

- A CA submits unsolicited proposals and an evaluation report(s) to the PPPD for approval;
- After evaluating an unsolicited proposal and any competing proposals a contracting authority may request the original proposer to match up with the best comparable competing proposal, accept the unsolicited proposal and reject any competing proposals, accept the unsolicited and the competing proposals or reject unsolicited proposal and accept a comparable competing proposal if the contracting authority determines that the comparable competing proposal is the most advantageous to the Government.
- A contracting authority may then assign the preferred bidder status based on the selected proposal and make recommendations to the PPP Department on what the generic risk sharing principles for the project should be and the grounds for entering into negotiations with the preferred bidder.

Preferred Bidder Status, Negotiation and Finalisation

- The PPP Department shall review the recommendations and evaluate the proposed award in liaison with the PPP Technical Committee, prior to submission of a recommendation for preliminary award of preferred bidder status to the PPP Council.
- A contracting authority shall not enter into negotiations with the preferred bidder prior to been granted authority by the PPP Council, in respect of the generic risk sharing principles for the project and the grounds for entering into negotiations.

Contract Management / Negotiations

- Following receipt of the notice of approval of the PPP Council issued by the PPP Department, a contracting authority shall invite the preferred bidder for final negotiation of the agreement. However, it should be noted that where the Council makes recommendations in respect of the generic risk sharing principles and the grounds for entering into negotiations, any change in the terms of the agreement shall be submitted to the Council for final approval before the signing of an agreement.
- The final concession agreement is submitted to the Attorney General for approval.

Award of Contract

- The approved concession agreement is then submitted to the PPPD for the PPP Council to award the project and the Minister of Finance to sign the contract.

CONTACT DETAILS

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MINISTRY OF FINANCE

UNSOLICITED PROPOSAL FOR GOVERNMENT PROJECTS



PUBLIC – PRIVATE PARTNERSHIP DEPARTMENT

"Creating A Shared Vision For Economic Development"

PPP PROJECTS

Unsolicited proposals are Initiated by the private sector who as a private party may usually be a company, co-operative, consortium or an individual. The private sector should have no financial assistance by way of partnership with the Government at the time of submitting a proposal. In addition, the private party must submit a proposal without supervision from the contracting authority and PPP Department, but should be in line with the provisions of section 42 of the PPP Act No. 14 of 2009.

Principles of PPP Procurement Process

The PPP procurement process is premised on principles of Competition, Transparency, Fairness, Equity and Cost-effectiveness. PPP projects should demonstrate

- affordability of the project to the contracting authority;
- bankability to financiers and developers;
- value for money;
- optimal risk allocation to the party better able to mitigate/manage the risk; and
- generate appropriate socio-economic benefits.

SUBMITTING OF PROPOSAL

A Contracting Authority may receive, consider, evaluate and accept an unsolicited proposal for a PPP if the proposal:

- Is independently originated and developed by the proposer;
- Shall be beneficial to the public;
- Has been prepared without the supervision of the Department or a contracting authority; and
- Includes sufficient detail and information for a contracting authority to evaluate the proposal in an objective and timely manner.

PPP Process for Unsolicited Proposals

Preliminary Evaluation

The Act states that a contracting authority shall within 14 days after receiving an unsolicited proposal undertake

a preliminary evaluation of the proposal to determine if the proposal meets the requirements of a standard PPP project.

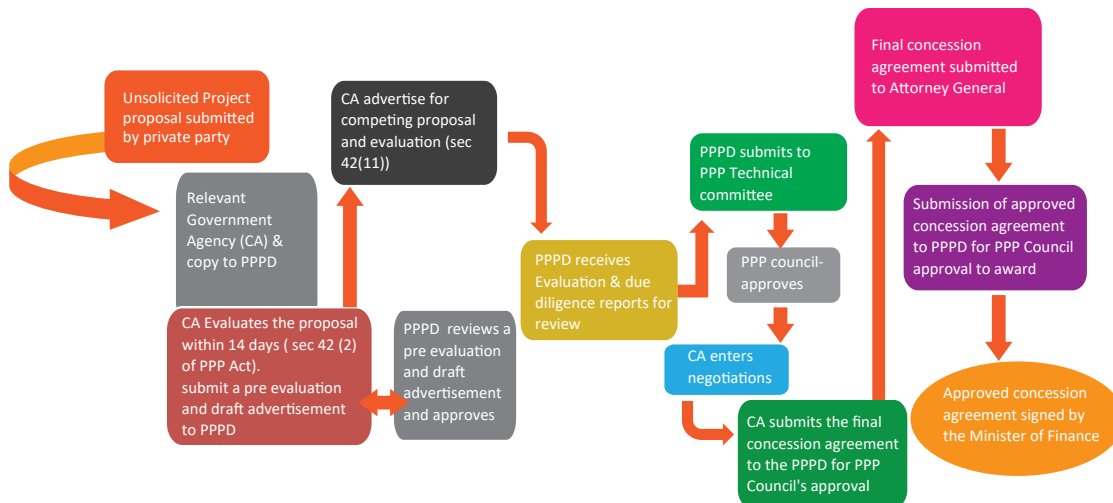
Appraisal

- The CA will submit the unsolicited proposal and the preliminary evaluation report to the PPPD for project appraisal
- After appraisal, PPPD informs the CA to call for competing proposals.

Call for Competing Proposals

- The CA will advertise for competing proposals. After receiving competing proposals, a contracting authority shall determine if any competing proposal is comparable in nature and scope to the original unsolicited proposal;
- A contracting authority shall evaluate an unsolicited proposal and any comparable proposal;

Guiding Steps for Unsolicited Proposal



Unsolicited proposals: Initiated by the private sector who as a private party may usually be a company, co-operative, consortium or an individual. The private sector should have no financial assistance by way of partnership with the Government at the time of submitting a proposal.

NOTE: KEY ISSUES TO CONSIDER FOR PPP PROJECTS

- affordability of the project to the contracting authority, bankability to financiers and developers,
- value for money,
- optimal risk allocation to the party better able to mitigate/manage the risk, and
- generate appropriate socio-economic benefits.