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CONSTRUCTION AND OPERATION OF A GUARDED PRISON

I. General project information

Project	Design, construction, financing and operation (DBFO) of a new guarded prison with the capacity of 500 inmates that will meet European standards in the Rapotice area.
Public authority	Ministry of Justice and Prison Service of the Czech Republic
Strategy	<p>The Authority's strategic goal is to align with European standards and foreign practice in prison infrastructure, including related auxiliary services. The Authority wishes to:</p> <ul style="list-style-type: none">▪ solve the problem of crowded prison facilities and increase the accommodation capacity for prison inmates,▪ verify the possibility of cooperation with the private sector in PPP projects in the field of prisons as a standard tool for satisfying the needs of prison services.
Project aim	In the form of a PPP project, provide for the infrastructure and related services of a guarded prison with an accommodation capacity of 500 inmates with the following allocation of activities: the private partner will design, build, finance and operate the prison for a defined period of time. The Prison Service will determine the service specifications and provide for the guarding of the inmates.
Project description	<p>The facility's capacity has to be sufficient for the application of all recent observations in the field of execution of punishments/imprisonment. One of the project's goal is to provide accommodation for prison inmates with the maximum capacity of two inmates per room, to enable their employment, to provide them with some room for cultural programs and their interests (study rooms, workshops, work-out room), provide catering and individual self-service activities.</p> <p>The accommodation capacity has to meet European standards, i.e. 6 sq. m of accommodation space per person. The room structure has to be such that 75% of the accommodation capacity will be single rooms and 25% double rooms. Each room has to be equipped with a toilet and a basin. The inmates will be divided into groups of about 25 persons in which specific treatment approaches are applied. Each group has to have a common room and showers. The prison facility has to include:</p> <ul style="list-style-type: none">▪ check-in and release section and section for the execution of disciplinary punishments,▪ healthcare facility (general practitioner's office, dentist's office),▪ administration building for the staff's activities, locker rooms and sanitary facilities as well as other operation premises used for garages, storage and release of materials,▪ lodging house for the staff – prison service personnel,▪ production halls with the possibility of employment of 60% of inmates. <p>The facility has to be enclosed with a 5m high concrete wall and a 3.5m high internal fence. External and internal security signaling system has to be designed in the scope specified in the internal procedures of the Prison Service of the Czech Republic.</p>
Status	<p>At the beginning of 2006 an advisory consortium was selected, consisting of Delloitte CZ, Atkins s.r.o. and the law firm Havel&Holásek, v.o.s. The consortium started working in April 2006 officially.</p> <p>The OBC was approved by Government Resolution No. 605 on 21st May 2008.</p> <p>The private partner (concessionaire) selection process should be started in 2009 and should be finished in 2010, when construction should also begin.</p>
Capital value	The investment costs of the current option are CZK 1.1 billion.

II. Envisaged characteristics of the PPP project

Note

The information contained below (*) is just a preliminary projection made by the Authority and shall not be in any case deemed as binding. The final information will be specified in cooperation with the advisor.

PPP form*

DBFO (Design, Build, Finance, Operate) with transfer to the state.

Contract duration*

Contract duration is estimated at 25 years.

Risk transfer*

The private partner should bear the key risks, especially service availability, project, building, financial and operating risks.

Payment mechanism*

The Authority will regularly pay a service availability fee for the provided services. Some of the income can come from profits generated from the sales of the inmate's products.

Project schedule*

Year	2007				2008				2009				2010				2011			
Activities / quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Preparation of Outline Business Case (OBC)																				
OBC approval																				
Selection of concessionaire																				
Execution of Project Agreement																				
Construction commencement																				
Operation commencement																				

** A valid schedule containing the subsequent steps has not been approved yet.

PPP Centrum
Czech Republic

PPP Centrum is a center for PPP implementation in the Czech Republic; it is fully owned by the Czech Republic and reports to the Ministry of Finance. A representative of PPP Centrum is a member of the Steering Committee.

Contact

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