



Project Preparation and Development Fund

**INFORMATION
AND
APPLICATION GUIDE**

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PROJECT PREPARATION AND DEVELOPMENT FUND (PPDF)

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ACRONYMS AND DEFINITIONS

Beneficiary	Applicant under the PPDF Facility
Contracting Authority	Government Ministry, Government Department or Public Entity.
EXCO	Executive Committee
ICT	Information and Communications Technology
IDBZ or Bank	Infrastructure Development Bank of Zimbabwe
IPD	Infrastructure Projects Department
LIC	Loans and Investments Committee
PAP	Project Application Pipeline
PAR	Project Appraisal Report
PPDF or PPDF Facility	Project Preparation and Development Fund
PPP	Public Private Partnership
PPR	Preliminary Project Review
Public Entity	Local Authority, State Owned Entity (SOE) or Statutory Body

PROJECT PREPARATION AND DEVELOPMENT FUND (PPDF)

1. INTRODUCTION

- 1.1 The Infrastructure Development Bank of Zimbabwe (“IDBZ” or “the Bank”) has established a Project Preparation and Development Fund (“PPDF facility”) as part of the Bank’s intervention to address the early stage project preparation and development funding gap, which, from empirical evidence, has been the major bottleneck to attracting investment on most infrastructure projects.
- 1.2 The lack of bankable projects remains a major challenge which militates against efforts to attract investment towards priority infrastructure projects.
- 1.3 Through the PPDF facility, the Bank will ensure that priority infrastructure projects or concepts are developed to bankability in a timely and transparent manner; and that these can then attract the right levels of investment for successful execution.
- 1.4 The PPDF facility has been setup with an immediate allocation of US\$2.5 million out of internal capital and is projected to grow to US\$5 million by the beginning of 2017. It is hoped that these internal resources will be complemented with external resources from international development partners to attain a level of US\$10 million in the medium term.
- 1.5 The facility is revolving in nature and is thus expected to be funded through contributions from development partners as well as recoupage of part of the early-stage preparation funding from successfully promoted projects where investment has been secured for implementation.
- 1.6 The Bank now wishes to invite project preparation proposals from prospective public entities and private entities having obtained or in the process of obtaining a licence/concession to provide a public service to apply for Project Preparation Funding to carry out feasibility studies and other project preparation activities required to prepare their infrastructure projects to bankability, as per eligible sectors presented below.

2. ELIGIBLE PROJECTS

- 2.1 The PPDF facility will finance preparation of projects in the following sectors:

Core Sectors

Energy and Power Supply

- Construction of new and rehabilitation of existing power plants, including projects supporting alternative and/or renewable energy
- Construction of new and rehabilitation of existing transmission and distribution grid networks

Transport

- Roads and bridges
- Airports
- Railways
- Ports

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- Border posts
- Inland waterways

Water and Sanitation

- Dam construction
- Installation of new and maintenance of existing water pipelines
- Construction of new and rehabilitation of existing water treatment plants
- Municipal water and sewer projects

Information Communication Technology (ICT)

- Optical fibre backbone.

Housing

- Water and sewer reticulation
- Roads construction
- Electricity distribution infrastructure
- University and other tertiary institutions accommodation

Secondary Sectors

- ***Tourism related infrastructure.***
- ***Agriculture related infrastructure (irrigation infrastructure)***
- ***Any other high impact infrastructure projects that are in line with the Bank's mandate as will be determined at the Bank's sole discretion***

2.2 The facility will also cater for economically viable developmental projects in these same sectors of the economy coming under the auspices of Community Share Ownership Trusts.

2.3 The PPDF will consider new (Greenfield) projects as well as those in need of upgrading and/or rehabilitation (Brownfield).

3. SCOPE OF ACTIVITIES TO BE FUNDED

3.1 The activities eligible for financing under the PPDF facility cover the entire cycle of project preparation, that is:

- (i) Project Definition and Pre-feasibility studies;
- (ii) Bankable Feasibility studies;
- (iii) Project Structuring - Advisory services to structure projects once feasibilities have been completed; and
- (iv) Mobilising funding for prepared project.

3.2 Broadly, activities to be funded under the PPDF facility will include:

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Pre-investment Activities

- 3.3 Provision of technical advice and assistance in analysing projects, including drawing of local master plans, identification of project outputs, preparation of project proposals, review and revision of project proposals, and environmental and social impact assessment.
- 3.4 Early stage project assessment (pre-feasibility phase) will also be supported if the project is of national strategic importance or is expected to have substantial developmental impacts.

Studies

- 3.5 The preparation of new studies (pre-feasibility and/or feasibility and design studies), updating or additional analysis of existing studies, financial modelling, regulatory and institutional appraisals, environmental and social impact assessments, design studies and other related studies in order to improve on the project quality and enhance prospects of attracting financing for project implementation. This will also cover baseline data surveys, preparation of technical specifications and revision of project preparation studies that are considered to be incomplete or requiring updating.

Advisory and Technical Services

- 3.6 Advisory and Technical services related to Project Structuring to make the project bankable including public-private partnership (PPP) options assessment, procurement, due diligence, project financing structuring, legal structuring, technical/engineering services, etc. This also encompasses Transaction Support services including legal advice, environmental advisory, negotiation assistance, drafting/review of agreements and technical/engineering support.

Capacity building

- 3.7 PPDF resources will be applied to support targeted capacity building of Contracting Authorities specifically in connection with project development activities for the targeted sectors/projects mentioned above;
- 3.8 Capacity building initiatives of a general nature (i.e. those not linked to identified projects, processes and activities) will not be supported by the facility.

4. ELIGIBLE ENTITIES

- 4.1 The following entities will be eligible:
- (i) Public Entities that operate through an independent Board of Directors and are involved in the development and implementation of infrastructure projects;
 - (ii) Local Authorities/Municipalities and Government Departments; and
 - (iii) For private sector applicants, priority will be given to high impact projects and/or projects being developed and implemented under the auspices of the Joint Ventures Act (*Chapter 22:22*).

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4.2 Applicants will not be considered for any of the following reasons:

- (i) The applicant is bankrupt or being wound up, under administration by the courts, have entered into an arrangement with creditors, have suspended business activities, is the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations.
- (ii) The applicant or persons having powers of representation, decision making or control over the applicant have been convicted of an offence concerning their professional conduct by a judgment of a competent authority in Zimbabwe or any other country.
- (iii) The applicant or persons having powers of representation, decision making or control over the applicant have been the subject of a judgment for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity.

5. BENEFICIARY CONTRIBUTION, FUNDING AMOUNT AND FUNDING PRINCIPLES

- 5.1 To ensure ownership and commitment by the beneficiary, it shall be a requirement that they contribute a minimum of ten percent (10%) of the Total Cost of the proposed project preparation activities. For certain projects this requirement may be waived partly or in full at the sole discretion of the Bank.
- 5.2 Project preparation funding required from the Bank must be a maximum amount of US\$500,000 per project.
- 5.3 The project financing structure included with the funding application must clearly point out how the entire project is going to be financed and must specify the amount of financing expected from the PPDF facility as well as the amount to be financed by the beneficiary.
- 5.4 The facility is based on a **self-sustaining model** whereby preparation funding will be provided on commercial terms and the Bank will expect recovery of project preparation funding invested as well as a return for the risk taken (i.e. funding provided is not a grant).
- 5.5 The IDBZ will aim to obtain a Mandated Transaction Advisor or Lead Arranger role on a competitive basis for all projects where the Bank has provided project preparation funding. As a minimum, the Bank shall be included as part of the Project Steering Committee overseeing the development and implementation of the project.
- 5.6 The IDBZ will aim to provide debt financing on a competitive basis once the project is ready to receive this type of funding for implementation.

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6. ELIGIBLE COSTS

6.1 Only “eligible costs” will be funded through the PPDF facility. Eligible costs to be included in the Project Preparation Budget are Service contracts to carry out the following:

- Local master plans;
- Pre-feasibility studies;
- Feasibility and design studies;
- Economic and financial analysis/financial modelling;
- Detailed design;
- Preparation of tender dossiers for works and supervision contracts; and
- Legal and Transaction Advisory Services.

6.2 The following costs are not eligible:

- Items incurred before the IDBZ Financing Agreement was signed;
- Debts and provisions for losses or debts;
- Interest owed;
- Items already financed by a third party for preparing the proposal or for proposed activities;
- Purchases of land, buildings, motor vehicles, computer equipment and furniture;
- Credit to third parties;
- Salary costs of the personnel of project promoters; and
- Currency exchange losses.

7. FINANCING RULES

7.1 Applicants will have to provide in their applications, a detailed explanation of the activities to be implemented and the outputs to be achieved by the undertaking of each activity.

7.2 The cost of project preparation activities must be identifiable and verifiable i.e. backed up by the original supporting documents.

7.3 The contribution of the beneficiary is a mandatory prerequisite to a project’s approval. The minimum contribution must be ten percent (10%) of the Total Cost of the proposed preparatory activities and must be a **cash contribution** which shall be deposited at IDBZ. This will be a condition precedent to disbursement of funds under the PPDF facility. For certain projects this requirement may be waived partly or in full at the sole discretion of the Bank.

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7.4 The Currency of financing from the PPDF facility will be United States Dollars (USD), even though the Bank may facilitate payments in non-USD currencies.

8. ELIGIBILITY CRITERIA

8.1 Each application will undergo a screening process to assess suitability in terms of the PPDF objectives.

8.2 All applications will be subjected to the following criteria which must be met:

- (i) **Sector/strategic fit** - Project is within the priority sectors considered by the PPDF.
- (ii) **Positive developmental impacts** - The project improves the quality of life of its citizens, e.g. job creation, skills transfer, increasing access to markets, better educational or health facilities, better sanitation, etc.
- (iii) **National priority** - potential of the project to be declared national project status and/or contribute to the implementation of Government policy and attainment of Sustainable Development Goals (SDGs).
- (iv) **Co-funding capacity** - project sponsor must be able to contribute a minimum of 10% of the Total Cost of the required project preparation activities.
- (v) **Institutional capacity** – capacity of the project sponsor and/or sponsor’s proposed partners to undertake the project for which financial support is requested.
- (vi) **Environmentally friendly projects** – projects that promote the protection of the environment and/or incorporate effective environmental mitigation strategies/plans.
- (vii) **Cost recovery and return** - project must have a high probability of implementation and attracting investment. This includes plausibility of the realisation of investments following the completion of the project.
- (viii) **Availability and reliability of service provision** - project should improve availability/reliability of services at affordable cost to consumers.
- (ix) **Bias towards the poor and vulnerable segments of society** - promotion of sustainable socio-economic development with a particular focus on uplifting the lives of the poor and vulnerable in society;
- (x) **High risk but critical services** – deliver financially high risk but socially critical services for which access to finance is limited; and
- (xi) **Funding requirement** – project preparation funding required from the Bank must be a maximum amount of US\$500,000.

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8.3 Projects displaying the following characteristics shall not be eligible for funding:

- (i) Projects with high environmental or social risks and without proper risk mitigation;
- (ii) Projects funded or promoted by companies blacklisted by the international development and financing community or any government due to corruption or other irregular activities;
- (iii) Projects involving any illegal activity, military or gambling activities or any development, manufacture, trade or other dealing with or in military weapons;
- (iv) Projects whose preparation process does not comply with National Procurement Regulations, the Procurement Act (*Chapter 22:14*) and the Joint Venture Act (*Chapter 22:22*), where applicable.

9. INSTITUTIONAL ARRANGEMENTS

9.1 At the point of application, applicants need to ensure the following (where applicable):

- a) Registered legal entity or identifiable natural persons (evidence to be attached).
- b) Established bank account at a registered financial institution (evidence to be attached).
- c) Tax clearance certificate (evidence to be attached).
- d) No adverse audit findings or disclaimer of audit opinion in last two years.
- e) Not barred or blacklisted from participating in project procurement by the international development and financing community or any government due to corruption, fraud or other irregular activities.
- f) Not credit blacklisted through a default judgment or an un-rehabilitated insolvent.

10. APPLICATION PROCEDURE

10.1 All interested applicants should complete their application using the Bank's **Standard Application Template** provided in **Annexure 1** and also provide the required **mandatory information** and supporting documentation per the **Information Checklist** provided in **Annexure 3**.

10.2 Only project applications submitted using the Bank's Standard Application Template will be accepted by the Bank.

10.3 Applicants are strongly recommended to read this **Information and Application Guide** prior to completing their application.

11. EVALUATION OF APPLICATIONS

11.1 Proposals which fulfill the criteria indicated under Section 8 (“Eligibility Criteria”) above will be assessed according to the **Evaluation Criteria** contained in **Annexure 2**. In brief, the process described below will be followed by the Bank:

Step 1: The **application window** is opened through adverts in the public media inviting interested parties to apply for project preparation funding as per eligible criteria.

Step 2: Proposals will be received and reviewed by the Bank against the eligibility criteria and checked to ensure that the documents are complete and that all necessary information is included.

Step 3: Eligible and complete applications will either be approved for due diligence or rejected by the Bank’s Loans and Investments Committee (LIC). Applicants are updated on the outcome of the process.

Step 4: Project proposals accepted in **step 3** will undergo a due diligence and an appraisal report and funding recommendation will be prepared for final approval by LIC and then the Bank’s Executive Committee (EXCO) and, in some cases, the Bank’s Board of Directors. Additional detailed information may be requested from the applicant.

Step 5: The applicant will be informed of the final decision and successful applicants will be offered a Facility Agreement.

11.2 The indicative processing times for applications are as follows:

- (i) Acknowledgement of receipt of application – within 7 days;
- (ii) Preparation of Preliminary Project Review (PPR) – within 21 days;
- (iii) Initial LIC Approval – within 14 days of submission of PPR;
- (iv) Detailed due diligence – within 21 days of Initial LIC Approval;
- (v) Preparation of detailed Project Appraisal Report (PAR) – within 30 days of Initial LIC Approval;
- (vi) Final LIC Approval – within 14 days from submission of PAR;
- (vii) EXCO approval – within 14 days of Final LIC Approval;
- (viii) Board approval (where applicable) – within 14 days of EXCO approval.

12. DISBURSEMENTS AND SUSPENSION OR DISCONTINUANCE OF DISBURSEMENTS

12.1 Upon receipt of invoices from the service provider and a payment approval from the Beneficiary, the Bank shall validate same and make payments directly to the service provider on eligible expenditure as per contractual milestones.

12.2 On signature of the contract with the service provider an amount not exceeding 10% of the total cost of the specific project preparation activity to be undertaken by the service provider may be advanced to such service provider under the Facility.

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- 12.3 Disbursement of the PPDF resources may be suspended or discontinued if the IDBZ is of the opinion or becomes aware that the withdrawn amounts are not being used for or complying with the agreed purpose or standards and/or available information indicates that the project may not be viable and/or the Bank may not be able to recoup the funds availed under the facility. The Bank would, thereafter, take necessary measures to recover misused funds from the Beneficiary.
- 12.4 On discontinuance of disbursements by the Bank, the applicant's 10% own contribution deposited with the Bank per 7.3 above will be forfeited to the extent of actual disbursements made by the Bank under the facility.

13. FACILITY/PROJECT AUDIT

- 13.1 The Beneficiary will be required to keep accurate and regular records and dedicated, transparent accounts of project implementation for a period of seven years following full disbursement under the PPDF facility. The Bank can, at any time, ask to review the records of a financed project.
- 13.2 Funded projects will be subject to monitoring and evaluation by the Bank.

14. INFORMATION AND COMMUNICATION

- 14.1 Subject to confidentiality, information on bankable projects funded by the Bank under the PPDF facility that are ready for marketing to attract investment will be publicised on the IDBZ website and/or through other media.

15. VALIDITY OF APPLICATIONS

All applications will be regarded as valid for a period of 12 months from the closing date of the application window. The Bank may, upon evaluation of an application, request an updated application or request a fresh application.

16. RESERVATIONS

The IDBZ reserves the right to:

- reject all or any of the submitted proposals;
- waive any or all shortcomings in the proposals submitted; and/or
- not to select any application(s) even if they meet all the requirements.

17. ENQUIRIES

There will be no briefing sessions held. Only enquiries sent to ppdf@idbz.co.zw will be responded to.

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ANNEXURE 1 - STANDARD APPLICATION TEMPLATE

SECTION 1: CONTACT DETAILS	
Name of organisation and address details	Include the name and full address of your organisation
Type of organisation	Indicate type of organisation as appropriate: <ol style="list-style-type: none"> 1. <i>Public entity</i> 2. <i>Private entity</i> 3. <i>Government Department</i>
Organisation's registration number	Include your organisations registration number with supporting registration documents.
Main contact	Provide the contact details (name, job title, email, cellphone, landline and fax) of the person(s) applying on behalf of the organisation.
Contact details of the organisation	Provide landline telephone, facsimile, physical address, postal address, email and website. <i>Please note that this email address will be used for all future correspondence.</i>
SECTION 2: PROJECT INFORMATION	
Project title	Include the title of your project.
Project description	Briefly describe the project. The project description should include details on what is to be constructed/built and how, the problem the project will address as well as a project plan that describes the activities the members will undertake. The project description also includes the location of the project and the length/scale of the project.
Project objective	Briefly describe the objective(s) of the project. Project objectives are statements that describe, but are not limited to, the following: <ul style="list-style-type: none"> • The intended achievements such as outcomes on the target group in the short and medium term. • How the project will address the needs of the target group? • How will the situation be different as a result of the project? • Whether the project is supported by all stakeholders affected and in what way are the objectives and outcomes measurable. • Critical success factors or any other cogent objectives.
Proposed Project structure	Present the project structure in a diagram format and also to provide a short description.
Sector	Indicate the sector in which the project lies from the following list: <ul style="list-style-type: none"> • <i>Transport infrastructure</i> • <i>Energy infrastructure</i> • <i>ICT infrastructure</i> • <i>Water and Sanitation infrastructure</i> • <i>Tourism related infrastructure</i> • <i>Housing</i> • <i>Agricultural related infrastructure</i> • <i>Educational related infrastructure</i>

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<p>Current Project Stage</p>	<p>Indicate current project stage from below list:</p> <ol style="list-style-type: none"> 1. <i>Project definition</i> 2. <i>Pre - Feasibility</i> 3. <i>Feasibility Studies</i> 4. <i>Advisory Service required to structure the project and mobilise equity/loan funding.</i> <p>Please attach required information for the applicable stage of your project in the project stage.</p> <p>1. Project definition The concept document should cover the following information:</p> <ul style="list-style-type: none"> • General project information (project name, location, project background, rationale, objectives, contextual economic and market assessment.) • High level Project description (project activities/ business in the context of the PPDF, total project cost, indicate project status – whether existing or new, etc.) • High level institutional information (governance structures, human resources, manpower requirements, stakeholder issues/relations, management, etc.) • High level costs and financing plan. • Statement of development impact (goals/objectives, socio-economic impact – local community and national) • High level technical information (technology to be applied, alternatives, designs, supporting infrastructure, logistics) • Legal information (high level corporate structure/ legal entity under which the project will be operating, required licences/permits and regulatory and Government approvals) <p>Studies (Pre-feasibility or Feasibility Studies) and/or Advisory Services Please attach required information for the applicable stage of your project in the project stage. The Pre/Feasibility Study should cover the following information:</p> <ul style="list-style-type: none"> • General project information (project name, location, project background, rationale, objectives, contextual economic and market assessment) • Project description (project activities/business in the context of the PPDF, total project cost, indicate project status – whether existing or new, etc.) • Institutional information (governance structures, human resources, manpower requirements, stakeholder relations, management, etc.) • Costs and financing plan (funding and capital structure, capital costs, operating costs, administrative expenses, financial sustainability to be confirmed by the project feasibility) • Statement of development impact (goals /objectives, impact – local community and national) • Technical information (technology to be applied, alternatives, designs, supporting infrastructure, logistics) • Legal information (corporate structure/legal entity under which the project will be operating, corporate documentation, property and intellectual property ownership, litigation, available/outstanding licences/permits and regulatory clearances/Government approvals, material contracts and agreements, disclosures).
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Project Stage for which funding is being applied for	<p>Choose from below list:</p> <ol style="list-style-type: none"> 1. <i>Enabling environment and project definition</i> 2. <i>Pre-feasibility</i> 3. <i>Feasibility studies to bring a project to bankability</i> 4. <i>Advisory services to structure a project (e.g. PPPs, Legal etc.) and mobilise equity/loan funding.</i>
Development impact	<p>The project's expected development impact can be determined by, but not limited to, the following:</p> <ul style="list-style-type: none"> • Is there sufficient demand for the project (e.g. infrastructure or service) and will the project address this demand and/or is the demand for the project clearly defined in the authorities' development plan? • Is there a proper linkage between the project and the existing infrastructure, including resources? • Project's potential economic viability and affordability in terms of willingness and ability of consumers/institutions to pay for the service. • Additionality: value added activities within the market chain and/or improved quality of life, • What will be the primary and secondary long term economic effects of the development intervention, directly and indirectly, intended or unintended? • What will be the estimated economic development impact of the project in terms of economic growth and employment creation on the Zimbabwean economy? • What is the impact of the project on the needs of the poor?
SECTION 3: PROJECT FUNDING	
Cost to prepare the project	<p>Select the currency and include the total estimated costs of your project for completed and future stages.</p> <p>Indicate the co-funding sources and amounts including own contributions where applicable.</p> <p>Indicate the expected composition of project funding in terms of debt/equity levels.</p>
SECTION 4: FULL PROJECT BACKGROUND	

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Technical	<p>Provide brief technical description of the project. Detailed support information should be attached per Section 5 of the application below. The information should address, but is not limited to, questions such as whether:</p> <ul style="list-style-type: none"> • The project is well designed and clear in its conceptual and practical approach. • The methodology is appropriate and mobilises the right kind of expertise. • The respective roles and responsibilities among the project partners and team members are clearly defined. • The work plan is appropriate and realistic with regard to the project goals. • The project location provides any particular challenges (social/environmental/access to infrastructure). • The project is dependent on other projects. • The technology in the project is conventional or untested. • There is already a robust project information memorandum (PIM) or business case. • There are more favourable alternative solutions that meet the objective of this project (maintenance, rehabilitation of existing infrastructure, etc.).
Financial	<p>Briefly describe the financial position of the proposed project. Detailed support information should be attached per Section 5 of the application below.</p> <p>The information should address/include, but is not limited to, the following:</p> <ul style="list-style-type: none"> • What is the size of the investment value of the project? • A detailed budget for the project with defined milestones. • Whether the scope of works is itemised per budget line item. • Whether the cost for project preparation is informed by credible quotations. • The affordability/sustainability of the project. • What are the expected tariffs/charges and sources of revenue to repay debt etc.? • Estimated capital costs. • Any financial analysis done on the project.

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Economic	<p>Briefly describe the economic impacts and benefits of the proposed project. Detailed support information should be attached per Section 5 of the application below.</p> <p>The information should include, but is not limited to:</p> <ul style="list-style-type: none"> • Whether there is sufficient demand for the project (e.g. infrastructure or service) and will the project address this demand and/or is the demand for the project clearly defined in the authorities' development plan. • Whether the project adds value in terms of unlocking economic potential and improvement of user benefits (e.g. are there secondary impacts and/or economic efficiency gains). • Micro-economic analysis: (describe the return on investment, payback etc., liquidity analysis and sensitivity analysis using some relevant variables etc.) • Macro-economic analysis: (Describe the fundability of the project, economic impact during and post implementation, possible off-takers, power purchase agreements and market risk etc.) • Whether the project is likely to improve the conditions of life by addressing poverty and unemployment.
Institutional	<p>Briefly describe the Institutional set-up of the proposed project. Detailed support information should be attached per Section 5 of the application below.</p> <p>The information should address, but is not limited to, questions such as whether:</p> <ul style="list-style-type: none"> • The project sponsor intends to appoint reputable Transaction Advisors to conduct the project preparation. • The project will be carried out by the sponsor's internal team only or does the project sponsor lack internal or external capacity support. • The project sponsor has completed and implemented similar projects before? • A steering committee has been appointed to oversee the implementation of the project. • The CVs (educational and professional qualifications) and job specifications of the project manager, directors and other staff, who will be involved in the implementation of the project, has been provided.

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Environmental	<p>Briefly describe the environmental impacts and benefits of the proposed project. Detailed support information should be attached per Section 5 of the application below.</p> <p>The information should address, but is not limited to, the following:</p> <p>Legislative and regulatory requirements Please indicate which key environmental legislation will be applicable to the project and if permits/ licences/approvals have been obtained in terms of the applicable legislation. This should include any required Government approvals.</p> <p>Institutional capacity for environmental management Please indicate your organisation’s capacity, skills and experience to implement the project in an environmentally and socially responsible manner. This refers to project planning, implementation, (including construction) project operation as well as undertaking monitoring tasks as may be required by various environmental laws. Highlight where your organisation may lack the required skills.</p> <p>Mitigation of negative impacts Please describe the most important negative impacts that your project may have on the natural resources and social system in the area where it will be implemented. Indicate what mitigation measures will be put in place to minimise these negative impacts.</p> <p>Enhancement of positive impacts Please describe the most important positive impacts that your project will have on the natural resources of the area and the social wellbeing of occupants in the surrounding area. Describe what measures you will put in place to enhance the positive impacts on the natural environment and social system.</p>
SECTION 5: SUPPORTING DOCUMENTS	
Supporting Documents	<p>Please attach supporting documentation (where applicable) related to the project such as, but not limited to, the following:</p> <ul style="list-style-type: none"> • The letter of application signed by the appropriate authorized signatory of the organisation. • Local plan (if not included in the project documents). • Pre-feasibility studies. • Project Information Memorandum. • Project programme. • Project financing strategy (including potential sources of financing and equity etc.). • Project budget and financial model (if available). • Environmental impact analysis approvals. • Project team organogram. • Draft Terms of Reference (TORs) for the stage applied for (mandatory).

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ANNEXURE 2 – ELIGIBILITY AND EVALUATION CRITERIA

STEP 1: ELIGIBILITY ASSESSMENT	(Yes/ No)
1. Sector/strategic fit – is project within the priority sectors considered by the PPDF?	
2. Positive developmental impacts – does the project improve the quality of life of citizens, e.g. job creation, skills transfer, increasing access to markets, better educational or health facilities, better sanitation, etc?	
3. National priority – does the project have the potential to be declared national project status and/or contribute to the implementation of Government policy and attainment of Sustainable Development Goals (SGDs)?	
4. Co-funding capacity – does project sponsor have capacity to contribute a minimum of 10% of the Total Cost of the required project preparation activities?	
5. Institutional capacity – does the project sponsor and/or sponsor's proposed partners have capacity to undertake the project for which financial support is being requested?	
6. Environmentally sustainable projects – does the project promote the protection of the environment and/or can it be implemented in an environmentally and socially responsible manner and/or incorporate effective environmental mitigation strategies/plans?	
7. Cost recovery and return – does the project have a high probability of implementation/attracting investment and eventual realisation of investments following the completion of the project?	
8. Bias towards the poor and vulnerable segment of society – does the project promote sustainable socio-economic development with a particular focus on uplifting the lives of the poor and vulnerable in society?	
9. High risk but critical services – does the project deliver financially high risk but socially critical services for which access to finance is limited?	
10. Availability and reliability of service provision – does the project improve availability/reliability of services at affordable cost to consumers?	

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STEP 2: INSTITUTIONAL AND PROJECT ASSESSMENT			
Criteria	Sub-Criteria	Weight¹	Rating²
Project Preparation Quality	<i>Technical design and tender documents</i> <ul style="list-style-type: none"> • Quality of design • State of preparation of tender documents 	15 10 5	
	<i>Market and Economic studies</i> <ul style="list-style-type: none"> • Market analysis • Marketing strategy • Reliability of sales prospects • Sensitivity of economic benefits • Strength of economic return 	10 2 2 2 2 2	
	<i>Financial studies</i> <ul style="list-style-type: none"> • Readiness of financing plan • Likelihood of expected revenues • Strength of overall financial return • Robustness of business plan • Licensing agreements 	10 2 2 2 2 2	
	<i>Environmental studies</i> <ul style="list-style-type: none"> • Quality of EIA • Appropriateness of remedial measures • Results of public enquiry • Status of environmental authorisations 	10 4 2 2 2	
	<i>Social studies and Public information</i> <ul style="list-style-type: none"> • Relocation plan for expropriated persons • Public acceptance of project 	5 2 3	
	<i>Institutional and Legal studies</i> <ul style="list-style-type: none"> • Conformity with national legislation • Status of building authorisations 	5 2 3	
	<i>Risks analysis</i> <ul style="list-style-type: none"> • Overall preparedness of project • Political risk 	5 3 2	
	TOTAL		60
Proposal Quality	<i>Project Presentation</i>	20	
	Outline of Terms of Reference (TORs)	10	
	Schedule and Cost	10	
	TOTAL	20	
Applicant Fitness	<i>General Capacity</i>	20	
	Previous Experience in Similar Projects	8	
	Adequacy of Proposal and Implementation Personnel	12	
	TOTAL	20	
GRAND TOTAL		100	

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¹Weights have to be adapted when some sub-criteria are not relevant to a specific project

²The rating should use the following scale (out of a total of 10):

- 7 to 10: good to excellent
- 5 to 6: acceptable to fair
- 0 to 4: unacceptable to poor

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ANNEXURE 3 – INFORMATION CHECKLIST

Mandatory Information Required in the Application		
<p>Introduction of the Transaction:</p> <ul style="list-style-type: none"> • Project summary including scope, size, location • Proposed project structure • Capex amount, construction period • Indicate funding requirement from IDBZ • Indicate sponsors contribution at financial close 		
<p>Sponsor overview:</p> <ul style="list-style-type: none"> • Date of Registration • Information on shareholding structure including existing shareholders agreement. • Organisational structure and brief profile of key management. • Audited Financials for the past 3-5 years for operators with track record. • Track record in projects of similar nature. 		
<p>Current Stage of Project Development and Feasibility Studies</p>		
<p>What has been achieved to date, including permits, licences and approvals received and the cost spent on each, and who funded each item/activity? Any Agreements signed to date?</p>		
<p>What is remaining to get to financial close and how much does each cost (also include Terms of Reference for studies to be conducted, ready to publish to invite consultants)</p>		
<p>The procurement Process:</p> <ul style="list-style-type: none"> • Followed to date • Outstanding and to be completed in future 		
<p>Client will need to highlight whether it is willing to do the following:</p> <ul style="list-style-type: none"> • Pay back the Project Preparation funding from IDBZ at it is recoverable at a return, should the project reach financial close • Appoint IDBZ as the Mandated Lead Arranger for the financing • Indicate an equity participation process at financial close so as to see if IDBZ can secure an equity option. • Include IDBZ as part of the Project Steering Include IDBZ as part of the Project Steering Committee. 		

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