Turkey

HEALTHCARE OVERVIEW

Q1 2014

Accelerating success.
Introduction

The healthcare system in Turkey is being developed under the 2003 – 2013 Health Transformation Program. The purpose of this program is to increase the quality and efficiency of the healthcare system and enhance access to healthcare facilities with the introduction of a number of reforms.

With an estimated population of 76 million residents and an annual growth rate of 1.8%, the Turkish healthcare sector caters to a rapidly growing population, and the concurrent increasing demand on the healthcare sector.

According to the Turkstat data, 49.3% of the Turkish population is below the age of 30.

The largest quintile age group within the Turkish population lies between the ages of 30 to 34 years, accounting for 8.5% of the total population.

Males represent a higher share across the younger age groups, yet females dominate the older age groups, starting from the 55 - 59 year age group, which evidently indicates a higher life expectancy.

Approximately 44% of the population in Turkey is centralised in 8 provinces. The most populated province is Istanbul with 18.3% of the population.

The Healthcare sector in Turkey is primarily managed by the Government through the Ministry of Health (MoH), universities and other semi-public organisations.

Nevertheless, the government has been encouraging the private sector to invest in the healthcare sector and gain a wider role, which consequently resulted in the number of private hospitals reaching 503 in 2011, compared to 271 private hospitals in 2002.

The number of beds per 1,000 population has been consistently increasing over the past decade, reaching 2.54 in 2011.

Between the period of 2000 – 2011, the number of doctors (including dentists) has reached 147,128 achieving a CAGR of 3.5%.

During the same period the number of nurses has reached 124,982, achieving a CAGR of 5.5%.

The overall supply of healthcare facilities struggles to keep pace with the burgeoning population, a situation recognised by the Government who have recently introduced initiatives to encourage the private sector to match the shortfall and benefit from this potentially lucrative sector.

The Turkish health insurance industry sector underwent a consolidation process during the 2006 – 2008 period, in order to merge the existing providers under one centralised umbrella, Sosyal Sigortalar Kurumu (“SSK” or Social Insurance Organisation), and provide efficient coverage for all citizens.

Total expenditure on healthcare (public and private) in Turkey remained slightly under 6% of GDP between 2004 and 2007. In 2010, the ratio has increased slightly to 6.3% according to the Ministry of Health.

Colliers International Healthcare Overview provides a brief snapshot of the key factors impacting the Turkish Healthcare sector and its future outlook.
1. Economic Overview of Turkey

1.1 ECONOMIC PERFORMANCE

The Turkish economy has demonstrated strong fundamentals over the past decade, achieving positive indicators, compared to its neighbouring markets.

The Turkish government increased its efforts following the global financial crisis to attract private investors into the services and infrastructure sectors through establishing initiatives and incentive programmes that support their PPP policies.

Accordingly, the government provided various tax and non-tax incentives to foreign investors, in line with those provided to domestic companies. These include customs and VAT exemptions on various imported or locally delivered goods, including machinery and equipment, as well as priority regions offering incentives such as free land and energy support. Investors are also able to benefit from R&D support and market research with the aim of encouraging exports and increasing the competitiveness of Turkish firms in international markets.

Following the global financial crisis, the Turkish economy recovered from a –4.8% contraction in 2009 to achieve positive growth in subsequent years due to the aforementioned stimulating policies and procedures.

The Turkish economy achieved GDP growth of 2.2% in 2012, surpassing developed economies such as Japan, Brazil, UK and even the EU average.

As of the second quarter of 2013, the Turkish economy achieved actual growth of 4.5%, surpassing the IMF initial estimates which were set at 3.1%.

The general government budget deficit was realized at 2.0% in 2012, satisfying the Maastricht criteria of 3.0% and outperforming 18 EU economies in the process.

Since 2002 the GDP per capita in Turkey has tripled from USD3,492 to USD10,504 in 2012.

The inflation rate was 7.4% in 2013, According to the Ministry of Economy in Turkey, declining from 10.6% at the end of 2011.

The debt-to-GDP ratio in Turkey is one of the healthiest in the world, currently standing at a sustainable 36.1%, compared to higher ratios exhibited by several developed economies such as Germany, England and France.

The unemployment rate dropped to 8.8% in 2013, compared to 10.1% at the end of 2012, in accordance with positive economic performance.

According to the World Bank, Turkey has the fifth largest qualified labour force amongst the EU countries, after Russia, Germany, England and France.

In recent years, the Turkish banking sector has taken an increasingly large role in brokering major project finance deals, benefiting in many cases from its increasingly liquid balance sheets.

Nevertheless, in spite of the declining interest rates to record low levels, the Turkish central bank interest rate is still high in comparison to most European countries as the Central Bank holds off matching monetary-policy tightening, prevalent in other developing countries.

In conclusion, following a temporary economic slowdown in 2009, the Turkish economy started recovering from 2010, and is expected to grow by a CAGR of 7.9% (real GDP) during the 2013 – 2015 period.

Impact on Healthcare: The overall positive performance of the Turkish economy ultimately fares positively on its healthcare industry. Anticipated increase in GDP growth rates supported by the government’s efforts to establish a transparent market, will assist in strengthening the market fundamentals and encourage private sector investment from both; the local market and increased FDI in the coming years.
2. Demographic Overview of Turkey

2.1 DEMOGRAPHIC ANALYSIS

Turkey is one of the highest growing populations in Europe. According to Turkstat, the Turkish population will stand at 76.6 million by the end of 2013, achieving an overall growth of 1.4%.

Turkey’s population growth rate currently ranks third across Europe, following Ireland and Cyprus, as opposed to various developed countries that are shrinking such as Germany, Russia and an EU average of 0.16%.

Males in Turkey constitute 50.2% of the total population, the majority of which belong to the 30 – 34 year age group, a category between Generation X (1965 – 1980) and Generation Y (1981 – 2000). The population below the age of 34 years accounts for 58.9% of the total population in Turkey (Refer to Exhibit 6).

Turkey is currently witnessing massive urbanisation, accompanied by the current demographic breakdown and the imminent generational shift over the upcoming decades is set to further increase the presence of lifestyle diseases within the Turkish society.

The rapidly growing young population is one of the key factors driving demand for the real estate and healthcare sectors along with the dynamics of the average household size.

The Rise of Generation X, Y & Z and the resultant Impact on Healthcare Demand

*Lifestyle diseases (also sometimes called diseases of longevity or diseases of civilization interchangeably) are diseases that appear to increase in frequency as countries become more industrialised and people live longer. They can include Alzheimer’s disease, atherosclerosis, asthma, some kinds of cancer, chronic liver disease or cirrhosis, Chronic Obstructive Pulmonary Disease, Type 2 diabetes, heart disease, metabolic syndrome, chronic renal failure, osteoporosis, stroke, depression and obesity.

*Some analysts maintain a distinction between diseases of longevity and diseases of civilization. Certain diseases, such as diabetes, dental care, and asthma appear at greater rates in young populations living in accordance with the “Western Lifestyle”; as their increased exposure is not related to age, so the terms cannot accurately be used interchangeably for all diseases.

Consequently, as the profile of the Turkish population shifts from “baby boomers” towards a dominant younger demographic, the need for healthcare services both in terms of disease patterns and type of healthcare services, is expected to radically transform (Refer to Exhibit 7).
3. Healthcare Sector Overview

3.1 KEY PLAYERS

- **Ministry of Health (“MoH”):** Approximately 57.8% of all hospitals in Turkey are owned and operated by the MoH *(Refer to Exhibit 8).* These hospitals provide basic healthcare services, as well as specialised facility centres.

- **Other Governmental Organisations:** Health treatment in other government and quasi organisations is effectively free for (government) employees, typical organisations would include The National Guard, Ministries of Defence and Aviation and the Royal Commission.

- **Private Sector:** Private hospitals account for the second largest share in the Turkish Healthcare market, with 503 hospitals in 2013 experiencing consistent growth since 2002, with governmental support.

- **Other:** This sector includes hospitals owned by the Ministry of Defence, municipalities and other public institutions. Total number of hospitals within this category has been experiencing a drop since 2002, with 45 hospitals in 2013 compared to 61 hospitals in 2002.

A family practitioner service has been in place since early 2005 aiming at the avoidance of unnecessary hospital visits and the improvement of primary care, especially in rural areas. Under the scheme, a family general practitioner (GP) will function as a gatekeeper to the healthcare system. However, due to lack of sufficient trained GPs, the full implementation of the system is expected to take longer.

3.2 BUDGET ALLOCATION

Total expenditure on healthcare remained slightly under 6% of GDP between the period of 2001 and 2006. The ratio increased slightly starting from 2007 reaching 6%, above some other developing countries at the time such as China (4.7%), India (5%) and Russia (5.3%).

In 2009, following the global economic crisis, the allocated budget decreased as a nominal sum yet the government resorted to increasing the healthcare share out of its GDP to 6.7%.

The healthcare expenditure as a share of GDP remained constant throughout the subsequent years, whilst the economy was swiftly recovering, which resulted in an allocated budget of USD 52 billion in 2011, compared to USD31.4 billion in 2006.

The GDP share for healthcare currently remains steady at 6.7%, supported by increasing governmental revenues.

Turkey’s healthcare spending as a percentage of the GDP of 6.7% is one of the lowest when compared to some of the developed neighbouring countries, yet the budget share significantly exceeds GCC allocations.

### Exhibit 10: Healthcare Spending as % of GDP (Turkey vs. EMEA)

- **% of GDP**
  - **Developed Nations** (Turkey vs. EMEA)
  - **GCC**
    - USA: 17.7%
    - Holland: 11.9%
    - France: 11.6%
    - Canada: 11.3%
    - Sweden: 9.9%
    - UK: 9.6%
    - Ireland: 9.6%
    - Hungary: 8.7%
    - Qatar: 18%
    - Oman: 2.3%
    - Kuwait: 2.7%
    - UAE: 3.3%
    - KSA: 2.7%
    - Bahrain: 3.8%

*Source: UNDP 2012, Colliers International 2013*
3.3 KEY HEALTHCARE INDICATORS

Comparing the healthcare indicators of Turkey to other developed countries such as the US, UK and Germany, demonstrates there is a shortage of doctors, nurses and beds in Turkey. (Refer to Exhibit 11).

Despite increasing numbers of physicians in recent years, Turkey currently holds the second lowest number of physicians per capita among all OECD countries.

Respectively, there is also a significant shortage of nurses in Turkey, with 1.7 nurses per 1,000 population, significantly below the average across neighbouring countries.

In order to address the shortage in hospital beds, the government has increased its effort to attract private investors.

The number of beds per 1,000 population currently stands at 2.5 beds, which lags behind various European markets; such as France (6.6 beds) and Germany (8.3 beds).

Exhibit 11 Key Healthcare Indicators (per 1,000 people)


3.4 HOSPITALS & BED CAPACITY

There are currently over 1,453 hospitals, both within the public, university, private and other sectors providing various healthcare facilities and treatment throughout Turkey (Refer to Exhibit 12) with a total capacity of 194,504 beds.

The MoH has almost 58% of the total existing hospitals in Turkey and approximately 62.4% of the overall beds in the market, with an average of 144 beds per hospital.

However, the university hospitals account for only 4.5% hospitals, yet have 17.9% of the overall beds in the market, with an average of 228 beds per hospital.

The private sector hospitals account for 34.6% of total hospitals, whilst possessing only 16.3% beds of the overall beds in the market, with an average of 63 beds per hospital.

Overall, the average beds per hospital, for all types of hospitals across the Turkish healthcare market, currently stands at 134 beds per hospital (Refer to Exhibit 13).
3.4 HOSPITALS & BED CAPACITY (CONTINUED)

An analysis of the bed capacity at hospitals in Turkey reveals that the total number of beds at MoH hospitals increased from 107,394 in 2002 to 121,297 in 2011.

While university hospitals and the private sector hospitals bed capacity increased from 26,341 and 12,387 to 34,802 and 31,642 respectively during the same period.

Other Hospitals run by the Ministry of Defence and municipalities have experienced a considerable decrease, during the same period, dropping from 18,349 beds in 2002 to 6,757 beds in 2011.

As presented below, the total number of hospital beds in Turkey increased from 164,471 in 2002 to 194,504 beds in 2011, with a CAGR of 1.9% over a period of ten years, whilst the total number of hospitals increased from 1,156 in 2002 to 1,453 in 2011, a CAGR of 2.6% during the same period.

As of 2011, the bed capacity at MoH hospitals is by far the largest across the healthcare market in Turkey, accounting for 62.4% of cumulative hospital bed supply in Turkey.

Exhibit 15: Growth of Hospital Beds in Turkey (2005 - 2011)

3.5 PATIENTS VOLUME

The number of outpatients is considerably higher than inpatients. This is in line with the nature of outpatient treatments which are less than a day long with a high percentage of cases consisting only of consultations.

According to the latest data available, out of the total 337.8 million patients, almost 96.6% were outpatients compared with only 3.4% accounted for as inpatients (Refer to Exhibit 16).

In 2011, the average annual rate of visits per capita to MoH hospitals was 3.4 visits, whilst the overall average annual rate of visits per capita across all healthcare sectors (MoH, University and Private) was at 4.5 visits.

The average length of stay across all healthcare sectors (MoH, University and Private) in 2011 was 3.9 days, which is significantly lower than neighbouring markets and developed nations around the world such as Japan (18.2 days), Germany (9.5 days), UK (7.7 days) and France (5.7 days).

The average bed occupancy rate across all healthcare sectors (MoH, University and Private) in Turkey was at 65.5% in 2011, rising from 59.4% in 2002.

Exhibit 14: Breakdown of Hospitals in Turkey by Specialty

Exhibit 16: Inpatients / Outpatients Analysis

Source: Ministry of Health 2010, Colliers International 2013

Source: Ministry of Health 2010, Colliers International 2013
4. Overview of Health Insurance in Turkey

4.1 MARKET OVERVIEW

In 2007, legal measures mandated that all citizens of Turkey would have access to free primary care, even if they are not covered under the social security system.

With the legislative changes unifying the three different social security and health insurance schemes (SSK, Bag-Kur and Emekli-Sandigl) into one unified social security institute, the Social Security Institute of Turkey (SSI) was established in 2006.

The SSI was accompanied by a law and the establishment of the Universal Health Insurance Fund (UHI Fund).

Concurrently, a claims and utilization management system called MEDULA has been established to process claims for all the health insurance funds including the Green Card system.

Exhibit 17: Key Milestones in Turkey’s Health Insurance Sector

4.2 PRIVATE HEALTH INSURANCE GROWTH

Recent regulatory amendments in 2010 facilitated the rapid expansion of the private health insurance system in Turkey, with the introduction of the semi top-up insurance which allowed private hospitals to apply a higher surcharge ratio.

During the 2005 – 2011 period, the private health insurance market experienced rapid growth with a CAGR 14.1%, reaching 2.2 million private insurance policies in 2011.

Group policies represented 60% of the total issued policies in 2002, as opposed to 36.3% in 2011. The change in market composition is attributable to the exponential development of the individual policies market, which grew at a CAGR of 14.1%, reaching 1.4 million private insurance policies and controlling 63.7% of the private healthcare demand in 2011.

It is expected that the industry will continue to grow over the upcoming period with market fundamentals already set in place, along with the governments initiative to further improve healthcare coverage for the Turkish population.
5. Healthcare Investment Environment in Turkey

5.1 MAJOR HEALTHCARE TRANSACTIONS (2007 – 2011)

During the 2007 – 2011 period there has been a total of 82 concluded transactions across the Central and Eastern European Region with a total value of approximately USD 5.6 billion.

Turkey ranked second, following Poland, in terms of transaction share with 28%, yet ranked first in transaction value with 46.9% of the total transactions value across the Central and Eastern European Region.


<table>
<thead>
<tr>
<th>Year</th>
<th>Transaction</th>
<th>Investor Origin</th>
<th>Transaction Value (USD Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>Acibadem Healthcare Group</td>
<td>Malaysia</td>
<td>1,230</td>
</tr>
<tr>
<td>2008</td>
<td>Goztepe-JFK Hospital</td>
<td>Acibadem</td>
<td>40</td>
</tr>
<tr>
<td>2010</td>
<td>Ananya Can Hospital</td>
<td>Turkey</td>
<td>N/A</td>
</tr>
<tr>
<td>2011</td>
<td>An-Deva Hospital</td>
<td>Memorial Healthcare Group</td>
<td>63% N/A</td>
</tr>
<tr>
<td>2011</td>
<td>Arkaz Healthcare Group</td>
<td>Turkish PE Fund</td>
<td>51% 40</td>
</tr>
<tr>
<td>2010</td>
<td>Memorial Healthcare Group</td>
<td>Argus Capital, QFIB</td>
<td>UK/Qatar 40% 120</td>
</tr>
<tr>
<td>2010</td>
<td>Mesa Hospital</td>
<td>TOBB ETU</td>
<td>Turkey 100% N/A</td>
</tr>
<tr>
<td>2010</td>
<td>Dunya Gaz Hospital</td>
<td>NBK Qatar</td>
<td>30% N/A</td>
</tr>
<tr>
<td>2010</td>
<td>Ozel Konur Hospital</td>
<td>Acibadem</td>
<td>Turkey 50% N/A</td>
</tr>
<tr>
<td>2010</td>
<td>Medical Park</td>
<td>The Carlyle Group</td>
<td>USA 40% 110</td>
</tr>
<tr>
<td>2009</td>
<td>Ihsane Hospital</td>
<td>Bayindur</td>
<td>Turkey 100% N/A</td>
</tr>
<tr>
<td>2008</td>
<td>International Hospital</td>
<td>Acibadem</td>
<td>Turkey 40% 33</td>
</tr>
<tr>
<td>2008</td>
<td>Salata Group</td>
<td>Hygeia</td>
<td>Greece 50% 48</td>
</tr>
<tr>
<td>2008</td>
<td>Cezar Gaziosmanpasa Hospital</td>
<td>Bankt Group</td>
<td>Turkey 50% N/A</td>
</tr>
<tr>
<td>2006</td>
<td>Acibadem Healthcare Group</td>
<td>Almond Holding (Abraaj Capital)</td>
<td>UAE 32% 444</td>
</tr>
<tr>
<td>2007</td>
<td>Acibadem Healthcare Group</td>
<td>Almond Holding (Abraaj Capital)</td>
<td>UAE 22% 163</td>
</tr>
<tr>
<td>2007</td>
<td>Italian Hospital</td>
<td>Universal Hospitals Group</td>
<td>Turkey 100% 35</td>
</tr>
<tr>
<td>2001</td>
<td>Nur Medical Centre</td>
<td>Acibadem Healthcare Group</td>
<td>Turkey 100% 8</td>
</tr>
<tr>
<td>2007</td>
<td>Mentekeley Medical Surgery</td>
<td>Acibadem Healthcare Group</td>
<td>Turkey 51% 8</td>
</tr>
</tbody>
</table>

Source: Mergermarket; Colliers International Research 2013

Out of the aforementioned 23 transactions that were concluded during the 2007 – 2011 period, 19 transactions have been made public whilst 4 transactions managed to retain confidentiality in regards to the affiliated parties.

The Turkish healthcare sector has managed to successfully attract major international Private Equity funds such as; the Carlyle Group and Abraaj Capital.

5.2 RISK ANALYSIS – TURKISH HEALTHCARE PPP PROGRAMME

The Healthcare PPP in Turkey has gained pace in the recent past but is still relatively unproved over the long term. The following risks have been identified in completed transactions:

i. Programme coverage seems to be one of the issues facing the sector, with bidders doubtful of progress of PPP transactions outside the main cities of Ankara and Istanbul.

ii. Despite concessions being set at 25 years, yet refinancing in Turkey currently poses as a risk with the current maximum loan tenor at 12 years.

iii. Failing to match the size, complexities and compatibility of PPP transactions with bidders for tendered projects, increases the risk of completion and consequently the approvals of project financing.

iv. The Turkish Lira represents significant currency risk with the majority of the infrastructure debts set in USD in a high inflation region; even local bankers have expressed some concern, bringing into the spotlight the long term risk of active PPP projects.
Colliers International Healthcare Insights (CIHI)

The Turkish healthcare market remains sternly fragmented, yet it is foreseeable that the consolidation of the market is set to become the way forward during the upcoming period with the larger chains seeking to further benefit from the economies of scale and enhanced efficiency that occurs as a result of a wider geographical coverage and increased brand value.

**Healthcare Providers:**

- The Ministry of Health is currently the main healthcare provider in Turkey with 57.8% of the hospitals under their management.
- Private sector hospitals have been consistently growing over the past decade, becoming the second largest market shareholder, with the support of the growth in private medical insurance and increasing FDI into Healthcare.
- In the last 20 years the region has experienced gradual decrease in mortality and an increase in the fertility rates which are expected to gradually change the demographic structure of the region over the next 20 years.

**Population Growth:**

- Turkey is one of the highest growing populations in Europe; according to Turkstat, the Turkish population will stand at 76.6 million by the end of 2013, achieving an overall growth of 1.4%, ranking third after only Ireland and Cyprus.
- In the next two decades, as the current young population of Turkey ages, there is likely to be a sharp rise in healthcare demand as almost 80% of a person’s healthcare requirements typically occurs after the age of 40 – 50 years.

**Lifestyle Related Diseases:**

- There is a considerable increase in lifestyle related diseases, such as diabetes, hypertension, obesity, heart (cardiovascular) and kidney (dialysis).
- Presently, the private sector plays an important role in providing care for these diseases, however, the government needs to take an active role in prevention through educating people and offering preventive services.

**Healthcare Expenditure:**

- Turkey’s healthcare spending as a percentage of the GDP of 6.7% is one of the lowest in the region when compared to some of the developed neighbouring countries.
- In addition, Turkey has one of the lowest rates healthcare spending per capita, lagging behind neighbouring healthcare markets, which is one of the challenges that need to be addressed.

**Shortage of Hospital Beds:**

- The number of beds per 1,000 population currently stands at 2.5 beds, which lags behind various EU countries; such as France (6.6 beds) and Germany (8.3 beds).
- Overall, the supply of healthcare facilities struggles to keep pace with the burgeoning population, a situation recognised by the government who have recently introduced initiatives to encourage the private sector to match the shortfall and benefit from this potentially lucrative sector.
- The present shortage of beds which is growing with time, can be overcome by funding from the private sector to establish new hospitals both in the Public and private sectors, as well as, improving and expanding existing facilities through PPP initiatives, subject to mitigating the existing risks.

**Quality of Service:**

- A rising number of private hospitals are actively seeking accreditation from international organizations such as JCI, to increase their competitive value.

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**KEY STATISTICS**

- **Population** 76 million in 2013
- **1.4% annual population growth rate**
- **60% of the total population under 34 years age group**
- **US$ 1,160 per capita healthcare expenditure in 2011**
- **US$ 51 billion, total healthcare expenditure in 2011**
- **6.7% healthcare expenditure as a % of GDP**
• Other Shortages in the Healthcare Sector:
  o The most significant cost for healthcare providers is qualified medical staff.
  o Despite the consistent growth in numbers of physicians, nurses and beds over the
    past decade, the Turkish healthcare market remains significantly lagging when
    compared to neighboring healthcare markets.
  o Additionally, the proposed bill to limit physicians to working in only one single
    sector is destined to increase the load on the existing situation.
  o It is noteworthy that the annual Number of Medical School Graduate in Turkey is
    around 4,500 compared to an EU average of 14,000 graduates.
• Regulatory Environment:
  o Recent regulatory amendments facilitated the rapid expansion of the private
    health insurance system in Turkey. It is expected that the industry will continue to
    grow over the upcoming period with market fundamentals already set in place,
    along with the governmental will to further improve healthcare coverage for the
    Turkish population.
• What Next:
  o The healthcare sector in Turkey is going through a swift change and most of the
    governments in the region are encouraging private sector investment in this
    sector, either direct investment or through Public Private Partnership (PPP).
  o There has been a significant number of healthcare transactions over the past five
    years, proving the increased appetite from local and regional PE funds to invest in
    such resilient sectors.
  o All these factors provides an opportunity for private healthcare operators and
    service providers to enter into a market which offers unlimited potential for growth.
  o In order to fund growth, healthcare operators are likely to evaluate untracking
    wealth from existing assets such as its real estate component and its fast
    depreciating healthcare equipment.
  o The sale and leaseback vehicle is a relatively straightforward transaction that
    requires appropriate valuations for both developer and operator to succeed. High
    expectations and unsustainable valuations remain the key deal breakers.
  o The need for healthcare operators to focus on distinguishing and unique selling
    points is apparent within a highly competitive and sensitive market. Careful
    planning is required to ensure appropriate strategies are employed for successful
    entrance into the highly complex healthcare market in Turkey.

Exhibit 22: Challenges and Opportunities in the Turkish Healthcare Sector

Positive Factors

• Positive population CAGR of 1.4% which exceeds the majority of EU nations, yet lags behind GCC economies.
• Introduction of centralised health insurance, ensuring wider and efficient coverage
• Low numbers of existing beds per 1,000 compared to neighbouring markets, presenting an opportunity for further growth
• The presence of a Privatisation & Public Private Partnership (PPP) program
• Government’s commitment to healthcare industry improvements

Source: Colliers International Analysis 2013
Feasibility Studies; Due Diligence; Investment Memorandums (IM)
- Conducted over 50 Feasibility Studies, Investment Memorandums & Due Diligence for; new projects, Financing & Refinancing, & Merger & Acquisitions:
- Countries: UAE, KSA, Qatar, Egypt, and Ecuador
- Total Number of Beds (2010-2012): 5,000 plus
- Mixed Use Healthcare Parks (2010-2012): 5 with a total BUA of 5+ million sqft
- Total BUA of All Healthcare Projects (2010-2012): 10+ million sqft

Land; Property; Business Valuation
- Conducted over 20 Hospital Valuations for; end of year Audit, Financing & Refinancing, Merger & Acquisition:
- Countries: UAE, KSA, Qatar, Egypt, and Oman
- Total Number of Beds Valued (2010-2012): 1,200 plus beds
- Mixed Use Healthcare Parks (2010-2012): 5 with a total BUA of 5+ million sqft
- Total BUA of All Healthcare Projects Valued (2010-2012): 10+ million sqft

Conducted Studies for the Following Specialities (2010-2014)
- General Hospital (20+ Hospitals)
- Maternity & Childcare (10+ Hospitals)
- Polyclinics (5+ Centres)
- Day-care Centre (5+ Centres)
- Trauma & Rehabilitation (5+ Hospitals)
- Wellness / Beauty Centres / Resorts (3+ Centres / Resorts)
- Cardiac (2 Hospitals)
- Paediatric (2 Hospitals)
- Oncology / Cancer (1 Hospital)
- Orthopaedic (1 Hospital)
- Medical College (1 Institution)
- Nursing College (1 Institution)

Operator Search & Selection and Contract Negotiation
- Countries: UAE, KSA, Qatar and Egypt
- Total Number of Beds (2010-2012): 1,000 plus
- Total BUA of All Healthcare Projects (2010-2012): 5+ million sqft

Key Projects:
- 300 bed Hospital in Riyadh
- 200 bed Hospital in Abu Dhabi
- 80 bed Hospital in Abu Dhabi
- 100 bed Hospital in Dubai
- 200 bed Hospital in Sharjah
- 100 bed Hospital in Fujairah
- 100 bed Hospital in Amman
- 2 Healthcare Parks in Amman
- 1 Healthcare Park in Jeddah
- 1 Healthcare Park in Riyadh
- 1 Healthcare Park in Cairo
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