



MedCost SA

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Joining Forces to Revitalize Derna

A proposal for collaboration
with the **Strabag Group**

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EXECUTIVE SUMMARY

Derna, a historic city in eastern Libya, was devastated by floods in September 2023, resulting in widespread destruction, loss of life, and displacement. The Libyan government, recognizing the magnitude of the disaster and recognizing the need for international cooperation, has approached MedCost SA, our Swiss international agency company based in Geneva, to identify a suitable partner for the reconstruction of Derna.

Over the last decade, our team has had extensive experience in representing prominent public figures and government officials from the Middle East in diverse international affairs. As we recently joined hands to form MedCost SA in Geneva, our business and network has been continuously expanding to cover a large spectrum of areas including legal affairs, real estate, trade, medical and financial services. Our core activity lies in identifying and engaging top-tier service providers to fulfill the diverse challenges of our clientele, while unburdening the customers from the complexities of managing multiple points of contact and navigating through intricate international processes.

As a leading construction company with a proven track record of success in complex and challenging projects, we truly believe that Strabag is uniquely qualified to play a pivotal role in the reconstruction of Derna. Your company's global presence, vast resources, and commitment to sustainability align perfectly with the goals of the project. For this reason, we believe that your expertise and experience will be invaluable in helping Libyan authorities to rebuild the city.

We understand the valid concerns that this proposal may raise regarding Strabag's history with Libya, and therefore openly express our commitment to make the legal and financial arrangements required by Strabag to ensure its collaboration. Furthermore, this proposal aims to offer your company multiple options regarding the manner in which it wishes to take part in the reconstruction of Derna, be it as the lead contractor or in a supervisory role.

PROJECT OVERVIEW

The reconstruction of Derna will be a complex and multifaceted undertaking, requiring significant resources, expertise, and strategic planning. The city's infrastructure, including damaged roads, bridges, and utilities, must be restored to ensure the basic needs of its residents are met. This includes rebuilding homes, schools, business areas, healthcare facilities and other civil infrastructure.



Figure 1: Satellite views of Derna after and before the flooding

It is crucial to address the root causes of the disaster by improving dam infrastructure and drainage systems with flood-resistant design elements as well as reassessing urban development areas. Nonetheless, the project should not only restore the damage but also create new economic opportunities for the region. This includes supporting the local economy through better infrastructure that encourages more tourism and attracts new investments.

Sustainable and environmentally friendly practices should be at the forefront, with the use of sustainable materials, energy-efficient buildings, and water conservation measures. The reconstruction masterplan should also enhance urban planning and livability by pedestrianizing certain areas, creating green spaces, and improving public, private and commercial transportation.

COLLABORATION PROPOSAL

Prior to any reconstruction efforts, a thorough assessment of the damage is essential. For this mandatory step we propose two options:

- Strabag can send its own personnel to Libya in order to conduct the damage assessment.
- Strabag provides comprehensive analysis requirements to MedCost, which orchestrates the assessment with local or external consultants.

Once a comprehensive understanding of the damage has been established for Strabag, it will propose a reconstruction masterplan that encompasses all the aspects described in the project overview.

With regards to the construction work, MedCost SA is open to various collaboration models in order to accommodate Strabag's preferences and expertise:

- Strabag can assume the role of lead contractor and oversee the entire reconstruction project, utilizing its expertise, in-house or external resources as it sees fit.
- Alternatively, Strabag can assume a supervisory role, providing strategic leadership and project management expertise, while the actual construction work will be carried out by external or local partners.
- A hybrid approach can also be explored, combining Strabag's global expertise and resources with the local knowledge and capabilities of Libyan companies, as well as any other relevant actor.

Finally, to preserve Strabag's interests and ensure a successful collaboration, we propose that Strabag's work in Libya be safeguarded by the following measures:

- The legal proceedings of this collaboration will be conducted under Swiss-law, where the contracting parties shall be MedCost SA and one of the swiss companies of the Strabag Group.
- At each phase of the project, according to the collaboration model established between both parties, Strabag will receive the full financial compensation for its work in advance.