

GENERAL INFORMATION

Capital: Addis-Ababa	Population: 108.4 million (2018)	GDP (USD): 90.00 Billion (2020)
-----------------------------	---	--

LEGAL AND INSTITUTIONAL FRAMEWORK

PPP Law	Public Private Partnership Proclamation No. 1076/2018 (Feb 2018).
Other Applicable Sectoral Law	The Ethiopian Federal Government Procurement and Property Administration Proclamation No. 649/2009 (GPPAP Act, 2009)
PPP Unit	No dedicated PPP Unit. PPP are launched, implemented and governed by relevant line Ministries.
Definition (Chapter 1, Part 2 of PPP Proclamation, 2018)	The PPP Proclamation defines a PPP as a contract concluded between the Contracting Authority and a Private Party setting forth the terms and conditions of the Public Private Partnership.
General Principles (Chapter 1, Part 3 of PPP Proclamation, 2018)	This Public Private Partnership Scheme shall have the following objectives: 1) to create a favorable framework for promoting and facilitating the implementation of privately financed projects to support Ethiopian economic growth; 2) to enhance transparency, fairness, Value for Money, efficiency and long-term sustainability; 3) to improve quality of Public Service Activity; and 4) to maintain macroeconomic stability by reducing growth in public debt.
Tendering and contracting procedures/ Choice of the private partnership (Chapter 1, Part 6 of PPP Proclamation, 2018)	The Contracting Authority for a Public Private Partnership shall be the Public Entity legally mandated to be responsible for the infrastructure service to be delivered by way of the Public Private Partnership. In the event that a Public Private Partnership project involves infrastructures and/or services which are the responsibility of more than one Public Entity, the Board shall among Public entities select the appropriate Contracting Authority for this specific project. The Contracting Authority shall select the form of contract which reflects the desired allocation of risks and responsibilities for each agreement.
Project Evaluation (Chapter 4, Part 28 of PPP Proclamation, 2018)	1) Unless provided otherwise in the request for proposals, the PPP Directorate General shall not open the financial

Last update: 15 July 2020

Proclamation, 2018)	proposal unless it has opened and deemed the technical proposal to be responsive.
	2) The PPP Directorate General shall compare and evaluate each proposal in accordance with the evaluation criteria, the relative weight accorded to each criterion if applicable and the evaluation process set forth in the request for proposals.
Negotiation and Execution of PPP Contracts (Chapter 8, Part 39 of PPP Proclamation, 2018)	The PPP Directorate General may engage in direct negotiation in respect of a Public Private Partnership, upon approval by the Board, only where the specific conditions are satisfied.
Rights and Obligations of the public partner (Chapter 10, Part 48 of PPP Proclamation, 2018)	Without prejudice to relevant laws, the Project Agreement shall specify, as appropriate, which assets are or shall be public property and which assets are or shall be the private property of the Private Party.
Rights and Obligations of the private partner (Chapter 10, Part 49 of PPP Proclamation, 2018)	The Contracting Authority or other Public Entity under the terms of the law and the Public Private Partnership Agreement shall make available to the Private Party or, as appropriate, shall assist the Private Party in obtaining such rights related to the project site, including title thereto, as may be necessary for the implementation of the project. The Private Party may possess land and use it for the purpose of the implementation of the project. The restrictions in terms and tenure of land and bidding system shall not apply on land that is covered under the project.
Obligations of both public and private partners	No provision in the Law.
Applicable Law/ Dispute resolution (Chapter 10, Part 61 of PPP Proclamation, 2018)	Any disputes between the Contracting Authority and the Private Party shall be settled through the dispute settlement mechanism agreed by the parties in the Project Agreement. Notwithstanding any contrary provision in any existing law, the Project Agreements may provide for settlement of disputes through arbitration or any other forms of alternative dispute resolution mechanism.

EXAMPLES OF PROJECTS STRUCTURED AS PPP

Energy	Daewoo Aysha 60MW Wind Farm Corbetti 1,000 MW Geothermal Power Project Encom 30MW Temporary power plant Aggreko 30MW Temporary power plant
---------------	---



PPP COUNTRY PROFILE – ETHIOPIA



**Information and
Communication
Technology**

Ethio Telecom

Last update: 15 July 2020

www.alsf.int / ppp.worldbank.org