

DATE: 21<sup>st</sup>, August 2020

**SUBJECT: SIGNING OF PPP CONTRACT AGREEMENT FOR THE KADUNA POLYTECHNIC HOSTEL RENOVATION PROJECT BETWEEN THE FEDERAL GOVERNMENT OF NIGERIA AND MARK POINT NIGERIA LIMITED**

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## **Protocols, Greetings and Introductions**

### **Introduction**

On behalf of the management and staff of the ICRC, I am very pleased to be here today to witness the signing of one of the first Public Private Partnership projects within the Education sector; Hostel Renovation for students of Kaduna Polytechnic. It not only demonstrates the diverse impact of Private Sector participation within the development of an economy but it also showcases the successes that may be achieved via PPPs even with respect to social infrastructure where viability, affordability and bankability can be challenging.

### **Kaduna Polytechnic**

I want to thank HE President Muhammad Buhari for his progressive economic policies and leadership which has made this possible. I also want to commend Mr. President, the Hon Minister of Education Mallam Adamu Adamu, the Hon Minister of State for Education Barr Emeka Nwajiuba; the PS Architect Sunday Echono for their role in ensuring FEC approval of the transaction. We commend the entire Ministry of Education's effort in collaboration with Kaduna Polytechnic towards adopting the PPP methodology for the Kaduna Polytechnic, Kaduna State Hostel Renovation project.

Kaduna Polytechnic currently has a student population of about 23,000 out of which only 4,320 are accommodated within the school hostels. The Federal Ministry of Education concluded plans to renovate the hostels of Kaduna Polytechnic as part of its interventions to support the realization of closing the student's accommodation deficit within our tertiary institutions while ensuring that the hostels are turned to model student hostels and allowing students to concentrate on their studies. In view of the paucity of funds, detailed PPP project development to attract private sector capital and expertise was put in place in line with the ICRC Establishment Act 2005 and National Policy on Public Private Partnerships (N4P).

The PPP Model here involves the implementation of a Rehabilitate, Operate, and Transfer (ROT) PPP arrangement for a concession period of 16 years following a transparent and competitive PPP procurement process through the Swiss Challenge Methodology, following a Privately Initiated Infrastructure Proposal from Mark Point Limited, (the Original Project Proponent) who also emerged as the Preferred Bidder. The project was approved by the Federal Executive Council (FEC) on 8th July 2020.

**Stakeholder Engagement:** It's important to note that in line with the 7 PPP principles in the N4P, full buy-in of all relevant stakeholders towards successful delivery of the transaction was carried out at various stages of the transaction as members of the Project Delivery Team and other relevant parties including the users (students and

parents) played their roles. We thank all the engaged stakeholders for the successful conduct of the process. Special recognition goes to the Rector Prof. Bugaje, the Management of the Kaduna Polytechnic and its PPP Unit for drawing from their academic resources and serving as in-house Transaction Advisers on this project. We congratulate you on a seamless and swift transaction.

Furthermore, in line with the ICRC Establishment Act (2005) Section 24, upon signing of the Concession Agreement, the Ministry of Education/Kadpoly are required to forward two (2) signed copies of the PPP Agreement to the Commission, as also two copies each of all other Project Documents including –

- (a) all construction, operations, maintenance and service contracts;
- (b) any other relevant documentation relating to the PPP project; and
- (c) any amendments to the PPP Agreement.

### **FGN Special Concession Account (SCA)**

The ICRC would also like to draw your attention to the Finance Circular issued by the Honorable Minister Federal Ministry of Finance, Budget and National Planning about the opening of the FGN SCA in line with Sections 1 and 9 of the ICRC Establishment Act 2005, which requires all PPP stakeholders to remit all monies accruing from PPP Agreements (with the exception of proceeds from assets sale and liquidation into the Special Concession Account opened by the Office of the Accountant- General of the Federation). The SCA Is domiciled in the Central Bank of Nigeria and still under the Treasury Single Account Framework.

This is a milestone achievement towards transparency, accountability and probity within the Nigerian PPP sphere in line with PMB's transparency and change agenda.

### **Conclusion**

Kindly allow me to use this medium to remember Late Chief Busari Olusa, a dedicated and passionate staff of the ICRC who was also a member of this Project's Delivery Team. He worked tirelessly to ensure the success of this project. Late Busari passed on last month, July 2020. His legacy In the development of the Nation lives through the Hostel Renovation project. In his memory and for his selfless service I appeal to Kadpoly Management that one of the renovated Hostel Block's be named after him for his contribution to the success of Infrastructure delivery In the country. Rest In Peace Chief Busari Olusa

At this juncture, I would like to congratulate all stakeholders present for their commitment and time in actualizing this laudable project. Indeed this marks the beginning of PPP projects in bridging the gap in student's hostel accommodation across the Nation.

God bless Nigeria and God bless you all

**Engr Chidi K.C Izuwah Snr**  
**Director General**