



TUNISIA
PPP 2018



19



Location:
Mahdia



Company:
Société d'Etudes et
d'Aménagement de la
Sebkha Ben Ghayadha



Mission: Development
of the city of Mahdia



Cost:
N/A



Pipeline of PPP projects in Tunisia

Site development, sanitation and enhancement of Sebkha Ben Ghadaya-Mahdia

General project presentation

The objective of this project is to improve sanitation and to boost the social and economic development of the City of Mahdia by implementing a new environmentally-friendly tourist district on its South-West coastline.

Project aims at:

- Cleaning up a stagnant brackish water lagoon
- Preparing the Land for urban development (service infrastructures and utilities)
- Establishing a new integrated tourist area around a 26 ha lagoon

Legal and institutional framework

Creation of the Study and Development Company Sebkha Ben Ghayadha in Mahdia on 22/03/2018. Public Limited Company capitalized at 1.6 Million Dinars on the tutelage of the Ministry of Infrastructures, Housing and Territorial Development (MEHDT) and mandated for:

- Performing all technical, economic, legal, and financial studies necessary for project area development.
- Configuring and adjust all plans and programmes related to project planning.
- Seeking investors for the implementation of the project under Public-Private Partnership.
- Contacting International Organizations for finding the necessary financial support to finance project studies in the framework of International cooperation.
- Performing all tasks related to the development of the Company.
- Taking all actions and responsibilities that facilitate the tasks assigned to the company.
- Promoting real estate.
- Performing all commercial, financial and land transactions directly related to indirectly to the aforementioned objectives that facilitate the development of the company.

Functional scope of the project

- Innovative and eco-compatible investments concerning the development of the project area for ensuring a strong attractiveness of the destination for a diversified tourism;
- Sustainable development around a new model of a more environmentally-friendly based tourism economy, more ethical and more respectful of the environment, heritage and culture, structured around the networking of an "economic cluster of actors".

Technical studies: achieved, on-going or to be performed

Land preparation works have been performed through a 2-phase engineering programme that ended in 2018:

- 1st phase (2007-2011): Creation of 26 ha lagoon (2/4m depth), of its stabilized embankments and of the main service road for the area
- 2nd phase (2016-2018) opening of the lagoon to the sea and construction of stream regulation systems (non-return shuttles). This phase is completed.

Next project phases are to comprise:

- A set of social, economic, environmental, spatial, technical and financial feasibility studies aimed at formulating an overall tourism development strategy, including tourism targets.
- An overall operational programme, comprising:
 - **A quantified description of Mahdia current situation** with regard to employment and infrastructure gaps and potential for the development of new tourist activities;
 - **A description of an appropriate strategy and the selected priorities for attaining the development objectives** and for triggering the economic development of Mahdia
 - **A Frame of Reference for a human resource strategy** servicing the project and improving the local labour market;
 - **A frame of reference for environmental improvements** concerning both natural and cultural heritage, as well as the establishment of an environmentally-friendly sustainable urban development

- **An urban development framework programme,**
- **Appropriate indicators and targets;**
- **Consistency demonstrated with National policies** (environment, competition, public procurement etc.);
- **An indicative financial table** with the financial contribution from National and International Public Granting, Loans from International organizations and the provisional funding from the Private sector;
- **A description of the management and control arrangements** that have been set up for the implementation of the project;
- **An account of partners consultation steps and the arrangements and provisions for their involvement;**
- **An outline of the arrangements for monitoring and evaluation;**
- **Publicity and promotion actions for the project.**



Challenges (technical, social, economic or others)

Approach	Challenges
Sectoral	<ul style="list-style-type: none"> ▪ Promote space-saving urban development ▪ Seaside and cultural tourism, at the heart of development, possibility for ensuring a mix between tourism accommodation products and housing ▪ Promote urban and inter-urban mobility and a balance between transportation modes, including specific links with the railway station ▪ Use the project for strengthening historical/traditional activities and diversify the economy ▪ Comprehensive and effective joint management of the project
Integrated	<ul style="list-style-type: none"> ▪ Multiple and sustainable economic development ▪ Consistent social and economic development of the territory ▪ Co-produce shared and exemplary sustainable development
Environmental	<ul style="list-style-type: none"> ▪ Adaptation and fight against climate change through bio-climatic urban development and architecture ▪ Integrated urban project benefitting to Mahdia's population and to tourists

Summary PPP feasibility study of the project

International benchmarks

The table below illustrates some Partnerships models between Government and private sector in real estate development activities similar to Sebkhya ben Ghayadha project.

Country	Development	Contracting model
Dubai	Dubai Parks and Resorts, Jebel Ali	Concession City of Dubai has appointed Meraas holding as Master developer to develop the whole park. Tabreed signed a long term concession agreement with Meeras, to provide 45,600 RT of cooling. The contract for design, procurement, construction and commissioning services for facility was awarded to SNC-Lavalin Gulf Contractors, at a value of C\$37.0 million.
	Dubai Design District	BOO Empower, a subsidiary of the Developer (TECOM Investments) secured a contract to provide up to 120,000 RT of capacity to the project, boosting the company's portfolio by ~12.0%. The facility is to be funded from Empower's own balance sheet.
Kingdom of Saudi Arabia	Jabal Omar development (Holy City of Mecca)	BOOT: Central District Cooling Company (CDCC), a special purpose vehicle owned by Saudi Tabreed (60%) and the Jabal Omar Development Company (40%), entered into a 20 year BOOT agreement for the construction of a 55,000 RT project in 2011. The expected cost of the project was SAR 500 million. SNC-Lavalin was contracted by CDCC for the design, procurement, construction and commissioning of the facility.
Qatar	Lusail city Marina District	EPC (turnkey) contract: Marafeq Qatar, a subsidiary of Qatari Diar, designed, managed and supervised the project. The BUTEC/ADC Joint Venture was selected for the design, procurement, construction and plant commissioning of the project. Drake & Scull Engineering won a \$29.9m contract for the design and build of the plant.

Conclusion and recommendations

1. Project still to be **programmed**
2. Formulation of an overall **tourism development strategy**, combining standard high-level seaside tourism and eco-tourism, based on the cultural heritage and traditions of Mahdia and its surroundings
3. Implementation of a **new tourist integrated area** based on an environmentally-friendly bio-climatic cross-sector urban development programme, as the result of the tourism development strategy
4. **Avoid** the implementation of a **standardized project**, based on common and poor international urban trends and architecture: project is to be consistent with the memory and spatial features and heritage of Mahdia as well as with a high environmental quality
5. Avoid the establishment of a touristic compound **disconnected** from Mahdia by creating sound physical and functional links with the city

