

GENERAL INFORMATION

Capital: Harare	Population: 15,99 Million (2021)	GDP: USD 28,4 Billion (2021)
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LEGAL AND INSTITUTIONAL FRAMEWORK

PPP Law and other applicable texts	<ul style="list-style-type: none"> - Zimbabwe Investment and Development Agency Act [Chapter 14:37] (ZIDA), repealing and replacing the Ventures Act [Chapter 22:22] - PPP Guidelines dated 2004 are under review by the Government
Other Applicable Sectoral Law	<ul style="list-style-type: none"> - Public Procurement and Disposal of Public Assets Act (Chapter 22:23) (the "Public Procurement Act" or the "PPA"). - Zimbabwe Investment Authority (General) Regulations, 2007 (SI 160 of 2007). - Public Procurement and Disposal of Public Assets (General) Regulations) (SI 5 of 2018) (the "Public Procurement Regulations", and together with the Public Procurement Act, the "Public Procurement legislation"). - Zimbabwe Public Investment Management Guidelines (November 2017) (the "PIM Guidelines"). - The Electricity Act of 2002 - Energy Regulatory Act 2011 - The Water Act of 1998 - Zimbabwe National Water Authority Act 1998 - National Energy Policy 2012
PPP Unit (ZIDA, Section. 34)	<ul style="list-style-type: none"> - Public Private Partnership Unit of the Agency ("PPP Unit") under the Zimbabwe Investment and Development Agency. - Public Private Partnership Committee ("PPP Committee").
Definitions (ZIDA, Fourth Schedule (Section 2 and 35)	<p>ZIDA defines a "PPP agreement" as one "between a contracting authority and a counterparty, . . . [where . . .] (a) the counterparty undertakes to perform a contracting authority's function on behalf of the contracting authority for a specified period; and (b) the counterparty receives a benefit from performing the function by way of— (i) compensation from funds appropriated by Parliament; or (ii) funds obtained by way of loan by the contracting authority; or (iii) user levies; or (iv) revenue generated from the project; or (v) any combination of the foregoing; and (c) the counterparty is liable for</p>

risks arising from the performance of its function; and (d) public resources may be transferred or made available to the counterparty; and includes [several types of agreements specified within the act]”.

**General Principles
(ZIDA, Section, 34)**

Project proposals should (a) be affordable to the contracting authority (b) provide value for money and (c) provide for the optimum transfer of technical, operational and financial risk to the counterparty and (d) be competitive.

**Tendering and contracting procedures / Choice of the private partnership
(ZIDA, Fourth Schedule)**

ZIDA shall apply Schedule 4, Part II.

- Solicited proposals: the contracting party identifies a potential PPP project, conducts a pre-feasibility and a feasibility study and enters into a competitive bidding process. (Schedule 4, Part II. 3. (1-3))
- However, a contracting party may, subject to prior approval of the Minister, invite formal tenders outside the normal PPP procurement process for cases such as those of a proprietary nature or involving national security. (Schedule 4, Part II. 3. (4))
- Unsolicited bids or expressions of interest must be referred by the contracting authority to the PPP Unit. If the unsolicited bid or expression of interest are acceptable, after having received approval of the Committee, the feasibility study is conducted by the unsolicited bidder (Schedule 4, Part II. 5. (1))

**Project Evaluation
(ZIDA, Fourth Schedule)**

A feasibility study shall be undertaken, or caused to be undertaken, by the contracting authority to assess whether a PPP project is feasible. (Schedule 4, Part II. 4. (1-2))

Negotiation and Signature of PPP Contracts

The Ministry of Finance or Central Budgetary Authority approves the project before signature.

No contracting authority shall award a project or sign a PPP agreement unless the PPP agreement has been approved by Cabinet. If Cabinet has the right to nullify the PPP agreement for causes of national interest, Cabinet approval can be dispensed of (Schedule 4, Part II. 7. (1-2)).

Rights and Obligations of the public partner

No specific provision in ZIDA.

Rights and Obligations of the private partner

No specific provision in the ZIDA.

Obligations of both public and private partners

No specific provision in the ZIDA.

<p>Applicable Law (ZIDA, Part III. Section 11)</p> <p>Dispute resolution (ZIDA, Part VIII. Section 38)</p>	<p>All investments must be established in accordance with, and shall be subject to, the laws of Zimbabwe (Section 11).</p> <p>Investment disputes shall be governed by the laws of Zimbabwe, including where applicable—</p> <p>(a) domestic arbitration as provided in the Arbitration Act, 1996; or (b) any other international arbitration referred to by mutual agreement of the parties.</p> <p>In case of foreign investors, the dispute may also be submitted to the dispute settlement mechanisms provided for in any treaty or agreements on the promotion and protection of investments between Zimbabwe and the country from where the foreign investor originates (Section 38)</p>
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EXAMPLES OF PROJECTS STRUCTURED AS PPP

<p>Power</p>	<p>Uhuru Energy Solar Plant (60 MW)</p> <p>Kupinga small hydropower (1,6 MW)</p>
<p>Roads</p>	<p>Limpopo Toll Bridge</p>
<p>Railways</p>	<p>Beitbridge - Bulawayo Railway</p>