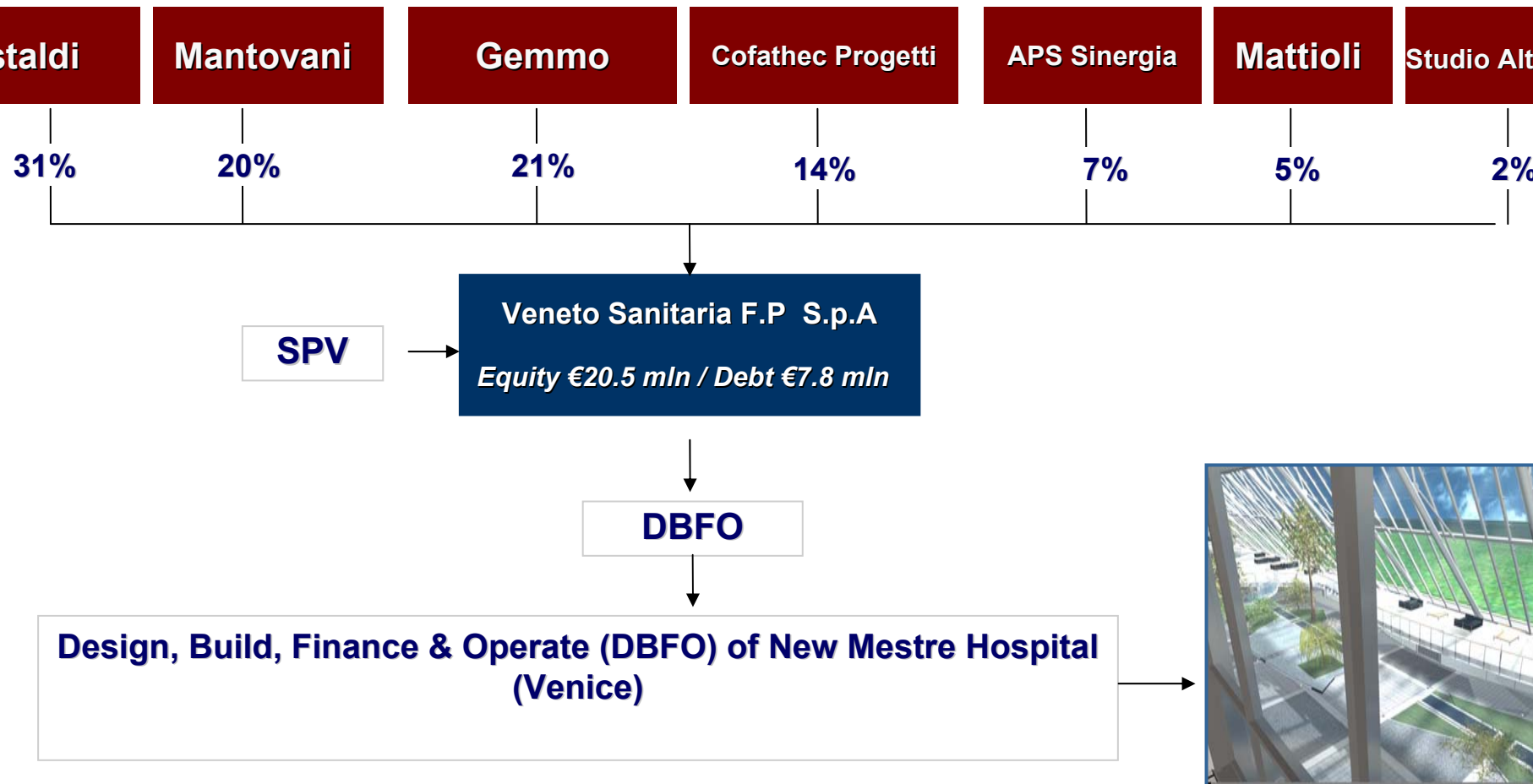
Project Characteristics

Project Structure



Shareholders

SPV Shareholders



Astaldi SpA

Astaldi Group is one of the oldest construction companies in Italy and one of the few still held by its original owner.

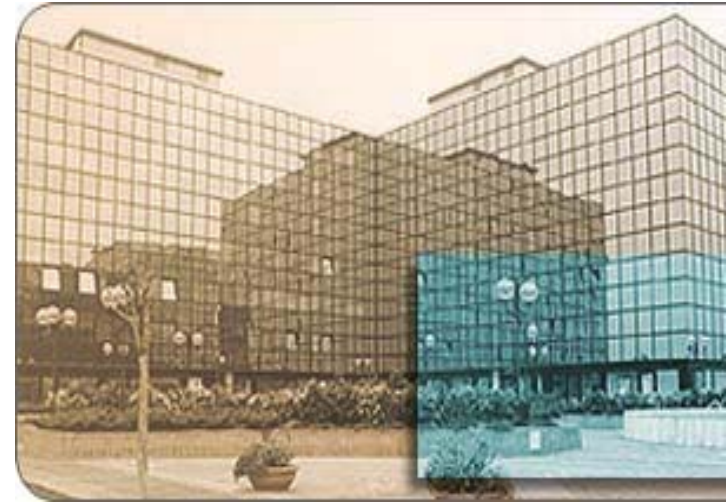
With over eighty years of experience, nowadays Astaldi is the leading General Contractor and the second largest construction Company in Italy.

Immo S.p.A.

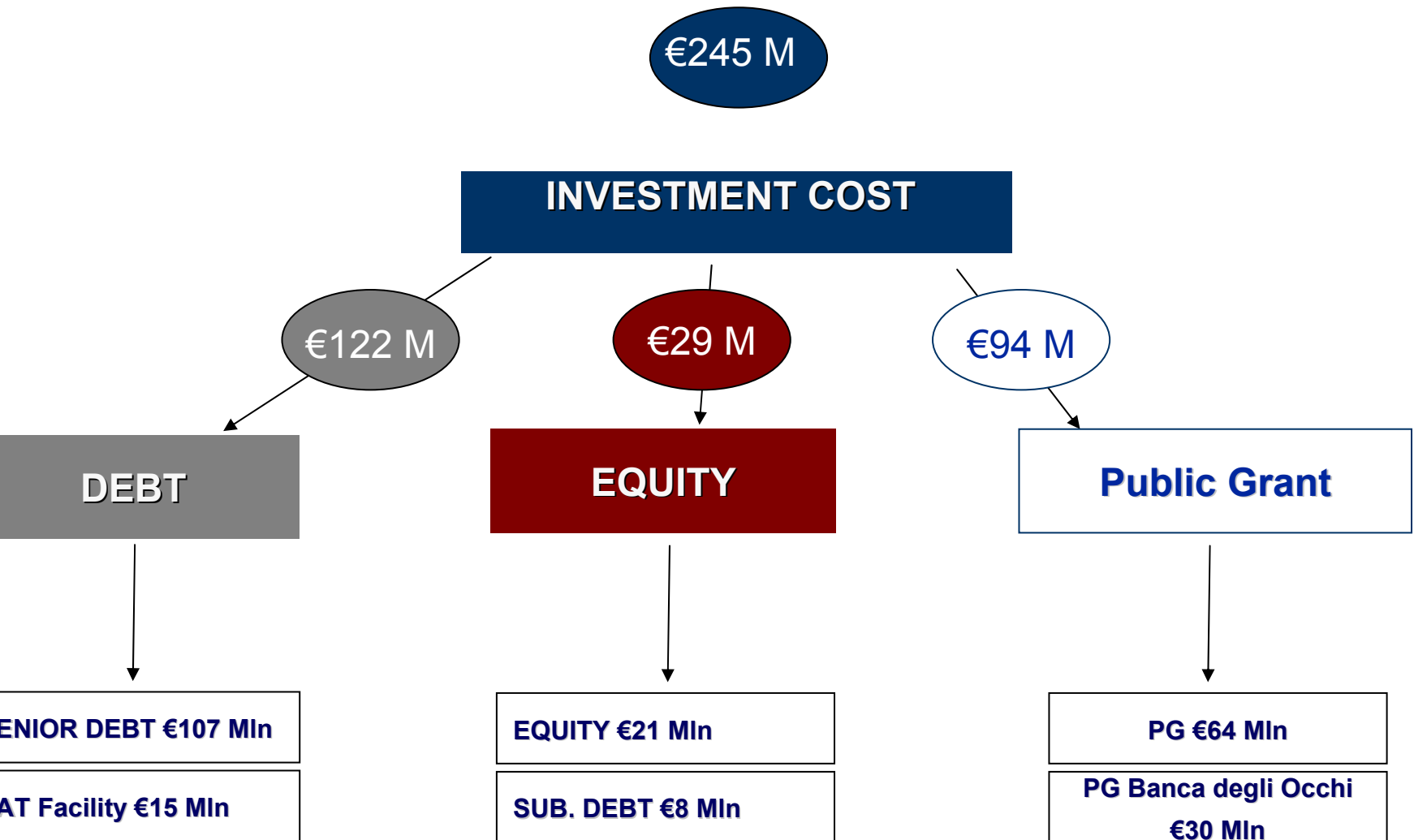
Immo S.p.A., a leading Italian Company in the most advanced fields of technological plant and facility management.

Enfathec S.p.A

Enfathec Group is a Gaz de France service branch. It employs circa 8,000 people in Europe (i.e. France, Italy, United Kingdom, Benelux, Switzerland, Spain).



Financial Structure



Non Medical Services provided to Local Healthcare Authority (USL):

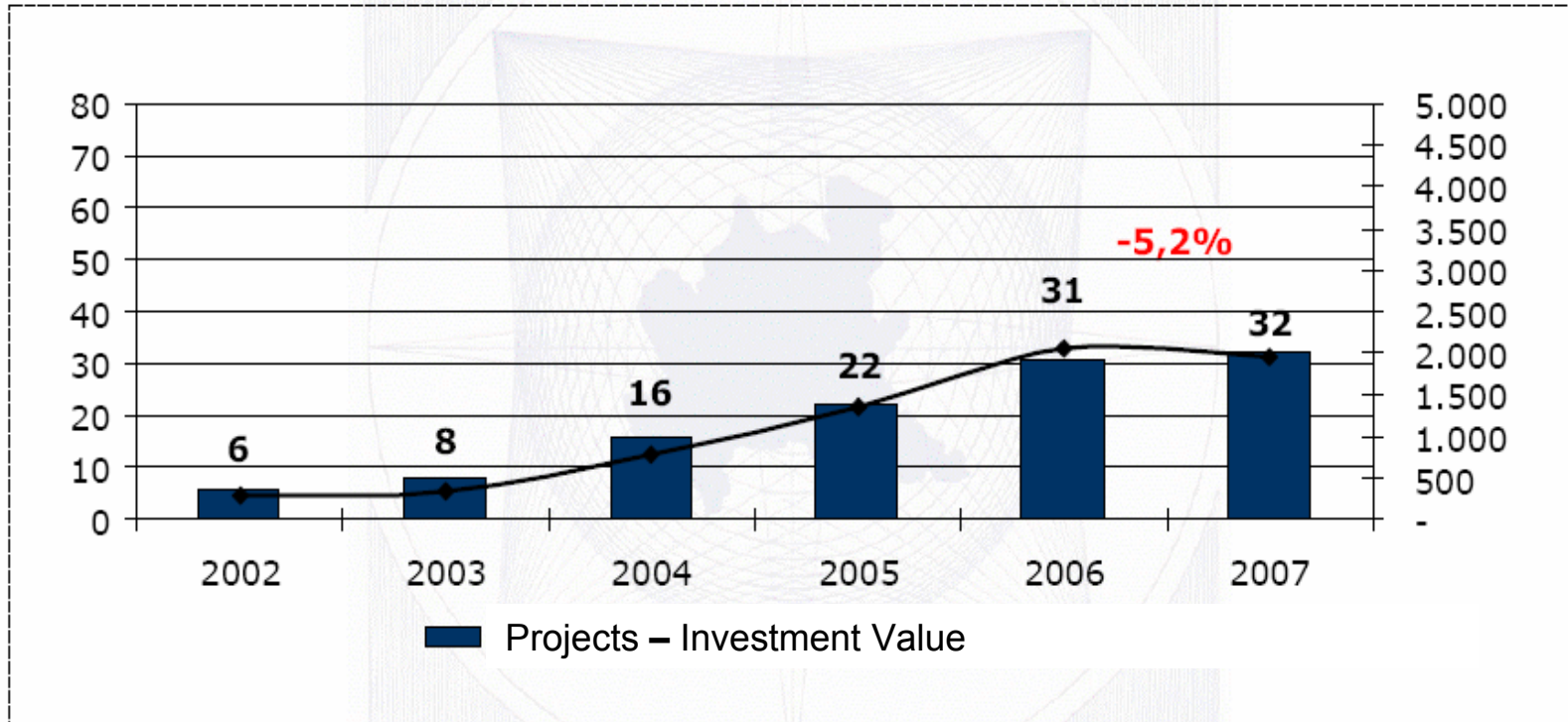
- Laboratories and radiodiagnostic service management
- Waste disposal
- Laundry
- Catering for patients
- Cleaning services of building and clinical equipment
- Estate and medical equipment maintenance
- Mechanical transport
- Green areas maintenance
- Housing services

Commercial Services:

- Restaurant
- Commercial Areas
- Parking Area



PPP Healthcare Projects Awarded – 2002-2007



Source: C. Felicetti- Finlombarda – Finance & Healthcare – Milan, June 2007

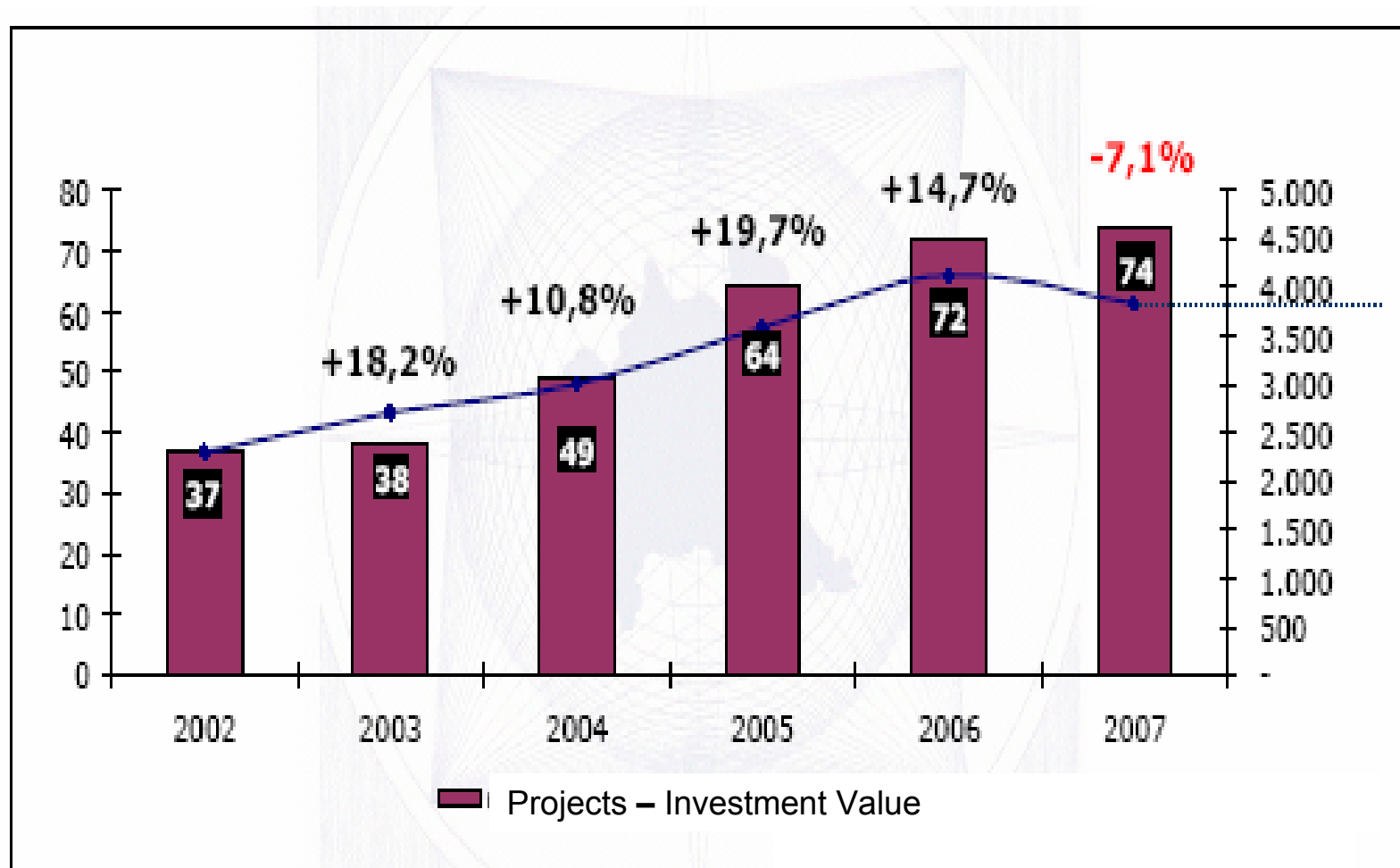
June 2007: 74 Projects (€3.9 bln) at different stages:

- **32 Awarded initiatives (€1.9 bln)**
- **31 Initiatives at bidding stage (€1.5 bln)**
- **11 Planned initiatives (€357 mln)**

Source: C. Felicetti- Finlombarda – Finance & Healthcare – Milan, June 2007



PPP in the Italian Healthcare Service



Source: C. Felicetti- Finlombarda – Finance & Healthcare – Milan, June 2007

Critical Issues

- Large number of quitted initiatives
- Long and complex procedures
- Inadequate project evaluation and selection

Requirements for successful PPP initiatives

- Rigorous pre-procurement analysis of project feasibility
- Detailed project risks identification and allocation
- Detailed contract also envisaging changes required by the project over its life
- Public Authority monitoring the entire project operational phase



Thank You for your kind attention!



CONTACTS

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