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Law No. 67 for the year 2010

Promulgating the law regulating Partnership with the Private Sector in Infrastructure Projects, Services and Public Utilities

In the name of the People, the President of the Republic, the People’s Assembly has approved the following Law and we hereby enact it:

First Article

The provisions of the attached law apply to partnership contracts with the private sector and related advisory contracts concluded by the Administrative Authorities with the private sector to execute infrastructure projects, services and public utilities as well as in relation to the availability of related services. Such contracts will not be subject to the provisions of Law no. 129 for 1947 concerning concessions of public utilities, and Law no. 61 for 1958 concerning Concessions relating to the investment of natural resources and public utilities, as well as Public Tenders Law no. 89 for 1998 organizing tenders and bids and any specific laws related to granting concessions of public utilities.

Second Article

The Prime Minister will issue the executive regulations of the attached law based on the proposal of the Minister of Finance and the approval of the Cabinet within three months from the date of its enactment.

Third Article

This law will be published in the Official Gazette, and shall enter into effect on the first day of the following month after the lapse of 30 days from the date of its publication.

This law shall be stamped with the State seal and shall be enforced as one of its laws

Promulgated at the Presidency of the Republic on 4th of Gamady Alakherah year 1431 AH corresponding to 18th of May, 2010 AD
Law regulating Partnership with the Private Sector in Infrastructure Projects, Services and Public Utilities

CHAPTER I

GENERAL PROVISIONS

Article 1:

In applying the provisions of this Law, the following words and phrases shall have the meaning assigned to them below:

"Administrative Authorities": Ministries and Service and Economic Public Authorities, and any other public judicial persons designated as such by a decree issued by the Prime Minister.

"Competent Authority": competent Minister, the Chairman of the Authority, or the legal representative of the public judicial person.

"Private Sector": an Egyptian or foreign judicial person in which the Egyptian State owned shareholding is less than 20%, and a consortium between two or more Egyptian or foreign judicial persons in which the State owned shareholding is less than 20%.

"Investor": private sector entity bidding to be awarded a Public Private Partnership contract pursuant to the provisions of this Law.

"Project Company": an Egyptian Joint Stock Company established by a successful bidder, the sole purpose of which shall be to execute a Public Private Partnership Contracts.

"Public Private Partnership Contract" / "PPP contract": a contract concluded between the Administrative Authority and a Project Company under which the Project Company is entrusted to undertake all or some of the activities stipulated under Article 2 of this Law.

"Private Advisory Contract(s)" a contract concluded by the PPP Central Unit, or after the approval of the PPP Central Unit, by a PPP satellite unit at an Administrative Authority, in both cases such units having been established pursuant to Article 16 of this Law, with the transaction advisers who are to undertake the preparation of studies and documents related to the project.

"Operation": management by the Project Company of the project, subject of the PPP contract, in relation to all financial, administrative, and technical aspects, as well as in respect of the supply of products, or provision of services to the Administrative Authority in relation to the project, in return for the remuneration agreed upon in the PPP contract, or according to the conditions and rules determined in the PPP contract.

"Utilization": management by the Project Company of the project subject of the PPP contract in relation to all financial, administrative, and technical aspects, as well as the sale of products, or provision of services related to the project directly to whoever the Administrative Authority specifies, in accordance with the conditions and provisions approved by the Supreme Committee for Public Private Partnership Affairs, and in accordance with the conditions and rules agreed upon in the PPP contract.
Article 2:

Administrative Authorities may enter into PPP contracts pursuant to which a Project Company shall be entrusted with the financing, constructing, equipping and operating infrastructure projects and public utilities, and making their services available or financing and rehabilitating such utilities with an obligation to maintain what has been constructed or rehabilitated, and to provide services and facilities necessary for the project to be capable of production or service provision regularly and progressively throughout the PPP contract duration.

The PPP contract duration shall not be less than five years and shall not exceed thirty years from the date of completion of the construction works and equipping works, or completion of the rehabilitation works, provided that the total value of the PPP contract is not less than one hundred million Egyptian Pounds. However, the Cabinet, based on the recommendation of the Supreme Committee for Public Private Partnership Affairs, may agree to conclude a PPP contract for more than thirty years, if it is required due to a material public interest.

The Project Company shall not start to receive any payments in return for the sale of products or availability of services, in accordance with the performance levels indicated in the PPP contract, until the contracting Administrative Authority issues a certificate accepting the quality level of the works, or products or services available.

Article 3:

In addition to what is stipulated in Article 2, the PPP contract may allow for the Project Company to operate the project, provide the service or the product to the Administrative Authority which will, in turn, provide the service or the product to the end beneficiaries or consumers.

Upon the approval of the Cabinet, based on a recommendation of the Supreme Committee for Public Private Partnership Affairs and in light of the reports prepared by the Public Private Partnership Central Unit, the Project Company may utilize the project and sell the product or provide the service to whoever is specified by the Administrative Authority.

Without prejudice to Article 2 of this law, the PPP contract may include articles concerning its renewal.

Article 4:

PPP projects shall not be tendered except with the approval of the Supreme Committee for Public Private Partnership Affairs, as provided for in Article 14 of this law, based on the request of the Competent Authority in light of the studies prepared under the supervision of the Public Private Partnership Central Unit, provided for in Article 16 of this Law. Such studies will determine the feasibility of the PPP project, guarantee the quality of its production and services, as well as the quality of the utility’s assets and their maintenance, as indicated in the Executive Regulations of this Law.

Article 5:

The contracting Administrative Authority along with other concerned authorities regulating and monitoring the utilities and the services subject of the PPP contract, shall follow up on the Project Company during the construction and equipping of the project, and provision of the products and
services subject of the PPP contract, and shall ensure the fulfillment of quality levels determined by the law; and may, in this regard, designate representatives on its behalf to monitor execution in accordance with the terms and provisions stipulated in the PPP contract and without prejudice to the criteria and monitoring bases set out by law.

If the PPP contract includes the entitlement of the Project Company to operate or utilize the project, the Administrative Authority, in agreement with the Project Company, and under the supervision of the concerned authorities regulating and monitoring the utilities and services subject of the PPP contract, shall form a committee to ensure that the product or services rendered meet the required standards, as well as submitting periodic reports. The Executive Regulations shall specify the committee’s system of work and the reports to be submitted by it.

In the case mentioned above, the Project Company must provide the committee with all required documents, information, or data necessary for the committee to undertake its role and to allow the committee to visit and inspect the sites at any time, in accordance with the provisions of the Executive Regulations of this Law.

**Article 6:**

The Project Company entitled, pursuant to the PPP contract, to utilize the project shall be committed to guarantee that all beneficiaries of products or services provided by the project are treated equally, with regard to the provisions governing the sale of such products or provision of such services.

Whenever the public interest so necessitates, and after the approval of the Competent Authority, the Project Company may decide to provide special treatment for specific categories of beneficiaries who enjoy equal legal rankings, provided that such treatment shall be executed in accordance with general rules determined in advance and provided that within each category all beneficiaries shall be treated equally.

The Project Company shall be responsible for providing compensation against any damages resulting from the violation of the provisions set forth in this Article.

**Article 7:**

The Administrative Authority is entitled to amend the conditions of construction, equipment, rehabilitation and other works as well as the services availability payment agreed upon under the PPP contract. If the PPP contract includes the entitlement of the Project Company to operate or utilize the project, and if required for the public interest, the Administrative Authority has the right to amend the rules of operation or utilization including the sale prices of products or services. These modifications will only take place within the scope agreed upon in the PPP contract and after the approval of the Supreme Committee for Public Private Partnership Affairs, and without prejudice to the right of the Project Company, or the Administrative Authority (as the case may be), for compensation in accordance with the conditions and rules stipulated in the PPP contract.

If the sale price of the product or the services provision payment is amended, such amendment shall not have retroactive effect.

**Article 8:**

In case of the occurrence of unforeseen circumstances after execution of the PPP contract, including amendments to laws or regulations that were enforceable at the time of execution of the PPP
contract, it may be agreed to amend the PPP contract in accordance with the conditions and rules stipulated in the PPP contract.

**Article 9:**

The Administrative Authority has the right, either directly or through a selected third party, to manage the operation or utilization of the project if the Project Company materially breaches its obligations in operating the project or meeting the quality levels set by law or in the PPP contract, and does not remedy such breach, and the lenders do not step in to remedy such breach within the period provided for in the PPP contract from the date of their notification of such breach, without prejudice to the Project Company’s obligation to compensate the Administrative Authority for the damages resulting from such breach.

**Article 10:**

The Project Company shall be committed to preserve the assets related to the operation of the project and its rights, and commits to maintain and care for and use such assets for their intended purposes. The PPP contract shall include provisions regulating the ownership of the project facilities and assets for the PPP contract duration and upon its expiry or early termination.

**Article 11:**

No seizure or executive procedures shall be undertaken with regard to facilities, tools, machinery, or equipment allocated for the implementation of a PPP contract and for the operation or utilization of the project subject of the PPP contract.

Moreover, according to the PPP contract the Project Company shall not sell or arrange any right over the project’s monies, assets, and facilities that are being constructed or rehabilitated, except for the purpose of implementing the replacement and renewal program stipulated in the PPP contract, and only after obtaining the approval of the Competent Authority. However, as an exception to the previous paragraph an arrangement for an accessory real right could be granted to the Project Company for the purposes of financing based on a prior written approval from the Administrative Authority in accordance with the terms mentioned in the PPP contract.

Any procedures or actions undertaken in contradiction with the provisions of this article shall be deemed null and void.

**Article 12:**

The Project Company shall provide the Administrative Authority with its shareholders’ agreements and draft contracts intended to be entered into by it with third parties for the purpose of executing the works and services subject of the PPP contract, in accordance with the procedures and timing specified in the Executive Regulations.

The Administrative Authority shall have the right to object to the conclusion of such contracts within a period not exceeding sixty days from the date of their submission. An objection shall be made in case it is proven that the third party contract counterparties have been previously bankrupted or are subject to liquidation procedures, or have been previously convicted or, in case of a judicial person, whoever legally represents it has been subject to a final court judgment for an immoral crime, or have been struck off the vendor lists of the contracting Administrative Authority or if there are national security considerations that necessitate such objection.
**Article 13:**

The Project Company shall submit to the contracting Administrative Authority periodic reports on the construction, equipping, rehabilitation, maintenance, operation, and utilization works executed by the Project Company in accordance with the PPP contract (as the case may be). The Project Company must also warrant that environmental, health and safety conditions are met for the employees and the beneficiaries of the project.

**CHAPTER II**

**The Supreme Committee**

**For Public Private Partnership Affairs**

**AND**

**The Public Private Partnership Central Unit**

**Article 14:**

A Supreme Committee for Public Private Partnership Affairs shall be formed chaired by the Prime Minister and with the membership of the Ministers of Finance, Investment, Economic Development, Legal Affairs, Housing and Utilities and Transportation as well as the Head of the Public Private Partnership Central Unit. In case of the absence of the Prime Minister, the Minister of Finance shall chair the committee. The Prime Minister may add other ministers to the membership of the Committee.

The competent minister responsible for the PPP project required to be implemented shall join the committee during the consideration and approval process.

A decree shall be issued by the Prime Minister stipulating the committee's structure and the system of work based on the proposal of the Minister of Finance.

**Article 15:**

The Supreme Committee for PPP Affairs is competent for the following:

- Setting of an integrated national policy for the PPP, and identifying the framework, objectives, mechanisms, and targeted scope of the projects.
- Endorsing the application of the PPP structure on projects of Administrative Authorities.
- Monitoring the allocation of financial funds to ensure the fulfillment of financial obligations resulting from the implementation of PPP contracts.
- Issuing the rules and general criteria for the PPP, and endorsing standard PPP contracts for use in different sectors.
e. Endorsing the recommendation of the Competent Authority of the Administrative Authority related to the selection of the contracting party entering into the PPP contract, and approving the conclusion of the contract.

f. Conducting studies and proposing means to provide and develop the market tools necessary to provide appropriate financial structures for PPP projects.

No later than three months from the end of the fiscal year, the Supreme Committee for PPP Affairs shall prepare a report including the results of its activities in respect of infrastructure projects, services and public utilities and the consequential financial implications for the public budget and public debt.

The Minister of Finance shall submit the above mentioned report to the People’s Assembly together with the draft laws related to the budget final accounts.

**Article 16:**

A unit of special nature “The Public-Private Partnership Central Unit” is established within the Ministry of Finance. A decree shall be issued by the Minister of Finance stipulating its structure, and the appointment of its head. The Executive Regulations shall determine the administrative and financial framework of the PPP Central Unit, its relationship to other state organizations and its system of work, its employees as well as their remunerations with no restriction to applicable government regulations in this regard.

Moreover, PPP satellite units within the Administrative Authorities shall be established, whenever necessary. A decree shall be issued by the Competent Authority of the Administrative Authority regarding the structure of such units, their competencies and the system of their work.

The PPP Central Unit shall be competent to provide technical, financial, and legal expertise to the Supreme Committee for PPP Affairs and to the PPP satellite units at the Administrative Authorities. It shall also lay out and follow-up procedures to tender and conclude PPP contracts and their execution, and prepare and publish studies, information, and statistics related to PPP projects, both locally and internationally. The PPP Central Unit also shall be competent for the selection of advisers for the tender of PPP projects and contracting with them in accordance with the rules and procedures stated in the Executive Regulations of this Law.

The PPP Central Unit shall establish an electronic record for all PPP project documentation and also shall be competent to receive, investigate, and provide advice concerning complaints of Investors participating in PPP projects in preparation for submitting such complaints to the Supreme Committee for PPP Affairs.

The PPP Central Unit shall hold independent financial accounts and records listing all amounts allocated by the state to the PPP Central Unit and any financial support received, as well as fees collected from the Project Company in return for services it delivers. The Supreme Committee for PPP Affairs shall determine the specified percentage of fees and method of their payment with a cap of 0.5% of the total PPP contract value.

The PPP Central Unit may, after the approval of the Minister of Finance, provide its expertise in terms of preparing technical, financial, and legal studies, propose legislations and bylaws, and assisting in establishing the necessary administrative bodies that are required by local or foreign entities. The approval of the Minister of Finance shall state the financial returns to be charged by the unit.
**Article 17:**

The endorsement of application of a PPP structure to projects of an Administrative Authority shall be by virtue of a decree issued by the Supreme Committee for PPP Affairs at the request of the Administrative Authority, and after the presentation of the PPP Central Unit's recommendations concerning the project. The Executive Regulations of this law shall detail the necessary procedures.

Administrative Authorities that are interested in obtaining an endorsement on the application of the PPP structure on any of their projects must provide the PPP Central Unit with all information necessary for the preparation of its report and recommendations.

**Article 18:**

An Administrative Authority that has received an endorsement on the application of the PPP structure to its projects must take into account the application of the PPP Central Unit's recommendations in all its procedures. The publication of any advertisements or documents related to the tendered projects; including expressions of interest, prequalification invitations, information memorandums, and invitations to bid shall be done after obtaining the approval of the PPP Central Unit. The convening of committees to determine criteria and qualification, or to receive and evaluate bids shall not be valid unless a representative of the PPP Central Unit is present.
CHAPTER III
TENDERING AND AWARDING PROCEDURES

Article 19:

The Investor selection is subject to the principles of publicity, transparency, free competition, equal opportunity and fairness, in accordance with the rules and procedures stipulated in this Law and its Executive Regulations.

All published advertisements for bids and preparation for PPP competitions shall be undertaken in coordination with the PPP Central Unit in the manner prescribed by the Executive Regulations.

Article 20:

A “Prequalification Committee” shall be formed by decree issued from the Competent Authority of the Administrative Authority, including technical, financial and legal expertise. The committee members should include one or more representatives of the PPP Central Unit and a representative of the PPP satellite unit at the Administrative Authority, if any. The Executive Regulations shall determine the jurisdiction and system of work of such committee.

Disqualified Investors can object to the Prequalification Committee's decision. An objection shall be submitted to the PPP Central Unit to study and issue its binding decision. The Executive Regulations of this Law shall determine the dates and procedures for objections to the Prequalification Committee's decisions and procedures for their investigation and resolution.

Article 21:

The Administrative Authority in coordination with the PPP Central Unit may invite qualified Investors for private preliminary meetings and sessions to discuss issues related to the project specifications and initial preliminary conditions. All enquiries and replies shall be made available to all qualified Investors.

A qualified Investor may stipulate that the Competent Authority of the Administrative Authority may not disclose any confidential data related to its reservations or its economic or financial expectations. Dealing with qualified Investors shall be in a manner that secures equal opportunity and fairness.

The Competent Authority of the Administrative Authority may decide to reconsider a project's specifications and preliminary conditions based on the aforementioned meetings and sessions without affecting the prequalification criteria and before issuance of invitation to bids.

Article 22:

The Competent Authority of the Administrative Authority, with the prior approval of the PPP Central Unit, may decide that the submission of technical and financial bids shall be made in two phases. The first phase shall be a non-binding offer that shall include the broad outlines of the technical and financial bid followed by a competitive dialogue phase, according to provisions of Article 23 of this
Law. In the second phase, final bids shall be submitted, based upon which the final evaluation will take place.

The Executive Regulations stipulates the provisions and procedures for bidding over two phases.

**Article 23:**

The Administrative Authority, together with the PPP Central Unit, may hold a competitive dialogue with the qualified investors who submitted their non-binding offers based on the prior approval and under the supervision of the Supreme Committee for PPP Affairs in order to obtain explanations for the contents of the technical and financial elements. These dialogues will be with each bidder on an individual basis.

Such dialogue shall take place on the basis of equality amongst the qualified Investors. The confidentiality of the discussions and disclosed information shall not be violated. The Executive Regulations shall stipulate the rules and procedures for managing such dialogue.

**Article 24:**

The Administrative Authority, in coordination with the PPP Central Unit, shall prepare the tender documents related to the project. The tender documents shall include, in particular, the following:

a) general information related to the project required for the preparation and submission of bids;

b) project specifications, as well as technical and financial conditions that should be met in the bids;

c) final product specifications, level of services, and specifications of the final product, performance indicators and the main requirements of the Administrative Authority and the Authorities with the power to regulate and monitor utilities and services subject of the PPP contract regarding criteria for safety, security, environment preservation and others;

d) Basic heads of terms for the PPP contract in addition to other supplementary agreements while identifying non-negotiable conditions;

e) Determination of the method and basis for comparison amongst the bids. In case the score points evaluation system is chosen, the evaluation criteria and basis for technical and financial comparison amongst the bids shall be specified. In addition, the score given to each criteria and the method by which it shall be applied to evaluate the bids shall be identified as well.

f) Documents, forms and dates that should be considered and fulfilled in the bid;

g) Bid security value and calculation method for the performance security;

The Executive Regulations shall stipulate the rules and regulations for preparing the tender documents.

**Article 25:**

A committee including technical and financial experts shall be formed by a decree issued by the Competent Authority of the Administrative Authority. The committee shall set the basic costs for the project “the estimated value” in case the project was executed through public procurement by the
Administrative Authority. The committee shall prepare a report about its work that includes the principles followed to estimate such costs and to determine their value. The report shall be placed in a sealed envelope signed by all of the committee members.

The PPP Central Unit shall review the basic costs for the project and adds to it the financing costs, quantified risks and burdens that would be borne by the Private Sector in order to execute the project. The PPP Central Unit shall submit its report with the new estimate called “the public sector comparator” to the Supreme Committee for PPP Affairs for approval. The public sector comparator shall then be placed in a sealed envelope signed by the head of the PPP Central Unit and shall not be opened until after the financial envelopes for technically accepted bids are opened.

The Executive Regulations of this Law shall determine the basis to be followed in setting the estimated value and the public sector comparator.

Article 26:

The Administrative Authority, after the approval of its Competent Authority on the final tendering documents, shall send invitations to qualified Investors to draw the tender documents against the value specified for them based on the rules stipulated by the Executive Regulations.

Article 27:

The Bids shall be submitted in two closed envelopes; one for the technical offer and the other for the financial offer. The technical envelope must include detailed input to meet the level of service or product specifications for the project according to the requirements specified in the tender documents. Only the financial envelopes of technically accepted bids shall be opened. The Executive Regulations of this Law shall stipulate the rules and procedures related to the submission of bids, opening of envelopes, and documents and data that must be included in each envelope.

Article 28:

A consortium of more than one qualified Investor may submit a bid. The bid shall be submitted under the name of the consortium unless it is stipulated in the tender documents that qualified Investors must submit their bids individually.

In case of a bid submitted by a consortium, none of the members of such consortium shall submit another bid directly or indirectly, individually or through another consortium, or through a company in which it owns the majority of its equity, or has control over its management, or if such member’s ownership or management is controlled by one of these companies, unless otherwise stipulated in the tender document. Any submitted bid inconsistent with the provisions of this paragraph shall be deemed null and void.

Article 29:

A committee shall be formed by a decree of the Competent Authority of the Administrative Authority from technical, legal, and financial experts to receive bids and study them technically and financially. The Executive Regulations of this Law shall stipulate the committee’s competencies and its system of work and ranking of accepted technical bids and the identification of bids to be disqualified. Amongst its members, the committee must include a representative from each of the Legal Advice Department of the State Council, the Ministry of Finance, and the PPP Central Unit. The committee may assign to sub-committees formed from amongst its members or other experts chosen by the committee, the study of the technical, financial, and legal aspects of the submitted bids, and the
extent of their compliance with declared conditions and specifications, as well as evaluation of bids that are compliant. Such sub-committees shall submit reports setting out the results of their work and recommendations to the committee responsible for receiving bids and studying them, and evaluating the compliant bids, in accordance with the evaluation criteria set out in the tender documents, to ensure the most economically advantageous benefit to the state. Each bid shall be given an evaluation grade according to the method identified in the request for submission of final bids and the tender documents. Based on this grading the technically accepted bids shall be ranked.

Article 30:

Bids that are non-compliant with the conditions and specifications set out in the tender documents shall be disqualified. Technical bidders with qualified bids shall be invited to attend the session for the opening of the financial envelopes. The most economically advantageous bid amongst the technically accepted bids shall be awarded the project; after working out the comparative balance for the financial and technical elements of the bid set out in the tender documents. The Executive Regulations of this Law shall provide the rules for the evaluation of the bids in relation to both technical and financial aspects.

Article 31:

Negotiations with the successful bidder may take place with regard to some clarifications and details pertaining to the technical and financial terms. These negotiations shall not impact any contractual conditions stipulated in the invitation to bid as non-negotiable conditions, or conditions in respect of which there were no reservations raised by the bidder in its submitted bid. No amendments will take place to the technical and financial terms resulting in the reduction of terms included in the bid and based upon which the bid has been evaluated.

Article 32:

The tender procedures shall be cancelled if the project in its entirety is dispensed with or if cancellation is required for the public interest. Moreover, the tender may be cancelled in the following cases:

a. if only one bid is submitted or if there is one bid left after disqualified bids are excluded;

b. if all bids, or most of them, are associated with reservations that are incompatible with the tender conditions and specifications, or that are difficult to evaluate financially;

c. if the value of the lowest bid is unjustifiably higher than the public sector comparator endorsed by the Supreme Committee for PPP Affairs.

The cancellation in such cases shall be by virtue of a decree issued by the Competent Authority of the Administrative Authority based on the recommendation of the committee responsible for receiving and studying the bids and based on a previous approval from the Supreme Committee for PPP affairs. The decree must include reasons for its issuance. Bidders shall not claim any compensation for a decision to cancel a tender, except for a percentage of bidding expenses incurred by bidders whose technical bids were qualified, in accordance with the provisions of the Executive Regulations.

The Executive Regulations shall identify cases and limits where only one bid or a bid whose value is higher than the public sector comparator, may be accepted.

Article 33:
The successful bidder must establish a company the "Project Company" the sole purpose of which shall be to execute the project. The Executive Regulations of this Law shall stipulate the conditions that must be fulfilled by the Project Company and the cases in which the Project Company may execute other PPP contracts subject to the approval of the Supreme Committee for PPP Affairs. It shall also determine the cases in which a performance security must be provided and the basis for its estimation and method of payment.
CHAPTER IV

SUBSTANTIVE PROVISIONS

OF THE PPP CONTRACT

Article 34:

The PPP contract must include, in particular, the following:

a. the nature and scope of works and services that the Project Company must carry out as well as the conditions for their implementation;

b. the ownership of the project’s funds and assets, the obligations of parties related to the handover and receipt of the project site, and the provisions for ownership transfer at the end of the project;

c. the responsibility of obtaining authorizations, permits, and approvals;

d. mutual financial obligations and their relation to the funding mechanism;

e. the product sale price or the service availability payment on which the project is based, and the rules for its determination and amendment, either by an increase or decrease, as well as the method of adjusting it for inflation indexes and changes in interest rates, if required;

f. means of quality assurance and quality control, and supervision as well as administrative, financial, and technical monitoring of the project Operation, Utilization, and maintenance;

g. regulating the right of the Administrative Authority to amend the conditions of the project’s construction, equipment, maintenance, operation, and utilization and other obligations of the Project Company, in addition to the basis and mechanisms of compensation for such amendments;

h. types and amounts of insurance on the project, and the risks of its operation or utilization, and executive warranties issued in favor of the Administrative Authority, and provisions and procedures for their release;

i. determination of the basis of risk allocation in respect of change in law, sudden accidents, force majeure, or discovery of antiquities, as the case may be, and the resultant compensation;

j. PPP contract duration, cases of early or partial termination, and the rights of the related parties;

k. cases where the Administrative Authority has the right to unilaterally terminate the PPP contract, as well as the financial obligations resulting from the use of such right;

l. regulation of handing over the project at the expiry of the PPP contract duration, or in case of unilateral, early or partial termination of the PPP contract.
Article 35:
The PPP contract shall be subject to the provisions of the Egyptian Law. Any contrary agreement shall be deemed to be null and void.

After the approval of the Supreme Committee for PPP Affairs, it may be agreed to resolve disputes resulting from the PPP contract through arbitration, or any other non judicial means of dispute resolution according to what was stipulated in the PPP contract.

Article 36:
The Project Company shall not be dissolved or its legal structure changed, or its capital reduced unless there is an approval from the Competent Authority of the contracting Administrative Authority.

The articles of incorporation of the Project Company shall include a prohibition on the transfer of its shares prior to the date of completion of the construction, equipping, or rehabilitation works, and the transfer of shares owned by the majority of the equity holders of the Project Company after such date, unless a prior written approval is granted by the Competent Authority of the Administrative Authority.

In all cases, pledge of the Project Company shares shall not take place except for the purposes of financing or refinancing the PPP project. Any procedure or action that is inconsistent with the provisions of this article shall be deemed to be null and void.

Article 37:
Without prejudice to Articles 7 and 8 of this Law, any articles of the PPP contract or its supplementary agreements shall not be amended unless approved by its parties. If the obligations of the contracting Administrative Authority are related to financial obligations of any other Administrative Authority, such amendment shall not be effective unless there is a prior written approval from such authority.

The Project Company shall not waive the PPP contract or any of its rights or obligations thereunder except for the purpose of financing and after a prior written approval from the Competent Authority of the contracting Administrative Authority. Any agreements inconsistent with the provisions of this article shall be deemed to be null and void.

Article 38:
The contracting Administrative Authority is entitled to enter into direct agreements with the project's financing institutions and the Project Company, to regulate the method of payment of the financial obligations of the Administrative Authority to the Project Company and the financing institutions. Such agreements may include a provision whereby the Ministry of Finance guarantees the Administrative Authority's payment of its contractual financial obligations. Such agreements shall include a provision regulating the right of the financing institution to step in and assume the role of the Project Company in executing the provisions of the PPP contract, or to appoint a new Investor after the approval of the Competent Authority in case the Project Company defaults in either performing its material obligations, or meeting the quality levels established by law or in the PPP contract, in a manner that entitles the Competent Authority to terminate the PPP contract.
Article 39:

A petition committee shall be formed chaired by the Minister of Finance and with the membership of two deputies to the President of the State Council to be selected by the President of the State Council, and the Head of the PPP Central Unit, as well as a non-government member expert to be selected by the chairman of the committee.

The petition committee shall be competent to consider all petitions and complaints submitted by Investors during the procedure of tendering, entering into and executing PPP contracts.

If the subject matter of the petition is an administrative decision, the petition shall be made within thirty days from the date of its notification of the decision or of becoming aware of such decision. A claim for the cancellation of such decision shall not be accepted before a petition is filed.

The Executive Regulations shall provide for the procedures of considering and settling petitions. The decision of the petition committee shall be final and binding.