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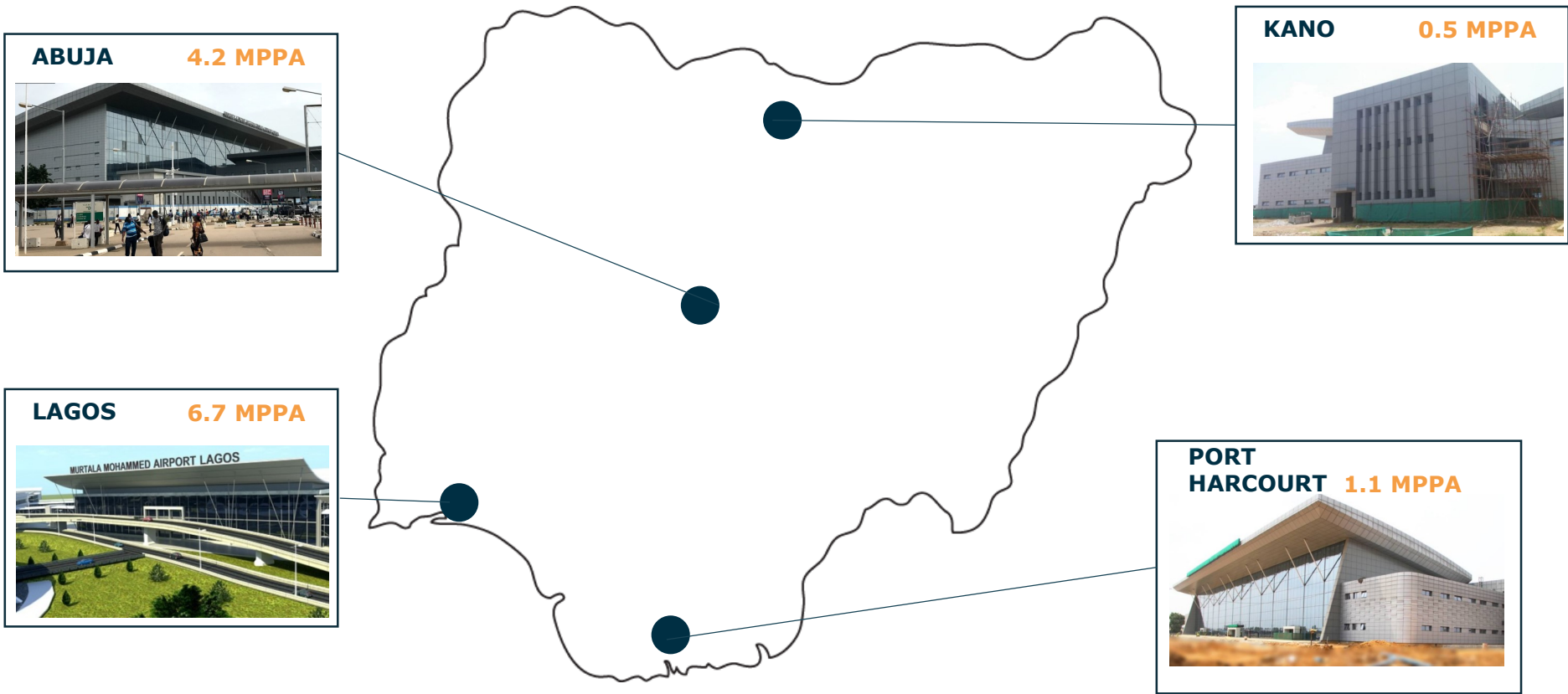
FOUR AIRPORTS PPP NIGERIA

PROJECT DESCRIPTION

PROJECT SUMMARY

THE FEDERAL MINISTRY OF TRANSPORTATION IS ASSESSING THE FEASIBILITY OF PUBLIC PRIVATE PARTNERSHIPS (PPP) FOR THE AIRPORTS OF **ABUJA**, **LAGOS**, **KANO** AND **PORT HARCOURT**

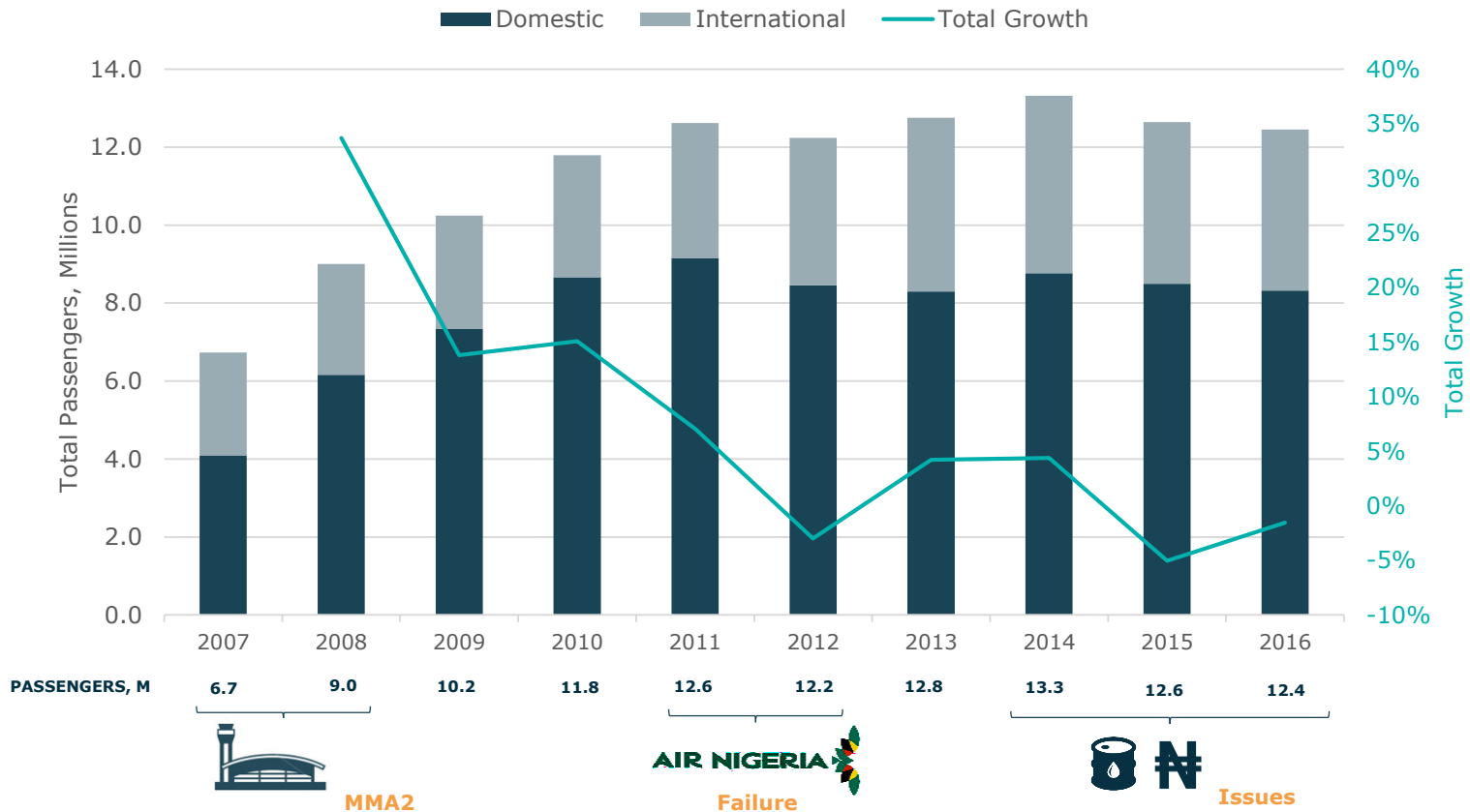
LEVERAGE PRIVATE SECTOR PARTICIPATION AND FOREIGN INVESTMENT TO ACHIEVE THE UPGRADE AND DEVELOPMENT OF NEW INFRASTRUCTURE AT THE AIRPORTS IN THE FASTEST AND MOST COST-EFFECTIVE MANNER.



NIGERIA TRAFFIC OVERVIEW

THE NIGERIAN AVIATION INDUSTRY HAS BEEN FACING MAJOR CHALLENGES DUE TO HIGH FUEL PRICES, LIMITED ACCESS TO FOREIGN CURRENCIES, AS WELL AS LOW AIRCRAFT UTILISATION AND HIGH MAINTENANCE COSTS

TOTAL PASSENGERS LAGOS, PORT HARCOURT, ABUJA, KANO

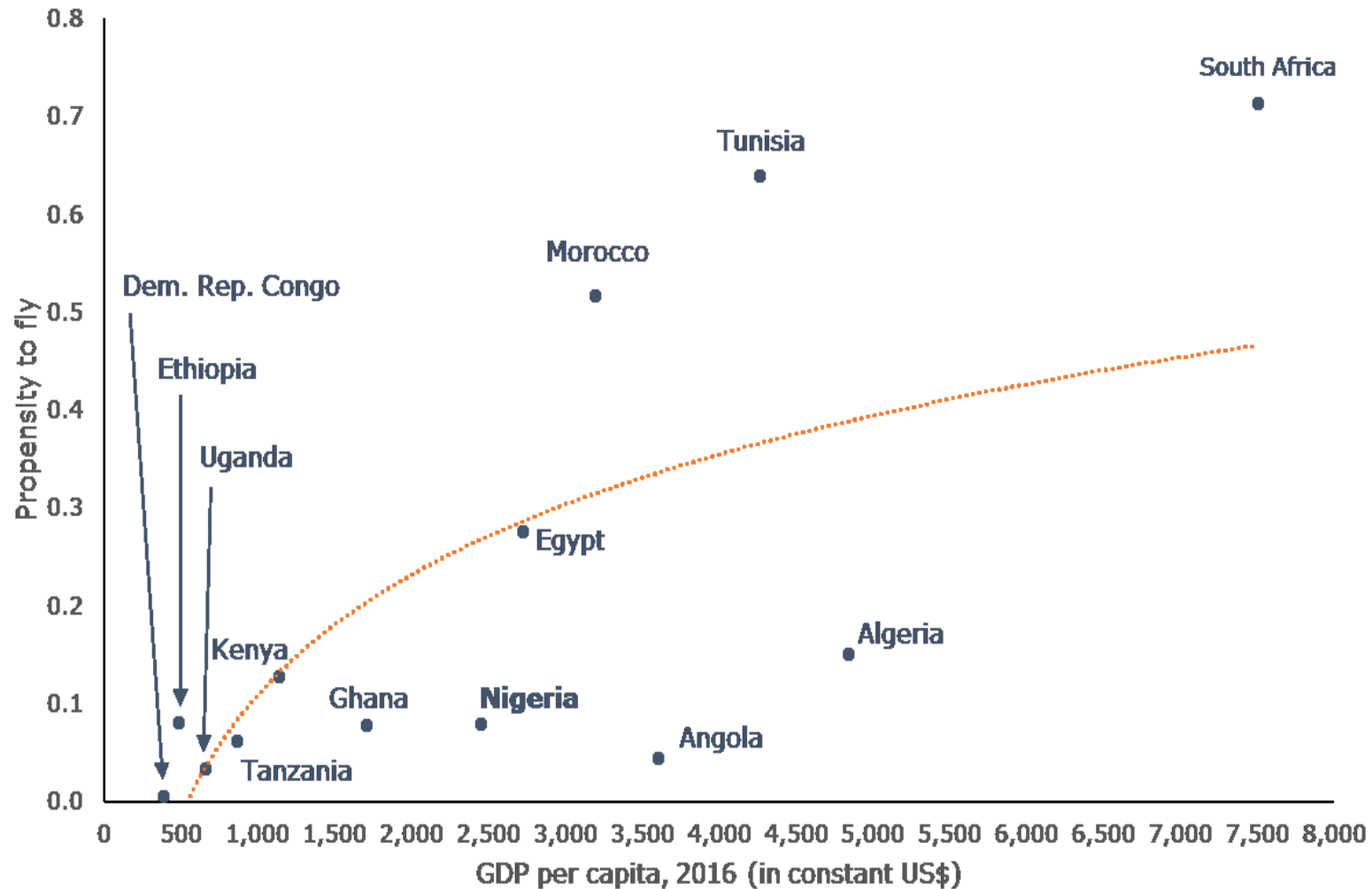


- With 6.7 million passengers, **Lagos Murtala Muhammed International Airport is Nigeria's largest airport**, followed by Abuja Nnamdi Azikiwe International Airport (4.2m).
- Despite the country's higher GDP per capita, **Nigeria's propensity to fly is relatively low** compared to other African countries.
- Route network out of the four airports is dominated by domestic services operated by Arik Air, Dana Air, Air Peace etc. **Foreign airlines mostly focus on economic trade links, diaspora and Hajj markets.**

Source: FAAN

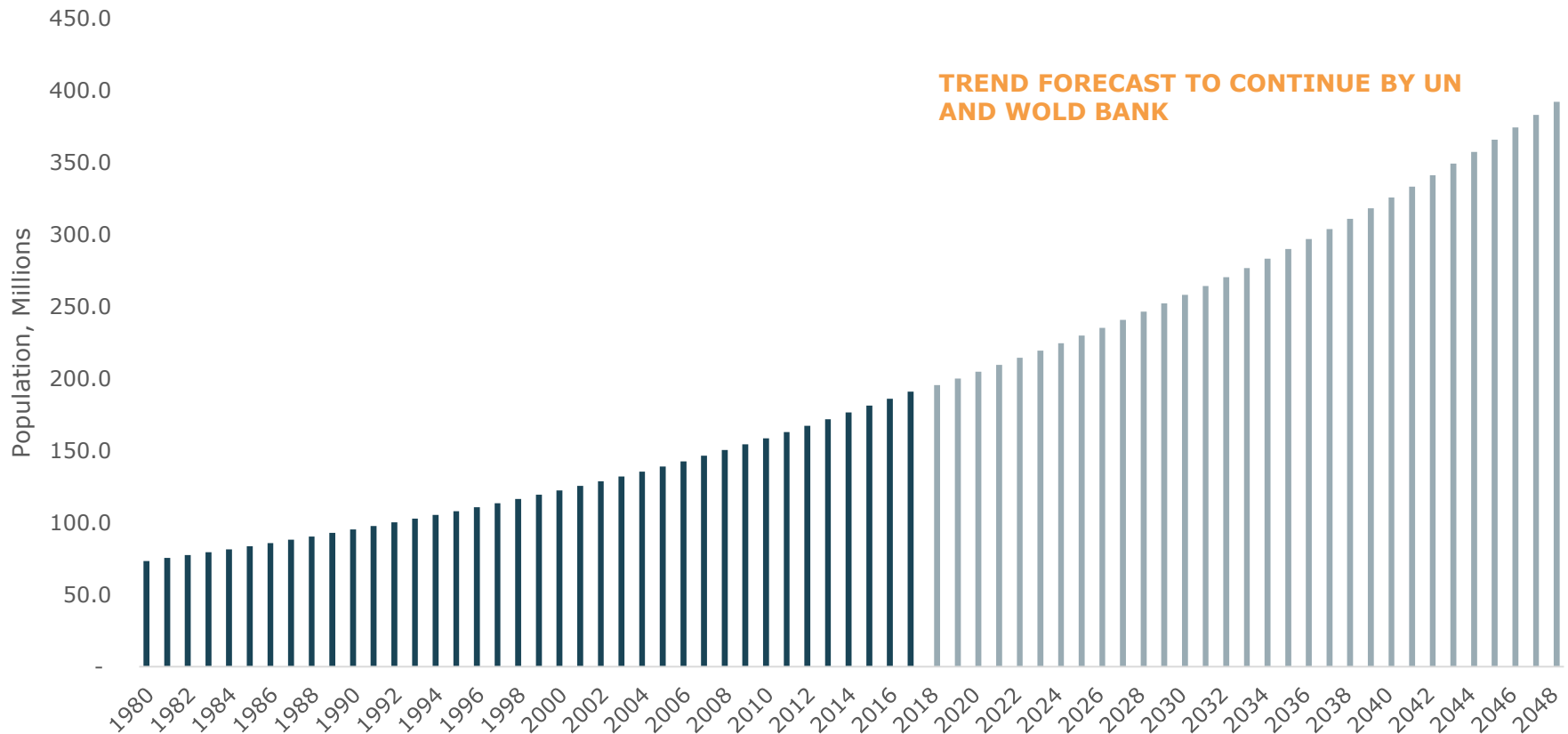
NIGERIA GROWTH POTENTIAL – PROPENSITY TO FLY CATCH UP

LARGE POTENTIAL WHEN CAPITALISING ON THE POPULATION, CURRENT PROPENSITY TO FLY WELL BELOW PEERS



LARGE POPULATION GROWTH HISTORICAL AND FUTURE

POPULATION HAS DOUBLED SINCE 1990 AND STILL HAS A FERTILITY RATE OF 5.07 AS OF 2017



Source: United Nations and World Bank

INFRASTRUCTURE AND NEW TERMINALS

CONSTRUCTION OF 4 NEW TERMINALS ONGOING

ABUJA



- 56,000 sqm
- 15 mppa capacity
- 3,000 sqm Duty Free area
- 8 boarding bridges
- Recently complete major runway overhaul

KANO



- Relatively new existing terminal from 2011
- Advanced state of construction of new terminal
- Will multiply current capacity

LAGOS



- 48,000 sqm
- Remodelling of existing terminals plus new terminal doubles capacity to 30 mppa
- Boost current constraint airport facilities

PORT HARCOURT



- Advanced state of construction
- Will multiply current capacity

NIGERIA LEGAL CONTEXT

Civil Aviation Act 2006

Civil Aviation Regulations

ICRC Act 2005 / PPP Regulatory Commission Bill

Procurement

New Legislation

PROJECT ROADMAP

PHASE 1

POLICY AND BUSINESS CONTEXT

- Inception Report v
- Policy, Legal and Business Context Report v
 - Policy and legal review
 - Traffic growth
 - Operating performance
 - Infrastructure review
- PPP Business Options Report
 - Local and international examples
 - Legal review of options
 - Assessment and recommendations.

PHASE 2

PPP PROCUREMENT

- Draft Outline Business Case (OBC) Report
 - Policy, Legal and Business Context
 - PPP Options and recommendation
 - PPP Project Assessment
 - Demand & Traffic Forecast
 - Technical & Operational Assessment
 - Financial Analysis
 - Legal Review
 - Value for Money Assessment
 - Social & Environmental Review
 - Risk Assessment
 - Implementation recommendations
- Final OBC Report
- Procurement Report
 - Pre-qualification (RfQ)
 - Tendering process (RfP)
 - Bid submission
 - Bid evaluation and recommendations
 - Winning bidder selection
- Final Full Business Case Report

PHASE 3

FINAL PPP CONTRACT NEGOTIATIONS

- Closeout Report
 - Negotiate Concession Agreement and other documentation
 - Achieve Financial Close