

PPP COUNTRY PROFILE – ZIMBABWE



GENERAL INFORMATION

Capital: Harare	Population: 14,83 Million (2021)	GDP : USD 21,44 Billion (2019)	

LEGAL AND INSTITUTIONAL FRAMEWORK

PPP	Law	and	other	applicable
texts	;			

- 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

- 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)

- 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)

ZIDA defines a "PPP agreement" as one "between a contracting authority and a counterparty, . . . [where . . .] the counterparty undertakes to perform a contracting authority's function on behalf of the contracting authority for a specified period; and [] 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 (v) any combination of the foregoing; and [] the counterparty is liable for risks arising from the performance of its function; and []

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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) Joint Venture agreements shall provide value for money, optimum transfer of technical, operational and financial risk to the counterparty and be competitive.

and contracting Tendering procedures / Choice of the

ZIDA shall apply Schedule 4, Part II.

private partnership

Competitive Bidding Method (Schedule 4, Part II. 3. (1-3) The contracting party identifies a potential PPP project, conducts prefeasibility studies then either directly solicits a proposal from a private party or conducts a competitive bidding.

(ZIDA, Fourth Schedule)

- However, notwithstanding any provision of the act, a contracting party may invite 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 should be referred by the contracting authority to the PPP Unit. If the assessment conducted makes the unsolicited bid or expression of interest acceptable, the feasibility study shall be conducted at the cost of the unsolicited bidder (Schedule 4, Part II. 5. (1))

Project Evaluation (ZIDA, Fourth Schedule)

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

PPP Contracts

Negotiation and Signature of The Ministry of Finance or Central Budgetary Authority approve the project before the signature.

> No contracting authority shall award a project or sign a PPP agreement or award it has been approved by the Cabinet, unless Cabinet has the right to nullify it in the national interest. (Schedule 4, Part II. 7. (1-2)).

Rights and Obligations of the No specific provision in ZIDA. public partner

Rights and Obligations of the No specific provision in the ZIDA. private partner

Obligations of both public and No specific provision in the ZIDA. private partners

Applicable Law

All investments must be established in accordance with, and shall be

(ZIDA, Part III. Section 11)

subject to, the laws of Zimbabwe (Section 11).

Dispute resolution

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(ZIDA, Part VIII. Section 38)

Investment disputes shall be governed by the laws of Zimbabwe, including where applicable—

- (a) domestic arbitration as provided in the Arbitration Act, 1996; or (b) any other international arbitration referred to by mutual agreement of the parties.
- (2) In the 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 which the foreign investor originates (Section 38)

EXAMPLES OF PROJECTS STRUCTURED AS PPP

Power Uhuru Energy Solar Plant (60 MW)

Kupinga small hydropower (1,6 MW)

Roads Limpopo Toll Bridge

Railways Beitbridge - Bulawayo Railway

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