



OFFICE OF THE HEAD OF CIVIL SERVICE OF THE FEDERATION
THE PRESIDENCY
ABUJA

NIGERIA
GOVERNORS'
FORUM



2019 Joint Nigeria PPP Network (NPPPN) & PPP Units Consultative Forum (3PUCF) *Meeting*

Theme:

**Accelerating Bankable PPP Projects
Development in Nigeria - The Afreximbank
Project Preparation Facility (APPF) Meeting**

By **Afreximbank and PAC Capital**
Knowledge Partner

- Thursday, 21st November, 2019
- Transcorp Hilton Hotel, Abuja
- 9am - 5pm

Welcome Remarks by
Engr. Chidi K. C. Izuwah Snr.
Director General / CEO (ICRC)

Infrastructure Possibilities



AMERICA HAS GOOD ROADS, NOT BECAUSE AMERICA IS RICH,
BUT AMERICA IS RICH BECAUSE IT HAS GOOD ROADS ~ John F
Kennedy Former US President.

The implication of this quote from the 60s is an eternal economic
truism. No country can become economically buoyant without
good infrastructure



ICRC



Strengthening Women's
Involvement in PPP
(SWIP3)

Integrating gender perspectives in Nigeria's PPPs



► Her Excellency
Hajia Aisha Muhammadu Buhari
First Lady, Federal Republic of Nigeria
Special Guest of Honour

Theme:

**Strengthening Women's Involvement in PPPs (SWIP3):
Delivering gender-responsive PPPs in support of the SDGs**

- Focus group discussion on gender & SDGs in PPPs Guidelines
- Transaction Advisory Training ● Gender in PPPs Workshop

2nd - 4th October 2019 | 10.00am
Transcorp Hilton, Abuja

Host:



Australia Awards

Supported:



Global
Infrastructure
Hub

GTAC

Gender & Transaction Advisory Centre
Strengthening & Transforming Africa's Infrastructure

1st
in
Nigeria



To register:  <http://www.swip3.org>  +234 94604900

DICON Sur JV PPP 25th October



INFRASTRUCTURE CONCESSION REGULATORY COMMISSION

The Management & Staff of the **Infrastructure Concession Regulatory Commission (ICRC)** wishes to congratulate the Concession Grantor **Defence Industries Corporation of Nigeria (DICON)** and **Sur Corporate Wear & Design Company Limited**, Concessionaires of the

DICON/Sur Military Clothing Factory

a landmark **ICRC** facilitated **Public Private Partnership** initiative of **His Excellency, Muhammadu Buhari** led Federal Government, on the ground breaking ceremony for the facility billed to take place as follows:



**His Excellency
Muhammadu Buhari GCRF**
President, Commander-in-Chief of The Armed Forces
Federal Republic of Nigeria

Date: Friday, 25th October 2019

**Venue: DICON Ordnance Factory
Premises, Kaduna**

Time: 10am prompt

The Commission also wishes to salute **His Excellency President Muhammadu Buhari**, **Commander in Chief of the Armed Forces of the Federal Republic of Nigeria** on this momentous occasion and to also congratulate the **Honourable Minister of Defence, Major General Bashir Magashi**, **Permanent Secretary in the Ministry**, **Mrs. Nuratu Batagarawa**, **Director General, Defence Industries Corporation**, **Major General Victor Ezugwu**, **His Excellency, Governor Nasir El Rufai**, the good people of Kaduna State and indeed all Nigerians on this historic PPP event that will transform and revive Nigeria's previously vibrant textile sector enabling job and wealth creation along the entire value chain.

Public Private Partnership is the way to go in addressing our nation's infrastructure deficit in the face of dwindling resources.

Signed
Engr Chidi K. C. Izuwah Snr
Director General/CEO, ICRC



**His Excellency
Mallam Nasir El Rufai, OFR**
Governor, Kaduna State



**Major General Bashir
Magashi**
Honourable Minister of Defence



Mrs. Nuratu Batagarawa **Major General Victor O. Ezugwu**
Permanent Secretary, Ministry of Defence
Director General, DICON



Engr Chidi K. C. Izuwah Snr
Director General/CEO, ICRC

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Lekki Financial Close 23rd October



THE PRESIDENCY INFRASTRUCTURE CONCESSION REGULATORY COMMISSION

The Management & Staff of the **Infrastructure Concession Regulatory Commission (ICRC)** wishes to heartily congratulate the Concession Grantor, **Nigerian Ports Authority (NPA)**, the Concessionaire, **Lekki Port LFTZ Enterprise Limited** and **China Harbour Engineering Company** on the historic signing ceremony for the



**His Excellency
Muhammadu Buhari GCFR**
President, Commander-in-Chief of The
Armed Forces Federal Republic of Nigeria

629 Million Dollar Facility Agreement

With **China Development Bank** for the **Lekki Deep Seaport Project**, another in the series of ICRC facilitated Public Private Partnership initiatives of His Excellency, **President Muhammadu Buhari** led Federal Government.

The Commission wishes to congratulate HE President Muhammadu Buhari GCFR on this next level achievement, we equally wish to congratulate His Excellency, Mr Babajide Sanwo-Olu, *Governor of Lagos State*, Honourable Minister of Transportation, His Excellency, Rotimi Chibuike Amaechi, Minister of State for Transportation, Senator Gbemisola Saraki, Permanent Secretary in the Ministry of Transportation, Alh. Sabiu Zakari, Managing Director, Nigerian Ports Authority (NPA), Hajia Hadiza Bala Usman and the good people of Lagos State and indeed all Nigerians on this historic PPP milestone event that is set to further consolidate the enviable status of Nigeria as the maritime hub of West Africa and Lagos State as the commercial capital of Nigeria.

Signed:
Engr. Chidi K.C. Izuwah Snr
Director General/CEO, ICRC

His Excellency,
Mr. Babajide Sanwo-Olu
Governor of Lagos State

Wednesday 23rd October, 2019



**His Excellency,
Rotimi Chibuike Amaechi,**
Honourable Minister of Transportation



Senator Gbemisola Saraki
Minister of State for Transportation



Alh. Sabiu Zakari
Permanent Secretary,
Ministry of Transportation



Hajia Hadiza Bala Usman
Managing Director,
Nigerian Ports Authority (NPA)



Engr Chidi K. C. Izuwah Snr
Director General/CEO, ICRC

ABOUT ICRC

The ICRC was established to regulate PPP endeavours of the Federal government aimed at addressing Nigeria's infrastructure deficit which hampers economic development. The Commission's functions include:

- Regulating PPP procurement by-
- Guiding MDAs in structuring PPP transactions for both green field and brown field infrastructure: Pre-Contract regulation.
- Taking custody of all executed agreements and ensuring compliance-Post Contract Regulation.
- Issuance of PPP regulations and guidelines.
- Collaborating with state governments to develop a sustainable national PPP framework.

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Finance is not the problem?



Nigeria PPP Journey



- As at 25th June, 2019, there are 69 post-contract PPP projects under implementation at the ICRC Projects Disclosure Portal (www.ppp.icrc.gov.ng or www.icrc.gov.ng). The portal is the first disclosure portal in the world, established in collaboration with the World Bank.
- As at 31st October, 2019, there are 139 pre-contract projects at Development and Procurement phases at the ICRC website (www.icrc.gov.ng).
- Between 2010 and 2018, under the regulatory guidance of the ICRC, the Nigerian Government has approved PPP projects worth almost USD8 Billion.

ICRC

ICRC Activities Highlights in 2019



At the end of October 2019, the Commission has granted 9 Outline Business Case (OBC) and 9 Full Business Case (FBC) Compliance Certificates for 2019; bringing the total compliance certificates granted since inception to 76 OBCs and 31 FBCs certificates. The latest of these certificates is the OBC Compliance Certificate for the 22 Teaching Hospitals upgrade and the FBC Compliance Certificate for the Automated Ticketing System for the NRC.

NVRI – Vaccine Production Facility OBC issued 20th November 2011

ICRC Activities Highlights in 2019 (Contd)



- We are working very hard to ensure that our new governance documents including manuals, guidelines and others are issued early next year. We have engaged IDECK of India who developed similar documents for the Indian PPP space to do same for Nigeria. We continue to solicit your kind cooperation
- We partnered with the Centre for International Development at the Harvard University for a 15-week intensive online training on Problem Driven Iterative Adaptation (PDIA) programme from February to May this year. Over 95% of our staff completed this course and were awarded certificates of completion. So, just as most of us are Certified PPP Practitioners (CP3P, foundation level) we now have many Harvard PDIA Alumni (including myself) in ICRC; all in the effort to serve our country much better



Building State Capability

at the Harvard Center for International Development

This is to certify that

CHIDI KENNEDY CHIKEZIE IZUWAH

has completed the online series

The Practice of PDIA: Building Capability by Delivering Results

February 3rd – May 19th 2019


Lant Pritchett


Matt Andrews


Michael Woolcock

PPP DASHBOARD

ICRC

Screen shot of the Disclosure Portal



HOME PROJECTS ANNOUNCEMENTS CONTACT

Search...

CONCESSION OF GRAIN STORAGE FACILITIES (SILOS)

Nigeria is the largest market in sub-Saharan Africa for grain storage facilities. Demand, however, remains strong and consistent. GDP growth is now robust, driven from external demand, leading market forces. The supply of grain in Nigeria is far in excess of 25m MT domestic production. It is also important to be better utilized for efficient grain reserve.

[Read more](#)

PROJECTS

HOME PROJECTS ANNOUNCEMENTS CONTACT

Search...

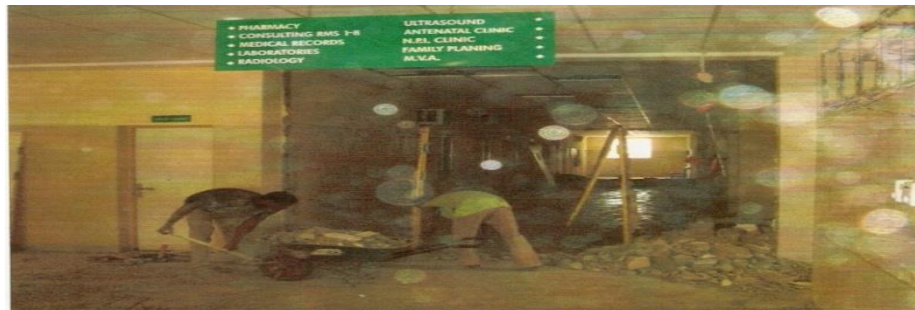
STAGE	SECTION	STATE
Development	Energy	Federal Capital
Procurement	Industrial	Territory
Implementation	Social & Health	Abia
	Telecom	Adamawa
	Transport	Alone Born
	Water & Waste	Anatolia
		Bauchi
		Bayelsa
		Benue
		Borno

PROJECTS

MMA2 Airport and Ports Concession



Garki Hospital Abuja



AFTER



BEFORE



Three Large Hydro Power Plants



PPP Accomplishments



1. Lekki Deepwater Port Financial Close
2. FMWPH Rooftop Solar PPP
3. Warehouse in a Box Medical Stores
4. NIWA Onitsha River Port
5. Ibom Deepwater Port Close to Commercial Close
6. PPP Portals for MSME, CRFN
7. Gurara O & M
8. Silos
9. AKK Pipeline and Central Railway Line Expansion
10. Farm Mechanization PPP
11. Ecowas Biometric Card
12. Warri Itakpe Line to Warri Deepsea Port

ICRC

Projected 30~year Investments by Sector...



Energy

- **\$1trillion** i.e. 33% of total
- Increase generation and transmission capacity
- Construct gas infrastructure
- Increase refining capacity

Transport

- **\$775billion** i.e. 254% of total
- Rehabilitate & expand national and regional road networks
- Rehabilitate rail links, upgrade main airports and develop inland waterways

Agriculture, Water and Mining

- **\$400billion** i.e. 13% of total
- Develop water supply and irrigation networks
- Develop crop processing zones
- Build basic mining infrastructure

ICT

- **\$325billion** i.e. 11% of total
- Expand mobile network capacity and coverage area
- Expand broadband fibre optic network capacity & coverage

Housing and Regional Dev.

- **\$350billion** i.e. 11% of total
- Increase the number of housing units to close current deficit (16 million units deficit)
- Develop urban infrastructure

Social infrastructure

- **\$150billion** i.e. 5% of total
- Construction of facilities for education, hospitals, women and youth development and sports centres

Funding Deficit for Infrastructure



Required Investments

\$33billion p.a. investments required over the next 5 years



Financing deficit

\$23 billion p.a.

i.e.

\$100 billion (5yrs)

Financing Options

Current Investments

\$10 billion p.a current Govt. investments in infrastructure



Government Funding Options

On-budget Funding

Primarily from government revenue. Includes: Budgetary Allocation, Enhanced Statutory Allocation, Viability Gap Funding

Off-budget Funding

Govt. assumes some financial commitments as is the case with Special Intervention Funds, Bonds, Low-interest concessional loans, Financing from aid and donor agencies

Private Sector Funding Options

Funding is sourced through means that may require minimal or no government contribution. Includes: PPPs, Pension Fund, Long Term Commercial Bonds (Capital Markets), Multilateral Agencies, Export Credit Finance, Private Equity, Infrastructure Funds

10 Reasons to Invest in Nigeria



1. Political and Economic Stability
2. Abundant Natural Resources and Very Skilled Human Resources.
3. Continuous Business Environment Improvement
4. Policy Thrust ~ Private Sector Led Growth.
5. Competitive and Comparative Advantage
6. Very Strong Financial System.
7. Favourable Demographics Leading to cost effective workforce
8. Highest Return on Investment.
9. Strategic location ~ hub of West and Central African markets.
10. Rule of law anchored on good governance, transparency, accountability

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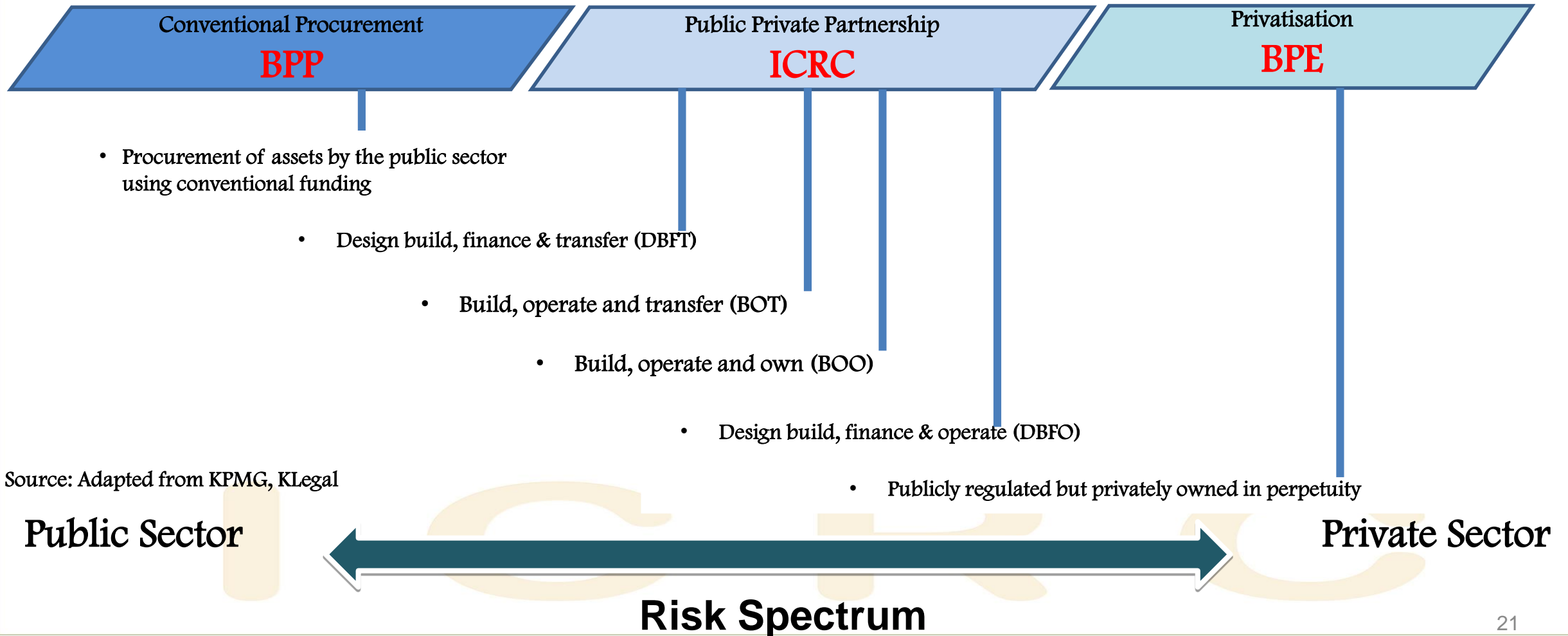
PPP PROCUREMENT IN NIGERIA

ICRC

Public Procurement Regimes in Nigeria



PPP represents a balance between state ownership and privatisation as indicated below



Definition of PPP



A Public-Private Partnership is a contractual agreement between a public agency (federal, state or local) and a private sector entity. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility (Nat. Council on PPP USA)

Wide Infrastructure Gap

Growing demand for
private sector
participation in
infrastructure

Small and depleting
Government resources

**Urgent need for alternative
funding of Infrastructure**

The goal is to combine the best capabilities of the public and private sectors for mutual benefit

7 Essential Conditions That Define Public Private Partnerships



Arrangement

Between public & private

Provision

Of services for public benefit by
private partner

Investments

In and/or management of public
assets by private partner

Time Period

For a specified time

Risk Sharing

Optimally between contracting parties

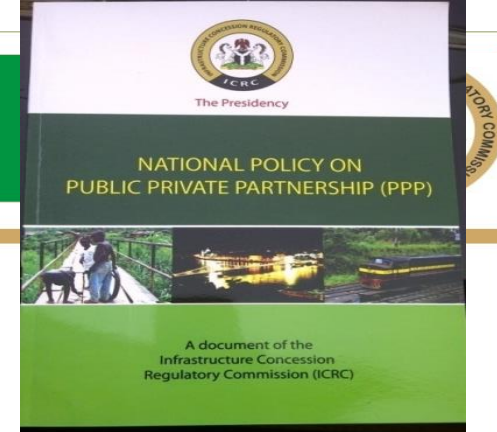
Standards

Focus on quality of service /
performance

Payments

Linked to performance

PPP LIFECYCLE in line with National Policy



Preliminaries

- *Project Identification*
- *Project Prioritization*
- *Project Selection*

Development Phase

Procurement Phase

Implementation Phase

TRANSACTION ADVISER
NEEDS ANALYSIS
PPP OPTIONS APPRAISAL
VALUE FOR MONEY
AFFORDABILITY
SUSTAINABILITY
PRELIM RISK MATRIX
VIABILITY/BANKABILITY
VGF
OBC
OBC Certification by ICRC

TRANSACTION ADVISER
Eo/RFQ Phase AND RFP
BIDDING
BIDDERS CONFERENCE
BID EVALUATION
VALUE FOR MONEY TEST
PREFERRED BIDDER
FULL BUSINESS CASE
Approval
by Federal Executive Council

INDEPENDENT ENGINEER
MONITOR DESIGN AND
CONSTRUCTION
COMMISSIONING TEST
VERIFY OUTPUT
REQUIREMENTS
CONTRACT MANAGEMENT

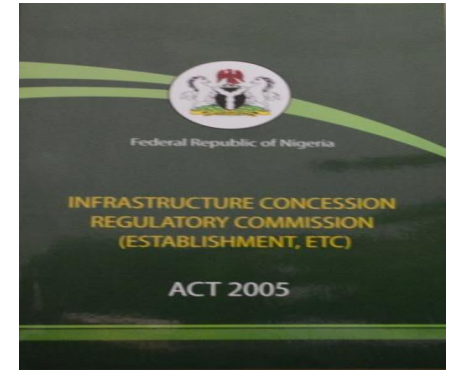
**PREPARING AND IMPLEMENTING EFFICIENT
AND EFFECTIVE PPP TRANSACTIONS**

PPP Framework Nigeria

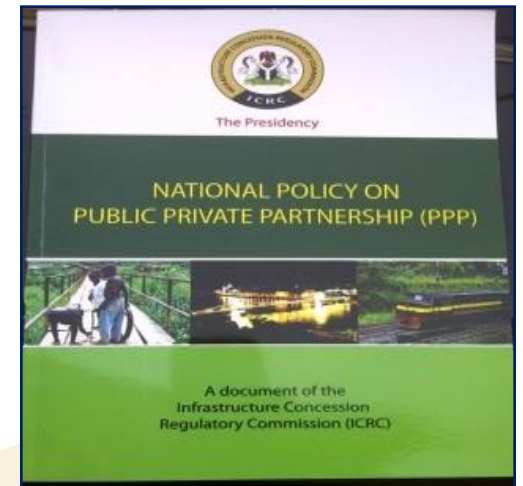


Common Law Jurisdiction – Framework Precedes the ICRC Act

The Infrastructure Concession Regulatory Commission Act (Establishment Etc,) Act 2005.



National Policy on PPP (N4P)



Regulations, Guidelines and Circulars.

ICRC

KEY PPP STAKEHOLDERS & THEIR ROLES



ICRC's STATUTORY RESPONSIBILITIES

- ❖ Facilitate, Regulate and assist MDAs Develop Bankable PPP Projects
- ❖ Issue Policy, Guidelines, Regulation, and Capacity Building
- ❖ Evaluate Bankability of PPP Projects
- ❖ Assess and Evaluate VFM and Risk Management Regime
- ❖ Develop a Robust PPP Market
- ❖ Take Custody and Ensure Compliance with Terms and Conditions of PPP Agreements

WHAT OWNER MDA's DO SUBJECT TO ICRC'S, REGULATION & FEC APPROVAL

- ❖ Project Initiation and Development
- ❖ Project Approval
- ❖ Determine Output Requirements
- ❖ Contract Execution

Key Benefits of PPPs



1. Rigorous project preparation – since the focus shifts to developing bankable projects
2. Delivery of a whole life solution – going beyond asset creation and including Operation and Maintenance (O&M)
3. Focus shifts to service delivery – construction responsibility is integrated with O&M obligations and together with appropriate quality monitoring and service delivery-linked payments such an arrangement could enhance the levels of service delivery
4. It is possible to adopt a programmatic approach to infrastructure development and service delivery – various time bound projects can be integrated under a programme and have a time-bound implementation plan
5. Can lead to better overall management of public services – transparency in selection and ongoing implementation

PPP ENABLING ENVIRONMENT SUPPORT INITIATIVES



- Nigeria Integrated Infrastructure Masterplan/ERGP
- Presidential Infrastructure Development Fund
- Ease of Doing Business (Accelerated PPP Procurement Process)
 - RfQ/RfP
 - Single Cabinet Approval
- Annuity PPPs
- Nigerian Sovereign Investment Authority (NSIA) and Third Party Infrastructure Guarantee Fund (InfraCredit)
- Amendment of ICRC Act
- PPP Units in MDAs
- Governance Documents – Ideck of India
- Federal Roads and Bridges Tolling Policy
- Standardization Efforts (Business Case, Contracts etc)

Nigeria Public Private Partnership Network [NPPPN]



- The NPPPN was established in 2011 to create an informal platform for all Heads of PPP Units Nationwide. It is designed to serve as a knowledge and experience sharing forum to upscale the learning curve of Public officers at the subnational level of government. It also aims to provide standardization of PPP practice and enhance collaboration within and amongst sub national PPP entities nationwide.

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Objectives of NPPPN



- Share experience and best practice on PPP across Nigeria
- Provide a focal point for information on PPP in Nigeria through a website and other media. This could include providing a database of PPP projects in development, in procurement, or being implemented.
- Provide common guidance, standardised contracts and other project documentation.
- Provide a single interface for consultation with the private sector by way of conferences or the Nigerian PPP Forum.

ICRC

PPP Unit Consultative Forum [3PUCF]



- The Public Private Partnership Unit Consultative Forum [3PUCF] was inaugurated on Thursday 5th December 2013. The Forum was initiated by the Commission to provide a knowledge and experience sharing platform for Heads of PPP Units in Federal MDAs. The Office of the Head of Civil Service of the Federation chairs the Forum's activities, Federal Ministry of Finance co-chairs while ICRC serves as the Secretariat.

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Activities & Objectives of 3PUCF



- The 3PUCF engages in a number of activities namely:

Meetings: The 3PUCF hold quarterly meetings and have thus far held 23 meetings/forums from inception. ICRC hosted 4 in the year 2014. The growing number of members was becoming a challenge for the ICRC venue to accommodate participants for productive interaction. This observation was therefore raised, discussed and agreed that an alternative venue more suitable was pertinent for continued hosting of the forum. As an alternative it was agreed that the venue should be rotated among members voluntarily who should also take turns in hosting.

Activities & Objectives of 3PUCF (Contd.)



- **Capacity Building:** The 3PUCF provides a forum for capacity building by inviting speakers from the PPP environment to share knowledge and experiences and also showcase Aid and technical assistance available to the MDAs. Members also benefit immensely from this because they are given priority as members in our database. Recently we invited concessionaires to present their journey's so far for the benefit of other MDAs to learn from their experiences.
- **Networking:** The 3PUCF also provides the forum and medium for networking with the local and global PPP stakeholders. This is achieved at the various forums members attend for meetings and other initiatives ICRC shares with members for their individual interest.

Challenges



1. Budgetary allocation often **insufficient** to cover responsibilities adequately – especially project development;
2. Inconsistency in PPP Project Pipelines **(long term planning)**;
3. Regulatory and enforcement powers in the ICRC Act; (Amendment required)
4. Inadequate project preparation;
5. Technical skills and knowledge gaps – funding to upscale skills – ICRC Infrastructure & PPP Academy

ICRC

Conclusion



... **We are in a race for financing with other countries**

.....So we must **compete** for available Private Sector **funds**

- Africa Investment Forum – SA Ghana Egypt Turkey Malaysia etc
- Aéroport International De Blaise Diagne, Dakar, **Senegal**



The Management and Staff of the Infrastructure Concession Regulatory Commission rejoice with and congratulate HE Prof. B Oramah, President and Chairman Board of Afreximbank on the award of the Russian Order of Friendship by President Vladimir Putin on 4th November. Your Excellency we are very proud to be associated with you and Afreximbank. We are also very proud of your giant accomplishments at Afreximbank especially turbo charging mutually beneficial economic relations between Russian and Africa.







2019 Joint Nigeria PPP Network (NPPPN) and PPP Units Consultative Forum (3PUCF) Meeting

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By **Afreximbank and PAC Capital** (Knowledge Partner)

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Mr. Boss Mustapha
Secretary to the Government of Nigeria



HE Dr. Kayode Fayemi
Executive Governor, Ekiti State & Chairman, Nigeria Governors' Forum



Dr. Folasade Yemi-Esan
As. Head of the Civil Service of the Federation



Mrs. Zainab S. Ahmed
Minister of Finance, Budget and National Planning



Mr. Asishona B. Okauru
Director General, Nigeria Governors' Forum



Prof. Benedict Oramah
President, African Export-Import Bank (Afreximbank)



Engr. Chidi K.C. Izuwah Sr.
Director General/CEO, ICRC

Sponsored by:



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