



INFRASTRUCTURE CONCESSION
REGULATORY COMMISSION

The Presidency



**INFRASTRUCTURE CONCESSION
REGULATORY COMMISSION**

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ANNUAL REPORT

& ACCOUNTS 2016



**A REPORT
OF THE ACTIVITIES
OF THE
INFRASTRUCTURE CONCESSION
REGULATORY COMMISSION
AND
THE AUDITED ACCOUNTS
FOR THE YEAR
ENDED 31ST DECEMBER, 2016**

Infrastructure Concession Regulatory Commission
Plot 1270, Ayangba Street, Near FCDA Headquarters
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**ICRC
Establishment
Act 2005**

In order to harness private sector technical and financial resources for the provision of public infrastructure and service, the FGN enacted the ICRC Act in 2005 and inaugurated the Governing Board in November 2008. Since inauguration, the Commission has been providing MDAs with the necessary guidance to successfully execute infrastructure projects through the PPP procurement model.

**ICRC
Mandate**

The ICRC Act, 2005 bestows on the Commission the functions and powers to:

- Provide general policy guidelines, rules and regulations;
- Take custody of every concession agreement;
- Monitor and inspect PPP projects; and
- Ensure efficient execution of any concession agreement or contract entered into by the Federal Government.

**ICRC
Strategic
Objective**

The strategic objective of the Infrastructure Concession Regulatory Commission (ICRC) is to accelerate private investments in national infrastructure by enabling the Federal Government of Nigeria through its Ministries, Departments, and Agencies (MDAs) to establish and implement effective Public Private Partnerships (PPPs).



Executive Management Team

- Mr. Aminu Diko - *Director General*
- Engr. Chidi K. C. Izuwah - *Executive Director, Support Services Department*
- Mr. Mike Joe A. Ohiani - *Director, PPP Resource Department*
- Mr. Mohammed A. Bamalli - *Director, Contract Compliance Department*
- Dr. Chiedu Ndubisi - *Technical Adviser to DG/Head, Planning & Research*

General Management Team

- Mr. Aminu Diko - *Director General*
- Engr. Chidi K. C. Izuwah - *Executive Director, Support Services Department*
- Mr. Mike Joe A. Ohiani - *Director, PPP Resource Department*
- Mr. Mohammed A. Bamalli - *Director, Contract Compliance Department*
- Dr. Chiedu Ndubisi - *Technical Adviser to DG/Head, Planning & Research*
- Mr. Hammed Togunde - *Head, Internal Audit*
- Mr. Jobson Ewalefoh - *Head, ICT*
- Mr. Mohammed Barma - *Head, Finance and Accounts*
- Dr. Felix Ogbera - *Head, Policy & Regulation*
- Mr. Ahmed Abdulrazaq - *Head, Monitoring and Compliance*
- Mr. Emmanuel Onwodi - *Head, Transport Infrastructure*
- Mr. Odili Onu - *Head, Social Infrastructure*
- Mr. Olusa Busari - *Head, Energy & Urban Infrastructure*
- Mr. Amanze Okere - *Ag. Head, Special Projects*
- Mrs Halima Tukur-Modibbo - *Ag. Head, Human Resource and Admin*
- Mr. Usman Muktar - *Ag. Head, Procurement*
- Dr. Evelyn Alaye-Ogan - *Ag. Head, Media & Publicity*
- Mall. Shehu S. Danmusa - *Ag. Head, Legal & Governance*

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GLOSSARY OF TERMS

AfDB	African Development Bank
AGF	Attorney General of the Federation
BPE	Bureau of Public Enterprises
CCD	Contract Compliance Department
CBN	Central Bank of Nigeria
DFBOT	Design, Finance, Build, Operate & Transfer
DFIs	Development Finance Institutions
DG	Director-General
DMO	Debt Management Office
ED	Executive Director
EoI	Expression of Interest
FAAN	Federal Airports Authority of Nigeria
FBC	Full Business Case
FCT	Federal Capital Territory
FCTA	Federal Capital Territory Administration
FEC	Federal Executive Council
FGN	Federal Government of Nigeria
FIRS	Federal Inland Revenue Service
FMBNP	Federal Ministry of Budget & National Planning
FMoD	Federal Ministry of Defense
FMoEnv	Federal Ministry of Environment
FMoF	Federal Ministry of Finance
FMoI	Federal Ministry of Interior
FMoJ	Federal Ministry of Justice
FMoP	Federal Ministry of Power Works & Housing
FMITI	Federal Ministry of Industry, Trade and Investment
FERMA	Federal Road Maintenance Agency
FMoT	Federal Ministry of Transportation
FMoH	Federal Ministry of Health
GAT	General Aviation Terminal
ICD	Inland Container Depot
ICRC	Commission Infrastructure Concession Regulatory Commission
ICT	Information and Communications Technology
LCC	Lekki Concession Company
LITFC	Lagos International Trade Fair Complex
MDAs	Ministries, Departments and Agencies
MMA	Murtala Muhammed Airport
MMA2	Murtala Muhammed Airport Terminal 2

MoU	Memorandum of Understanding
NIAF	Nigerian Infrastructure Advisory Facility
NIMASA	Nigerian Maritime Administration and Safety Agency
NIWA	National Inland Waterways Authority
NEMT	National Economic Management Team
N4P	National Policy on Public Private Partnership
NIMC	National Identity Management Commission
NIIMP	National Integrated Infrastructure Master Plan
NEPAD	New Partnership for Africa's Development
NNPC	Nigerian National Petroleum Corporation
NPA	Nigerian Ports Authority
NPPPN	Nigerian PPP Network
NPC	National Planning Commission
NRC	Nigerian Railway Corporation
NSC	Nigerian Shippers' Council
NSIA	Nigerian Sovereign Investment Authority
NTIBC	National Trade and International Business Centre
OBC	Outline Business Case
OHCSOF	Office of the Head of the Civil Service of the Federation
O&M	Operations and Maintenance
PDT	Project Delivery Team
PSC	Project Steering Committee
PICI	Presidential Infrastructure Champion Initiative
PPP	Public Private Partnership
RBDA	River Basin Development Authority
RfP	Request for Proposal
ROT	Rehabilitate, Operate and Transfer
SGF	Secretary to the Government of the Federation
TBS	Tafawa Balewa Square
TSGP	Trans-Saharan Gas Pipeline
VGF	Viability Gap Fund
WBI	World Bank Institute

GLOSSARY OF TERMS



HIS EXCELLENCY

MUHAMMADU BUHARI GCFR

PRESIDENT, COMMANDER-IN-CHIEF OF THE ARMED FORCES
FEDERAL REPUBLIC OF NIGERIA



HIS EXCELLENCY

PROF. YEMI OSINBAJO SAN

VICE - PRESIDENT
FEDERAL REPUBLIC OF NIGERIA



AMINU DIKO

DIRECTOR GENERAL/CEO
INFRASTRUCTURE CONCESSION REGULATORY COMMISSION

ICRC Executive Management Team



Mr. Aminu Diko
Director General/CEO



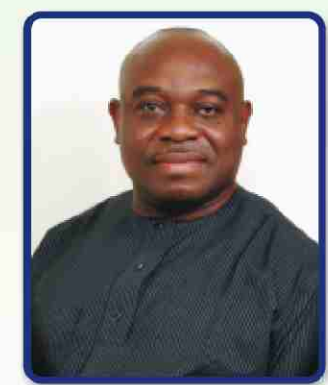
Engr. Chidi K. C. Izuwah Snr.
ED Support Services Department



Mr. Mike Joe Ohiani
Director, PPP Resource Department



Mr. Mohammed A. Bamalli
Director, Contract Compliance Department



Mr. Chiedu Ndubisi
Technical Adviser to the DG



Director-General's Statement



Aminu Diko
Director General

In 2008, the Federal Government established the Infrastructure Concession Regulatory Commission (ICRC) as the key government agency to drive the use of the public private partnership (PPP) procurement model to bridge the infrastructure gap currently stifling economic growth and competitiveness of the country. Eight years later, the country has witnessed significant injection of private capital into infrastructure projects in roads, rail, aviation, seaports, and other sectors with its attendant socio-economic impact. As at 31st December 2016, the private sector has committed a total of N3.2 trillion towards the development of various projects in Nigeria. It is expected that with consistency in approach and diligence in delivering a flow of PPP projects into the nation's PPP pipeline, Nigerians will reap the much benefits of the program.

The year 2016 was especially significant for the PPP program in view of the milestones attained with 16 of the projects in the pipeline for which the Commission had issued OBC Compliance Certificates and are now ready for procurement. These include eight medium and small hydro-electric dams located across the country; Eastern & Western narrow gauge railway lines (2); and Murtala Muhammed Airport Road, Lagos. Others are Ibom Deep Sea Port, Akwa Ibom; Badagry Deep Sea Port; and Onitsha Inland River Port. The Commission provided regulatory guidance to ministries, departments and agencies (MDAs) of the Federal Government on the completion of procurement processes for two other important projects of national significance. First is the mixed use concession of the fallow land around the nation's iconic National Theatre in Lagos. This aims to turn fallow land neglected for over 40

years into a new mixed used entertainment and logistics theme hub in the heart of Lagos. Planned developments under this proposed concession will include a five-star hotel, recreational facilities, and office blocks. The second project is the Nigerian Police Contingent Owned Equipment Procurement, which is aimed at effectively equipping the Nigerian Police contingents on United Nations Peace keeping engagements around the world. These equipment's will be paid for by the UN and at end of the mission the equipment will freely return as stock support for the Nigerian Police Force. The underlying

The international market for PPP investment is highly competitive, especially in the prevailing international financial environment. Projects that will attract investors must respond to the critical expectations of serious investors and long-term credit providers. Such projects must demonstrate clear financial viability and be clearly bankable.

contracts for delivering these projects are ready for award to the preferred private sector bidders.

Based on our pipeline of PPP projects published in December 2016 in collaboration with our MDAs, the number of proposed projects for PPP procurement has increased to 77 projects in 2017. These projects are at various stages of the PPP process. Some new projects in the pipeline include eight aviation sector projects, notably the proposed concession over four international airports in the country which are: Abuja, Lagos, Kano and Port Harcourt. The Commission has continued to work with the Ministry of Transportation to procure Transaction Advisory services who would, in the first instance, prepare a Bankable Business Case for the transaction to elicit appropriate investor interest and confidence.

I strongly believe that for our PPP procurement model to survive and deliver better value for money, the procurement process must be competitive, transparent, and in the interest of the public. To entrench transparency and accountability in the entire Nigerian PPP process, the Commission has developed Guidance on PPP Contract Disclosure during the year with the assistance of the World Bank. This development will enable potential investors and the public access to all non-

proprietary confidential information including but not limited to service provider obligations, service levels etc. relating to all PPP contracts being regulated by the Commission on our website.

The drive to see critical infrastructure projects delivered in Nigeria faced a couple of challenges without it the Commission would have recorded significant successes in its drive to see critical infrastructure projects delivered to Nigerians. Since the inception of PPP process under the Act in 2009, a range of competitive constraints aligned with significant political risk continue to diminish

the potential gains that would have accrued through PPP arrangements. These include human and institutional capacity to deliver PPP projects, inability of MDAs to have a stable PPP pipeline; project preparation capacity limitations to meet the bankability and other expectations of investors; inadequacy of the law establishing the Commission together with perennial funding inadequacy, especially project development funding required to prepare bankable PPP projects.

Capacity Building

The first challenge is human and institutional capacity to deliver PPP projects. The capacity deficiency in public authorities to structure and implement PPP projects significantly reduces the speed of predictable outcomes for PPP projects. Public Private Partnership is a procurement process that is complex and time consuming. This complexity is not intended to discourage the engagement of the private sector but to ensure due diligence and thoroughness in the process as such projects are financially enormous. Institutional capacity for Project Identification, Development, Implementation and Management has not fully achieved satisfactory level at the ICRC, MDAs, State governments, and the financial institutions. To this end, the Commission has continued to expand the capacity of MDAs engaged in PPP procurement. During the period under review, the Commission provided training to about 30 MDAs on basic PPPs and to members of staff in the commission. Again, but for serious funding constraints, the Commission would have spread this knowledge wider and in a more impactful manner.

Project Preparation

The second major challenge is about PPP project preparation. The international market for PPP investment is highly competitive, especially in the prevailing international financial environment. Projects that will attract investors must respond to the critical expectations of serious investors and long-term credit providers. Such projects must demonstrate clear



financial viability and be clearly bankable. Sufficient data and information must be available to prospective investors and financiers to enable them to evaluate the projects' commercial viability. A stable and properly communicated pipeline will encourage quality investors to bid confident in the fact that a loss on one bid can be compensated by a win on upcoming projects. The Commission has prepared and submitted a concept for the establishment of a PPP Project Preparation Fund to the Honorable Minister of Budget and National Planning for consideration. I believe this Fund will tremendously ensure a steady flow of properly prepared and bankable projects into the PPP market.

Enabling legislation

Since the Commission began operation in 2008, the Governing Board realized that the enabling law, the Infrastructure Concession Regulatory Commission (Establishment Etc.) Act 2005 was defective. While the law is aimed at regulating all PPP transactions, the name of the Act appears to limit the Commission's mandate to 'concessions.' The law also has no provisions for sanctions which are known attributes of Regulators. The process of amending the law, which has been ongoing for 8 years, is now proceeding at the National Assembly. A Bill to repeal the ICRC Act and replace it with a PPP Regulatory Commission Act has therefore already passed second reading at the House of Representatives.

Funding for the Commission

As mentioned above and also in our previous reports, inadequate funding continues to impair the successful implementation of PPP programmes in Nigeria. Critical activities, such as conducting due diligence on project companies/locations; taking custody of all PPP agreements; ensuring efficient

A stable and properly communicated pipeline will encourage quality investors to bid confident in the fact that a loss on one bid can be compensated by a win on upcoming projects.

execution of concession contracts; compliance with the provisions of the Act and developing the necessary guidelines and regulations often involve a lot of stakeholder engagements and expert inputs. Often, the budgetary allocation to the Commission grossly falls short of the minimum financial requirements of the Commission. Undertaking these PPP process activities often exert tremendous pressure on the Commission's statutory budget, in addition, the Commission has now been administratively precluded from receiving part of the fees we generate as allowed by law. We have consequently made appropriate representation to the Hon. Minister of Budget and National Planning for remedial measures and hope for a compassionate review.

Conclusion

On behalf of the Commission, I would like to continue to express my gratitude to the Federal Government for the trust reposed in the Commission to strategically accelerate infrastructure delivery through PPPs. Some MDAs and development partners such as AfDB, NIAF, World Bank and the Government of Australia have been very supportive to the Commission in mitigating some of the challenges highlighted above. My gratitude also goes to them. I would like to acknowledge the diligence of the Staff and Management of the Commission whose commitment towards improving the country's public infrastructure has remained at the peak.

The Commission completely aligns with the Federal Government that holistic change is inevitable and we must embrace it to deliver critical infrastructure for Nigerians.



Executive Summary

Overview of 2016 Operating Year

The prevailing economic situation in the country had greatly impeded the attainment of the Commission's objectives and goals set out for the 2016 fiscal year. The decline in revenue inflow of the Federal Government, owed mainly to the low price of crude oil at the international market, and the reduction in the country's daily oil production impacted impaired funding of MDAs' activities, and ICRC was no exception. This however compelled Government institutions nationwide to adopt measures to cut down on expenditure.

Planned Activities For 2016

The Commission's planned activities for 2016 covered both pre- and post-contract regulatory activities; and PPP advocacy and market development. The key targets for the year 2016 were to:

- Establish an effective PPP Project Pipeline and develop a robust PPP market;
- Focus on delivery of 2016 pipeline projects/first mover PPP transactions;
- Support MDAs to conclude transactions of pipeline projects in the development /procurement phase in line with agreed milestones;
- Monitor compliance of all on-going PPP contracts to ensure their efficient implementation within the confines of the laws, policy and regulations.

Regrettably, the Commission was unable to undertake monitoring visits to many PPP projects as required by law owing to funding constraints. Similarly, for the same reason, the Commission was unable to, among other key functions, undertake the planned PPP capacity building plans for MDA and public sector personnel in various states of the Federation.

Highlights of Accomplishments

In the year under review, the Commission:

- granted 16 Outline Business (OBC)



Compliance Certificates on PPP projects as Follows: (8) small and medium hydro-electric power projects, (1) road, (1) seaport terminal, (1) river port, (1) communication and (1) prison. (See Appendix 2)

- granted two Full Business Case (FBC) Compliance Certificates covering the Development of the Fallow Land at the National Theatre and the Provision of Contingent Owned Equipment for the Nigerian Police Peace-Keeping Operations. (See Appendix 3)

- undertook monitoring and compliance visits to 13 federal government concessions comprising the ports, telecommunications, housing, power and marine projects. It afforded the opportunity to physically inspect the facilities and hold formal interactions with the MDAs and the concessionaires on issues bordering on performance, compliance with terms of the agreement and operational challenges.

- signed a PPP MoU with the Federal Ministry of Environment on the construction of public toilets, solid waste management, redevelopment of national parks & games reserve, etc.

- initiated and provided regulatory guidance to the Ministry of Aviation on how to initiate the proposed concession of 4 international airport terminals, 6 cargo/agro airports, aviation leasing company, national carrier, and aerotropolis?

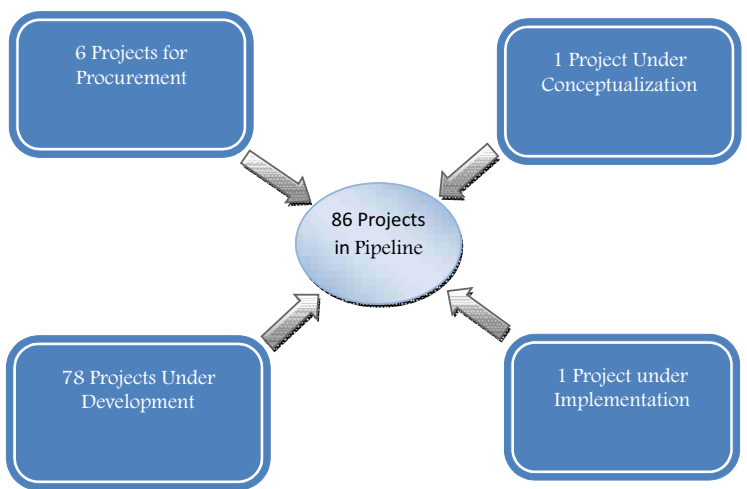
- provided initial regulatory guidance for competitive procurement of a concessionaire for the Eastern and Western narrow gauge railways.

- published the 2016/2017 PPP pipeline of projects (which listed 86 projects submitted by

the MDAs in various stages of development and procurement) on 19th December 2016 in three national newspapers and its website (See Appendix 4).

- Executed 25 capacity building activities by way of training inductions, workshops, seminars in 2016 which benefitted its staff, MDAs personnel and the private sector. About 15 organizations were benefitted from this program.

Figure 1: 2016 PPP Projects Pipeline



- Advocated the establishment of an Infrastructure Development Fund, by submitting a concept note to the Honourable Minister of Budget and National Planning on the nature and structure of the proposed Fund.

Governance

In the absence of the Governing Board, the Executive Management Team (EMT) under the supervision of the Secretary to the Government of the Federation met regularly to provide guidance on the activities of the Commission.

The 2015 Annual Report and Audited Accounts have been submitted to the President in line with Section 27(1) of the Infrastructure Concession Regulatory (Establishment, Etc) Act 2005.

Policy Guidelines and Strategic Initiatives

The Commission developed the following draft guidelines to guide Federal Government's PPP process:

- A comprehensive review of the National Policy on Public Private Partnerships (N4P) to include aspects such as: Handling Unsolicited Proposal, Hiring Transaction Advisers, Joint Venture in PPP Transactions which was not available ab initio.
- A Guideline for PPP Contract Management by MDAs to guide project managers in the MDAs for effective monitoring of project implementation.

All these documents are being subjected to necessary expert consultations, review but regrettably cannot be promptly finalized owing to the Commission's funding constraints.

Stakeholder Engagements

The Commission engaged various segments of its stakeholder's MDA, local and international bodies, States and National Assembly on diverse issues towards strengthening the institutional and regulatory framework for PPP in Nigeria. Some key engagements are listed as follows:

- Met with IMF in January on Nigeria's infrastructure development programme as part of the Fund's yearly Article IV consultations.
- Collaborated with the Nigerian Infrastructure Summit Group to successfully conduct the Pre-Summit Sector Based Workshop for MDAs in January.
- Conducted the quarterly meetings of the PPP Units Consultative Forum towards knowledge exchange and experience sharing amongst PPP personnel in MDAs.
- Met with the AfDB Legal Support Facility

Mission in April to discuss Capacity Building for MDAs on PPP projects.

- Our team observed the NNPC Evaluation of the technical and commercial proposals for the procurement of PPP partners for Ajaokuta-Kaduna-Kano Trans Nigeria Gas Pipeline Project in June and December.
- Developed an Appropriate Financing Model for Infrastructure Projects for the National Economic Council.
- Engaged the National Assembly on its various areas of oversight on the Commission's activities and the PPP programme in Nigeria.
- Annuity project proposals to His Excellency, the Vice President.

Finance and Accounts

Kindly see full audited accounts attached.

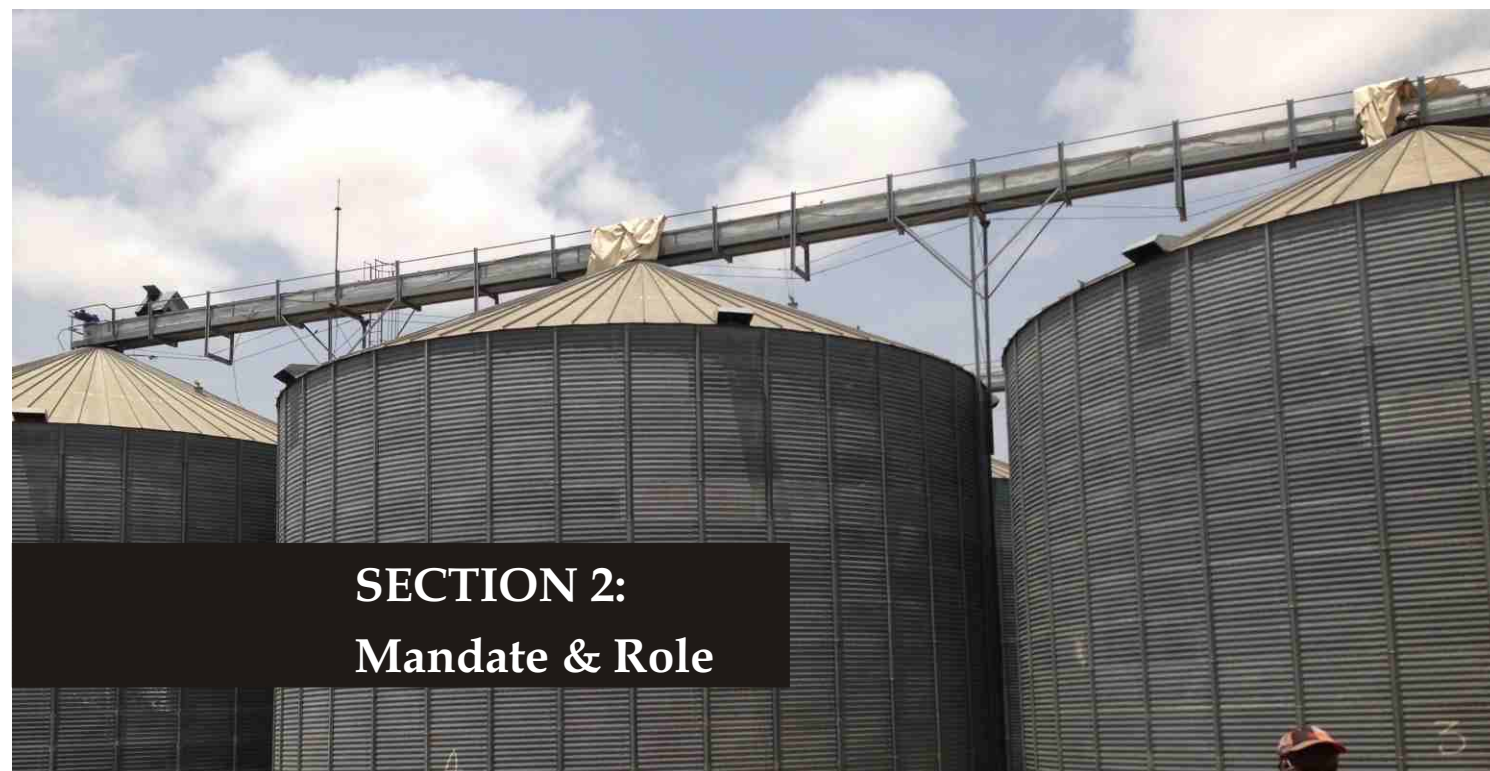
Challenges

- The Commission continued to experience funding constraints that negate overall effectiveness in the conduct of its operations towards the realization of set goals and objectives. Lack of dedicated funding to develop, promote and implement PPP projects presents serious setbacks and slows down the process.

Conclusion

The year 2016 witnessed a heightened activity on the part of the government in fast-tracking the development of major roads, rail and aviation projects that will bring about inclusive growth and sustainable development. The Commission is committed to working with the implementing MDAs in seeing these projects to fruition.

For the coming year, the Commission targets to achieve even more productive activities with the cooperation of its staff, as well as all individuals, institutions and agencies involved in the Nigerian PPP process.



SECTION 2: Mandate & Role

- 2.1. In order to harness private sector technical and financial resources for the provision of public infrastructure and service, the FGN enacted the ICRC Act in 2005 and inaugurated the Governing Board in November 2008 leading to the commencement of the Commission's operations, subsequently.
- 2.2. The ICRC Act confers on the Commission the powers to:
- Provide general policy guidelines, rules and regulations;
 - Take custody of every concession agreement;
 - Monitor and inspect PPP projects; and
 - Ensure efficient execution of any concession agreement or contract entered by the Federal Government.
- 2.3. The Act also provides for MDAs to enter into contracts with or grant concession to any duly pre-qualified private sector proponent for the financing, construction, operation, and maintenance of any infrastructure that is financially viable or any development facility of the Federal Government.
- 2.4. Deriving from this mandate, the role of the ICRC consists of four main components:
- Promoting, facilitating, supporting, coordinating and implementing a sound PPP Process; while ensuring that the principles of good governance are applied to all the functions that form part of it;
 - Providing transaction support and building capacity in all Federal Government MDAs for project development, tendering, negotiation and contract execution;
 - Developing guidelines for monitoring contract compliance during construction, operation and contract termination; and
 - Collaborating with other agencies, including similar State-level PPP Units, to implement an integrated national PPP regulatory environment that is conducive to private sector investment in infrastructure projects.



SECTION 3: Institutional Structure & Governance

3.1. Structure and Functions

The Governance and Organizational Structure of the commission is designed to facilitate the delivery of its mandate. The Act provides for the establishment of a Governing Board for policy formulation and other statutory functions.

Table 1 below shows the Governing Board Structure:

Table 1: ICRC Governing Board Structure

S/No	OFFICE/REGION	POSITION
1	Chairman	Chairman
2	Secretary to the Government of the Federation (SGF)	Ex-Officio Member
3	Attorney General to the Federation (AGF)	"
4	Hon Minister of Finance (HMF)	"
5	Governor, Central Bank of Nigeria (CBN)	"
6	Rep South-South	Member
7	Rep South-West	"
8	Rep North-East	"
9	Rep North-Central	"
10	Rep South-East	"
11	Rep North-West	"
12	Director General, ICRC	Member/Secretary

The Board constituted the following five committees to aid its functions:

- A) Contract Compliance Committee (oversees

- activities of the Contract Compliance Department);
- Audit and Technical Committee (oversees the activities of the PPP Resource Department);
- Human Resource and Establishment Committee (oversees issues of human resource, governance, institutional relations, etc.);
- Finance and General Purpose Committee (oversees finance-related matters); and
- Media and Publicity Committee (oversees communication related matters)

However, within the review period, the Governing Board had not been reconstituted. Hitherto, all matters relating to the Board were brought to the SGF's attention who provided oversight on the Commission's operations in the absence of the Board.

3.2. Executive Management

The Director General, Executive Director, two Directors, the Technical Adviser to the DG, and Head, Audit constitute the Executive



Management Team (EMT). The Director General heads the EMT and reports to the Governing Board. However, within the reporting time, the Commission went through a restructuring that saw the Directors portfolios swapped to provide more versatile and nimble operations.

3.3. General Management

The General Management Team (GMT) comprises the Director General and all Heads of Departments and Units.

Some of the Commission's key activities during the period included providing pre- and post-contract regulatory guidance to MDAs in the following areas:

- (a) Supported MDAs in establishing an effective PPP project pipeline aimed at developing the PPP market.
- (b) Provided regulatory guidelines for MDAs to deliver public infrastructure services in line with best practices.
- (c) Provided technical support to MDAs in preparing and structuring PPP projects in accordance with work plans and agreed milestones.
- (d) Provided MDAs with PPP training aimed at building staff capacity to prepare, manage, and administer projects.
- (e) Monitored PPP projects under implementation and ensured compliance with the contract terms and conditions within the confines of the laws, policy, regulations and other best practices.
- (f) Sustained the advocacy for and engagement of stakeholders on PPP procurement methods.



Proposed 3D design of infrastructure for Katampe District, Abuja



Kainji & Jebba Hydro Electric Power Plants, Niger State



Grain storage facilities



Apapa Bulk Terminal, Lagos State



4.1 2016 Pre-Contract Activity

An effective PPP implementation is anchored on proper selection and thorough project development. The Commission renders technical assistance and project advisory services to MDAs and sub-national governments, ensuring that PPP projects go through proper selection, preparation, and bidding. During the review period, the Commission assessed, for possible implementation, a total of 37 projects in the pipeline as part of its pre-regulatory activity.

Among these were some pilot projects aimed at ensuring a green environment for the nation initiated through a signed Memorandum of Understanding between ICRC and Federal Ministry of Environment. These included public toilets (with the FCT earmarked for the first pilot), solid waste management, national parks and game reserves, among other projects. Also, novel was the Nigerian Prisons Service PPP project which strived to introduce innovations and best practices in prisons management. The project targets to construct modern prison facilities across the nation's geographical locations.

The addition of six aviation projects to the pipeline in the latter part of the year signaled a step further in developing robust projects structure that balanced the interest of the public and private sector. Of strategic importance are four international terminals in Abuja, Lagos, Kano and Port-Harcourt being proposed for concession to the private sector.

The Concession of the Fallow Land around the National Theatre recorded tremendous progress with development of the draft Concession Agreement and issuance of a Full Business Case Compliance Certificate by the Commission. With this development, the Ministry and the National Theater Complex are expected to seek FEC's approval to commence project implementation.

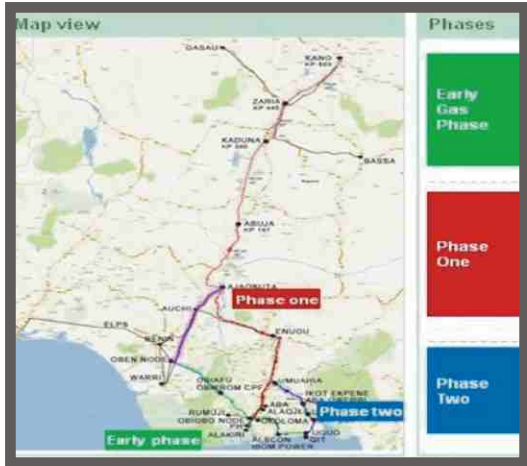
The Ajaokuta Kaduna Kano Gas pipeline project gained momentum during the year with the opening and evaluation of six Engineering, Procurement and Contractors' Technical and



National Theatre complex in Lagos State



Proposed 3D design of the National Theatre, Lagos State



Ajaokuta Kaduna Kano (AKK) Gas pipeline project

Unpriced Commercial Proposals between June and July. The Commission participated as an observer. Furthermore, the Commercial Tenders for four technically qualified consortia were evaluated in December, in Lagos and the report had been forwarded to the NNPC management for consideration.

As part of ensuring a harmonized PPP framework among the three tiers of government, the

Commission had equally prepared the draft process for implementation of PPP transactions at the local government level which is currently awaiting Management approval before it is published.

Table 2 below is a list of the projects and their status as at the end of December 2016.

Table 2: Pre-Contract Activities -PPP Projects Status

SN	PPP PROJECT	MDA	STATUS
1	Development of Hydroelectric power from Small & Medium Dams across the Country - 45.25MW: <ul style="list-style-type: none">Lot 1 (6MW Ikere Gorge Dam Oyo State)Lot 2 (3MW Bakolori Dam Zamfara State, 500KW Kampe Dam Kogi State and 1MW Doma Dam Nasarawa State).Lot 3 (4MW Jibia Dam Katsina State, 300KW Zobe Dam Katsina state, 10MW Tiga Dam Kano state, and 10MW Challawa Dam Kano State).	Federal Ministry of Power, Works & Housing (FMPWH)	8 Outline Business Case (OBC) Compliance Certificates were granted on 11/05/2016 for small hydro dam projects. FEC approved 6 OBCs on 30/11/2016 submitted by the Ministry. Expect Ministry to submit remaining 2 OBC Compliance Certificates for Challawa and Tiga Dams to FEC for approval. The PPP procurement phase (for concessionaire) has begun for the approved Six dams.
2	Concession of the Hydro Electric Power Component of the Gurara 1 Multi-Purpose Dam, Kaduna State This is a multi -purpose Dam Water Project for water supply, hydropower and irrigation that involves the Operations and Maintenance of 30MW hydroelectric power from the dam.	Federal Ministry of Water Resources (FMoWR)	The Commission issued an OBC Compliance Certificate to the Ministry on 25/10/2016 for FEC approval. The engagement of a TA is ongoing to guide project through the Procurement phase
3	Concession of the National Theatre, Lagos Modernization of existing facilities and development of surrounding land into viable commercial use.	Federal Ministry of Information & Culture	The Commission issued a Full Business Case (FBC) Compliance Certificate on 10/03/16 to enable the Ministry obtain FEC approval and contract signing with preferred bidder.
4	Development of Oncology Centre of Excellence for Cancer Care in 8 Teaching Hospitals across the Geopolitical zones	Federal Ministry of Health	Project Delivery Team (PDT) has been inaugurated and Ministerial Committee to consider Unsolicited Proposals from radiotherapy experts - Elekta/JNCI & Varian/Tanit)
5	Warehouse in a Box (Lagos and Abuja) Aims to deploy pharmaceutical warehouses to ensure efficient and integrated supply chain management in the health sector.	Federal Ministry of Health	The TA has submitted an inception report on 30/11/2016 which is being reviewed by the PTD as part of the OBC preparation.
6	Construction of Staff Housing Estate, Shopping complex and New House Officers Quarters at University of Port Harcourt Teaching Hospital (UPTH)	Federal Ministry of Health/UPTH	The project is currently in Development Phase. The Commission is providing guidance to the Ministry and UPTH on the project.
7	Industrial Development Centres (IDCs) - The project plans to redevelop 23 IDCs into Industrial Clusters across the 6 geopolitical zones through PPP.	Federal Ministry of Industry, Trade and Investments/SMEDAN	The Ministry has secured AfDB grant to support the project development and has submitted ToR and work plan to SMEDAN and AfDB. The next phase procurement of a TA to prepare an OBC to determine bankability.



Table 2: Pre-Contract Activities -PPP Projects Status ... Contd

8	National Automotive Design Development Council (NADDC) intends to develop a World-class training centre comprising a 9-storey building on a 5,428sqm land in Jahi district-FCT based on Design, Finance, Build, Operate and Transfer (DFBOT) model.	Federal Ministry of Industry, Trade and Investments/NADDC	The Commission has reviewed the OBC and requested for additional information.
9	Concession of National Stadium Lagos/Athletic Hostel Abuja	Ministry of Youths and Sports/National Spots Commission	The Ministry has written to Bureau for Public Procurement (BPP) for restrictive tendering in engaging the services of a TA and is preparing a Request for Proposal (RFP) to that effect.
10	Kirikiri Port Lighter Terminal I&II Project aims to rehabilitate and upgrade the terminals. Development and procurement cost is being sponsored by the World Bank.	The Federal Ministry of Transportation/Nigerian Ports Authority (NPA)	OBC Compliance Certificate was issued to NPA 28/10/16 to obtain FEC approval for procurement to commence
11	Ibom Deep Sea Port-Akwa Ibom A multi-purpose port to be developed jointly by the FGN, Akwa Ibom State Government (AKSG) and private investors through Public Private Partnership.	The Federal Ministry of Transportation/Nigerian Ports Authority (NPA)	The Commission issued OBC Compliance Certificate on 08/11/14 and FEC granted approval on 11/05/15. TA has been appointed by AKSG to guide the procurement stage.
12	Badagry Deep Sea Port, Badagry-Lagos The project is Greenfield development to cater for containers, dry bulk, liquids, Ro-Ro, oil & gas supply services, and operate free trade and local logistic zones.	The Federal Ministry of Transportation/Nigerian Ports Authority (NPA)	The OBC Compliance Certificate which was granted on 29/12/15 was approved by FEC on 03/08/16. The next process is to appoint a TA to lead the negotiation and develop an FBC.
13	Industrial Port Complex Development (Standard Jetty), Apapa-Lagos Unsolicited Proposal by Modandola Group to develop a port complex that will comprise a Berthing and Cargo Terminal.	The Federal Ministry of Transportation/Nigerian Ports Authority (NPA)	The OBC certificate of compliance which was granted on 26/08/13 was approved by Federal Executive Council (FEC) on 12/10/16. The project is at the procurement phase now.
14	Onitsha Inland Ports Concession) The Onitsha River Port was selected as a pilot project as a basis to develop four river ports in the Lower Niger: Onitsha, Lokoja, Baro and Oguta River Ports via PPP. The World Bank is sponsoring both project development and procurement.	The Federal Ministry of Transportation/National Inland Waterways Authority (NIWA)	The Commission has issued an OBC Compliance Certificate for NIWA to proceed to FEC for approval.
15	Eastern and Western Railway The Concession of the Western and Eastern railway lines for the provision of rail services.	The Federal Ministry of Transportation/Nigerian Railway Corporation (NRC)	African Finance Corporation (AFC) Consortium was appointed as TA. The advertisement for Expression of Interest was placed in December 2016.

Table 2: Pre-Contract Activities -PPP Projects Status ... Contd

16	Nigerian Police Contingent Owned Equipment Contingent Owned Equipment to Peace Keeping Missions in Central African Republic (CAR), South Sudan, Somalia, Dafur and Liberia based on Supply, Own and Operate (SOO) PPP model.	Federal Ministry of Interior/Nigeria Police Commission	The Commission has granted a joint OBC/FBC Compliance Certificate on 30/12/16. The project is expected to proceed to Procurement Phase.
17	Concession of Nigerian Prisons Correctional Facility, Industrial Laundry Facility & Integrated Farm Facility as follows: <ul style="list-style-type: none"> Land Swap of existing prisons for new correctional facilities proposed for: Lagos, Owerri & Kaduna. Establishment of integrated prison farm facilities in Ozala, Edo State; Kujama, Kaduna State; Lakushi, Plateau State. 	Federal Ministry of Interior/ Nigerian Prisons Service	First phase of Negotiation with preferred bidders for both Land Swap Correctional Facility (Halcrow Infrastructure Consortium) and Integrated Farm Facility (Nestoti Consortium) projects took place on 28/06/16.
18	2 nd Niger Bridge Project Concession of the 2 nd Niger Bridge linking Anambra and Delta States under a Design, Build, Finance, Operate and Transfer (DBFOT) PPP scheme.	Federal Ministry of Power, Works & Housing (FMPWH)	The project is at development stage. To move project forward the following issues are being addressed: <ul style="list-style-type: none"> Settlement of Compensation Finalization of OBC Acquisition of right of way Additional funds for early works 4
19	Enugu- Port Harcourt Express Road. Private Sector Participation in Enugu- Port Harcourt Road	Federal Ministry of Power, Works & Housing (FMPWH)	The feasibility study to ascertain investment requirements for the project was submitted to the Commission in December, 2016 by the Ministry. It has been certified that the project has limited encumbrances as resettlement and compensation issues were addressed when the road was first built in 1980.
20	Aviation Concessions The Federal Government seeks to embark on the following concessions: <ul style="list-style-type: none"> 4 International Airports 6 Cargo/Agro Airports Aviation Leasing Company National Carrier Maintenance, Repair and Overhaul Facility Aerotropolis (Airport City) 	The Federal Ministry of Transportation	The Ministry has established a Project Delivery Team (PDT) and is in the process of appointing TAs that will develop the various OBCs for all the projects.
21	MoU between ICRC and Federal Ministry of Environment (FMEnv) to collaborate as follows: <ul style="list-style-type: none"> Clean and Green Campaign to end open defecation and provide Public Toilets nationwide. Pilot to be in the FCT public schools, motor parks and market places Frameworks to take plastic waste off streets by 2019 Solid Waste Management. Waste to Wealth/Management (Recycling) include Scrap Metal Plant National Parks and Games Reserve 	Federal Ministry of Environment (FMEnv)	The projects are currently in Development Phase. The Ministry is in the process of procuring Transaction Advisers (TAs) to prepare OBCs to determine the projects' viability and bankability.



Shiroro Hydro Electric Power Plant, Niger State (Federal Ministry of Power, Works & Housing)



Badagry Deep Sea Port, Lagos State

4.2 2016 Post-Contract Activity

4.2.1 Projects under the Commission's Custody

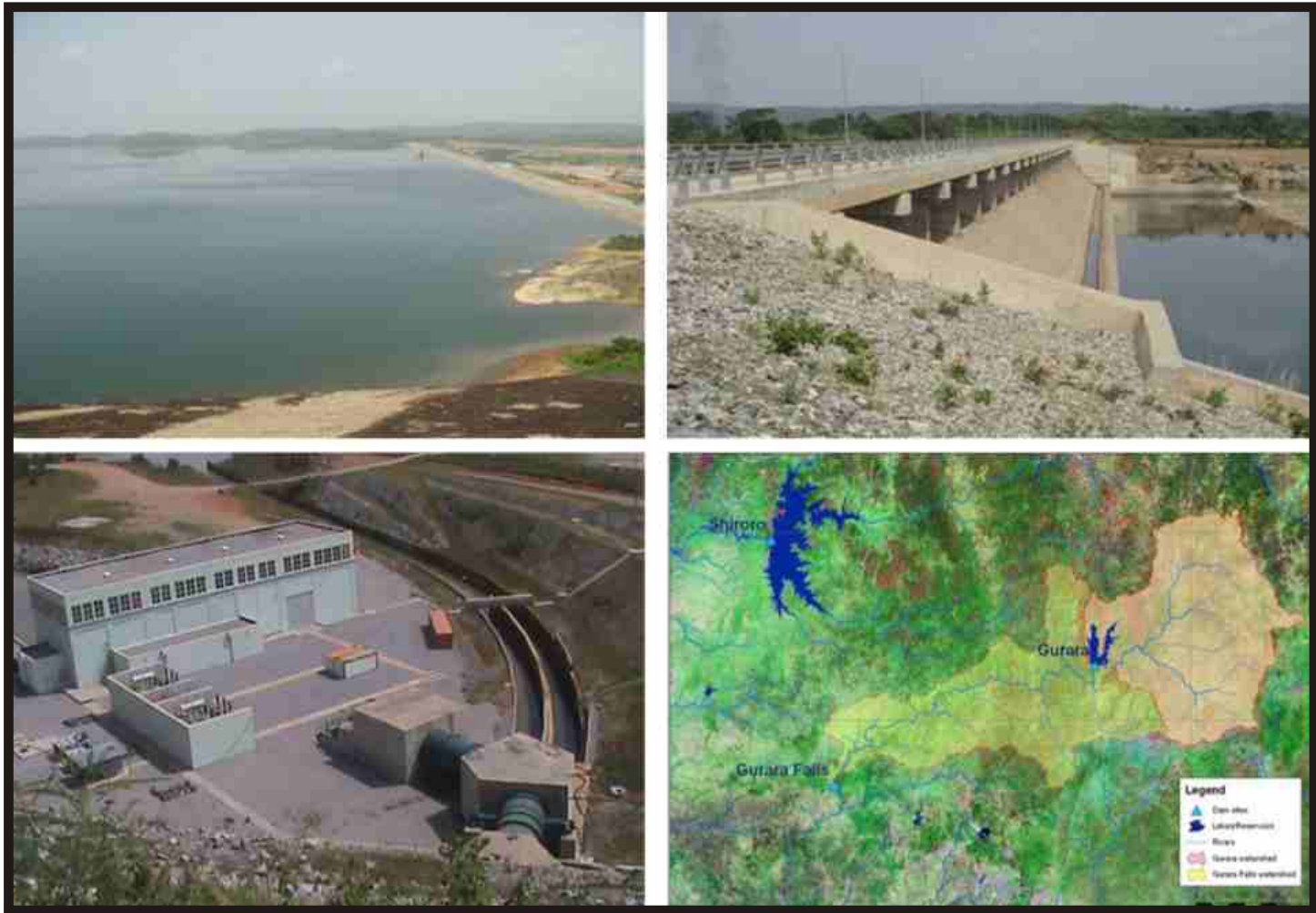
The Commission had since inauguration in November 2008, taken custody of 50 PPP contracts in the aviation, port, information technology, power and social sectors. Other sectors are telecommunication, health, urban district, marine, housing, and mining. The total value of all the PPP projects under the Commission's custody is currently put at over N3.2 trillion, representing private capital investment in the provision of public infrastructure at the national level.

To further strengthen the regulatory role of the Commission, a Project Information Sheet (PIS) template has been designed and will be adopted for populating information on the performance of each project for ease of reference and follow-up. This strategy will come to effect in the first quarter of 2017.

The Commission within the year under review received two PPP contract agreements, did an intense appraisal and made suggestions towards their efficient implementation. These contracts are:

- Concession to Design, Construct, Install, Operate and Maintain the Dadin Kowa Hydro Dam for the purpose of Electricity Generation with a capacity of 39 MW Gombe State;
- Concession for the Rehabilitation, Completion, Management and Operation of the National Iron Ore Mining Company Ltd, Itakpe, Kogi state, including the right to expand, prospect, explore, excavate, extract and sell the ore and products.

Furtherance to the Commission's efforts in resolving disputes surrounding the TCN Fibre Optic Telecommunication Infrastructure Concessions; it facilitated the successful audit of the projects, which was presented to the parties, along with recommendations on the way forward.



Gurara Hydro Power Project, Kaduna State (Federal Ministry of Water Resources)



Dadin Kowa Hydro Dam, Gombe State



National Iron Ore Mining Company Ltd., Itakpe, Kogi State

In the same vein, the Ministers of States for Aviation and Industry, Trade and Investment at different instances towards the resolution of disputes involving most of the aviation contracts, and the TBS/LITFC concessions were engaged respectively. It equally tracked the progress of the arbitration proceedings on the National Identity Management Card Projects.

4.2.2 Monitoring Visits

During the year, the Commission undertook monitoring and compliance visits to some concessions signed by the federal government. The main objective of the monitoring visits was to physically inspect the facilities and have a formal interaction with the MDAs and the concessionaires; assess the commitment and performance of the parties and ascertain any operational challenges. The visits covered the following projects:



Warri Port Complex (Concessionaire - Julius Berger), Delta State

- Warri Ports Complex including:
 - Julius Berger Port Services Limited
 - Associated Maritime Services Limited
 - Intels Terminals A & B
- Lekki Deep Sea Port
- Kiri Kiri Lighters Terminal I & II, Lagos
- Calabar Port Complex including:
 - Ecomarine Port Terminals
 - Intels Port Services
 - Shoreline Logistics Services Nigeria Ltd
- FESTAC Phase II Housing Development Project
- TCN's Fibre Optic Telecommunication Infrastructure Projects Located in Abuja, Lagos, Benin and Enugu
- 2nd Niger Bridge, Asaba-Onitsha
- Shiroro Hydro Electric, Niger State
- Kainji/Jebba Hydro Electric, Niger State
- NIMASA Concession for the Tracking of Ships, Cargoes, Regulatory Compliance and Surveillance of the Entire Nigeria Maritime Domain.



Warri Port Complex (Concessionaire - Associated Maritime Ltd), Delta State



Proposed 3D Design of FESTAC Phase II Housing Development Project, Lagos State



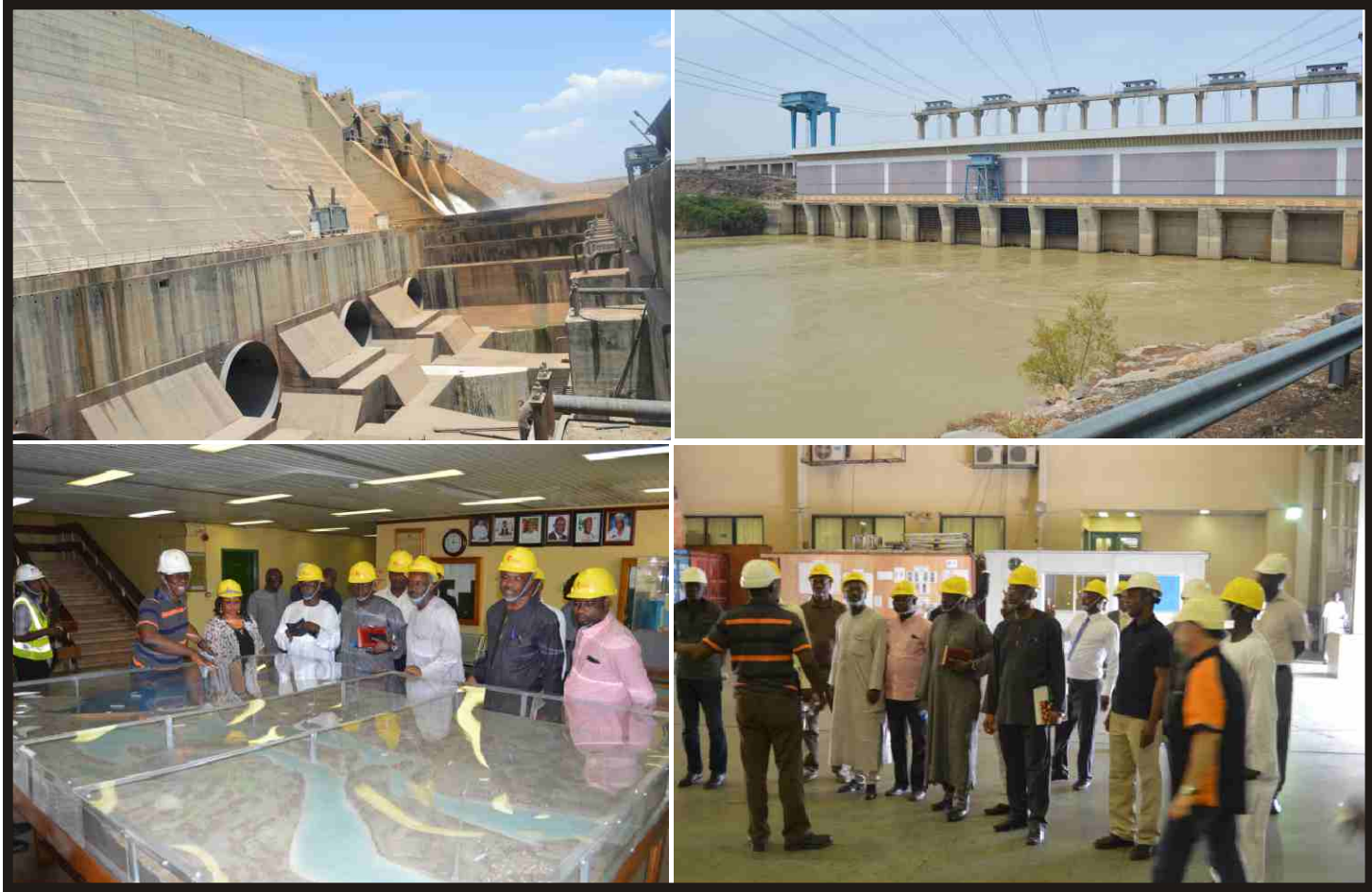
Intels Port Services, Calabar, Cross River State



Proposed 3D design of Lekki Deep Sea Port, Lagos State



Kiri-Kiri Lighter Terminals, Lagos State



The Commission's monitoring team's visit to Jebba Dam, Niger State



Calabar Port monitoring visit by ICRC team, Cross River State

Figure 2: Awarded Projects by Sector

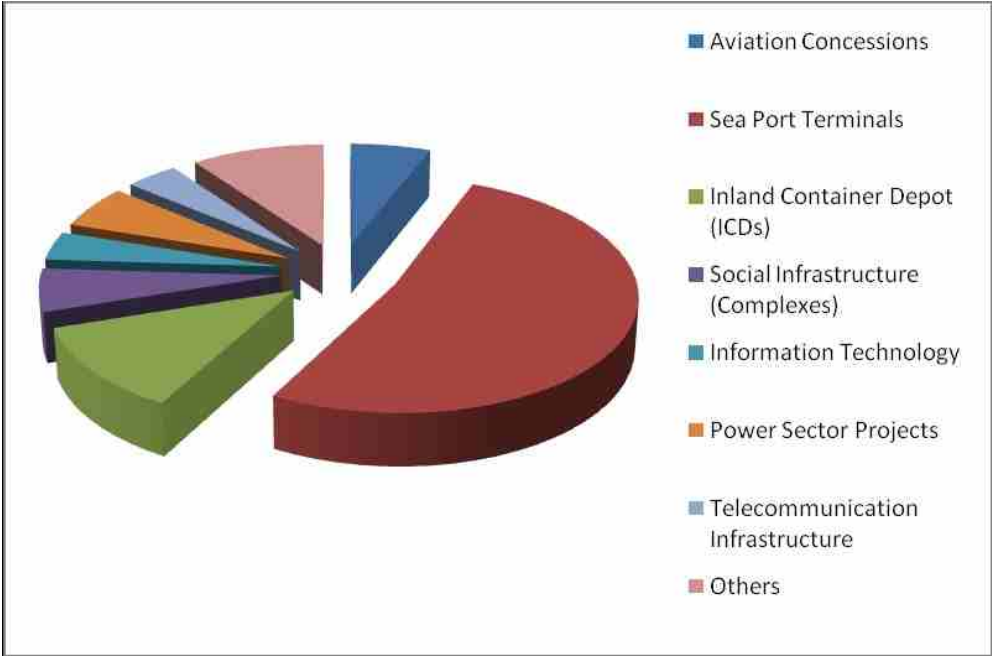




Table 3: Post Contract Activities Status of PPP Contracts under Implementation

S/N	PROJECT	MDAs/CONCESSIONAIRES	DURATION	STATUS
1.	Concession for the Development, Finance, Maintenance, Operate and Transfer of 12 Port Terminals: 6 in Apapa: 1 in Ijora, and 5 in Tin Can Island.	<p>MDA: Federal Ministry of Transportation/Nigerian Ports Authority (NPA)</p> <p>Concessionaires: Apapa Port</p> <ul style="list-style-type: none">Apapa Bulk Terminal Limited for Terminals A & BENL Consortium for terminals C & DGreenview Development Nigeria Limited for Terminal EAPM Terminals Apapa Limited for Container TerminalAP Moller Finance for Lilypond Container Depot, Ijora <p>Tin-Can Island Port</p> <ul style="list-style-type: none">Five Star Logistics LimitedPorts And Terminal Multi-ServicePorts And Cargo Handlings Services LimitedTin-Can Island Container Terminal LimitedJosepdam Ports Services Limited <p>Port Harcourt Port</p> <ul style="list-style-type: none">BUA Ports and Terminals LtdPort & Terminal Operators Nig Ltd	10 to 25 years Oct, 2005 – Sep 2031	<p>The 24 port concessions are at various stages of implementation.</p> <p>The Commission within the year under review wrote and obtained performance updates from the terminal operators. Aside from the routine compliance checks on the 25 port concession terminals in Lagos, Warri, Port Harcourt and Calabar and the Lekki Deep Sea Port project, the Commission in the first quarter of 2016 visited the concession port terminals in Calabar, Warri, the Kiri Kiri Lighter terminal I & II and the Lekki Deep Sea Port.</p> <p>Progress</p> <ul style="list-style-type: none">Fulfillment of financial obligations (Lease fee, throughput fee, etc.)Substantial investment in property, plants and equipment;Improvement recorded on Health, safety and environmental standards;Modest success in the implementation of the development plans.Some terminals were also granted contract extension due to loss of time. <p>Challenges</p> <ul style="list-style-type: none">Lack of dredging of the water ways making inflows and outflows of big vessels very difficult and expensive for all parties;Lack of adequate stacking areas to accommodate more containers and cargoes based on the business operation projection;High cost of operations and cost of insurance due to security challenges in the Niger Delta region;Low patronage of the Ports by importers and vessel owners due to security concerns, <p>Way forward:</p> <ul style="list-style-type: none">Carry out dredging and maintenance of the channelsEnsure implementation of the cabotage laws in the country to support local investment in the maritime industry;Tackle the insecurity along the channels
	Concession for the Development, Finance, Maintenance, Operate and Transfer of 12 Port Terminals. 3 in Onne, 2 in Port Harcourt, 3 in Calabar and 4 in Warri	<p>Onne Port</p> <ul style="list-style-type: none">Brawal Oil Services TerminalIntels Nig Ltd – FLTIntels Nig Ltd - FOT <p>Calabar Port</p> <ul style="list-style-type: none">Intels Nig Ltd – Calabar TerminalShoreline Logistics TerminalEcomarine Nigeria Ltd <p>Warri Port</p> <ul style="list-style-type: none">Intels Nig Ltd Terminal AIntels Nig Ltd Terminal BAssociated Maritime Services Limited (AMS)Julius Berger Services Limited		

Table 3: Post Contract Activities Status of PPP Contracts under Implementation ...contd

2.	Concession for the Operation and Management of the Garki District Hospital to provide Primary, Secondary and Tertiary Health Care services in an efficient and commercially viable manner.	<p>MDA: Federal Capital Development Authority</p> <p>Concessionaire: NISA Premier Hospital Ltd</p>	15 Years March 2007 – March 2022	<p>Under Implementation</p> <p>Progress</p> <p>Improved quality of health care services with reduced complaints from patients.</p> <p>Challenge/Way Forward</p> <ul style="list-style-type: none">Limited space: Concessionaire has expressed intention to the Commission to expand its service delivery due;Details of planned expansion have been requested by the Commission.
3.	Contract to Finance, Maintain, and Develop Building Complexes/Trade Centres (Lagos) Tafawa Balewa Square (TBS) Lagos International Trade Fair Complex (LITFC)	<p>MDA: Federal Ministry of Industry, Trade and Investment/Tafawa Balewa Square Management Board</p> <p>Concessionaire: BHS International Limited</p> <p>MDA: Lagos International Trade Fair Management Board</p> <p>Concessionaire: AULIC Nigeria Limited</p>	30 years June, 2007 – June, 2037	<p>Under Implementation</p> <p>Progress</p> <ul style="list-style-type: none">Conducted a comprehensive audit of the project;Commissioned an event hall within the year;Acquired new operational equipment;Enhanced security within and around the complex. <p>Challenges</p> <ul style="list-style-type: none">Protracted court cases impacting smooth implementation;Inability to obtain necessary permits from the Lagos State Government to carry out major renovation works;
4.	Inland Container Depots in Abia State (Isiala-Ngwa), Oyo State (Erunmu-Ibadan), Plateau State (Heipang), Kano State (Zawachiki), Katsina State (Funtua), Borno State (Jauri).	<p>MDA: Federal Ministry of Transportation/Nigerian Shippers Council (NSC)</p> <p>Concessionaires:</p> <ul style="list-style-type: none">Eastgate Inland Container Depot LtdCatamaran Logistics LtdDuncan Maritime Ventures Nigeria LtdDala Inland Dry Port Nig. LtdEquatorial Marine Oil and Gas Company LtdMigfo Nigeria Limited	25 to 30 Years from 2007	<p>Under Implementation.</p> <p>The Commission engaged the Ministry of Transport and the Nigerian Shippers Council on the possible ways of resolving the bottle necks hindering the takeoff of the ICDs.</p> <p>Progress</p> <ul style="list-style-type: none">Submitted project designs, drawings, and work schedulesSome of the ICDs have secured land for the project sites;Ongoing discussions with concerned state governors to support the projects. <p>Challenges</p> <ul style="list-style-type: none">Lack of legal framework that confers ICDs with the status of port of origin for export and port of final destination for imports;Concessionaires' inability to source long-term funding;Delays in securing the certificates of occupancy;Inadequate cooperation from the states governments;Inadequate capacity building for the scheduled staff.



Table 3: Post Contract Activities Status of PPP Contracts under Implementation/contd

5	Provision of data capture services, personalization, issuance and distribution of general multi-purpose cards (GMPC), deployment of card acceptances devices (CADs) – Nationwide	MDA: National Identity Management Commission (NIMC) Concessionaires: Charms Nigeria Ltd OneSecuredcard Limited	10 Years each from July, 2010	The concession was terminated by NIMC despite efforts by the Commission to resolve the disputes by the parties. One of the parties (Chams Consortium Ltd) filed for arbitration which was still ongoing as at end of 2016.
6.	TCN Concessions to develop, upgrade and commercialise its Fibre Optic Telecommunication Infrastructure.	MDA: Federal Ministry of Power, Works and Housing/Transmission Company of Nigeria (TCN) Concessionaires: ▪ Phase 3 Telecom Ltd Alheri Engineering Services Ltd	15 Years from March 2006	Under Implementation. Progress ▪ Audit report was presented to the parties; ▪ Commission further made recommendations to the parties towards dispute resolution; ▪ Parties agreed for projects to be restructured. Challenges ▪ Parties disagree on amount payable as concession fees. Mediation in progress to resolve issue.
7.	Concession for the Development and Operation of a Deep Water Port in Lekki Free Trade Zone at Ibeju-Lekki, Lagos.	MDA: Federal Ministry of Transportation/Nigerian Ports Authority/Lagos State Government. Concessionaire: ▪ Lekki Port LFTZ Enterprise	45 Years April 21 st 2011 – April 20 th 2056	Extension of time to achieve financial close granted Progress ▪ Procured EPC contractor ▪ Completed Basic Design ▪ Finalised onshore/Offshore Geotechnical Investigations Challenges ▪ Difficulty in attaining financial close ▪ Poor access road to project site ▪ None completion of equity contribution by the parties.
8.	Concession to Design, Develop, Finance, Construct, Complete, Test, Commission, Operate, Manage, Maintain and Transfer of the MMA2 Terminal (Lagos)	MDA: Federal Ministry of Transportation /Federal Airports Authority of Nigeria Concessionaire: ▪ Bi -Courtney Ltd	36 Years* April 24 th 2006 – April 23 rd 2042	Under Implementation, Progress ▪ Airport terminal fully operational; ▪ Improved service delivery to passengers recorded; Challenges ▪ Protracted court case between the parties over project's duration/cost and operational right to GAT, Lagos.

Table 3: Post Contract Activities Status of PPP Contracts under Implementation

12.	Concession for the Operation, Restoration and Maintenance of Hydroelectricity Power production facilities – Niger State.	MDA: Federal Ministry of Power, Works and Housing/Kainji & Shiroro Hydro Electricity Plc Concessionaire: ▪ North South Power company Ltd – Shiroro Hydro Plant ▪ Mainstream Energy Solutions Ltd – Kainji/Jebba Hydro Plant	30 Years from 21 st February 2013	Under Implementation. The Commission in March, 2016 in conjunction with NERC and BPE visited the two hydroelectric power projects for on the spot assessment. Progress ▪ The concessionaire plans to develop a Computerized Maintenance Management System and recover all installed capacity by November 2018 Challenge ▪ Low level of water at the dams; ▪ Repair of faulty turbines;
13.	Concession for the Reclamation and Infrastructural Development of Festac Phase II Housing Development Project –Festac Town – Lagos	MDA: Federal Ministry of Power, Works & Housing/ Federal Housing Authority Concessionaire: ▪ New Festac Property Devt Co. Ltd	30 Years from 8 th Sept, 2014	Project stalled over a Court case. Progress ▪ Completed Perimeter and Topographic surveys ▪ Conducted Sand search studies and EIA. ▪ Developed Concept Master plan/design parameters. Challenges ▪ Protracted court case ▪ Increased land encroachment; ▪ None delivery of land free of encumbrances ▪ None attainment of financial close
14.	Concession for the Design, Finance, Build, Operate, Maintain and Transfer the Debt Management Office's Corporate Office Building (Abuja)	MDA: The Debt Management Office (DMO) Concessionaire: ▪ LOH & OR Construction (Nig) Ltd	30 Years From Effective date.	PPP Contract Signed; Awaiting Financial Close. The Commission on 27 th September, 2016 met with the parties to the project to discuss cost variations by the Concessionaire occasioned by current economic challenges. Progress ▪ Ongoing efforts to value contract in Naira due to CBN's regulation on dollarization of contract. A revised bill of materials and financial model to be submitted for consideration to DMO; ▪ Concessionaire hopes to mobilize to site by March, 2017.

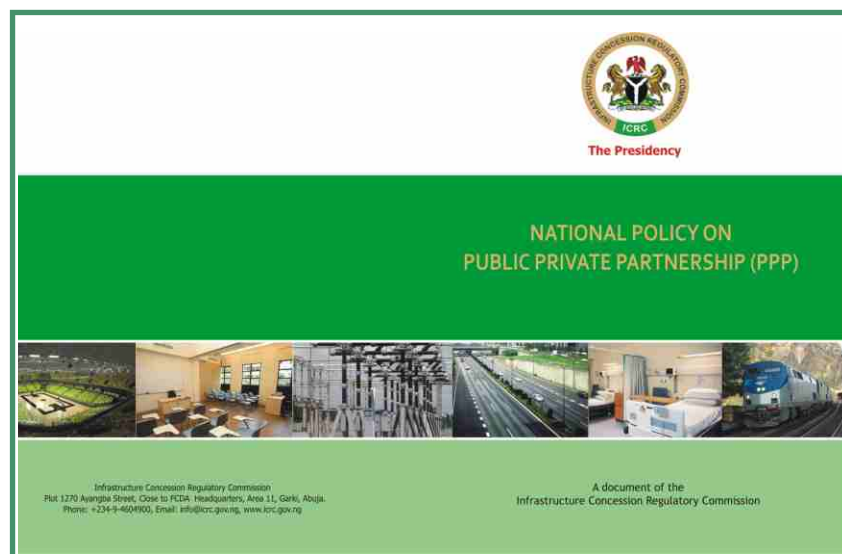
Note: The FEC approval of a 12-year concession period obtained a Presidential approval for extension to 36 years. This change has remained very contentious and is the source of the dispute between the parties



4.3 Other Regulatory Activities in 2016

4.3.1 Review of National Policy on Public Private Partnerships (N4P)

A comprehensive review of the National Policy for Public Private Partnership (N4P) was undertaken in 2016 and some aspects of PPP transaction which were initially not included in the document - such as the process of handling Unsolicited Proposal, Hiring of Transaction Adviser, Joint Venture in PPP transaction, etc - were added. The shortcoming has been addressed in the proposed Bill to amend the ICRC Act. The Commission plans to hold a stakeholder's consultative forum/focus group discussions to consider the reviewed policy and finalize same in 2017.



4.3.2 PPP Guidelines

The following guidelines have been developed which are all undergoing reviews before finalization in the second quarter of 2017:

- Guidelines on PPP Contract Management for MDAs
- Guidelines on Handling Unsolicited PPP Proposal and Selection of a Transaction Adviser
- Guidelines for Extension or Renewal of Port Concession Contract Tenure
- Guidelines on PPP Transactions for Local Governments
- Public Toilets Concept Notes

4.4 Governance

4.4.1 Executive Management Committee (EMC)

The EMC met regularly during the period under review to provide strategic direction on such key issues as the 2016 annual work plan and capacity building plans for MDAs and ICRC Staff.

4.4.2 General Management

The General Management Team met regularly to deliberate on the general administration of the Commission.

4.4.3 2015 Annual Report & Audited Accounts

The Commission submitted the 2015 Annual Report and Audited Accounts to the President in the month of June in line with Section 26(1) of the ICRC Act.

4.5 Policy and Strategic Engagements

4.5.1 The Nigerian Economic Council

- The Commission developed an Appropriate Financing Model for Infrastructure Projects based on the request by the National Economic Council.

4.5.2 State Governments

The Commission engaged with the following states;

- Participated at the meeting on the Cross River State 30 Year Growth & Development Strategy in Calabar in June, 2016.

Paid a courtesy visit to the Executive Governor of Imo State, His Excellency, Owele Rochas Okorochoa (OON), in June to make a presentation on the Nigerian PPP framework and its applicability by the State in the development of its diverse infrastructure projects. This falls within the Commission's mandate to collaborate with States in the country to establish a sustainable and harmonized national PPP framework.



Courtesy visit to the Executive Governor of Imo State by DG ICRC and his team

4.5.3 National Assembly

- The Commission participated in the public hearing held on 23rd May, 2016 organized by the House Committee on Land for the consideration of the following bills:
 - A Bill for an Act to Repeal the Nigerian Railway Corporation Act, Cap N129 Laws of the Federation of Nigeria, 2004, and Enact the Nigerian Railway Act, to Provide for the Regulation of the Railway Sector and other related matters (HB.22).
 - A Bill for an Act to provide for the Establishment of the National Transport Commission as an Independent Multi-Modal Economic Regulator for Transport Industry and other related matters 2015 (Hb511).
- It served as a member of the Technical Committee to review the proposed enactment of the Nigerian Railway Act and a Bill for the Establishment of the National Transport Commission.

4.5.4 Federal Ministry of Budget & National Planning

The engagements with the Ministry were as follows;

- Attended an inter-Ministerial Committee meeting of stakeholders on National Integrated Infrastructure Backbone project in August.
- Participated in the National Stakeholders' Workshop on

Refinement of Priority Projects in the NIIMP in September.

- Attended the Technical Committee meeting on national priority projects for European Investment Bank in Nigeria in October 2016.
- Attended a Validation Workshop on NIIMP Governance Framework in December 2016.

4.5.5 Federal Ministry of Finance

The engagement with the Ministry were in the following vital areas;

- Submitted comments on the Draft Guidelines for Viability Gap Fund and Contingent Liabilities Management for Public Private Partnerships in Infrastructure.
- Met with the IMF Team and discussed the Nigeria's 2015 IMF Article IV Consultation Exercise on 20th January 2016.
- Attended the 2-Day engagement/Capacity Building Workshop for Stakeholders on PPP in January Abuja.

4.5.6 Stakeholders Communication

The year 2016 saw the Commission necessitating major communication efforts to keep stakeholders and partners updated with the latest PPP project information and activities. It submitted quarterly reports to the Office of the Secretary of the Government of the Federation to update it on the Commission's activities. It also sent projects update to Ministers of key infrastructure MDAs to engage them meaningfully on the projects status and the way forward.

Part of the Commission's strategy for increased awareness of its program was to maintain strong collaboration with the media. It therefore involved media partners during monitoring visits to project sites in the ports, power and housing sectors to enable them have on the spot assessments. It also issued media releases on the status of the PPP program and published same on the website, which was consistently updated with vital information on PPP projects, activities and events.



4.5.7 Long Term Infrastructure Finance

The funding requirement for infrastructure development under the National Integrated Infrastructure Master Plan (NIIMP) cannot be arranged from the Nigerian financial system due to short credit tenor regimes. In an effort to attract long term financing for PPP projects, the Commission canvassed for the setting up of an infrastructure fund for project development. Within the review year it presented a proposal for consideration to the Federal Ministry of Budget and National Planning for the establishment of a PPP Project Development Fund to enable Ministries Departments and Agencies (MDAs) develop bankable PPP projects. The fund would further assist in the implementation of National Integrated Infrastructure Master Plan (NIIMP).

4.5.8 Inauguration of PPP Units

In line with the Head of Civil Service of the Federation's circular directing MDAs to set up PPP Units, the Commission facilitated the setting-up of five more PPP units in the following MDAs:

- University of Abuja,
- National Identity Management Commission,
- Nigerian Christian Pilgrims Commission,
- Nigerian Prisons Services,
- Federal Ministry of Health.

4.5.9 Project Delivery Teams

The Commission facilitated the setting up of the project delivery team (PDT) for the Aviation Concessions under the Federal Ministry of Transport.

4.5.10 PPP Unit Consultative Forum

The Public Private Partnership Unit Consultative Forum [3PUCF] was inaugurated on Thursday 5th December 2013. The Forum was initiated by the Commission to provide knowledge and experience sharing platform for Heads of PPP Units in the Federal MDAs. The Office of the Head of Civil Service of the Federation (OHCSF) chairs

Table 4: 3PUCF 2016 Quarterly Meeting Schedules

Quarter	Host
1 st Quarter - 3 rd March 2016	Office of the Head of Civil Service
2 nd Quarter - 2 nd June 2016	Border Communities Development Agency
3 rd Quarter - 1 st September 2016	Federal Ministry of Transportation
4 th Quarter - 1 st December 2016	Nigerian Maritime Administration & Safety Agency



Cross section of participants at first quarter PPP Units Consultative Forum, Abuja



Cross section of participants at the Third Quarter PPP Units Consultative Forum, Abuja



Cross section of participants at the Fourth Quarter PPP Units Consultative Forum, Abuja



the Forum's activities, Federal Ministry of Finance co-chairs while ICRC serves as the secretariat. The 3PUCF hold quarterly meetings and have thus far held 13 meetings/forums from inception. The growing number of members and the need for respective MDAs to have a sense of belonging instigated the decision to rotate venues and avail MDAs hosting rights. Subsequently, the 2016 3PUCF took place as shown in table below:

A key actionable point from the 2016 3PUCFs is the constitution of monitoring & evaluation (M&E) team, which would monitor the implementation of PPPs by the MDA's and make recommendations. A meeting was held in September 2016 to develop the framework for the team, timeline for monitoring visits, and template for PPP capacity building for relevant MDA personnel. The team is composed of the Office of Head of Civil Service of the Federation, Federal Ministry of Finance, Federal Ministry of Budget & National Planning and Infrastructure Concession Regulatory Commission, which would serve as the secretariat.

4.5.11 Capacity Building/Technical Assistance

The Commission continued its efforts to enhance the knowledge and competency base of PPP practitioners in the public sector. As part of building capacity for PPP projects development in the country, the Commission executed 20 capacity programs by way of training, inductions, workshops and seminars in 2016 which benefitted its staff, MDAs personnel and the private sector. This is apart from the Commission's routine training of its staff as part of their mandatory professional development. (see Appendices 5 and 6 for full list of capacity building initiatives of the Commission).

Furthermore, at their requests, the Commission seconded staff to the following MDAs to provide technical assistance in PPP procurement and project management:

- Federal Ministry of Environment
- Federal Ministry of Power, Works & Housing
- Federal Ministry of Aviation



4.5.12 Engagement with Development Partners

The Commission engaged with international development partners on PPP capacity programs that would enhance MDAs capacity in structuring PPP transactions. It met with African Development Bank (AfDB) Legal Support Facility Mission on 28th April 2016, to discuss the capacity building support for MDAs and other relevant stakeholders, including the course framework and category of MDAs to be trained.

Through its engagement with the Australian High Commission, a staff of the Commission benefited from the prestigious international award offered by the Australian Government to the next generation of global leaders for development. As a requirement for the award, the recipient underwent a six-week training program in Public Private Infrastructure Partnerships in Australia and South Africa sponsored by the country's Department of Foreign Affairs and Trade.

4.5.13 Other Stakeholder Engagements

The Commission participated in the following stakeholders and PPP advocacy engagements:

- Presented a paper with a theme: "Importance of a Public Private Partnership in the Actualization of NIMC Mandate" on 1st March 2016.
- Attended the United Nations Development Programme (UNDP) seminar on "Small Hydro Power Development in Nigeria" on 14 April, 2016.
- Collaborated with the Law firm of Akindelano Legal Practitioners, supported by UK Trade & Investment and the International Project Finance Association (IPFA) in organizing a one day seminar on "PPP and Infrastructural Development: Accelerating the diversification of the Nigeria's Economy", on 26th April, 2016.
- Attended the Nigeria Japan PPP conference for high quality Infrastructure on 5th May, 2016.
- Attended a high level policy

dialogue on "Risk in Financing Trans-boundary Projects in Africa", organized by the United Nations Economic Commission for Africa in Kigali, Rwanda from 10-13 May, 2016.

- Attended a workshop on "Infrastructure Funding and Managing Risk" organized by ALFA International Africa Group on 12th May, 2016.
- Attended "Lagos Urban Railway Development Project, organized by Japan (JICA) on 26th July 2016.
- Attended 9th Nigeria International Maritime Ports & Terminals Expo and Conference (NIMPORT) from 23rd to 25th August 2016.
- Attended "Country Seminar on Turkish PPP Experiences" on 25th September, 2016 in Morocco.
- Attended "Istanbul PPP week 16" at Istanbul, Turkey from 2nd to 5th November, 2016
- Attended the Sub-Regional Interactive Forum on "Infrastructure Development and Maintenance workshop" organized by the Federal Ministry of Transportation in collaboration with the Union of African Shippers' Council (UASC) and Nigerian Shippers' Council from October 6-7, 2016.
- Attended the 22nd Nigerian Economic Summit from October 10-12, 2016.
- Attended a Stakeholders' meeting organized by the Federal Ministry of Budget and National Planning on interventions of the European Investment Bank in Nigeria on October 14, 2016.
- Attended the 8th African PPP Conference in London, UK October from October 24-26, 2016.
- Attended Presidential PPP Knowledge Sharing Forum (African Development Bank & Federal Ministry of Finance) on 3rd November, 2016.



- Presentation at the Nigerian-British Chamber of Commerce, 24th November, 2016.

4.6 Support Services

4.6.1 Overview

The Support Services Department provides Human Resources & Administration, ICT, Finance & Accounts, and Procurement Services to support for the attainment of the Commission's mandates. The Support Services delivered its share in achieving the Commission's organizational goals through the judicious use of its human, financial, and physical resources. By providing pivotal support to all, the Support Services ensured that all activities for the year revolved around this strategic objective.

4.6.2 Activities

Human Resource and Administration:

- During the year, the HR maintained its strategy of providing an attractive workplace by offering avenues for the staff to enhance and sustain their personal, career and professional development and to keep them engaged and motivated always. Various trainings/briefings were conducted to address issues on health, safety & security, social issues, and other aspects of professional development on public finance, public speaking, effective writing and presentation, business ethics, and interpersonal relations, among others.
- The implementation of the Strategic Performance Management System to enable the efficient appraisal of employees began in 2016. The tool paved the way toward

ensuring the alignment of departments and units, and individual performance goals, commitments, and measurements to the mandate and strategic priorities of the Commission. It also served as a tool in recognizing individual performance and pinpointing individual training needs.

- Ensuring that all member of staff had easy access to health care from preferred hospitals under the National Health Insurance Scheme, the leadership of the Commission approved replacement of the existing HMO with an efficient one.

Procurement:

In the approved 2016 Procurement plan, the Commission targeted a procurement of N487, 237,500.00 broken down as follows;

- Goods - N168,147,500.00
- Works - N41,950,000.00
- Consultancy Services - N195,800,00.00 and,
- Non-Consultancy Services - N81,340,00.00

However, due to the economic challenges the nation experienced during the year under review, the Commission was able to process only 20 procurement activities under all the categories, worth about N45, 966,323.80. Out of these, it received cash backing for activities in the sum of N29, 637,850.00 from the Office of the Accountant General of the Federation.

Information Communication Technology:

The Commission early in the year installed the biometric time and attendance system to enable it monitor staff attendance, track staff and visitors' movement during operational hours, as well as beef up security at both entry and exit points of its building.



SECTION 5: Challenges and Constraints

5.1. Inadequate Funding

A key challenge militating against the Commission's effective discharge of its functions was inadequate funding to discharge its operations and regulatory activities. Prominent amongst these included funding to support MDAs in PPP project development; monitor the efficient execution of contracts; and finalize the preparation of PPP guidelines, manuals and primers intended to guide MDAs on the PPP procurement process. Although the Commission had developed these documents internally, they still required substantial technical and peer review before publication.

5.2. Regulatory & Institutional Environment

The ICRC Act lacked adequate enforcement powers over PPP contracts and dispute resolutions. A Bill to address the identified gaps in the existing law had been pending before the National Assembly. The proposed amendment seeks to expand the powers of the Commission to:

- (i) Impose appropriate sanctions to ensure compliance with the provisions of the Act

- and regulations thereof;
- (ii) Seek to reduce time spent on developing projects by addressing the issue of projects being presented to FEC twice;
- (iii) Setting up a PPP Council to address PPPs with small thresholds;
- (iv) Caused to be established a PPP account which seeks to centralise all funds received from PPP transactions in order to avoid leakages and engender transparency; and
- (v) Address the issue of unsolicited proposals.

These amendments are designed to ensure the entrenchment of a robust and sustainable PPP regime. Accelerated hearing and swift passage of the Bill would be required from the National Assembly.

Equally before the National Assembly were sectors specific Bills which would encourage and strengthen private sector participation in infrastructure. These included:

- Inland Waterways Reform Bill
- Ports and Harbour Reform Bill
- Railway Reform Bill
- Road Sector Reform Bill, and
- National Transport Commission Bill

5.3. Long Term Funding for Infrastructure Development

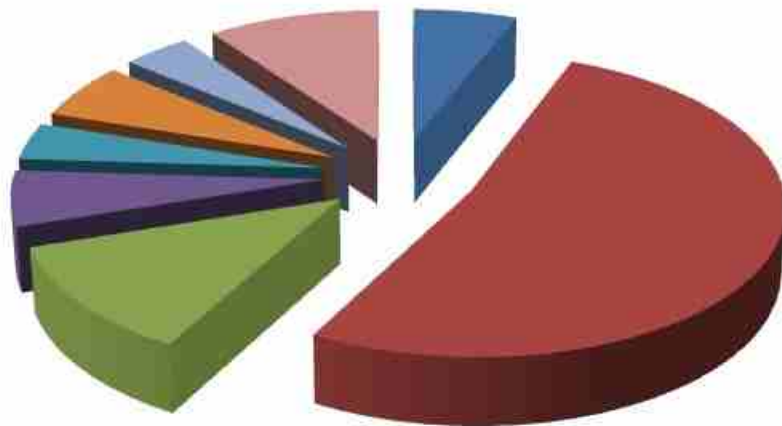
The non-availability of long-term finances remained a major challenge to sustainable infrastructure delivery in Nigeria.

5.4. Integrating PPP Projects into National Planning Framework

Most especially, the non-implementation of the NIIMP document continued to pose a challenge in realizing this vital goal.



- Aviation Concessions
- Sea Port Terminals
- Inland Container Depot (ICDs)
- Social Infrastructure (Complexes)
- Information Technology
- Power Sector Projects
- Telecommunication Infrastructure
- Others



SECTION 6:
2017 Outlook

Foremost in the Commission's agenda is the need to ensure the sustainability of the Nigerian PPP program by strengthening the legal, regulatory and institutional framework that is critical to its success. It will continue to push for the amendments to the ICRC Establishment Act 2005 currently before the parliament, which aims to lay down the needed foundation in terms of legal, policy and institutional arrangements for genuine partnerships with the private sector. The power to enforce the contents of the Act is vital to the Commission's successful piloting of the PPP program.

The Commission is cognizant of the fact that the program's success is anchored on having MDAs, other government partners and stakeholders that are well-equipped in all aspects of PPP project development and implementation. It will therefore intensify its capacity building program and pursue, among others, initiatives with development partners and capacity building institutions (including PPP specialized trainings and seminars for MDAs, States, local governments and other stakeholders).

Adequate funding support from the Government

and development partners will go a long way in realizing the Commission's capacity building objectives; ensuring the steady flow of well-prepared and bankable PPP projects into the pipeline; and the effective monitoring and management of successfully procured PPP projects in its custody. Being an advocate of initiatives to create a pool fund for infrastructure financing by the establishment of the Nigerian Infrastructure Development Fund; and utilization of idle pension funds the commission will be highly involved to ensure its realization. Streamlining the PPP Process and organizational strengthening are also some of the more important focuses of the Commission going forward. Improving the regulatory environment by laying down clear guidelines for PPP stakeholders becomes imperative to enable the adoption of best practices in project development, procurement and implementation. The Commission would work with MDAs to ensure that projects in the pipeline are robust and are such that would attract local and international investors. In a similar vein, it would ensure that sufficient support and incentive for the private sector to partner with government is present through the provision of sweeteners in the form of contingent liability fund and other such long tenor financial instruments. It hopes to continue working closely

with the Central Bank of Nigeria, Federal Ministry of Finance, Nigerian Sovereign Investment Agency, Securities and Exchange Commission, PENCOM, amongst others in achieving this. We see 2017 and beyond as an era of opportunities for the Commission and the national PPP program to significantly contribute to the change

agenda of the government through the implementation of PPP infrastructure and development projects. We are confident that the initiatives undertaken and other ongoing efforts, reinforced by strong government commitment and support from the private sector and development agencies, will surely sustain the program.



SECTION 7:
Financial Summary

7.1 Finance and Accounts

In the bid to maintain an efficient and conscientious financial resources management the Commission continued the full adoption of IPSAS cash based Account Processes that were initiated in 2014 by the Federal Government.

7.1.1 Audited Accounts (insert) (See Audited Accounts Attached)

**INFRASTRUCTURE CONCESSION
REGULATORY COMMISSION
ABUJA**

FINANCIAL STATEMENTS
FOR THE
YEAR ENDED
DECEMBER 31, 2016



PKF PROFESSIONAL SERVICES
[CHARTERED ACCOUNTANTS]
ABUJA, NIGERIA



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Management & Professional Advisers

Management

- Mr. Aminu Diko
Director General/Chief Executive
- Engr. Chidi K.C. Izuwah
Director, Support Services Department
- Mr. Michael Ohiani
Director, PPP Resource Department
- Mr. Mohammed Bamalli
Director, Contract Compliance Department
- Dr. Chiedu Ndubisi Bertram
Technical Adviser to Director General
- Mr. Dada H. Togunde
Head, Internal Audit
- Mr. Jobson Ewalefoh
Head, ICT
- Mr. Barma Mohammed
Head, Finance and Accounts
- Engr. Usman Muktar
Ag. Head, Procurement
- Mrs. Tukur-Modibbo Halima
Ag. Head, Human Resources & Administration
- Mrs. Manji Yarling
Ag. Head, Media & Publicity

Office

Plot 1270 Ayangba Street,
Area 11 Garki,
Abuja.

Bankers

Central Bank of Nigeria, Abuja

Auditors

PKF Professional Services,
(Chartered Accountants)
El- Yakub Place (2nd Floor),
Zakariyah MaiMalari Street,
Central Business District,
Abuja.



Financial Highlights

FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
	N'000	N'000
Personnel And Overhead Subvention	785,202	964,984
Surplus/ (Deficit) of Income Over Expenditure	273	18,806
Capital Expenditure	829	-
Net Assets	1,571,287	1,562,035
Capital Subvention	16,650	20,000

ICRC Mandate

The Infastructure Concession Regulatory Commission - ICRC Establishment Act 2005 was enacted to address the huge infrastructure deficit in Nigeria and the poor state of our existing infrastructure. The Act, which established the Infrastructure Concession Regulatory Commission (ICRC), also empowers Federal Ministries, Departments and Agencies (MDAs) to utilize Public Private Partnerships (PPP) as a procurement vehicle of choice where suitable, to rapidly turn around our infrastructural insufficiency. The Act envisages the ICRC to serve as the primary driver agency to catalyze and facilitate engagement of the private sector by MDAs of Federal Government in initiating, developing and implementing PPP projects in a fit-for-purpose, transparent, competitive and sustainable manner that would ensure value for money for the Nigeria economy while putting in place world-class infrastructure for use by Nigerians.

The ICRC Act imbues the Commission with functions and powers to:

- 1 Provide general PPP policy guidelines, rules and regulations
- 2 Take custody of every concession agreement
- 3 Ensure efficient execution of any concession agreement or contract entered into the Federal Government, and the compliance of the parties.

The Act also provides for MDAs to enter into contracts with or grant concession to any duly pre-qualified private sector proponent for the Financing, Construction, Operation, and Maintenance of any infrastructure that is financially viable or any development facility of the Federal Government.

Deriving from this mandate, the role of ICRC consists of four main components:

- 1 Promoting, Facilitating, Supporting and Coordinating the implementation of sound PPP process, while ensuring that principles of good governance are applied to all of the functions that form part of it;
- 2 Providing transaction support and building capacity in all Federal Government Ministries, Agencies and Department (MDAs) for project development, tendering, negotiation and contract execution;
- 3 Developing guidelines for monitoring contract compliance during construction, operation and contract termination and supporting as appropriate the MDAs assigned to this task;
- 4 Collaborating with other agencies, including similar state-level PPP units, to implement a cohesive national legal, policy and regulatory environment that is conducive to private sector investment in Nigeria's infrastructure projects.



Independent Auditors' Report

To The Members of Infrastructure Concession Regulatory Commission

Opinion

We have audited the financial statements of Infrastructure Concession Regulatory Commission, which comprise the Balance Sheet as 31 December, 2016, and the Income and Expenditure accounts, statement of cash flows and notes on **pages 56 to 58**, and the accounting policies on **page 53**.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission at 31 December, 2016, and its financial performance and cash flows for the year then ended in accordance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and with the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Corporate information and Directors responsibility but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged With Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.



Auditors' Responsibilities

for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

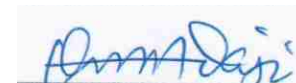
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditors' report is O.P.S Adaji.



O.P.S. Adaji, FCA
FRC/2014/ICAN/00000006846
For: PKF Professional Services
Chartered Accountants
Abuja, Nigeria

Dated:  29th June 2017





Accounting Policies

The following are the significant accounting policies adopted in the preparation of these financial statements.

1. Basis of Accounting

The financial statements are prepared under the cash basis of Accounting.

2. Fixed Assets

Fixed assets are stated at cost.

3. Income

Income comprises of subventions received from the Federal Government of Nigeria during the year net of transfers to consolidated Revenue Fund, and other internally generated revenue.

4. Exchange Rates

Transactions in foreign currencies are converted to the Naira at the rate of exchange ruling at the dates of the transactions.
Foreign currency balances are converted to Naira at the rate of exchange ruling at the balance sheet date and the difference arising therefrom is taken to income and expenditure account.

5. Stock

Stocks are stated at lower of cost and net realisable value.

Balance Sheet As At December 31, 2016

	Notes	2016 N'000	2015 N'000
EMPLOYMENT OF CAPITAL			
Fixed Assets	1	1,555,192	1,554,363
Current Assets			
Debtors and Prepayments	2	-	3,645
Cash and Bank Balances	3	16,095	4,027
		16,095	7,672
Net Assets		1,571,287	1,562,035
FINANCED BY:			
Capital Subvention	4	1,473,488	1,459,159
Accumulated Fund	5	97,799	102,876
		1,571,287	1,562,035


.....DIRECTOR - GENERAL


.....EXECUTIVE DIRECTOR - SUPPORT SERVICES

The Accounting Policies on page 53 and notes on pages 57 to 58 form part of these Financial Statements. Auditors' report on page 51 and 52.



Income and Expenditure Account For The Year Ended December 31, 2016

	Notes	2016 N'000	2015 N'000
INCOME			
Recurrent Subventions	6	783,887	962,233
Other Income	7	-	58,412
Total Income		<u>783,887</u>	<u>1,020,645</u>
EXPENDITURE			
Salaries and Allowances		656,637	752,434
Travelling and Accommodation Expenses	8	11,674	30,783
Office Materials and Supplies		1,749	6,881
Vehicles Running Cost		2,154	5,342
Maintenance: Furniture/ Equipt.		130	608
Maintenance: Computers and ICT Equipt		2,105	2,797
Maintenance: Motor Vehicles		4,508	8,159
Maintenance: Office Building		3,642	12,867
Maintenance: Plants/Generators		8,413	18,447
Maintenance: Other services		714	760
Uniform and Clothings		7,930	9,006
Postages , Telephone and Internet Services		8,272	17,516
Printing and Stationery		2,039	3,220
Insurance		7,710	12,388
Electricity and Water Rates		7,645	7,758
Training Expenses	9	18,110	22,082
Bank /GIFMIS Charges		153	348
Refreshment & Meals		3,069	3,665
Magazines and periodicals		-	112
Subscription		812	1,661
Security expenses		7,362	8,556
Medical/Welfare Expenses		3,593	6,675
Cleaning and Fumigation Expenses		7,226	9,805
Board Expenses		1,290	31,612
Publicity and Advert		5,168	12,324
Audit fees and Expenses		2,888	2,888
Consultancy Fees	10	8,621	13,144
		<u>783,614</u>	<u>1,001,839</u>
Surplus/(Deficit) for the year		273	18,806
		-	-
Surplus/(Deficit) of Income over Expenditure		<u>273</u>	<u>18,806</u>

Cash Flow Statement For The Year Ended December 31, 2016

	2016 N'000	2015 N'000
Cash Flow from Operating Activities		
Surplus/(Deficit) for the year	273	18,806
Prior Year Adjustments	(5,350)	(1,791)
Adjustment for items not involving the movement of funds:		
Depreciation	-	-
Operating Excess before Working Capital Changes	(5,077)	17,015
Working Capital Changes		
Debtors	3,645	1,387
Cash Generated from Operations	<u>(1,432)</u>	<u>18,402</u>
Cash Flow from Investing Activities		
Disposal of fixed assets	-	-
Purchase of fixed assets	(829)	(34,450)
	<u>(829)</u>	<u>(34,450)</u>
Cash Flow from Financing Activities		
Capital Subvention received	16,650	20,000
Capital Subvention transferred	(2,320)	-
	<u>14,330</u>	<u>20,000</u>
Net Increase/(Decrease) in Cash Equivalent	12,069	3,952
Cash and cash equivalent at January 1	4,027	76
Cash and cash Equivalent at December 31, 2016	<u>16,095</u>	<u>4,027</u>
Represented by:		
Cash and Bank Balances	<u>16,095</u>	<u>4,027</u>



Notes To The Financial Statements

For The Year Ended December 31, 2016

1	FIXED ASSETS	Land & Buildings N'000	Motor Vehicles N'000	Office Furniture Equipment N'000	Computer & IT Equip N'000	Libray & Books N'000	TOTAL N'000
	Cost						
	As at January 1st	1,212,420	133,811	146,691	56,324	5,117	1,554,363
	Purchases during the year	-	-	-	555	274	829
	At Dec. 31, 2016	<u>1,212,420</u>	<u>133,811</u>	<u>146,691</u>	<u>56,879</u>	<u>5,391</u>	<u>1,555,192</u>
						2016 N'000	2015 N'000
2	DEBTORS AND PREPAYMENTS						
	Staff Advances					-	3,645
						<u>-</u>	<u>3,645</u>
3	CASH AND BANK BALANCES						
	Central Bank of Nigeria					16,095	4,027
						<u>16,095</u>	<u>4,027</u>
4	CAPITAL SUBVENTION						
	As at January 1, 2016					1,459,159	1,439,159
	Received during the year					16,650	20,000
						<u>1,475,809</u>	<u>1,459,159</u>
	Transferred to CRF in the year					(2,321)	-
						<u>1,473,488</u>	<u>1,459,159</u>
5	ACCUMULATED FUND						
	As at January 1, 2016					102,876	85,861
	Prior Year Adjustment					(5,350)	(1,791)
	Surplus for the year					273	18,806
						<u>97,799</u>	<u>102,876</u>
6	RECURRENT SUBVENTIONS						
6.1	OVERHEAD SUBVENTION						
	Received during the year					127,251	211,060
	Transferred to CRF in the year					(1)	-
						<u>127,250</u>	<u>211,060</u>
6.2	SALARY SUBVENTION						
	Received during the year					657,951	753,924
	Transferred to CRF in the year					(1,314)	(2,751)
						<u>656,637</u>	<u>751,173</u>
						<u>783,887</u>	<u>962,233</u>
7	CONCESSION REVENUE A/C						
	Received from Zenith bank					-	510
	Received during the year					-	77,202
	25% Concession fee Transferred to CRF					-	(19,301)
						<u>-</u>	<u>58,412</u>

Notes To The Financial Statements

For The Year Ended December 31, 2016

8	TRAVELLING AND ACCOMMODATION EXPENSES	2016 N'000	2015 N'000
	Local Travelling Expenses	11,674	30,783
	International Traveling Expenses	-	-
		<u>11,674</u>	<u>30,783</u>
9	TRAINING EXPENSES		
	Local Training	11,533	21,049
	International Training Expenses	6,577	1,033
		<u>18,110</u>	<u>22,082</u>
10	CONSULTANCY FEES		
	Financial Consulting	7,256	7,093
	Legal services	-	5,070
	ICT Consulting	1,365	981
		<u>8,621</u>	<u>13,144</u>
11	GUARANTEES AND FINANCIAL COMMITMENTS		
11.1	CONTINGENT LIABILITIES		
	There were no contingent liabilities as at December 31st, 2016 known to management in respect of any litigation involving the Commission.	-	-



Statement Of Actual Receipts and Payments

For The Year Ended December 31, 2016

	2016 N'000	2015 N'000
RECEIPTS		
Cash and bank balances at 1/1/2016	4,027	76
Capital Subvention	16,650	20,000
Overhead Subvention	127,251	211,060
Personnel Subvention	657,951	753,924
Concession fees	-	77,202
Other Receipts	-	510
	805,879	1,062,772
PAYMENTS		
Addition to Land and Building	-	16,232
Addition to Motor Vehicles	-	11,550
Addition to Office & Equipment	-	4,248
Computer and IT equipment	555	2,261
Addition to Books & journals	274	159
Salaries & Allowances	656,637	752,434
Travelling & accomodation	11,674	30,783
Office Materials and supplies	1,749	7,641
Vehicle running costs	2,154	5,342
Maintenance: Furniture & equipment	130	608
Maintenance: Computer & IT equipment	2,105	2,797
Maintenance: Motor vehicles	4,508	8,159
Maintenance: Office building	3,642	12,867
Maintenance: Plant & Generators	8,413	18,447
Maintenance: Other services	714	-
Postages, Telephone & Internet	8,272	17,516
Printing & Stationery	2,039	3,220
Electricity & Water rates	7,645	7,758
Training expenses	18,110	22,082
Bank/ GIFMIS charges	153	348
Refreshment & Meals	3,069	3,665
Magazines and periodicals	-	112
Subscription	812	1,661
Board expenses	1,290	31,612
Advert and publicity	5,168	12,324
Cleaning & fumigation expenses	7,226	9,805
Audit fees and expenses	2,888	2,888
Carry forward	749,227	986,520

Statement of Actual Receipts and Payments Continued

For The Year Ended December 31, 2016

	2016 N'000	2015 N'000
Brought forward	749,227	986,520
Consultancy fees	8,621	13,144
Uniform and Clothing	7,930	9,006
Security expenses	7,362	8,556
Medical/Welfare Expenses	3,593	6,675
Insurance	7,710	12,388
Staff Loans and Advances	-	405
Overhead Transferred to CRF	1	-
Personnel Transferred to CRF	1,314	2,751
Capital transferred to CRF	2,321	-
Concession Revenue A/c transferred to CRF	-	19,301
IGR transferred to CRF in 2015	1,705	-
Total payments	789,784	1,058,745
	16,095	4,027
Represented by:		
Central Bank of Nigeria balance	16,095	4,027

Note

IGR of N1,705,255 was transferred to CRF in 2015 that was not treated in 2015 financial statements



Appendix 1: Nigeria PPP Procurement Process

A PPP over any Federal Government Infrastructure would typically follow the steps below:

PPP Project Identification Phase

1. Project identification by Ministries Departments and Agencies (MDA).
2. MDA should consult and engage with the FMOF prior to commencing PPP projects, in order to minimize the risk and contingent liabilities arising from such projects.
3. MDA should involve and engage with the Infrastructure Concession Regulatory Commission (ICRC) prior to commencing any PPP to ensure viability and bankability of proposed projects.

PPP Project Development and Preparation Phase

4. MDA would engage a Transaction Adviser (TA) through a competitive bidding process as required under the Public Procurement Act of 2007, to produce the report that would show the bankability of the project. This report is called an Outline Business Case (OBC).
5. The MDA would thereafter forward the OBC to the ICRC for review. Subject to assessment, ICRC would issue an OBC Certificate of Compliance to the MDA or decline issuance and advise the MDA accordingly.
6. The MDA would then submit the OBC along with ICRC OBC Certificate of Compliance to

the Federal Executive Council (FEC) through the line Minister for approval.

PPP Procurement Phase

7. If the project is approved by FEC, the MDA's TA would commence a procurement process leading to a competitive bidding process, from which a preferred PPP Project Proponent (Investor) will emerge.
8. Negotiations would thereafter ensue, leading to the conclusion of a Full Business Case (FBC) document and submission of the FBC to ICRC for review. Subject to assessment, ICRC would issue an FBC Certificate of Compliance to the MDA or decline issuance and advise the MDA accordingly.
9. The MDA would again submit the FBC along with the ICRC Certificate of Compliance to FEC, through the line Minister, for Approval.
10. If the FBC is approved by FEC, this would be followed by the signing of a contract between the MDA and the preferred PPP Project Proponent (Investor). ICRC will thereafter take custody of the contract as required under the Section 20 of the ICRC Act.

PPP Implementation Phase

11. Eventually, for the project to take off, the preferred PPP Project Proponent (Investor) must achieve Financial Close.
12. The MDA is required under Section 12 of the Act to supervise the project diligently. On the other hand the ICRC and the MDA are required, under Section 10 of the Act, to conduct regular joint inspections of the project until the end of the contract.

¹Outline Business Case: A document prepared by the MDA's TA that aims to establish the need for the project and its outline parameters and scope, including costs and bankability demonstration.

²Full Business Case: A document prepared by the MDA's TA prior to financial closure and award of contract, which provides all the information needed to support a decision to award a contract and commit actual funding, as well as provide a basis for the necessary project management, monitoring evaluation and benefits realization.

³Financial Close: The time when the financial documentation and covenants have been executed with lenders to the project, and conditions precedent have been satisfied or waived. It is now permissible to draw money for project execution

Appendix 2: List of OBC Compliance Certificates Issued in 2016

Outline Business Case (OBC) Certificate of Compliance Granted				
S/N	MDA	PPP Project	Service	Date
1	FMoPW&H	Ikere – Gorge Unsolicited PPP 6MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
2	FMoPW&H	Omi –Kampe PPP 2MW Hydroelectric Power Project	OBC)Certificate of Compliance granted	11 th May, 2016
3	FMoPW&H	Challawa PPP 10MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
4	FMoPW&H	Bakalori PPP 3.2MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
5	FMoPW&H	Jibiya PPP 4MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
6	FMoPW&H	Tiga PPP 10MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
7	FMoPW&H	Zobe PPP 300MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
8	FMoPW&H	Doma PPP 10MW Hydroelectric Power Project	OBC Certificate of Compliance granted	11 th May, 2016
9	FMoPH&W	Concession of Murtala Muhammed Airport (MMA) Apakun road	OBC Certificate of Compliance granted	18 th May, 2016
10	FMoT	Kiri-Kiri Lighter Terminal Project I & II	OBC Certificate of Compliance granted	20 th Oct, 2016
11	FMoWR	Concession of the Power components of the Gurara 1 dam – 30MW	OBC Certificate of Compliance granted	25 th Oct, 2016
12	FMoT (NIWA)	Onitsha Inland River port	OBC Certificate of Compliance granted	31 st Oct, 2016.
13	FMoI	National Public Security Communication System	OBC Certificate of Compliance granted	31 st Oct, 2016
14	TBSMB	Development of National Trade & International Business Center	OBC Certificate of Compliance granted	1 st Nov, 2016
15	NADDC	Development of a World Class Training Center of Excellence	OBC Certificate of Compliance granted	28 th Dec, 2016
16	FMoI (NPS)	Expansion & operation of Nigerian Prison Service Shoe factory in Aba	OBC Certificate of Compliance granted	30 th Dec, 2016

Appendix 3: List of FBC Compliance Certificates Issued in 2016

Full Business Case (FBC) Certificate of Compliance Granted				
1	FMoIT&I	Concession/ development of the Fallow Land in the National Theatre	FBC Certificate of Compliance granted	10 th Mar, 2016.
2	FMoI (Police Affairs)	Provision of Contingent-Owned-Equipment (COE) for the Nigerian formed Police Unit in Peace Support operations	FBC Certificate of Compliance granted	30 th Dec, 2016.



Appendix 4: MDA List of Projects For PPP Procurement

INFRASTRUCTURE CONCESSION REGULATORY COMMISSION

2016/2017 PUBLIC PRIVATE PARTNERSHIP PROJECTS OPPORTUNITIES

Section 2(4) of the ICRC (Establishment etc) Act 2005 requires the Commission to publish all Federal government projects eligible for Public Private Partnership (PPP) contracts. This publication is meant to notify interested investors to prepare to participate in the process when procurement commences. **THIS IS NOT AN INVITATION TO SUBMIT EXPRESSION OF INTEREST.**

The projects are consistent with the change agenda of His Excellency, President Muhammadu Buhari, GCFR and are being developed by relevant Ministries, Departments and Agencies (MDAs) of the Federal Government in line with the ICRC Act 2005 and the National Policy on PPP.

SN	PROJECTS & DESCRIPTION	MDA	SECTOR	PHASE	ESTIMATED COST OF PROJECT
1	Lagos to Ibadan Expressway. Re construction, Rehabilitation and Expansion work is in progress through Traditional Procurement. (Contract to be funded by the Federal Government). The Infrastructure Bank Plc is assisting the Federal Government in raising funding to cover the Engineering Procurement Construction (EPC) funding gap.	Federal Ministry of Power, Works & Housing (FMPWH)	Roads	Procurement Phase: The Commission issued a Full Business Case (FBC) Compliance Certificate for the Financing Arrangement	167,000,000,000 Naira
2	PPP development of dual carriage way from outer northern express way (Murtala Mohammed Way, Abuja) to ease congestion on Nyanya Road and surrounding axis.	Federal Capital Development Authority (FCDA)	Roads	Development Phase: The Ministry is to procure a TA to prepare an Outline Business Case (OBC) as to determine the project viability	Not Available
3	PPPs for improved service delivery at the following: ·Ilorin-Jebba-Mokwa-Tegina-Kaduna Road ·Improvement of Apakun-Murtala Muhammed International Airport (MMA) Road Route NO. F269 ·Phase I: 2nd Lagos Outer Ring Road, Tin Can Island - Igando-Lagos/Otta Road Interchange -Lagos/Ibadan Expressway ·Phase II: 2nd Lagos Outer Ring Road, Lekki-Ikorodu Shagamu/Benin Expressway ·Abuja-Kaduna-Kano Dual Carriageway ·Shagamu -Benin-Asaba Dual Carriageway ·Onitsha-Enugu Dual Carriageway	Federal Ministry of Power, Works & Housing (FMPWH)	Roads	Development Phase: MDA to engage TA to prepare OBC	Not Available
4	PPPs for improved service delivery at the following: ·Enugu-PortHarcourt Road ·Lagos-Iseyin-Kishi-Kaiama Road ·Kaiama-Bahama-Kaoje-Gwambu-Fakku-Sokoto Road ·Construction of a bridge over River Katsina Ala at Buruku, Benue State ·Funtua-Zaria Road (A126) ·Guto Bagana Bridge over River Benue ·Calabar-Odukpani- Itu- Ikot Ekpene Road	Federal Ministry of Power, Works & Housing (FMPWH)	Roads & Bridges	Development Phase: MDA to engage TA to prepare OBC	Not Available
5	Development of hydroelectric power from existing 10 small & medium dams across the country to generate about 45MW of off-grid power for the dam environments. These include Owena, Ikere Gorge and Oyan dams in Lot 1; Bakalori, Doma and Omi-Kampe dams in Lot 2; Challawa, Tiga, Jibiya and Zobe dams in Lot 3.	Federal Ministry of Power, Works & Housing (FMPWH)	Power	Procurement Phase: The Federal Executive Council approved the OBC of 6 projects on November 9, 2011. These include Ikere Gorge, Bakalori, Doma, Omi-Kampe, Jibiya and Zobe. These projects have now moved to Procurement Phase where the Private Sector Project Proponent will be procured.	29,356,876,605.23 Naira
6	Operations and Maintenance of 30MW hydroelectric power from Gurara 1 multi-purpose dam, Kaduna State. The construction has been completed, while the evacuation facilities are almost completed.	Federal Ministry of Water Resources	Power	Development Phase: The Commission has issued OBC Compliance Certificate for FEC approval to be sought	6,679,288,975 Naira

7	Concession of the Gurara 2 Greenfield multi-purpose Dam, Niger State. This includes 300MW of hydropower components of the dam.	Federal Ministry of Water Resources	Power, Agriculture	Development Phase: MDA to engage TA to prepare OBC	Not Available
8	Development of Tede Dam for Hydro power and other purposes.	Federal Ministry of Water Resources	Power, Agriculture	Development Phase: (Same as above)	Not Available
9	Concession of Oturkpo Dam for Hydro Power and other purposes.	Federal Ministry of Water Resources	Power, Agriculture	Development Phase: (Same as above)	Not Available
10	Development of Dasin Hausa Dam for Hydro power and other purposes.	Federal Ministry of Water Resources	Power, Agriculture	Development Phase: (Same as above)	Not Available
11	Owena Multi-purpose Dam water supply.	Federal Ministry of Water Resources	Water Supply/ Agriculture	Development Phase: (Same as above)	Not Available
12	Concession and leasing of grain storage facilities (33 silos across the country), to optimally operate and maintain the silos for an agreed period of time	Federal Ministry of Agriculture and Rural Development	Agriculture	Development Phase: Technical review of OBC and Stakeholders Consultation completed	3,430,000,000 Naira
13	Concession of: • Federal Coastal Fishery Terminal, Ebughu, Akwa Ibom State • Fish Processing Centre, Jebba, Kwara State • Agro Aviation Hangar, Kaduna	Federal Ministry of Agriculture and Rural Development	Agriculture	Development Phase: MDA to engage TA to prepare OBC	Not Available
14	Operations and Maintenance of about 1000Ha irrigation infrastructure for commercial agriculture at Gurara 1 Dam, Azare-Jere, Kaduna State to lease the irrigation facilities built by the Federal Government to private investors for optimal use.	Federal Ministry of Water Resources	Agriculture	Development Phase: OBC Certificate of Compliance issued.	N2,183,200,000.00
15	Ibom Deep Seaport Project: An integrated, multi -purpose deep seaport which is being developed jointly by the FGN, Akwa Ibom State Government and subsequently, private investors. It is planned to be the deepest port in the West African sub-region.	Federal Ministry of Transportation/ Akwa Ibom State Government	Ports	Procurement Phase: to identify and engage a competent private sector project proponent	1,760,354,039 Dollars (836,168,168,525 Naira) (This cost is being reviewed by the Ministry)
16	Kirikiri Port Lighter Terminal I & II: This proposes to procure a concessionaire to rehabilitate and upgrade the existing ports facility. The project development and procurement costs are being sponsored by the World Bank.	Federal Ministry of Transportation (FMoT) / Nigeria Ports Authority (NPA)	Ports	Development Phase: OBC Compliance Certificate issued, for FEC approval to be sought	58,719,000,000 Naira
17	Operate and manage four river ports in the Lower Niger namely Onitsha, Lokoja, Baro and Oguta River Ports. Onitsha River Port has been selected as the pilot case. PPP project development and procurement of the Inland Port. Concession is being sponsored by the World Bank.	Federal Ministry of Transportation (FMoT)/ National Inland Waterways Authority (NIWA)	Ports	Development Phase: This is an Unsolicited Proposal. The Commission has issued OBC Certificate for FEC approval to be sought	595,020,000 Naira
18	Port Single Window: Introduction of electronic single window platform that can effectively coordinate all port related/cargo clearance activities capable of potentially transforming port operations to a seamless, paperless system by eliminating redundant procedures and duplications	Federal Ministry of Transportation (FMoT) / NPA	Ports	Development Phase: MDA to engage TA to prepare OBC	Not Available



19	National Freight Intelligence and Transportation Hub (NAFITH): An application of information and communications technology in the management of transport problems. It seeks to leverage on new innovation to provide needed solutions to the teething transport problems in Apapa	Federal Ministry of Transportation (FMoT) / NPA	Ports	Development Phase: (Same as above)	Not Available
20	Koko Port Concession: FGN seeks to grant a new Concession over this Port in 2017	Federal Ministry of Transportation (FMoT) / NPA	Ports	Development Phase:	Not Available
21	Ikorodu Lighter Terminal: The port is dedicated to salvage unclaimed or overtime containers in the ports, with a view to providing needed solutions to port congestions and pave way to smoothen the new concessionaire's operations in the ports	Federal Ministry of Transportation (FMoT) / NPA	Ports	Development Phase: MDA to engage TA to prepare OBC	Not Available
22	Provision of Utilities to the Ports: These include, but are not limited to the provisions of power and water	Federal Ministry of Transportation (FMoT) / NPA	Ports	Development Phase: (Same as above)	Not Available
23	PPPs for improved service delivery at the following facilities: <ul style="list-style-type: none"> Warri Dockyard Lokoja Dockyard Concession of Abam Ama Jetty at Port Harcourt 	Federal Ministry of Transportation (FMoT)/ NIWA	Ports	Development Phase: (Same as above)	Not Available
24	PPPs for improved service delivery at the following facilities: <ul style="list-style-type: none"> Buoyage Vessels (B/V Anam at Onitsha) Buoyage Vessels (B/V Bajibo at Lokoja, Kogi State) Buoyage Vessels (B/V Nembe at Lokoja, Kogi State) Buoyage Vessels (B/V Numan at Lokoja, Kogi State) 	Federal Ministry of Transportation (FMoT)/ NIWA	Ports	Development Phase: (Same as above)	Not Available
25	PPPs for improved service delivery at the following facilities: <ul style="list-style-type: none"> Motor Ferry (M/F Calabar at Lokoja, Kogi State) Motor Ferry (M/F Effiat Mbo at Lokoja, Kogi State) Motor Ferry (M/F Donga at Makurdi, Benue State) Water Bus (W/B) at Yauri, Kebbi State 3 Nos. 40 -45 Passenger Sitter Ferries at Lokoja, Kogi State Water Hyacinth Clearing Equipment (Water Master Classic III at Onitsha) 2 Nos. 40-45 Passenger Sitter Ferries at Lagos 	Federal Ministry of Transportation (FMoT)/ NIWA	Ports	Development Phase: (Same as above)	Not Available
26	PPPs for improved service delivery at the following facilities: <ul style="list-style-type: none"> Marina Jetty at Lagos Apapa Jetty at Lagos Oyingbo Jetty at Lagos Maraoko Jetty at Lagos Abayomi Drive Jetty at Lagos Osborne Jetty at Lagos Calabar Jetty at Calabar 	Federal Ministry of Transportation (FMoT)/ NIWA	Ports	Development Phase: (Same as above)	Not Available
27	<ul style="list-style-type: none"> The Dagbodu Inland Container Depot (ICD) project concerns the development of a Greenfield ICD in Osun State, South-West Nigeria. The ICD is being developed to exploit the strategic advantages in Nigeria's huge export and import market by making the country a trans-shipment hub for the West African region. 	Federal Ministry of Transportation / Nigeria Shippers Council (NSC)	Inland Port	Development Phase: The Commission has issued OBC Compliance Certificate for FEC approval to be sought	1,072,480,000 Naira



28	Development of Container Freight Depot (CFD) in Ogwashi - Uku Delta State: This has a design that consists of an annual 5000 TEUs capacity facility which can be expanded with increasing throughput	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: This is an Unsolicited Proposal. The procurement of a TA is in progress	
29	Development of Inland Container Depot (ICD) in Onitsha, Anambra State: This has a design that consists of an annual 5,000 TEUs capacity facility which can be expanded with increasing throughput.	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: The procurement of a Transaction Adviser has commenced	920,000,000 Naira
30	PPP development of an Inland Container Depot (ICD) in Lolo, Kebbi State. Outline Business Case (OBC) received from the Nigeria Shippers Council (NSC) in respect of the unsolicited proposal developed by Deltatlastic Nigeria Ltd.	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: Unsolicited proposal reviewed by ICRC, awaiting submission of revised OBC by MDA	Not Available
31	Development of Inland Container Depot (ICD) in Nnewi, Anambra State	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: The OBC was reviewed by ICRC and comments sent to NSC for revision.	Not Available
32	Development of Inland Container Depot (ICD) in Benin, Edo State	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: OBC reviewed and returned NSC	Not Available
33	Development of Truck Transit park (TTP) in Obollo -Afor, Enugu State	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: MDA to engage TA to prepare OBC	Not Available
34	Development of Truck Transit park (TTP) in Lokoja, Kogi State	Federal Ministry of Transportation / NSC	Inland Port	Development Phase: (Same as above)	Not Available
35	PPP Development of Abuja Mass Transit Rail Lot 1A and 3 projects for the FCTA in Abuja. Provision of rolling stock, additional stations, maintenance depots and operation the system.	Federal Capital Territory Administration (FCTA)	Rail	Development Phase: OBC to be resubmitted to the Commission	32,647,000,000 Naira
36	Concession of the narrow gauge: <ul style="list-style-type: none"> Eastern Railway (Port Harcourt to Maiduguri) Western (Lagos to Kano) railway lines in the country. FGN is considering an unsolicited proposal submitted by General Electrics to have a concession over the Western and Eastern Rail lines. The Nigeria Infrastructure Advisory Facility (NIAF), an arm of the United Kingdom Department for International Development (DFID), had also assisted the FGN in funding the preparation of an Outline Business Case (OBC) as part of the project development work for the concession of the railway lines.	Federal Ministry of Transportation / NRC	Rail	Development Phase: An OBC has been submitted by GE and Government, and its advisory team are reviewing the document	2,000,000,000 Dollars (950,000,000,000 Naira)
37	<ul style="list-style-type: none"> Lagos - Shagamu- Ijebu Ode - Ore - Benin City (300km) (standard gauge). Benin- Agbor-Ogwashi Uku- Asaba- Onitsha -Nnewi-Owerri-Aba with additional line from Onitsha -Enugu- Abakaliki (500km) (standard gauge). Ajaokuta(Eganyi)-Obajana-Jakura-Baro-Abuja with additional line from Ajaokuta - Oturkpo(533km) (standard gauge). Zaria- Funtua- Tsafe- Gusau- Kaura- Namoda- Sokoto-Illela-Birnin Koni (520Km) (standard gauge). Lagos -Ibadan- Oshogbo-Baro-Abuja (615KM) (high speed). 	Federal Ministry of Transportation /Nigerian Railway Corporation (NRC)	Rail	Development Phase: OBC's are being prepared.	Not Available



38	PPP development of Abuja Light Rail Lot 2 network route. The distance will cover 54.1 kilometers, from Garki Area 11 passing through the interchange centre at Eagle Square to Gudu, Nyanya, Karu axis, in Abuja.	Federal Capital Territory Administration (FCTA)	Rail	Development Phase: TA yet to be Appointed.	Not Available
39	Rehabilitation, management and operation of the National Trade and International Business Centre, Lagos (NTIBC)	Federal Ministry of Trade & Investment / Tafawa Balewa Square Management Board (TBSMB)	Trade & Investment	Development Phase: TA has been procured and is currently preparing an OBC.	31,000,000,000 Naira
40	Establishment of the Mechanic's villages to stimulate the growth and development of the mechanic business in a specialised and orderly manner.	Federal Ministry of Trade & Investment/National Automotive Council (NAC)	Trade & Investment	Development Phase: The OBC has been reviewed by ICRC and comments sent to NAC for revision and re-submission.	5,300,000,000 Naira
41	Development of 23 Industrial Development Clusters (IDCs) in 6 geopolitical zones.	Federal Ministry of Trade & Investment/ Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)	Trade & Investment	Development Phase: Technical Committee to submit feasibility report.	Not Available
42	Development for New Eko Project/Lagoon City, Lagos: An unsolicited proposal for the sand -filling and reclamation of water bodies within the vicinity of existing Banana Island, Lagos.	Federal Ministry of Power, Works and Housing (FMPW&H)	Social/Urban Infrastructure (Housing)	Development Phase: An OBC is being developed.	Not Available
43	Marina Quayside Strip Development Project: A transformative urban / waterfront Project along the Marina axis in Lagos. It is intended to be a tourism centre that will provide hotels, condominiums, commercial complexes, recreation facilities, bus transport terminals, offices and residential buildings.	Federal Ministry of Power, Works and Housing (FMPW&H)	Social/Urban Infrastructure (Housing)	Development Phase: The OBC was reviewed by ICRC and comments sent to MDA for revision.	Not Available
44	Ship building yard with breaking, recycling technology and wreck identification and removal.	Federal Ministry of Transportation / Nigerian Maritime Administration & Safety Agency (NIMASA)	Maritime	Development Phase: MDA to engage TA to prepare OBC	Not Available
45	Management and operations of the modular/floating dry dock (outsourcing).	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available
46	Procurement of operational vessels, maritime patrol aircraft, coordination/surveillance centre and other operational equipment (Finance lease)	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available
47	Outsourcing of NIMASA's Training Centre and Guest House at Nigerian Maritime Resource Development Centre (NMRDC), Krikiri, Lagos state.	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available
48	PPPs to develop a Multilevel car park at NIMASA Headquarters	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available
49	Unsolicited proposal for Development of platform for pollution	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available



50	Verification gross mass imo solar - safety of life at sea	Federal Ministry of Transportation / (NIMASA)	Maritime	Development Phase: (Same as above)	Not Available
51	Concession of 4 International Airports (Abuja, Lagos, Kano and Port Harcourt)	Federal Ministry of Transportation	Aviation	Development Phase: (Same as above)	Not Available
52	<ul style="list-style-type: none"> Establishment of a Maintenance, Repair and Overhaul (MRO) Center Development of Aerotropolis (Airport City) Development of Cargo/Agro-Allied Airport Terminals 	Federal Ministry of Transportation	Aviation	Development Phase: (Same as above)	Not Available
53	Production and management of Nigeria's e -passport project, production of International Civil Aviation Organization (ICAO) compliant e-passport.	Federal Ministry of Interior	Immigration	Development Phase: OBC to be updated by Project Proponent.	Not Available
54	Procure new correctional facilities in three (3) locations in Nigeria on a land (value) swap basis at Lagos, Owerri and Kaduna.	Federal Ministry of Interior / Nigerian Prison Service	Prisons	Development Phase: MDA to engage TA to prepare OBC	Not Available
55	<ul style="list-style-type: none"> Prison Integrated Farm Facility at Ozala (Edo State), Kujama (Kaduna State) and Lakushi (Plateau State). Refurbishment of Existing laundry facility in Kuje and establishment of industrial laundry facility in other prison locations nationwide Construction of Prison Officers Homes at various locations in Nigeria The Aba Shoe Project, for production of made in Nigeria products 	Federal Ministry of Interior / Nigerian Prison Service	Prisons	Development Phase: A preferred bidder has emerged as TA and negotiations are under way.	Not Available
56	PPPs to develop the following projects: <ul style="list-style-type: none"> Passengers Information System ECOWAS Biometric Identification System Information Verification System Security Guards Biometric Data Collection, Verification and Authentic System 	Federal Ministry of Interior	National Security	Development Phase: MDA to engage TA to prepare OBC	Not Available
57	Construction of an ultra modern forensic laboratory at the Police Headquarters Building in Abuja.	Federal Ministry of Interior	Security	Development Phase: MDA to engage TA to prepare OBC	Not Available
58	Renovation and refurbishment of the Obalende & Falomo Police Barracks in Lagos.	Federal Ministry of Interior	Security	Development Phase: (Same as above)	Not Available
59	<ul style="list-style-type: none"> Establishment of selected weapons and military equipment assembly lines Establishment of Mobile Solar Powered Generating set Production of Ballistic Vests and Procurement of Raw Material 	Defence Industries Corporation of Nigeria	Security	Development Phase: (Same as above)	Not Available
60	Construction of staff housing estate, shopping complex and new House Officers' (Doctors') quarters	Federal Ministry of Health / University of Port Harcourt Teaching Hospital	Health	Development Phase: Procurement of TA has commenced.	9,000,000,000 Naira



61	Development of a tertiary medical facility (Abuja Medical Mall/City) on a greenfield site in Abuja to harness the potential of the private health sector and provide high quality alternatives to Nigerians who require specialist medical care in the country.	Federal Ministry of Health	Health	Development Phase: MDA to engage TA to prepare OBC	Not Available
62	Management of the Warehouse in a box project (Lagos and Abuja). For refrigeration of vaccines and subsequent distribution to needed locations.	Federal Ministry of Health	Health	Development Phase: Inception report has been submitted by TA	Not Available
63	Increase of financial inclusion (FI) penetration rate in the country by providing banking services to the financially excluded population through NIPOST offices nationwide.	Federal Ministry of Communication Technology / NIPOST	ICT	Development Phase: (MDA TO engage TA to prepare OBC)	Not Available
64	Pedestrian metal barriers on municipal roads: The project is for the repair and replacement of damaged section. This will also involve the development of new areas of expansion for the erection of new metal barriers within the Municipal area.	Federal Capital Development Authority (FCDA)	Social/Urban Infrastructure	Development Phase: (Same as above)	Not Available
65	Construction of Automated Parking Centres in designated car parks in the Federal Capital Territory.	Federal Capital Development Authority (FCDA)	Social/Urban Infrastructure	Development Phase: (Same as above)	Not Available
66	PPP to develop corporate head office of Federal Housing Authority (FHA) in Abuja located at the Central Business District of Abuja.	Federal Housing Authority (FHA)	Housing	Development Phase: (Same as above)	Not Available
67	Development of new towns in Abuja at Kwali and Bwari Area Councils	Federal Housing Authority (FHA)	Housing	Development Phase: (Same as above)	Not Available
68	<ul style="list-style-type: none"> Upgrading/rebuilding of National Stadium, Lagos Completion of athletes' hostel, Abuja 	Federal Ministry of Youth and Sports	Sports	Development Phase: Ministry seeking TA services	Not Available
69	Construction of Council for the Regulation of Engineering in Nigeria (COREN) head office complex in Abuja.	Council for the Regulation of Engineering in Nigeria	Housing	Development Phase: MDA to engage TA to prepare OBC	Not Available
70	<ul style="list-style-type: none"> Upgrade of the ICT Laboratories/Business Centres in Federal Schools Upgrade of existing libraries Upgrade of vocational schools 	Federal Ministry of Education	Education	Development Phase: (Same as above)	Not Available
71	<ul style="list-style-type: none"> Development of an International Conference Center Construction of National Mathematical Centre-International Science Academy (NMC-IMSA) 	National Mathematical Center	Education	Development Phase: (Same as above)	Not Available
72	Proposed construction of Students Hostel, 500-Units of Staff Housing, Roads & Drainages, Shopping Mall, Staff/Students Cafeteria, Bio-gas Electricity Power plant and Poultry Farm	Federal Ministry of Education / Federal University of Gusau (FUG)	Education	Development Phase: (Same as above)	Not Available
73	On-line application System for E-registration platform, Computation / compilation of Students results, E-Learning and web portal development	Federal Ministry of Education / FUG	Education	Development Phase: (Same as above)	Not Available



74	Proposed construction of Vice Chancellor's Lodge, Pro-Chancellor's Lodge, Principal Officers' Quarters, Senior Staff Housing, Junior Staff Housing, External Electrification, Borehole & Overhead Tanks, etc	Federal Ministry of Education / FUG	Education	Development Phase: (Same as above)	Not Available
75	PPPs to develop the following projects: <ul style="list-style-type: none"> Waste to Wealth Management (Recycling) including Scrap Metal Plant Solid Waste Management Completion of Bamboo Processing Machine (Livelihood Enhancement through Bamboo Value -Chain Development, Lokoja, Kogi State. Completion of renovation of structures and equipment at Forest Utilization Centre, Benin City 	Federal Ministry of Environment	Environment	Development Phase: (Same as above)	Not Available
76	<ul style="list-style-type: none"> Establishment of Federal Ministry of Environment's Clean and Green Campaign to end open defecation in public areas by 2019 by providing Public Toilets nationwide. Pilots to be in FCT public schools, motor parks and market places; and extended to 36 States. Framework for Plastic Industry and other private sector companies to take plastic waste off streets by 2019 	Federal Ministry of Environment	Environment	Development Phase: (Same as above)	Not Available
77	Development of a New Head Office for the Federal Ministry of Environment (to be completed in 2018)	Federal Ministry of Environment	Environment	Development Phase: (Same as above)	Not Available

Signed,

Aminu Diko

Director General

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The timely implementation of the projects listed above is significantly dependent on **1) the MDAs ability to provide adequate project development funds; 2) Commitment of all parties to transparency in the process and 3) adequate funding of the Infrastructure Concession Regulatory Commission to carry out its regulatory mandate.**


Appendix 5: MDAs Capacity Building in 2016

	MDA	Capacity Building/PPP Unit Inauguration	Date
1.	Nigerian Prisons Service	Capacity Building Programme/ Inauguration of PPP Unit	17 th Feb 2016
2.	Federal Ministry of Agriculture & Rural Development	Capacity Building Programme	17 th Feb 2016
3.	Nigerian Christian Pilgrims Commission	Capacity Building Programme	16 th March 2016
4.	National Identity Management Card	Capacity Building Programme	1 st April 2016
5.	Federal University Abuja	Capacity Building Programme/ Inauguration of PPP Unit	12 th April 2016
6.	Federal Ministry of Transportation	Capacity Building Programme	13 th – 14 th April 2016
7.	Federal Ministry of Aviation	Capacity Building Programme	20 th April 2016
8.	Defence Industry Corporation of Nigeria	Capacity Building Programme	4 th – 5 th May 2016
9.	Economic & Financial Crimes Commission	Capacity Building Programme	17 th Aug 2016
10.	Independent Corrupt Practices Commission	Capacity Building Programme	17 th Aug 2016
11.	Code of Conduct Bureau	Capacity Building Programme	17 th Aug 2016
12.	Federal Ministry of Health	Capacity Building Programme/Inauguration of PPP Unit	22 nd Nov 2016
13.	Sukuk	Capacity Building Workshop	22 nd – 24 th Nov 2016

Appendix 6: ICRC Staff Professional Development in 2016

S/No	Training Provider	Title of Course	No of Participants	Period
1.	ICRC (Internal Facilitators)	Basic PPP	22	9-10 February, 2016
2.	ICENTRA	Micro-soft Project	14	29 th February, 2016
3.	ICRC (Internal Facilitators)	Work Ethics, Productivity and Attitudinal Change	12	16 April, 2016
4.	National Orientation Agency	“Do the Right Thing”	7	26-27 April, 27 th July, 3 rd November, 2016
5.	Kerex Consult, Calabar	International Public Sector Accounting	1	20-24 June, 2016
6.	FTTC Lagos	Financial Modeling	1	18-22 July, 2016
7.	System Specs Training Academy, Lagos.	E-Payment and E- Collection system for Public Sector Auditors	2	26-27 July, 2016
8.	GT Emperica	Effective Project Management	5	8-12 August, 2016
9.	Dukes Transnational Consult	Enterprise Risk Management	2	8-12 August, 2016
10.	Direct Knowledge Consult	Effective Report Writing	1	15-19 August, 2016
11.	Makintouch Consulting	Windows Server 2012	1	15-19 August, 2016
12.	Conference for Africa Studies (CFA)	Project Management	1	19-23 rd September, 2016
13.	Office of the Accountant General of the Federation	Workshop on the Preparation of IPSAS Accrual Compliant General Purpose Financial Statements	4	27-30 September, 2016
14.	CMD, Lagos	Project Management Workshop	1	3-7 October, 2016
15.	Phillips Consulting Ltd	Managing the HR Function	1	31 st October -2 nd November, 2016
16.	Corporate Administrators & Secretaries Professional Institute of Nigeria	The Role of Strategic Communication for Regulatory Compliance	1	21-25 November, 2016
17.	Lagos Business School	Report Writing, Public Speaking/Presentation and Interpersonal Relations	25	21-24 November, 2016

