

Public-Private Partnership (PPP) Policy

1. Policy Objective

The objective of this Public-Private Partnership (PPP) Policy is to outline the principles and processes for developing, financing, and managing PPP projects. **Miten** is committed to fostering collaborative partnerships with the public sector to deliver sustainable, high-quality infrastructure projects that serve communities effectively and meet long-term strategic goals.

2. Scope

This policy applies to all PPP projects undertaken by **Miten** across sectors including energy, renewable energy, hydropower, transmission infrastructure, agribusiness, food processing, warehousing, and cold storage. It covers all stages of the PPP project lifecycle, from identification and negotiation through to construction, operation, and transfer.

3. Core Principles

A. Value for Money (VfM)

1. Cost-effectiveness and Efficiency

- Ensure that all PPP projects deliver high-quality infrastructure and services in a cost-effective manner, optimizing resource allocation to generate maximum public benefit.

2. Lifecycle Perspective

- Consider the entire project lifecycle (design, construction, operation, and maintenance) in financial planning to deliver sustainable, long-term value.

B. Risk Sharing and Allocation

1. Equitable Risk Allocation

- Allocate risks between Miten and public sector partners in a manner that aligns with each party's capacity to manage them effectively, ensuring balanced, sustainable partnerships.

2. Risk Mitigation and Management

- Implement robust risk management frameworks to identify, assess, and mitigate risks specific to each PPP project.

C. Transparency and Accountability

1. Transparent Contracting Processes

- Maintain transparency throughout the PPP procurement process, ensuring open communication with stakeholders and compliance with regulatory standards.

2. Clear Accountability Frameworks

- Establish clear accountability for project delivery, performance metrics, and compliance, ensuring that all stakeholders are aligned on responsibilities and outcomes.

3. PPP Project Lifecycle

A. Project Identification and Feasibility

1. Project Identification

- Identify projects that are suitable for PPP models based on strategic alignment, potential public benefits, and economic viability.

2. Feasibility Studies and Value Assessments

- Conduct comprehensive feasibility studies, including financial, technical, and environmental assessments, to confirm project viability and alignment with public sector goals.

3. Stakeholder Consultations

- Engage public stakeholders early in the project development phase to ensure alignment with community needs and regulatory requirements.

B. Structuring and Financing

1. Financing Models

- Develop customized financing structures for each PPP project, leveraging debt, equity, and government-backed financing options (e.g., guarantees, grants) where available.

2. Revenue Models and Cost Recovery

- Establish revenue models (e.g., user fees, availability payments) that ensure project sustainability and meet the financial requirements of both the public and private partners.

3. Public Sector Contribution and Subsidies

- Evaluate potential public contributions or subsidies to improve project viability, particularly in sectors with high public utility such as renewable energy and water infrastructure.

C. Procurement and Contracting

1. Competitive Procurement

- Ensure fair, competitive, and transparent procurement processes to select qualified partners and contractors that meet project requirements.

2. Contractual Agreements and Terms

- Define clear contractual terms, including scope of work, performance indicators, timelines, and penalties for non-compliance, to promote accountability and protect public interests.

3. Performance-based Contracts

- Utilize performance-based contracts that outline specific, measurable objectives and link compensation to achieved outcomes.

D. Implementation and Project Management

1. Project Management Framework

- Implement a project management framework with defined roles, timelines, and performance metrics to monitor project progress and ensure delivery within budget and on schedule.

2. Quality Assurance and Control

- Establish quality control mechanisms, including regular inspections, audits, and compliance reviews, to meet required standards and maintain public trust.

3. Health, Safety, and Environmental Standards

- Enforce stringent health, safety, and environmental (HSE) standards on all PPP projects, ensuring compliance with local regulations and international best practices.

E. Operation and Maintenance (O&M)

1. Long-term O&M Planning

- Develop a long-term O&M plan for each PPP project, ensuring continued asset functionality, safety, and efficiency throughout the contract term.

2. Performance Monitoring and Reporting

- Monitor O&M activities and ensure regular reporting on key performance indicators (KPIs), addressing any maintenance or operational challenges as they arise.

F. Handover and Project Transition

1. Preparation for Handover

- Establish a structured handover process to transfer assets back to the public partner at the end of the PPP contract term, ensuring assets are in optimal condition.

2. Post-Project Evaluation

- Conduct post-project evaluations to assess the project's impact, identify lessons learned, and improve future PPP project planning and execution.

4. Risk Management in PPP Projects

A. Risk Identification and Classification

1. Risk Categories

- Classify risks into categories such as financial, operational, regulatory, market, and environmental, providing a comprehensive risk profile for each project.

2. Project-specific Risk Analysis

- Conduct project-specific risk analyses to identify unique risks and establish appropriate mitigation strategies.

B. Risk Allocation and Sharing

1. Optimal Risk Allocation

- Assign risks to the party best equipped to manage them, balancing risk allocation in a manner that protects public interests and supports project success.

2. Risk-sharing Mechanisms

- Use risk-sharing mechanisms (e.g., insurance, guarantees) to manage high-impact risks, particularly those related to regulatory changes and market volatility.

C. Monitoring and Mitigation

1. Risk Monitoring

2. Continuously monitor project risks throughout the lifecycle, adjusting mitigation measures as necessary to prevent disruptions.

3. Risk Management Reporting

- Regularly report on risk management activities to senior management and relevant stakeholders, ensuring transparency and proactive response.

5. Compliance and Governance

A. Regulatory and Contractual Compliance

1. Adherence to Local Regulations

- Ensure that all PPP projects comply with local and international regulatory requirements, including health, safety, environmental, and tax laws.

2. Contract Compliance Monitoring

- Conduct regular contract compliance audits to ensure that all terms are adhered to and that project objectives are being met.

B. Anti-Corruption and Ethics

1. Anti-Corruption Standards

- Enforce a zero-tolerance policy for corruption in all PPP projects, ensuring compliance with anti-corruption laws and best practices.

2. Ethical Conduct and Transparency

- Maintain transparency in all PPP activities and uphold the highest ethical standards, fostering public trust and accountability.

6. Financial Management

A. Cost Management and Budgeting

1. Budget Controls

- Implement stringent budget controls to ensure projects remain within financial projections and avoid cost overruns.

2. Cost Monitoring and Reporting

- Monitor project costs and report regularly to stakeholders, providing full transparency on project financials.

B. Revenue Management and Profitability

1. Revenue Tracking and Reconciliation

- Track project revenues accurately, ensuring compliance with agreed-upon revenue models and financial projections.

2. Profitability Analysis

- Conduct regular profitability analyses to evaluate the project's financial health and make necessary adjustments to improve outcomes.

7. Stakeholder Engagement

A. Community Engagement and Public Consultation

1. Community Involvement

- Engage local communities and stakeholders early in the PPP project development process to address public concerns and incorporate community feedback.

2. Transparency and Public Disclosure

- Maintain transparency by publicly disclosing project goals, progress, and outcomes, enhancing public understanding and support.

B. Stakeholder Feedback and Grievance Mechanism

1. Grievance Redress Mechanism

- Implement a grievance mechanism for stakeholders to address any concerns, complaints, or issues related to the PPP project.

2. Stakeholder Feedback Loop

- Use stakeholder feedback to inform project improvements, strengthen partnerships, and enhance the impact of PPP projects.

8. Policy Review and Continuous Improvement

1. Annual Policy Review

- Review the PPP Policy annually to ensure it remains aligned with industry standards, regulatory changes, and Miten's strategic goals.

2. Continuous Improvement

- Implement lessons learned and best practices from completed PPP projects to improve policy effectiveness and project outcomes.

Contact Information

For inquiries or further information on our Public-Private Partnership Policy, please contact:

- **PPP Department**
- **Email:** info@mitenenergy.com

This PPP Policy supports **Miten's** commitment to delivering impactful, sustainable, and financially viable infrastructure projects through effective public-private collaboration, risk management, and regulatory compliance.

Miten Energy

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