Projects into 2020: PPP Leads the Way

Mark Brown - Partner, Head of Projects - Banking and Finance / Projects m.brown@tamimi.com - Abu Dhabi



Welcome to this special section of Law Update focusing on developments on and insights into <u>projects</u> and public private partnerships across the region and the jurisdictions in which Al Tamimi & Company operates.

We have witnessed first-hand (and have been fortunate enough to act as advisers to) the fast-expanding area of private sector involvement in the delivery of government-related projects in the Middle East & North Africa. Governments have very much recognised that private investment, whether through independent power/water producer or PPP models, is an effective way to free up resources for other purposes and thereby ease public budgetary constraints. This is particularly evident where historical revenue channels have been reduced or need to be conserved.

Governments have also been keen adopters of innovative and leading technologies, new-to-the-region solutions and are at the forefront of global energy trends. Nuclear, solar and wind power as well as waste-to-energy all feature as part of the regional 'new' energy ecosystem where previously such concepts did not exist. World record low tariffs for solar power are constantly being bettered by the latest projects. Most countries have clear (and often aggressive) targets to transition away from fossil fuels to renewable energy. 2020 looks to be a particularly active year for solar regionally with the 2,000 MW Al Dhafra (PV2), Abu Dhabi project due to be awarded shortly, FEWA announcing a 500 MW PV project in Umm Al Quwain, the progression of REPDO's rounds 2 and 3 in Saudi Arabia, expected financial close of the 200 MW Kom Ombo project in Egypt, prequalification for Manah 1 and 2 in Oman and the award in January of the Al-Kharsaah 800 MW project in Qatar.

Legal regimes have not been idle either. In recent years there has been a steady introduction of amendments to PPP legislative frameworks in various jurisdictions. In 2019 alone, Egypt's Cabinet has approved amendments to its PPP law, Abu Dhabi and Oman have introduced a PPP law and Jordan is expected to update its PPP law shortly. You can read about the new Omani PPP law in the pages that follow. We also have articles offering our perspective on education in Qatar and Egypt, renewables in Saudi Arabia, helpful changes in Bahrain's real estate laws for projects and more. We hope that you find our

region-wide Projects' update engaging and informative.