

INVITATION FOR EXPRESSIONS OF INTEREST (EOI)

ESTABLISHING AN ASSISTED REPRODUCTIVE
TREATMENT (ART) CENTRE
AT UNIVERSITY HOSPITAL – KDU
AS A PUBLIC-PRIVATE PARTNERSHIP VENTURE

REFERENCE NO. : UHKDU/PRO/SOGE/SVS/0077/2024

TENDER CLOSING DATE : 26TH JUNE 2024

Department of General Procuriment
University Hospital – Kotalawala Defence
University
Boralasgamuwa



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BACKGROUND

1. Overview of University Hospital Kotelawala Defence University (UHKDU)

University Hospital – Kotelawala Defence University (UH-KDU) is an ultra-modern, state of the art teaching hospital established at Werahara. UHKDU designed to have two separate wings, “income generating wing” and “public wing”, each containing 50 rooms and 650 beds for inpatient care respectively. In addition, there are six (06) luxury and VVIP suites. The total bed capacity including day surgery unit, Intensive Care Units (ICU) and Accident and Emergency (A&E) is about 888. The hospital has 20 modern modular type operating theatres. UHKDU is a multidisciplinary hospital with main 6 major specialties required for medical teaching (Medicine, surgery, Paediatric, Gynaecology and obstetrics, Psychiatry and Family medicine) and other sub-specialties including, cardiology and cardiothoracic surgery, oncology, nephrology, eye, ENT, orthopaedic surgery, neurology, Urology, andrology & Reproductive Medicine, physiotherapy and rehabilitation, transplant surgery etc.

There are 120 consultation rooms, 10 dental units, 24 reception desks, 40 nurse stations, 10 PACS stations, 08 pharmacy outlets, 16 or more billing stations, 08 bleeding rooms, main laboratory complex (including haematology, serology, histopathology, microbiology, molecular biology sections), separate laboratory for blood bank and an A&E with 41 bed capacity (9 acute management beds and 32 observational beds) in the hospital. The ultra-modern radiology department with X-ray, US, CT, MRI and other modalities in the hospital can facilitate investigations and interventional radiological investigations. A fully automated pneumatic system with 57 communicating outlets has been installed to connect bleeding rooms, wards, laboratories, and pharmacies effectively.

2. Current Status of andrology, Subfertility and Assisted Reproductive Technology in Sri Lanka

Subfertility is a rising problem in Sri Lanka, and it is estimated that nearly 270,000 – 400,000 couples in Sri Lanka are sub-fertile and approximately 1% of them will require Advanced Reproductive Technologies (ART). However, there are very few reputed ART providers in Sri Lanka, and those providers cannot meet the current demand. Therefore, sizable number of sub-fertile couples visit India for ART. It has been estimated that about 100 to 150 couples visit India per month for ART procedures spending huge amount of money.

ART is considered as one of very lucrative healthcare needs within next decade. By acknowledging this fact, UHKDU has specially considered ART and Andrology service during the project conceptualization stage. From the inception, it has been decided to deliver these services through the private wing as paid services generating revenue.



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3. Strength of UHKDU to Commence Art and Andrology Services

A comprehensive building structure for a state of the art, modern ART unit has been completed and located on the 1st floor of the Hospital building. The allocated area for the ART unit is about 525 Sqm and it includes Andrology lab, IVF/ ICSI lab, OT, insemination area, sperm and embryo bank, Andrology investigation area, sample collection rooms, patient waiting areas, consultation rooms etc. The total investment for the building structure is about 120 million LKR.

However, due to various unavoidable reasons, especially due to non-availability of domain expertise of embryology, the commissioning of the unit was postponed. To commence operations of the ART unit, UHKDU needs about another 100 million for purchasing of instruments and equipment. In addition, the Unit is in need of a fulltime, experienced embryologist.

Therefore, UHKDU is in the process of seeking an experienced investor who is having experiences in the field of ART.

As per the feasibility study conducted by UHKDU, it is expected to reach the break-even in Four (04) to Six (06) years.

4. Objectives

1. Implementation of an Andrology and Reproductive Biology Department to offer quality Assisted Reproductive Technology (ART) and Andrology Services in international standards providing required total start-up investment and all required staff if required.
2. Provide a setting to conduct research and training in the field of Andrology and ART.
3. Commencement of Post Graduate Training and Certification on Clinical Embryology and Andrology, affiliation with **General Sir John Kotelawala Defence University (KDU)**.

5. Method of establishing the ART/ Andrology facility at UHKDU

1. The ART/ Andrology facility will be established as a **Public Private Partnership (PPP) Venture** with a local or international established ART service provider (Clinical and technical).
2. Foreign bids are allowed. (All foreign countries accepted by GoSL). However, a legally authorized local representative should be nominated by the foreign party.

6. Qualifications Required

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(The interested company/ organization/ JV should be capable of expressing following minimum selection criteria):

1. The interested company/ organization should have minimum of Three (03) or more years of experiences in the field of ART/ Andrology operations/ business.
2. The expertise who comprises the company/ organization should have minimum of following experiences:
 - a. Embryologist should have minimum of 15 years of experiences.
 - b. The other staff (clinical and technical) should have minimum of 10 years of experiences.
3. The expert team should have commenced at least Three (03) or more ART centres with In-Vitro Fertilization, Intra-Cytoplasmic Sperm Injection and Andrology Lab from the screech.
4. The interested team should be headed by a senior embryologist with following minimum criteria:
 - a. MD or MSc in life sciences with minimum of 20 years' experience in all procedures related to ART (IVF, ICSI etc.).
 - b. Good Counselling skills with required certifications.
 - c. Sound up to date knowledge & Skills in all procedures of ART (IVF, ICSI etc.)
 - d. Good team leader who can collaboratively work with in-Hospital clinicians.
 - e. Should have organized full stack of IVF, Clinical Embryology course on human ART. The course should have conducted in an internationally recognised institute for minimum of three (03) years.
5. The interested company/ organization shall agree to continue the partnership with UHKDU for a minimum of Seven (07) years. However, UHKDU expectation is Ten (10) years of agreement with the interested party. The selected party shall not be allowed to start any ART/ Andrology laboratory in Sri Lanka within the agreement period and if the agreement is terminated, they will not be allowed to start their own business in ART/ Andrology field in Sri Lanka for a minimum of Two (02) years of the date of termination.
6. The interested company/ organization should be agreeable with the terms and conditions proposed by UHKDU. However, the interested Company/ Organization is expected to submit an appropriate business/ project plan for the said project, after evaluating the current status of UHKDU project. The project plan should address following aspects: *(The investor will be given opportunities to have discussions/ meetings with UHKDU administration to obtain all necessary information about the current status of UHKDU if necessary)*
 - a. The total maximum amount of the investment by the investor (Tentative estimated investment to commence the proposed ART/ Andrology unit is about 300,000.00 USD).
 - b. The profit-sharing mechanism and the ration proposed by the investor. (Maximum profit sharing can be claimed by the investor is 49%).
 - c. Proposal for the procurement methodology for the proposed ART unit.
 - d. Administration and Management of the said project including the recruitment of entire requirement of human resources and their remuneration management.
 - e. Marketing plan and strategy.
 - f. Proposal for academic courses.

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- g. Proposal for training of the local staff and knowledge sharing/transferee.

7. Evaluation and Selection of a Private Partner

Expression of Interest (EOI) will be called from private sector with facilities to provide, fund and maintain an andrology laboratory, IVF & ICSI Laboratory, sperm bank and embryo bank.

Prospective private partners can be invited to present their requirements / business models through paper advertisement which can be evaluated in the best interests of the UH-KDU to be on-par with UH-KDU *ethos*. Factors that can be considered in the evaluation of proposals are as follows:

1. Qualifications, training, and experience of technical staff (Specially the Clinical embryologist) brought in by the private partner (to work in the laboratories).
2. Existing partnerships, collaborations with Sri Lankan or International healthcare institutions or ART/ Andrology centres. Special consideration will be given for collaborations with Sri Lankan institutes.
3. Existing partnerships or active contribution for currently running recognized, postgraduate certification programmes.
4. Evidence of success rates.
5. Evidence of level of expertise.
6. Evidence of level of experience.
7. Quality assurance certificates.
8. Total investment proposed by the investor.
9. Profit sharing ratio for UH-KDU.
10. Due consideration will be given to similar projects done in the past (experience, expertise, success rate etc).
11. The financial stability / sustainability of private partner.
12. The project proposal including the proposed business plan submitted by the investor.



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Following selection of the most suitable proposal an agreement can be entered into between the UH-KDU and the private partner in line with management guidelines at UH-KDU and currently available government guidelines on PPP and Board Of Investment (BOI) projects.

8. Summary of duties of UH-KDU and the Private Partner

UH-KDU - Duties	Private Partner - Duties
<ol style="list-style-type: none">1) UH-KDU should provide the private partner with a dedicated room/s to setup the above.2) UH-KDU should allow the private partner to make necessary modifications if needed for the smooth functioning of the above	<ol style="list-style-type: none">1) The private partner would be expected to provide services in the supply chain with collaboration of the staff of UH-KDU involved in the subfertility unit. The UH-KDU University staff will be planning the treatment as required and as per their expertise.

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<p>specified sections in 1.</p> <p>3) The UH-KDU will provide the infrastructure facilities (space and utilities such as electricity, water, Wi-Fi and telephone etc).</p> <p>4) Specialist expertise to provide clinical services for assessment, investigation and treatment of patients.</p> <p>5) The management team will oversee functions of the unit and will convene once a month. The Executive Director of University Hospital, KDU (ED/ UHKDU) has provision to call a meeting at any time if the need arises.</p> <p>6) Obtaining temporary registration from SLMC for foreign trainees and trainers would be facilitated by UH KDU.</p>	<p>2) Establish and maintain an up-to-date embryology laboratory, andrology laboratory, sperm bank and egg bank that is in line with international standards.</p> <p>3) Provision of laboratory services (including technical staff and consumables) will be entirely by the private partner except the specialist expertise.</p> <p>4) Should provide necessary modifications or installations to the embryology lab, andrology lab, sperm bank and egg bank when appropriate.</p> <p>5) The private partner should contribute for workshops/training programmes with UH-KDU staff and world experts utilizing links of university staff academia.</p> <p>6) The private partner should train the staff of UH-KDU regarding all the aspects of ART/ Andrology enabling them to run the unit by their own.</p> <p>7) Private partner should ensure quality control of laboratory services.</p>
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9. Format for Submitting Required Information.

A – General Information	
A-1 Information of the partners	Information of the partners, consortium or JV involved in the project (Name, Mailing address, Contact number, Fax, E-mail, contact person) (Ref to section 3 – “Qualification required “ and 4 “Evaluation and selection of a private partner “ of the document
A-2	Audited Financial record of all involved partners for last 2 years (2022 and 2023) - The principle partner, or as a joint venture should have
A-3	Responsibilities, roles and duties of partners, alligning with the project implementation, project objectives and duties of the Private Partner (Ref. to section 07 of this document; Summary of duties of UH-KDU and the Private Partner
A-4	Experiances of the partners in relation to their Responsibilities, roles and duties


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A-5	<p>A partner may be a private entity or a government-owned entity or any combination of such entities with the intent to enter into an agreement supported by a letter of intent or under an existing agreement in the form of a joint venture, consortium or association (JV). In the case of a JV:</p> <ol style="list-style-type: none"> 1. All partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms, and 2. The JV shall nominate one of the partners who shall have the authority to conduct all business for and on behalf of any and all the partners of the JV during the Bidding process and, in the event the JV is awarded the Contract, during Contract execution. This shall be evidence by submitting a Power of Attorney signed by legally authorized signatories of all the partners.
A-6	Name of the local Representative (Name, Mailing address, Contact number, Fax, E-mail, contact person)
A-7	Legally valied proper authorization letter by the local Reprasantative
A-8	Documents to prove experience, registration, finacial viability of the local representative (These documents will be considered at the evaluation)
A-9 Currency	Currency – Any type of currency accepted by the Central Bank – Sri Lanka. However, LKR shuld be accepted for the local patient related transactions.
A-10 Language of the EOI	Language of the EOI – The EOI, as well as all correspondence and documents relating to the project exchanged by the partner and the Employer, shall be written in the English language. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages in the English language, in which case, for purposes of interpretation of the EOTs, such translation shall govern.
A-11	Cost of EOT (Proposals) – The partner shall bear all costs associated with the preparation and submission of its EOIs, and the Employer shall not be responsible or liable for those costs, regardless of the conduct or outcome of the process.
A-12 Communication	<p>Communication with UHKDU</p> <ol style="list-style-type: none"> 1. From the time of advertisement to the time of Contract award, if any partner wishes to contact the Employer on any matter related to the Bid, it should do so in writing. 2. If a partner tries to directly influence the Employer or otherwise interfere in the EOI submission and evaluation process and the Contract award decision, its EOI may be rejected.
A-13 Specific experience	During the last five (05) years partner or consortium must have successfully completed at least two (02) implementations of similar nature, with a value of Sri Lanka Rupees one hundred million (LKR 50 Million) or equivalent.


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A-14 Financial Resources	The partner/ consortium or JV must demonstrate access to or availability of financial resources such as liquid assets, un-encumbered real assets, line of credit and other financial means, other than any Contractual advance payments to meet the cash flow requirement of Sri Lankan Rupees One Hundred Million (LKR 100 million) or equivalent, and net of the Bidder's other commitments for this project.
A-15 pre-Bid meeting	A pre-Bid meeting which potential Bidders will be held on 3 Rd June 2024 at the DMS Conference Hall, University Hospital – Kotelawala Defence University (UHKDU) at 9.30 H. Attending the pre-bid meeting is not-mandatory.
A-16 Project completion and security	The partner, JV should provide a Security in the form of a Bank Guarantee, issued by a commercial bank approved by the Central Bank of Sri Lanka, to a value of Sri Lankan Rupees Five million (LKR 05 million) and it shall be valid for a period of one (01) year from the date of offering the project. The Party is expected to complete the project with 6-month period from the date of the offer.
A-17 Intellectual Property	The ownership of brand name should be equally shared between the partners.
A-18 Employer's Right	The Employer reserves the right to accept or reject any Proposal (EOI), at any time prior to Contract award, without thereby incurring any liability to partner, JV without specifying any reason.
B – Detail Proposal with the business and operational plan (The plan should explain the the project managemnt, Training of the staff, Supplychain management, marketing, expected revenue and profit etc. in detail)	
B1	The Business plan should clearly indicate followings <ol style="list-style-type: none"> 1. Business plan for next 3 years with predicted revenue, profit, mechanism of profit sharing, way of manging financial risk etc. 2. The business plan should presented with monthly brekdown. 3. Assurance given by the partner to achive the predicted number of cases and income. 4. If the predicted number of cases are not received, how to minimize the risk for UHKDU.
B2	List of service to be offered with selling prices in LKR
B3	Humen resource mangement plan including, organogram, total staff recrited by Parivate Partner, the salary structure of the staff, the responsible entity of manging human resources in Sri Lanka, Legal responsibility of the staff recruited, training program/ schedule of the staff etc.
B4	Deailed marketing plan indicating followings, <ol style="list-style-type: none"> 1. Responsible party for marketing indicating the responsibilities of the private partner and UHKDU 2. Budget allocation for the marketing for initial 24 months. 3. Marketing stragery.
C – Details of the investment by the private partner (The total investment plan indicating the followings)	


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C-1	The total investment expeted to done for the project by the party.
C-2	Brake down of the investment plan, indicating milestones.
C-3	The responsible party for each category or items should be clearly indicated if any.
C-4	The expectation from the UHKDU if any.
C-5	List of instrument to be purchased, import.
C9	Conditions of the loan agreed

Any Other Relevant Information	
Employer’s Right to Accept Any EOI, and to Reject Any or All EOIs	The Employer reserves the right to accept or reject any Bid, and to annul the Bidding process and reject all Bids at any time prior to Contract award, without thereby incurring any liability to Bidders without specifying any reason. In case of annulment, all Bids submitted and specifically, Bid securities, shall be promptly returned to the Bidders.
Performance Security	<ol style="list-style-type: none"> 1. Within twenty-eight (28) days of the receipt of notification of award from the Employer, the successful partner shall furnish the performance security in accordance with the General Conditions, subject to ITB 42.4, using for that purpose the Performance Security Form included in Section V (Contract Forms), or another form acceptable to the Employer. 2. The performance security should be Ten (10%) of the offered contract value. 3. The performance security will be released only after bringing the total investment to UHKDU.

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