



**DG SPEECH AT THE OFFICIAL HANDING OVER CEREMONY OF THE FULL BUSINESS CASE (FBC) CERTIFICATE OF COMPLIANCE TO THE HONOURABLE MINISTER OF STATE FOR EDUCATION IN RESPECT OF THE RENOVATION AND UPGRADING OF KADUNA POLYTECHNIC STUDENTS' HOSTELS. 15<sup>TH</sup> MAY 2020 IN ABUJA**

- **The Honourable Minister**
- **All other Protocol**
- HMoS please permit me to start by passing again our most profound and deepest sympathies to the HM of Education on the recent passing on to eternal glory of his mother, Hajiya Fatima Mohammed Adamu Gamawa, fondly called “Baba”. Undoubtedly, “Baba” lived a fulfilled life having attained an enviable and glorious age of 106 years. No doubt, she left a robust legacy of inspiration and blessings to many thousands of people, both young and old in the community and the entire country. Indeed, we are consoled that she gave birth to men and women of global repute like the HM who have made many enviable achievements and successes, and have for many years served our dear fatherland with unwavering passion, deep commitment and unsurpassed dedication and loyalty.
- The Kadpoly Students Hostel Renovation and Upgrade PPP project is a ground breaking and pioneering project which is the first PPP project in the education sector in Nigeria that will be reaching the Full Business Case (FBC) level thereby marking the end of PPP procurement of the private investor. We commend, the Rector of Kadpoly and the Ministry for this historic achievement. We hope to see more PPPs in the education sector (with respect to bankable sub sectors) with the twin objective of raising infrastructure standards and quality while reducing the burden of financing the sector from the treasury.
- HM before I continue and in the light of dwindling resources permit me to draw your attention to an important quote by your colleague HM of Interior – Ogbeni Rauf Aregbesola who said **“We will be held accountable by history if we do not find innovative**

**ways for the private sector to fund infrastructure in Nigeria”**. You will agree HM that the students Hostel PPP is on such innovative way.

- The Kadpoly PPP project was conceived by a private investor who submitted an Outline Business Case (OBC) to Kaduna Polytechnic through the office of the Rector, dated 12<sup>th</sup> March, 2019.
- The PPP Unit having examined the proposal forwarded it to the Project Delivery Team (PDT) for assessment and evaluation. The PDT having done their detailed examination involved critical stakeholders - the Students and their Representative Union, the SUG. We commend the Rector and his team as public interest and stakeholder consultations during PPP project development, procurement and all through the PPP lifecycle is a critical requirement of the national PPP policy. We believe the Rector and team will continue this way.
- On the 25<sup>th</sup> of March 2019, the Project Steering Committee (PSC) met and deliberated on the proposal which was submitted to it by the PDT after due diligence. On 26<sup>th</sup> March, 2019, the OBC was sent to ICRC for review and certification in line with ICRC guidelines.
- The ICRC having reviewed the OBC granted an OBC Certificate of Compliance for the renovation and upgrading of the Students' Hostels in the Polytechnic under a PPP arrangement. The ICRC required that in line with the ICRC Act, the procurement be via the proven ICRC Swiss Challenge PPP procurement methodology. This process involves subjecting the private sector initiated proposal to competitive pressure to create value for money while giving the original private proponent the right to match better bids and also ensuring that in the process the private sector takes significant financial risk and creates the efficiency needed to ensure that the project is delivered to time and specifications. The ICRC played a key role as part of her mandate to ensure that the Nation attracts the required private investment to build our infrastructure stock to further bridge the educational infrastructure gap across the country in line President Muhammadu Buhari's commitment to private sector led economic development and inclusive growth.
- The process for the Swiss Challenge competitive bidding began with advertisements in national dailies. The process was fast tracked process.
- Request for Qualification and proposal was published in three national newspapers. The RfQ/RfP advertisement came to close on the 3<sup>rd</sup> of June, 2019 at noon as captured by the

advertisement and the bid opening began same time with four companies submitting their RfQ/RfP.

- The PDT Evaluation Committee reconvened on the 25<sup>th</sup> of June, 2019 for the proposal opening and subsequent evaluation. On the 3<sup>rd</sup> of July, 2019, the PDT Chairman presented a Memo one (1) entitled: “Presentation of the Most Responsive Bidder for Approval by the PSC” where Mark Point Multi Links Ltd was declared as the most responsive bidder. The PSC having critically examined the recommendations of PDT as contained in the Memo approved it for further necessary actions.
- On the 23<sup>rd</sup> July, 2019, a negotiation meeting between Kaduna Polytechnic Team and Mark Point Multi Links Limited was held at the central administration boardroom marking the conclusion of the Procurement Phase of the PPP transaction. Thereafter, the Full Business Case was submitted to the ICRC. The ICRC, upon careful review of the Full Business Case (FBC) report has issued this FBC Compliance Certificate to Kadpoly for the project

#### **Next Steps**

- The Ministry is required to seek Federal Executive Council’s (FEC) approval of the FBC.
- Upon approval, the Polytechnic on behalf of the Ministry of Education will enter into a Concession Agreement after the endorsement of the CA by the Federal Ministry of Justice with the private investor.
- The private investor must achieve financial close for the project to take off.

#### **Conclusion**

We commend the Federal Ministry of Education and Kaduna Polytechnic for their commitment and support during the Development and Procurement Phases of the project. Students’ accommodation is a critical support infrastructure in institutions of higher learning. It is our belief that the project will go a long way at solving some of the accommodation challenges experienced by the Polytechnic. HM we need more PPPs in the Education Sector covering.....my colleagues and I at the ICRC are here 24/7 to serve you.

I would like to conclude by saying that the achievements recorded in the course of developing this PPP project is due to the economic reform agenda of His Excellency, President Muhammadu

Buhari and we look forward to a formal ground-breaking ceremony to signal the take-off of the project in Kaduna by His Excellency President Muhammadu Buhari very soon.

Once again, I say a big congratulations to you sir and God bless the Federal Republic of Nigeria

Thank you