Sample PPP Project Documents, Contracts and Contractual Provisions in FCS

Full Description

Examples of PPP project documents, contracts and contractual provisions that relate to successful PPP infrastructure projects in high-risk environments, in particular FCS, organized by sector and country:

- Power
- Transport
- Water

Power

Haiti

• Renewable Energy Mini-grids

• ??????Request for Proposal for the award of grants and concessions to eligible mini-grid developers for the design, construction and operation of renewable energy mini-grids of September 2019 - This Proposal Concept (PC) form covers the first step of the application process helping the PHARES Program (Programme Hai?tien d'Acce?s des communaute?s Rurales a? l'Energie Solaire) to learn more about the Applicant's organization, its partners and the planned project, focusing on its overall concept and objectives. The PHARES program is developed by the Government of Haiti in close collaboration with the IDB and the WB and aims to increase the access of rural and peri-urban communities to solar energy and in particular to provide access to affordable, accessible sustainable and high quality electricity, through sustainable energy services, through mini-grids using renewable energy, storage and conventional generation units (if necessary), developed and operated by private sector operators. In this mix, at least 50% of the energy produced and consumed must be generated from renewable energy sources. The Program provides subsidies to ensure the sustainability of the services provided and access to these services at affordable cost for the users.

Mali

• Rural Electrification

Model Financing Agreement for Household and Rural Electrification, Mali 2015 - This agreement sets forth the rights and responsibilities of the concession operator and the Malian Agency for the Development of Household Energy and Rural Electrification (Agence Malienne pour le Development de l'energie domestique et de l'electrification rurale, AMADER) in financing a new project. The operator is allowed to provide cash or "in kind" contributions and must provide proof of these contributions within 60 days after the signing of the financing agreement. Article 3 provides a detailed description of when and how AMADER will provide its

grants. AMADER agrees to disburse 25% of its total grant when the operator provides proof of its contribution. The remaining 75% is disbursed according to pre-determined "stages of work.

Solomon Islands

• Tina River Hydropower Development Project - The main aim of the Tina River Hydropower Development Project (TRHDP) is to increase the generation of renewable energy, cut power costs and to move away from the reliance of imported diesel for power. To achieve this, a 15-megawatt hydropower plant will be developed on the Tina River, just outside the capital Honiara. The private partner will design, build, own, operate, and manage the hydropower facility through a build-operate-own-transfer scheme.

Being the first PPP project for the Solomon Islands it required careful coordination of the interests of many stakeholders, including land owners and local community members. The Community Benefit Sharing Program (CBSP) was designed to enhance the positive impacts of the project to the communities in the project area by promoting investment in basic services and infrastructure for the local communities and fostering support and cooperation by the communities towards the success of the project. The Water Supply and Sanitation Subcomponent is designed to fund community investments in water supply and electricity infrastructure as preliminary benefits to the communities before the hydropower operation actually starts generating benefit sharing revenues. It includes a Rural Electricity Program. The Human Resource Component of the CBSP aims to support the members of communities in the project area in accessing employment opportunities to be created by TRHDP during and after construction. A Gender Action Plan (GAP) has been prepared in support of the project. The GAP aims to help ensure that women will have equitable access to project benefits and equitable voice in project-related activities.

The project is described in detail on a <u>website published by the Ministry of Mines, Energy and Rural Electrification</u>. Among the <u>project-related documents</u> published on the site are the Environmental and Social Impact Assessment (2019), the Land Acquisition and Livelihood Restoration Plan (2017), the Gender Action Plan (2017), and the Community Benefit Share Plan (2017), as well as the Community Development Plan (2017).

Transport

Kosovo

• Pristina International Airport Project - Public-private partnership agreement for the Operation and Expansion of Pristina International Airport between the Republic of Kosovo (acting by and through its Inter-ministerial Steering Committee) and Limak Kosovo International Airport J.S.C of August 12, 2010. Under the 20-year design-build-finance-operate-transfer agreement the private partner agrees to build a new terminal building, air-traffic control facilities, and a new apron and associated facilities. The agreement grants the private partner the exclusive right to (i) operate, administer, manage, improve and maintain the airport, both airside and landside, (ii) complete the design for, engineer, procure, finance, construct and complete the airport facilities on the site, (iii) collect, for deposit in the gross revenue account, the regulated fees and charges and the commercial fees and charges, and collect, for deposit in the gross revenue account, all other revenue and income generated by the project during the term of the agreement. In exchange for the right to run the concession, the private partner will pay an annual concession fee of about 40% on average of the annual gross revenues of the airport over 20 years. The concession fee is composed of two fees: Fixed Concession Fee and Floating Concession Fee. The contract includes provisions that are tailored to the fragile situation in the country at the time the agreement was signed, e.g., the force majeure and political event provision.

Water

Benin, Burkina Faso, Mali, Niger

- Affermage contracts for small rural populations
 - A number of examples of affermage contracts (contrats d'affermages) have been developed for FCS in francophone Africa for the provision of water to small rural populations, service provision being provided by the private sector or the water users association or both. A contrat d'affermage is a term of art under the civil code for francophone countries whereby the fermier (farmer) is delegated the responsibility for providing a public service (service public).

Cameroon

- **PPP approach** is built on a triangular relationship between the government of Cameroon, a state-owned company and a tenant farmer that will be organized around two main contracts:
 - Contrat de Concession de Travaux Publics et de Gestion du Patrimoine de l'Hydraulique Urbaine et Periurbaine au Profit de la Camwater (contract of concession and management of infrastructure) for the provision of water services in Cameroon between the government of Cameroon and the state-owned company, Cameroon Water Utilities Corporation (Camwater), which is a state-owned asset holding company in charge of managing the property and rights concerning the drinking water service in urban and suburban areas, and is responsible for the construction, maintenance and management of infrastructure, capture, production, storage and transportation of potable water.
 - Affermage contract (contrat d'affermage) for urban and peri-urban water supply Leasing contract between the government of Cameroon, Camwater, and Camerounaise Des Eaux (CDE), a limited company. The affermage contracts entrusts CDE with the production and distribution of drinking water in urban and suburban areas. The affermage is for a term of 10 years commencing in May 2008 and covers 106 urban and peri-urban centres.
 - <u>Decree no 2005/493 of 31 December 2005</u> lays down the procedures for delegation of public services of drinking water and sewerage in urban and suburban areas and makes provision for the creation of the two companies.
 - The state-owned company Camwater was created by <u>decree no 2005/494 of 31 December 2005</u>. Further legal documents and information are available on the website of Camwater.

Related Content

PPPs in Fragile and Conflict-Affected States (FCS)

Models for Private Sector Engagement in FCS

Success Factors for Private Engagement in FCS

PPP Institutional, Legal, and Regulatory Frameworks in FCS

Sample PPP Project Documents, Contracts and Contractual Provisions in FCS

Case Studies in FCS

Further Reading and Resources on FCS

Additional Resources

Infrastructure in Fragile and Conflict-Affected States