

1st Quarter 2020



ICRC Bulletin

Policy & Regulation in the PPP Infrastructure Sector



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Message from the *Editor-in-Chief*

Dear Reader,

The ICRC Bulletin Editorial team is pleased to present the 1st edition for the year 2020.

In the year 2019, the Commission recorded several successes in terms of milestone achievements for projects at different stages, strategic international stakeholder engagements, PPP capacity building exercises, PPP projects monitoring visits, etc.

Year 2020 offers the Commission yet another auspicious opportunity to build on the successes of the previous year.

In fulfilment of its mandate, early in the year, the Commission paid visits to various sector-based PPP projects comprising of Pre-Contract Regulatory Monitoring (Inspection & Site Visits) and Post-Contract Monitoring (Contract & Performance Management & Compliance) visits to selected PPP project sites.

Such projects include Port Harcourt Terminals A and B in Rivers state, Naval Dockyard Defense Jetty in Victoria Island, Lagos state; Ibom Deep Water Port in Akwa Ibom State, Onne Port Terminals in Rivers state, Warehouse in a box in Oshodi, Lagos State; Dadin Kowa Hydroelectric Power Project in Gombe State; Gombe State Silos and University of Port Harcourt Teaching Hospital Hostels in Rivers State. Picture stories of these visits are presented in this edition.

Our feature story is titled "*Policy and Regulation in the PPP infrastructure sector*". It was written by Priscilla Devaan Jiwunde, an architect, project manager, PPP Specialist and senior staff

of the Commission, who is currently serving in the Policy and Regulations Unit. Priscilla has over 19 years public sector experience with 16 years experience in public-private partnerships and infrastructure development.

One of our knowledge management stories is written by Chukwuma Katchy PhD (Civil), M.Eng (Civil), MBA PMP, FNIM, M.IoD, Certified PPP Specialist and Retired Commissioner of Police. Dr. Katchy wrote on the topic - Policy and Compliance in Public Private Partnerships.

In the course of the quarter under review, the first case of Covid-19 was confirmed in Nigeria, following this confirmation, it has become paramount that we keep to all the WHO recommended guidelines for staying safe. It is also important to boost the immunity of the body to fight diseases, etc. Our health column therefore highlights "*Six essential nutrients and why your body needs them*".

We do hope you enjoy reading this edition.

Manji Yarling

Editor-in-chief



Director General's Desk

Let me take this opportunity to give thanks to God for yet another eventful year in the Annals of our history as a Commission. While we achieved appreciable milestones in the previous year, I am confident that we will achieve even more in 2020 with focus and dedication to advance the cause of the Commission by everyone of us.

Within the period under review, a revalidated Full Business Case (FBC) Compliance Certificate was issued with respect to Ibom Deep Seaport to the Federal Ministry of Transportation and a FBC Compliance Certificate was presented to the Federal Ministry of Education for the Renovation and Upgrade of the Kaduna Polytechnic Students Hostel Project.

There was also a marked increase in the number of key engagements and partnerships with critical stakeholders within the infrastructure eco-system and beyond. The Management of the Commission either visited or played host to various stakeholder groups as part of efforts to accelerate the use of Public Private Partnership in infrastructure development. One of such visits was to the Honourable Minister of Communications and Digital Economy, Dr. Aliyu Pantami. During the visit, Dr. Pantami made a commitment to partner with the ICRC in the drive for a digital economy that will be skills focused, and lead to an increase in broadband penetration in Nigeria. This is particularly gratifying bearing in mind that ICT is currently the fastest growing sector in Nigeria according to data from the National Bureau of Statistics.

Within the same period, the Management of the ICRC equally paid a high-level courtesy visit to the Honourable Minister of Interior, Mr. Rauf Aregbesola to explore other areas of possible collaboration in delivering PPP projects in the Ministry. It is noteworthy that the Ministry has in its custody, several projects either ongoing or delivered through PPP including establishment of Nigerian passport application support centres in the U.S., Canada, UK and China and the ECOWAS Biometric ID card Project.



Similarly, an Inter-agency Committee has been set up to explore areas of strategic partnership between the ICRC and the Financial Reporting Council (FRC) of Nigeria. We hope to build on these partnerships going forward as we seek to strengthen our position as the repository of PPP knowledge and manpower in the country.

The Commission facilitated various capacity building programmes for agencies including Federal Ministry of Police Affairs; the Nigerian Police Force, Nigerian Immigration Service and Basic PPP Training for the Commission's Corp Members. Let me also state, in closing, that one of the cardinal objectives of the Commission under my leadership in the First Quarter of 2020, is to ensure the take-off of the PPP Institute to avail more Nigerians the benefit of Public Private Partnership knowledge and experience.

I solicit your cooperation in the task of consolidating on the efforts of Mr. President in transforming Nigeria's infrastructure through Public Private Partnership.

God bless the Federal Republic of Nigeria.

God bless the ICRC.

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

Feature Story

Policy and Regulation in the PPP infrastructure Sector

Devaan Priscilla Jiwunde, ICRC

The purpose of this article is to discuss the subject matter: Policy and Regulation in PPPs. This will give an overview of both governance channels; highlight the benefits of the PPP Policy and Regulation in the infrastructure sector and why they are obligatory components of any PPP regime.

PPP REGULATION AND POLICY

What is a Regulation?

“Regulation has been described as a rule of order having the force of law, prescribed by a superior or competent authority, relating to the actions of those under the authority's control. Regulations are issued by various government departments and agencies to

carry out the intent of legislation enacted by the legislature of the applicable jurisdiction.”

In another instant, the contributor goes on to say: “Administrative agencies perform a number of different government functions, including rule making and the rules issued by these agencies are usually called 'regulations', which are designed to guide the activity of those regulated by the agency. Regulations also function to ensure uniform application of the law.”

“Regulations are enforced usually by a regulatory agency formed or mandated to carry out the purpose or provisions of a legislation.”

A Regulatory Agency, which is also known as a Regulatory

Authority or Regulatory Body, is thus, a government body formed or mandated under the terms of a legislative act (statute) to ensure compliance with the provisions of the act in carrying out its purpose.

PPP Regulations

Most jurisdictions have a regulatory framework that is applicable to PPPs in general as well as PPP contracts for specific projects. The regulatory framework has a number of objectives, one of which is to permit the government to consider and make rational choices as to which projects to implement as PPPs.

As a rule, various tests or standards are set, mainly to ensure that the PPP is affordable to the country and



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the users. The second test would be to ensure that the execution of the works under the PPP provides greater Value for Money than if done under traditional procurement method. This standard will also ensure that risk transfer to the private partner is both substantial and appropriate.

Taking a look at the Operations Phase of a PPP project for instance, the decisions to implement are already made and the focus of the regulatory framework must then shift to the following areas:

- Making sure that the project meets the objectives of a net public benefit and Value for Money (VfM);
- Ensuring that risks are identified and managed;
- Ensuring that changes in the form of amendments and variations are implemented on the same basis as the original project — in other words, that they too offer Value for Money and risk transfer; and
- Ensuring that reporting is transparent, timely and accurate.

In summary, a well-defined regulatory framework is

fundamental! A sound regulatory framework will increase benefits to the government by ensuring that essential partnerships operate efficiently and optimise the resources available to them in line with broader policy objectives, ranging from social policy to environmental protection to fiscal policy etc. In turn, it provides assurance to the private sector that the regulatory system includes protection from abrogation, arbitration of commercial disputes, also provides a framework to ensure respect for contract agreements, and legitimate recovery of costs and profit proportional to the risks undertaken.

POLICY

A Policy is not a Law! For the purpose of this article, readers could consider the Business Dictionary definition which defines Policy as the basic principles by which a government is guided, and the declared objectives that a government or party seeks to achieve and preserve in the interest of a

national community. A Policy differs from rules or law. While law can compel or prohibit behaviours (e.g. a law requiring the payment of taxes on income), policy merely guides actions toward those that are most likely to achieve a desired outcome.

Policy in the PPP Sector

The gateway to a government's institutionalization of a Public-Private Partnership (PPP) framework is to articulate its PPP policy; and there are various types of PPP policies in use in different ways in different countries. The definition of a "Policy" in a PPP Guide, elucidates this approach clearly in the fact that it considers a Policy as "a government's statement of intent to use PPPs as a course of action to deliver public services and it contains the guiding principles for that course of

The definition of a "Policy" in a PPP Guide, elucidates this approach clearly in the fact that it considers a Policy as "a government's statement of intent to use PPPs as a course of action to deliver public services and it contains the guiding principles for that course of action."

action." This reveals that a "guiding principle", that is a policy, should be first off, inclusive (regarding the subject matter), comprehensible, purposeful, reflective of extant laws, well-structured and fit-for-purpose, in order

to be an effective guide for any process or idea as this case refers.

ensure that private investment is used, where feasible, to address the

harmonised framework for the development of Nigeria's



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A PPP policy would typically include:

- a. PPP rationale /program objectives: which seeks to explain in clear terms, why the government set out to pursue PPPs;
- b. PPP program scope—describes what types of projects and services will be developed under the PPP regime; and,
- c. Implementing principles and governance arrangements—states how any suitable PPP projects will be implemented to ensure that the PPP program meets its objectives.

Examples of PPP policies

This section takes a general look at a PPP Policy and how selected jurisdictions have used them.

Jurisdiction 1: The National PPP Policy for the host country, Nigeria: In Nigeria's PPP strategy, also known as the N4P, the national policy (as most jurisdictions refer to it) sets out the steps that the Government will take to

deficit in its infrastructure stock and achieve significant development of public services in a sustainable way. Therefore, it has been hypothesized that a national policy on PPP is a guiding principle that is established on the reins of a Government's commitment to transparency and accountability; and which primarily ensures that the transfer of responsibility to the private sector follows best international practice (also called good practices) and is achieved through open competition.

The Government Inaugurated the Infrastructure Concession Regulatory Commission (ICRC) with a clear mandate to develop the guidelines, policies and procurement processes for PPP in Nigeria. In support of the provisions of the ICRC (establishment, etc) Act 2005, the Policy also consolidates ICRC's mandate to collaborate with the States to promote an orderly and

infrastructure while also accelerating the development of a market for PPP projects. The Federal Government,

“The Government Inaugurated the Infrastructure Concession Regulatory Commission (ICRC) with a clear mandate to develop the guidelines, policies and procurement processes for PPP in Nigeria”

through its PPP policy also assures investors that all contracts will be completed in compliance with the terms of the PPP contract.

Jurisdiction 2: The Indian Policy is referred to as the National Public-Private Partnership Policy, India; in it, the Government of India is committed to improving the level and the quality of economic and social infrastructure services across the country. In pursuance of

this goal however, the Government foresees an invaluable role for Public Private Partnership (PPPs) as a way of exploiting private sector operational efficiencies and their investment in the provision of public assets and services.

The National PPP Policy seeks to facilitate an expansion in the use of PPP approach, where appropriate, in a consistent and effective manner, through:

- i. Setting out the broad principles for pursuing a project on PPP basis;
- ii. Providing a framework for identifying, structuring, awarding and managing PPP projects;
- iii. Delineating the cross-sectoral institutional architecture and mechanisms for facilitating and implementing PPPs.

Jurisdiction 3: Policy Framework, Australia, also known as the National Public-Private Partnership Guidelines: This National PPP Policy provides a consistent framework that

enables public and private sectors to work together to improve public service delivery through private sector provision of public infrastructure and related services. The objectives of the National PPP Policy Framework are to: encourage private sector investment in public infrastructure and related services where Value for Money for government can be clearly demonstrated; encourage innovation in the provision of infrastructure and related service delivery; ensure rigorous governance over the selection of projects for PPPs and the competition for and awarding of contracts; provide a framework and streamlined procedures for applying PPPs across Australia; and clearly articulate accountability for outcomes.

In many countries, the legal provisions and procedures related to private sector participation are several, intricate, splintered over many different mechanisms, often unclear on many issues, with no predetermined period for completion. For

example, the PPP legal regime may be distributed over many mechanisms that could include: property laws, company laws, tax laws, foreign investment laws, private contract laws, intellectual property laws, competition laws, insolvency laws, infrastructure sector laws, public procurement laws or rules, labour laws, consumer protection laws, environmental laws, acquisition or appropriation laws and so many other laws. In reaction, many countries have enacted extraordinary legal and regulatory instruments, and/or amended existing infrastructure sector laws. These measures have helped to reduce the level of uncertainty surrounding PPP project deals and have increased investors' confidence.

Legislation may also play an important role in facilitating the granting of licences and permits that may be required for project implementation. These include licences for setting up a company by the concessionaire, licence for exploration and extraction of mineral resources, licence for use of water, work permits for foreigners, import licence for equipment and other supplies, building permits, as well as radio frequency spectrum allocation for telecommunication and television transmission and so on.

Regulators apply a variety of tools to discharge their empowered functions. Some of the potential tools that the regulators may have at their disposal include:



- Sector PPP policy framework (many aspects of which can be turned into regulatory instruments)
- Legal instruments (sector and regulatory laws) as applicable
- Concession period and its linkage to rate of return
- Financial modelling of regulatory policy
- Tariff rate level, structure, formula, revision and adjustment mechanisms
- Accounting standards on regulated firms (vital for tariff adjustment)
- Fiscal instruments (government subsidy or other incentives or services in kind)
- Payments to government/regulator
- Penalties and fines for non-compliance with regulatory decisions
- Investment level and its timing
- Technical efficiency and quality standards of service including those related to effective management and operation of the facility over time (for example, response time to user complaints, accuracy of billing and timely mobilization of funds for investments)
- Depreciation and amortization rules (tax and accounting policy issues), to the extent within the control of the regulator.
- Rules related to transfer of assets at the end of contract tenure for which investments have not been fully amortized (otherwise, investment in the later years of concession period would be discouraged.

** PPP-specific legislation and regulations form part of a PPP legal framework, which also*

includes all legislation that affects PPP contracts, decision processes, and implementation procedures.

Making the link between Policy and Regulation

There is a hierarchical classification within which to view the relationships between the various governance channels in a PPP regime, namely:

- i. Regulation: rules or directives made and maintained by an authority e.g. a regulatory authority
- ii. Policy: general management statement
- iii. Standards: specific mandatory controls
- iv. Guidelines: recommended/best practices; and,
- v. Procedures: step by step instructions

In Conclusion

The growing PPP trends, have justified the need for broad policy frameworks that set out the principles for implementing increasing numbers of projects across diverse sectors to complement the inclusive growth aspirations of many nations.

As the roles of government in public-private partnerships are not only streamlined to provide services, but also to monitor the marketplace, a well-defined and properly

established regulation framework (policy and other governing processes) is fundamental. A sound regulatory framework will boost benefits to the government by ensuring that critical partnerships operate efficiently and optimize the capital available to them to achieve broader policy objectives, ranging from social policy to environmental protection. In turn, it provides assurance to the private sector that the regulatory structure includes protection from abrogation, arbitration of commercial disputes, respect for contract agreements, and legitimate recovery of costs and profit proportional to the risks undertaken.

Final Word!

Policies and Regulations in PPP regimes are powerful governance instruments that shape PPP investments, perception, accessibility and acceptability, and would typically demonstrate a strong commitment to bridging a country's



infrastructure shortfalls, transparency and accountability of any PPP regime. Ultimately however, they are tools that shape how PPPs in each jurisdiction are administered and governed.



Policy and Compliance in Public Private Partnerships

Chukwuma Katchy PhD PMP CP3S

This paper discusses Nigeria's Policy on Public Private Partnership and evaluates the extent of compliance with the provisions of this policy by the ICRC and various MDAs involved in the PPP process. The evaluation is captured in bold italics.

1.0 Introduction

What is a policy? The definition that is most appropriate for this paper is given by Wikipedia which defines a policy as a set of ideas or plans that is used as a basis for making decisions especially in politics, economics, or business. Simply put, a policy is a set of guidelines to be followed in achieving a desired objective. However, a policy is not enforceable and in order for

the contents of a policy to be enforceable and able to achieve its objectives it is usually enshrined in a law. Consequently, a PPP policy is often enshrined in a law or laws, e.g. in a PPP framework. In this paper the words policy and framework shall be used interchangeably or together since a PPP framework is derived from a policy. A PPP framework is defined (APMG Guide) as the rules, established procedures, and institutional responsibilities that determine how the government selects, implements, and manages PPP projects.

1.1 The Reform Process

PPP is a method of procurement and being a newly universally accepted method, it is treated as a reform. In other words, PPP

is a procurement reform. Reforms follow different processes. The precise process to be followed by a particular reform will depend on the project in question. However, four general stages can be set out namely:

1. **Establishing the policy**
2. **Setting the legal and regulatory framework**
3. **Tendering the contract**
4. **Managing the contract.**

Thus, the first step in any reform is to establish a Policy while the second step is to set the legal and regulatory framework that will contain the contents of the policy. The purpose of "converting" a policy into laws that form part of the legal framework is to make the policy direction binding and enforceable.

2.0 Why have a PPP Policy?

Not having a policy/framework increases the likelihood of failure but having a PPP framework increases the likelihood of success as follows:

■ **Enhanced MDAs delivery Capability:** PPP projects may be developed by various agencies across the government. Each of these agencies may be an expert in its own sector – for example, in the provision of houses or roads. However, most agencies will not be experts in PPPs. If each agency has to learn how to do PPPs on its own, learning costs will be high, as will the risk of mistakes. Codifying standard practices in a framework reduces learning costs and the risk of mistakes.

■ **Better probity and oversight of the PPP program:** As with any important government program, independent oversight and evaluation are desirable. Having clear processes, decision making criteria, and allocation of responsibilities written down in a document makes such oversight more effective.

■ **Reconciling disparate objectives in a structured manner:** In general, implementing a PPP project entails a mixed involvement of several governmental agencies and these government agencies together with the private firms have competing objectives. A PPP framework provides a structured approach on how to reconcile these conflicting objectives.

A typical example of a PPP

project that failed due to lack of a policy is the Dabhol Plant Project in Maharashtra that ended unsuccessfully because decisions were unstructured and poorly governed. The Dabhol Power Corporation (DPC) was to construct the power plant in two phases and sell power to the Maharashtra State Electricity Board (MSEB) under a 20 year take-or-pay contract.

In 2001, after the first phase was completed, the MSEB did not meet its financial obligations given the high energy purchase price under the Power Purchase Agreement (PPA). The DPC attempted to call in its guarantees, but failed and this led to a dispute that was only settled in 2004. It is unlikely this project would have proceeded if there was a PPP framework in place.

Generally, a PPP framework contains the following provisions:

■ **Objectives:** A PPP framework should adumbrate its objectives. These make governments intentions clear and also provide a basis for subsequent evaluation of the framework. The objectives of the PPP framework are discussed in detail in section 2.1.

■ **Scope:** A good framework will also set out its scope, that is, the types of projects to which it applies. The scope of the PPP framework is discussed in detail section 2.2.

■ **Procedures:** What are the things that need to be done, by whom and in what

order, to ensure that the right decision are made and the right actions taken?

■ **Decision criteria:** How will decisions be made at each step?

■ **Institutional responsibilities:** Which entities are responsible for which tasks and objectives? For example, a specialist PPP unit may be responsible for assessing whether a project is best done as a PPP or not; the ministry of finance may have a responsibility to advise on fiscal commitments made to a PPP project.

■ **Oversight:** How to conduct oversight should be contained in the framework.



A good PPP framework aims to ensure that the right projects are selected as PPPs, and that they are developed, delivered and managed in a structured, transparent and efficient way.

2.1 Objectives of the PPP Framework

It is important that

governments define PPP program objectives as a first step in developing the PPP framework. These objectives will give designers of the framework the direction needed to formulate appropriate processes, decision criteria, and institutional responsibilities.

The choice of objectives

types of projects for which the framework will apply. Scopes are generally defined by jurisdiction, sector, size, and contract type. It is good practice for designers of a framework to consider each of these dimensions, and to be explicit in the framework about its scope. These aspects are explained in more detail below.

Size

Many governments define a minimum size (or value) for PPP projects implemented under the PPP framework. The relatively high transaction costs of implementing a PPP can make PPPs below a certain size unviable. A size limit may mean PPP type contracts cannot be used for smaller

TABLE 1: Examples PPP Policy Objectives

Country	PPP Objectives
Australia	Describes the aim of PPPs as being “to deliver improved services and better Value for Money, primarily through appropriate risk transfer, encouraging innovation, greater asset utilization and an integrated whole-of-life management, underpinned by private financing
India	The draft National PPP Policy sets several objectives for PPPs. <ul style="list-style-type: none"> · Harnessing private sector efficiencies in asset creation, maintenance, and service delivery. · Providing focus on a lifecycle approach for development of a project, involving asset creation and maintenance over its lifecycle. · Creating opportunities to attract innovation and technological improvements. · Facilitating affordable and improved services to the users in a responsible and sustainable manner

depends on the government's policies and priorities. They can include the following:

- Enabling more investment in infrastructure by increasing project financing options;
- Achieving Value for Money in the provision of infrastructure and public services;
- Improving accountability in the provision of infrastructure and public services;
- Harnessing private sector innovation and efficiency.

2.2 Scope of the PPP Framework

The scope of the PPP framework indicates the

Jurisdiction

The scope of any PPP framework is limited by the jurisdiction of the government that promulgates it.

Sector

When governments intend to focus PPPs on just a few sectors, the framework may be designed with these sectors in mind, explicitly limiting the sectors PPP can be applied in. South Africa created a PPP framework explicitly for highways (as well as a separate, more tailored framework for other PPPs).

projects. For example, Singapore's PPP policy (2004) states that, initially, PPPs will be pursued only if they have an estimated capital value of over US\$50 million.

Contract Type

The scope can also define specific aspects of the contracts that will be considered. Typically, the legal traditions of the country will influence the type of contract for which the PPP framework will apply to.

3.0 Choice of Legal and Administrative Instruments

TABLE 2: Example Definitions of PPP Framework by Contract Type

Country	PPP Policy Contract Type
Brazil	Contract types: Only two types of contracts will be considered PPPs in Brazil: (i) sponsored concessions – returns for the private party come from user fees and government transfers: - and (ii) administrative concessions – all of the returns to the private party come from government transfers. Concessions not requiring government transfers are not considered PPPs in Brazil. The law also states that the concession must be at least five years long to be considered a PPP.
India	Contract types: The policy lists preferred PPP contract types, as well as exclusions. The policy states that the government does not intend to use contracts involving private ownership of assets. It also clarifies that Engineering-Procurement-Construction (EPC) contracts and divestiture of assets, are not covered by the PPP policy.

to Create PPP Framework

As mentioned above to be effective and easily enforceable, public policies have to be enshrined in laws. Typically, Governments need to make the following decisions.

- How will the PPP policies be made binding on government officials?
- How will the PPP policies be communicated to all stakeholders? and
- What will give legal force to PPP agreements?

How policies are documented and given force varies widely between jurisdictions. In some cases, PPP policies are enacted as laws. In others, they are put in policy documents and manuals which the government commits to follow.

3.1 How Varying Legal Traditions Interact with Different PPP Types

Countries vary widely in how they document and give force to PPP frameworks. Countries with “common

law” legal systems tend to rely on policy documents and administrative guidance materials. Countries with “civil law” legal systems are more likely to enact the PPP framework in statute law, and spell it out in detailed rules and regulations with legal force.

3.2 Legal and Administrative Approaches to Establishing PPP Frameworks

The diversity of legal traditions and PPP types shows there is no single best way to document and give force to a PPP framework. Rather, the right way to establish a PPP depends on the administrative and legal traditions in the country, and the government's objectives.

Common law countries often use policy documents, not laws, to establish PPP frameworks. Common law countries do not generally need laws to establish PPP frameworks. In many common law countries,

policy statements and administrative documents are the best approach. Australia and Britain – two of the world's most experienced PPP jurisdictions – do not have PPP laws.

In common law jurisdictions such as these, the government has the powers of a natural person or corporation. Thus, it does not need legislation to enable it to enter contracts of any sort, including Public-Private Partnership contracts.

Moreover, these jurisdictions often have Westminster system styles of government. In Westminster system jurisdictions, policies written about how the government will implement PPPs not only communicate the framework, but also become the instrument by which the framework is made binding on government officials. By constitutional convention or civil service law (depending on the jurisdiction), civil servants are required to

follow government policies.

Some common law jurisdictions pass PPP laws, for a variety of reasons. However, some common law jurisdictions do create PPP laws. This is often to override existing laws that would otherwise restrict or delay PPP projects. Another reason for putting the framework into a statute is to provide greater force, stability, transparency, and accountability.

Many EMDE countries with common law systems have passed specific PPP laws. Among them are Nigeria, India and Kenya. Although in most cases such PPP laws are not strictly necessary, there are several possible advantages to having a special PPP law: increased accountability and transparency of the program, greater policy stability (since laws take longer to change than policies), and a signal to investors and funding agencies which may perceive a law as a stronger commitment than a policy statement.

Civil law jurisdictions generally embody their PPP frameworks in laws

Civil law countries tend to embody their PPP frameworks in laws. This follows from the civil law tradition that government agencies may only do what they are explicitly authorized to do, as well as the tradition of limiting government discretion with tightly defined rules.

3.3 How PPP frameworks build on and incorporate

Pre-Existing Government Frameworks

Regardless of the tradition within which a PPP framework is constructed, it is not constructed in isolation. Rather, it builds on, incorporates, and modifies the pre-existing frameworks for contracting, procurement, and financial management in government. It makes sense to use as much of the existing frameworks as possible and to ensure that whatever is added that is specific to PPPs dovetails with existing systems. Among these pre-existing systems, the following are typically found:

- **Administrative law:** In many civil law countries, government agencies are governed by administrative laws that control their functions and decision-making process;
- **Procurement law:** The transaction process for a PPP must typically comply with



public procurement law and regulations, unless PPPs are specifically exempted;

- **Public financial management law:** Institutional responsibilities, processes, and rules established in public financial management laws and regulations can

contribute to the PPP framework. For example, this could include project approval requirements, fiscal limits, budgeting processes, and reporting

- **Sector laws and regulatory frameworks:** PPPs are often implemented in sectors that are already governed by sector-level law and regulatory frameworks. The PPP policy has to comply with these provisions until they are amended; and
- **Other rules affecting the operation of private firms:** PPP companies are private companies and rules that apply to private companies also apply to them and these rules such as Environmental law and regulations, Laws and regulations governing land acquisition and ownership should be taken into consideration when defining PPP projects and processes:

Having discussed PPP policies generally, this paper

will now discuss the provisions of the National PPP Policy and state the extent of compliance with the provisions by MDAs.

4.0 Nigeria's National PPP Policy

Parts of the National PPP

Policy is discussed below stating **(in bold italics)** the level of compliance with the provisions of the Policy.

1. Policy Objectives

The Government's key policy objectives for its infrastructure investment programme and for PPP are:

Economic

- to accelerate investment in new infrastructure and ensure that existing infrastructure is upgraded to a satisfactory standard that meets the needs and aspirations of the public. **(No substantial compliance because roads are still in bad conditions in Nigeria).**

- to ensure that all investment projects provide value for money and that the costs to government are affordable after allowing for economic growth. **(Affordability to Government has not been tested because there are no "Government pays" PPP projects in operation).**

Social

- to increase access to quality public services for all members of society. **(There is substantial compliance with this).**

- to ensure that user charges for new or improved public services are affordable and provide value for money. **(There is substantial compliance with this).**

- to respect the employment rights and opportunities of existing employees and to ensure that any redundancy or other social safety net issues are resolved before final project approval. **(There is substantial compliance with this).**

Environmental

- to protect and enhance the natural environment. **(There is substantial compliance with this).**

- to minimize greenhouse gas emissions and other pollutants. **(There is substantial compliance with this).**



Value for money

In adopting this policy for PPP, the Government is making no presumption about the relative efficiency or effectiveness of the public and private sectors in the delivery of projects and services. Rather, it will use PPP where this is likely to result in better value—and more affordable—services. **(There is substantial compliance with this).**

2. The Enabling Environment

The Government recognizes that it will need to develop its policies and practices—and in some cases introduce or amend legislation. The Government will:

- Improve capacity and skills in the public sector to manage projects more effectively; **(there is**

substantial compliance with ICRC organizing many training Workshops)

It will disseminate this knowledge and experience throughout the public sector and to the States, and continue to build capacity in MDAs in the planning, procurement, and management of PPP projects. **(There is substantial**

compliance with this. ICRC is performing wonderfully here).

Legal Framework

The Government will review the legal and regulatory framework created under:

- The Privatization and Commercialization Act 1999. **(This is yet to be complied with).**

- The Infrastructure Concession Regulatory Commission (Establishment) Act 2005. **(There is compliance with this).**

- The Fiscal Responsibility Act 2007. **(There is compliance with this), etc**

If necessary, it will propose amendment of existing legislation or the enactment of new legislation to:

- ensure that public

authorities are empowered to enter into agreements for the implementation of privately financed infrastructure projects and can delegate their statutory functions to private companies ***(There is compliance with this)***. etc.

Financial Framework

The Government will strengthen its Medium-Term Expenditure Framework and the Medium Term Sector Strategies of its Ministries, Departments and Agencies to:

- develop the capacity of public authorities to carry out economic appraisal of projects. It will issue guidance to all public authorities and provide support and advice on discount rates, indexation and inflation, techniques for measuring costs and benefits, and the valuation of risks. ***(There is no substantial compliance with this)***, etc.

Institutional Framework

- The Government will create an institutional framework that will reinforce the accountability of Ministries, Departments and Agencies (MDAs) of the Federal Government for the delivery of public services within their areas of responsibility, whilst ensuring that they have access to appropriate guidance, training, expertise and resources to plan, procure and manage investment projects and public services efficiently and effectively, taking account of value for money and long-term affordability.

(There is substantial compliance with this. ICRC is performing wonderfully well).

It will ensure that Federal projects will go through a rigorous appraisal as to their economic and financial viability before the project begins a competitive and transparent procurement process, and that the project business case is approved by the Government's Economic Management Team or other relevant authority. The Federal Executive Council will formally approve all PPP projects prior to the award of a contract. ***(There is substantial compliance with this. ICRC is performing wonderfully well)***.

The ICRC will issue regulations that specify a value threshold below which these requirements will not apply. ***(There is no compliance with this. The Regulation is still work in progress)***.

3. SCOPE AND APPLICATION

The scope of the Federal Government's programme for PPP is the creation of new infrastructure, and the expansion and refurbishment of existing assets such as:

- power generation plants and transmission /distribution networks;
- roads and bridges;
- ports;
- airports;
- railways;
- inland container depots and logistics hubs;
- gas and petroleum infrastructure, such as

storage depots and distribution pipelines etc; ***(There is substantial compliance with these with the exception of railways.)***

In addition, a number of State Governments are considering using PPP to develop infrastructure. Although each State is responsible for its own investment projects, many PPP projects within a State will be financed with the support of a guarantee by the Federal Government. In providing any such guarantees, the Government will have regard to best practice as exemplified by its own PPP policy and guidelines. ***(This is a "wrap mechanism" that mitigates credit risk and it will greatly help States attract private finance. Not much information is available on this)***.

PARTIES/STAKEHOLDERS AND THEIR ROLES

The institutional framework that the Government is creating to implement its policy for PPP allocates specific roles and responsibilities to various MDAs within the Federal Government for PPP project identification, planning, approval, procurement, and implementation.

The ICRC

The Board of ICRC has been appointed with a mandate to develop and issue guidelines on PPP policies, processes and procedures (including those for concessions), and to act as a national centre of expertise in PPP. It will work closely with relevant MDAs to

identify potential PPP projects, and will act as the interface with the private sector to promote communication on national policies and programmes. This communication will be continuous, clear, timely, and accurate. ***(Although as at today there is no Board appointed, there is substantial compliance with this. ICRC is performing wonderfully well).***

ICRC will monitor the effectiveness of the Government's policies and processes and provide independent advice to the Federal Executive Council (FEC) on the development of its national PPP policy. It will provide an opinion to FEC on whether projects submitted for FEC approval meet the requirements of the regulations. ***(There is substantial compliance with this. ICRC is performing wonderfully well).***

ICRC will also work closely with States that are developing their own PPP policies to ensure consistency, best practice, and a coordinated approach to the private sector supplier market.

Although the management of PPP agreements will be for the relevant MDA, as the contracting party on behalf of government, the Contract Monitoring Unit within ICRC will monitor compliance with the contractual terms and conditions by both parties.

The ICRC will maintain a PPP project database and will retain custody of all PPP agreements as required by the legislation. ***(There is substantial compliance with this although not many PPP agreements are in the custody of ICRC).***

The PPP Resource Department within ICRC will provide technical assistance to MDAs in the development and procurement of PPP projects, and a Project Development Fund will be allocated to the PPP Resource Centre to co-fund project preparation and procurement costs,



particularly the costs of external project advisers. The ICRC Board will provide oversight and strategic direction to the PPP Resource Centre and the Contract Monitoring Unit through its internal governance structures. ***(There is substantial compliance with this but no substantial Project Development Fund is allocated to ICRC Resource Centre).***

National Planning Commission

The National Planning Commission (NPC) will be tasked with developing a 15-

year investment strategy (the National Development Plan) for all infrastructure services provided by the Federal Government. MDAs will be asked to identify their long-term plans for infrastructure, and whether the investment is to be funded through PPP or from the MDA's budget. ***(There is substantial compliance with this. ICRC publishes on its website a PPP project pipeline).***

Ministries, Departments and Agencies

Ministries, or their agencies responsible for managing public infrastructure and public services, will continue to be accountable through their Ministers for the quality of public services and for the management of their resources. ***(There is compliance with this).***

Federal Ministry of Finance

The Ministry of Finance will have an important role in public financial management of PPP projects, and in evaluating and managing fiscal risks that may result from the terms of the agreements ***(There is compliance with this).***

Debt Management Office

Together with the Federal Ministry of Finance, the Debt Management Office (DMO) will need to be satisfied that any contingent liabilities are manageable within the Government's economic and fiscal forecasts. ***(There is compliance with this. ICRC is performing wonderfully well).***

Accountant General of the Federation

The Government will put in place measures through the Office of the Accountant General of the Federation to ensure that funding for payment obligations incurred through a Federal PPP contract is safeguarded to ensure prompt payment, subject to appropriate authorisation. ***(Not much information is available).***

Bureau of Public Procurement

The Bureau of Public Procurement (BPP) plays an important role in ensuring due process in the procurement of public works and services. It is advisable that a member of the MDA's Procurement Department is included on the Project Steering Committee set up within the MDA to manage each project. The PPP Resource Centre within ICRC will work with BPP to develop appropriate procurement processes for PPP projects. ***(There is substantial compliance with this. ICRC is performing wonderfully well).***

Bureau of Public Enterprises

The privatisation of many State owned assets has been

led by the Bureau of Public Enterprises (BPE) since 1999. The lessons gained through these Concessions, and the skills and capacity developed in BPE should be made available in implementing PPP and other concession projects under the new PPP Policy and the ICRC will develop guidance in this regard. For instance, the BPE may be required to serve as "Internal Consultants" to MDA's PPP Project teams along with any other External Transaction Advisers that may be procured by ICRC. ***(Not much information is available).***

4. Legacy Governance

This Policy Statement sets out the policies and processes that the Government will introduce to provide new investment in Nigeria's public infrastructure. The inauguration of the ICRC has been an important first step in the implementation of the Government's policy and ICRC will be expected to provide a lead in developing this policy framework further, working closely with MDAs in the Federal Government, and with the States. ICRC will also be responsible for monitoring and ensuring the efficient execution of existing concession agreements, and will review their implementation

and advise the Federal Executive Council accordingly. ***(There is substantial compliance with this. ICRC is performing wonderfully well).***

Private sector organisations with specialist know-how and experience in certain sectors, may have submitted unsolicited bids to MDAs, and these may not have been taken further in the absence of clear policy guidelines. ICRC will work with MDAs to ensure that such bids are evaluated and considered within the terms of the ICRC Act and has issued a Guidance Note on the Transitional Arrangements for implementing PPP and handling unsolicited proposals alongside this Policy Statement. ***(There is substantial compliance with this. ICRC is performing wonderfully well in guiding MDAs using the Swiss challenge).***

Conclusion

It is observed that due to the great efforts of ICRC, there has been substantial compliance with almost all parts of the National Policy on PPP. However, there is still room for greater compliance by Government Ministries, Agencies and Departments.

References

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Katchy C.C. Public-Private Partnership El Demak Ltd. 76 Robinson Street, Uwani Enugu State Nigeria. 2015

The Federal Government of Nigeria National Policy on Public Private Partnership and its Supplementary notes

Knowledge Management



Future-proofing Resilient PPPs

Caren Grown

What is Future-Proofing?

Future-proofing is described as the process of anticipating the future and developing methods to mitigate its impacts. Future-proofing when considered in infrastructure Public-Private Partnerships (PPPs) adds a layer of resilience to projects that will ensure their sustainability and longevity. Future-proofing leans towards resilience planning strategies that accommodate future events and changes that ensure infrastructure facilities do not become prematurely obsolete. It can also be tied to building

infrastructure that will be resilient to future adverse weather events that seem to be occurring with increasing intensity and more regularly. Future-proofing additionally adds value to infrastructure in the sense that investors are more likely to invest in infrastructure that has built-in buffers that increase the project's resilience and financial sustainability of their investment.

Peter E.D. Love, Junxiao (et al) point out in their 2015 article on future-proofing PPPs that, "Future-proofing is defined as the ability of an asset to continue to be of value into the future, and is

required to ensure that taxpayers are being provided with value for money (VfM)."

Why Future-Proofing?

Love and authors write further that VfM is defined as "the optimum combination of whole life cost and quality to meet the user's requirement...." This indicates that some values of PPP infrastructure projects cannot be entirely reflected by cost, but by such other issues as project duration and quality.

This observation is critical for considerations of project resilience and future-

proofing. Resilience and future-proofing is not only about cost, it is about adopting common sense initiatives to building infrastructure that will survive into the future and be more resilient to the unknown.

Future-proofing should not be an afterthought, but be a project life-cycle approach

relevant to resilient infrastructure and that are rapidly becoming resilience best practices for PPP projects. They include:

- Acknowledging that construction materials and technology deteriorate and that deterioration can be mitigated through wise selections.
- Adopting interventions that stimulate flexible

reduce the possibility of obsolescence.

- Considering long-term life-cycle benefits for large infrastructure PPPs.

The Economic Value of Future-Proofing

The Economist Intelligence Unit (EIU) has made some very valuable observations on the future-proofing of PPP



from the beginning of project planning. This requires key performance principles and indicators being considered up-front that are built into the initiation and planning, procurement, and partnership phases of PPPs.

Future-Proofing Principles

Wikipedia identifies future-proofing principles that are

approaches and adaptability strategies.

- Adapting strategies that fortify infrastructure against extreme weather.
- Using durable building materials that require fewer interventions and enhance service life of infrastructure facilities.
- Constantly evaluating and reviewing trends that

projects. They point out that if investors in long-lived assets are seeking reliable returns over a period of many years, it is essential that infrastructure projects can remain efficient and productive over the long term.

EIU says investors and developers need to anticipate

demand trends yet also acknowledge that predicting the future with certainty and in detail is never possible.

Uncertainty can be mitigated by resilience practices that include future-proofing that incorporates building flexibility into infrastructure assets.

Although resilience planning is an upfront project expense that developers and investors can be wary about, upfront investment in future-proofing can protect against future shock and future financial losses.

Building Resilience into PPP Models

PPP procurement models that create resilience incentives for investment in future-proofing should be a choice priority, especially when it comes to building resilience into the operations and maintenance phases of projects where future adverse or evolutionary events are most likely to occur.

Design Build Finance Maintain Operate (DBFMO)/ Design Build Finance Operate Maintain (DBFOM) and Design Build Operate (DBO) are common examples of PPP delivery models where resilience and future-proofing can be built into the procurement terms. This will help PPP proponents think about lifetime costs as well.

Environmental Future-Proofing

The recent spate of adverse weather events make clear the urgent need to consider environmental sustainability and resilience for effective future-proofing of PPP projects. The EIU mentions environmental sustainability has started to drive capital efficiency in infrastructure and this should be noted.

Building capital efficiency into PPP projects must be considered by PPP public sector project planners and their private sector investors. How many more Hurricane Harvey's can we afford? How many times are

we willing to absorb exorbitant infrastructure reconstruction and recovery costs that could have been mitigated by resilience planning? Are we going to keep making the same mistakes?

IPPPRC

As government and investors explore future-proofing and resilience planning for PPP projects, they might consider collaborating with the new United Nations Economic Commission for Europe (UNECE)- affiliated International PPP in Resilience Center that has been established in Louisiana. This organization will be a thought leader in building resilient infrastructure best practices that will be able to withstand future shocks more efficiently.

Please share your examples or suggestions for future-proofing and resiliency planning for PPPs and infrastructure projects below.

<https://blogs.worldbank.org/ppps/future-proofing-resilient-ppps>

The original version of this blog appeared on 'David Baxters LinkedIn page.

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OUTLINE BUSINESS CASE (OBC) /FULL BUSINESS CASE (FBC) COMPLIANCE CERTIFICATES ISSUED BY THE COMMISSION IN THE FIRST QUARTER 2020

(FBC)

N/O	MDA	PPP PROJECT	DATE
1	Federal Ministry of Transportation	Ibom Deep Seaport Project (FBC Certificate Revalidation)	12 th Feb, 2020

(OBC)

N/O	MDA	PPP PROJECT	DATE
1	National Veterinary Research Institute	Expression of Animal Vaccine Production through PPP	24th January 2020
2	Nigeria Police Force	Deployment of Specialised Services Automation Project	11th February 2020

Q1 3PUCF Report



1ST QUARTER 2020
PARTNERSHIP UNITS CONSULTATIVE FORUM

Venue: Rockview Hotel, Royale Adetokunbo Ademola Crescent Wuse II, Abuja
Date: Thursday 5th March, 2020 | Time: 10am



The First Quarter, Public Private Partnership Units Consultative Forum (3PUCF), a knowledge and experience sharing platform for Heads of PPP Units across Federal MDAs held Thursday, 5 March, 2020 at Rockview Hotel, Abuja.

In his remarks at the event, Director General of the Infrastructure Concession Regulatory Commission (ICRC), Engr. Chidi Izuwah advised all Ministries, Departments and Agencies (MDAs) to regularize all arrangements it has with the private sector with the ICRC. He noted that the regularization would help to harmonize all PPP programmes of the Federal Government.

"We shall be doing this in

association with the Presidential Initiative on Continuous Audit (PICA) and all other agencies to ensure revenue leakages are blocked.

"We shall issue further statements on this in due course," he said. Izuwah said it was in line with presidential directives to ensure that all revenues from PPPs go into one dedicated Treasury Single Account (TSA) to ensure that proper data in terms of investment and revenues coming in from PPP were accounted for.

"The Special Concession Account (SCA) is very crucial and we are working with the Federal Ministry of Finance to put it in place.

"In compliance with the Treasury Circular by the

Office of the Accountant-General of the Federation (OAGF), TRO/861/VOL.1/052A and dated June 26, 2018, the ICRC has established a Department for Revenue and Investment.

"In compliance with Section 9 of the ICRC (Establishment, etc) Act, 2005, we have opened the SCA as required by law at the Central Bank of Nigeria (CBN).

"The SCA is an account under the TSA which seeks to provide key information on all government PPP programmes," he said.

Izuwah added that the organization would issue a formal set of instructions and guidelines in association with other agencies of government to help recover the funds.



A cross section of participants at the First Quarter 2020, 3PUCF Meeting

“Many MDAs have leased properties and gone into all sorts of arrangements with the private sector and we regard them as PPPs.

“So, all those arrangements of leasing government assets to the private sector are covered under Section 1 of the ICRC Act.

“Everybody would be informed of the full notice and advice and the process for the regularisation.”

Speaking at the Forum, Mrs. Comfort Ekaro, the Permanent Secretary, Ministry of Water Resources,

said the ministry had attracted private sector investors for the

“In compliance with Section 9 of the ICRC (Establishment, etc) Act, 2005, we have opened the SCA as required by law at the Central Bank of Nigeria (CBN).”

development of some PPP projects in the water sector. Represented by Mr Peter

Nwaba, the Director, Special Duties, she said the ministry had granted concession for the 40 Mega Watts (MW) Dadinkowa Hydropower Project in Gombe state. She added that it had also developed 136 MW Manyan and 182 MW Bawaku Hydropower project in Taraba and Benue states among others.

According to her, PPP options have been globally recognised as an infrastructure project delivery scheme.

ICRC in the NEWS



The Federal government has commended the commitment and preparedness of Akwa Ibom state government towards the development of the Ibom Deep Sea port project. Director General of Infrastructure Concession Regulatory Commission (ICRC) Mr. Chidi Izuwah gave the commendation during the weekend when he led other stakeholders including , Nigeria Ports Authority, (NPA), Federal Ministry of Transportation, and Ministerial Project Development Steering committee (MPDSC) to inspect the project site in Mbo local government area.

Izuwah said, “We are proud to be on this visit to verify that all the preparations to move this project forward are going very well. I cannot

(stakeholders) are here today to ensure that this particular infrastructure that will create, jobs, wealth, and develop our people is done. When completed this project will provide 5000 to 10, 000 direct jobs for Nigerians”.

Izuwah added that the commitment of the state government towards the construction of the 12-lane Super highway leading to the sea port, further demonstrates its preparedness for the take- off the Sea port project. In his remarks, Director of Legal Services, Federal Ministry of Transportation, Mr. Pius Oteh said they were convinced that the project was good to take off given what they saw at the project site in terms of state government

FG Commends Akwa Ibom Commitment Towards Deep Seaport Development

February 12, 2020

describe the joy I have in my heart to be here today to see that something we started sometime ago is beginning to take shape in terms of physical reality. “I congratulate the governor for his commitment towards this project. This sea port is crucial to Nigeria's economic survival. It is designed to serve all parts of Nigeria. It is also crucial to the development of the South South region. “The Federal government wants to see Infrastructure development in every part of the country, so this is a sign of that. So we

commitment and determination to get it moving forward. Oteh who is also a member of the Ministerial Project Development Steering committee (MPDSC) stressed that the sea port project was good to take off once the final business case processes were completed. “As a supervisory ministry for infrastructure such as this, we are impressed, and we have seen the need to give this project very full support. If you can recall, very recently, the Hon. Minister of Transportation, Rotimi Amaechi had stated that this sea port

is good to go once we get the full business case completed and adopted.”

I am happy to tell you that in the meeting stakeholders held yesterday which included the Federal Ministry of Finance, the ICRC and state government, we took very strong steps in adopting the Full Business Case which will now be presented to the Federal Executive Council by the Minister soon as we complete all the processes. “It is really a great opportunity to come very close to the project site. I want to say that we are committed, we are supportive, and we are happy with the

steps that have been taken so far” Also speaking, Chairman Technical Committee on Ibom Deep Seaport Actualisation and Development, Mrs. Mfon Usoro said she was impressed with the collaboration of the federal government and the state government so far stressing, “Akwa Ibom people should have no doubt about Federal government support . “We have shown the Ministerial Project Development Steering committee what Akwa Ibom state has done to show their preparedness towards this project. And I want to thank the governor for pushing this project so far. I am impressed indeed”

<https://www.vanguardngr.com/2020/02/fg-commends-akwa-ibom-commitment-towards-deep-sea-port-development/>

February 24, 2020

PPPs Have Attracted \$8bn into the Nigerian Economy

— Engr Chidi Izuwah, DG, ICRC

Nigeria has attracted about \$8bn in investment inflows into the economy through public-private partnership (PPP) projects and initiatives.

The Director-General of the Infrastructure Concession Regulatory Commission (ICRC), Engr. Chidi Izuwah disclosed this as one of the guest speakers at the February 2020 breakfast meeting of the Nigeria-British Chamber of Commerce (NBCC) in Lagos.

Speaking on the theme “Public-Private Partnerships: How To Make It Work In Nigeria,” Engr. Izuwah said the country currently has a robust and world-class PPP disclosure platform that is transparent, reliable and credible.

He said 69 post-contract PPP projects are currently under implementation in the country by the ICRC through the project's disclosure portal.

According to him, the ICRC project disclosure portal is the first-ever in the globe and was in partnership with the World Bank.

Speaking further he said, as at the end of 2019, there were 138 pre-contract projects at Development and Procurement phases at the ICRC website - www.icrc.gov.ng.

Engr. Izuwah listed the following as conditions for a successful PPP in Nigeria, which include;

- A stable policy and regulatory framework
- Sanctity of contracts
- Long term vision, strategy, and plan owned by the government
- Adequate PPP project development
- Equitable PPP contractual framework
- The transparent selection process for projects
- Reliable revenue sources in the country
- Managing the unexpected.

Giving the introductory remarks Mr. Akin Osuntoki, Chairman Programmes Committee for the NBCC highlighted the following as the cardinal objectives.

- Trade Facilitation between two countries
- Play a great part on advocacy and positively influencing policies
- Communicate government policy
- Create awareness with members and encourage networking

In his welcome address, the President and Chairman of the NBCC council, Mr. Kayode Falowo, acknowledged the fact that every sector in the Nigerian economy has experienced huge gaps in infrastructure, covering areas like transportation, energy, health, and education amongst others.

He believed the topic of discourse on the viability of PPPs in Nigeria was apt as it can go a long way to address the infrastructure deficit in the country and unlock economic activities in the nation.

Guest Speaker and Managing Director/CEO of Standard Chartered Nigeria Mr. Lamin Manjang, in his presentation, alluded to the point that Nigeria has the largest economy in Africa, with enormous potential for growth across many sectors.

Growth, according to Mr. Manjang, has been constrained by several factors with infrastructure as constituting the major drag in the country. He stressed that it was the primary responsibility of the government to provide this infrastructure.

"We all know that government is constrained by the availability of resources and the share size of the gap that we need to address, which is where the concept of Public-Private Partnerships comes in," Mr. Manjang said.

He noted that PPP is the appropriation between the public and the private sector, where both parties jointly hand out a project based on an agreed division of risk, with each party regaining its identity.

The Standard Chartered Bank Nigeria CEO cited examples of PPP projects in Nigeria, such as the Lekki Toll project, Lekki Seaport

Project, Azura IPP Project, and the Murtala Mohammed Terminal Airport Project.

Speaking further, he stressed that Nigeria needs Foreign Direct Investment (FDIs) to fill the gap, especially in the area of infrastructure and specifically the power sectors to accelerate growth.

With effective and viable PPPs, Nigeria, from the perspective of Mr. Manjang, could achieve scale in its GDP growth, from the current 2.28%, which is at a slow pace and not good enough to address socio-economic issues.

Mr. Kunle Elebute, the Senior Partner of KPMG Nigeria and Chairman KPMG Africa, gave a presentation on the context for Public-Private Partnership (PPP) and the merits for success in Nigeria.

According to him, the market needs huge investment in infrastructure to address the many decades of deficits that have largely impacted the economy.

He called for a robust economic master plan for infrastructure in a country that will cover the next 30 years.

Speaking on the projects, Mr. Elebute made a case study of Lekki Epe Toll and highlighted the following learning points;

- High leverage D/E of 83/17 principally due to high traffic
- Delay in construction as a result of challenges in securing a sovereign guarantee
- Public opposition to tolling a previously "toll-free" road and subsequent Government buyback to prevent toll hikes
- International lenders provided the expertise which local lenders leveraged
- The problem with the PPPs already carried out in his view has to do with concession.

He mentioned five areas that drive the merit for success on the Public-Private Partnership which include;

- Strong Legal framework
- Political, Legal Justice system
- Security
- Financial structure

- Project specification

Speaking further, he outlined the following issues for consideration by policymakers and key stakeholders to deepen PPPs in the country;

- PPPs require significant political to kick start and sustain the programme due to opposition from various stakeholders,
- Domestic financial markets must be ready to provide long term financing for successful financing as domestic banks must demonstrate an appetite to take on the credit risk of PPPs. Foreign banks will only provide support if domestic appetite is demonstrated.
- PPP advisory and structuring expertise is

provided by global consulting and legal firms who can leverage their global expertise and also send a positive signal to international and local bidders about the transparency and fairness of the PPP bidding process

- Typically, PPP concession agreements should be reviewed within 3-5 years of commencement of operations to reflect the realities of the environment and other relevant variables not taken into account at the time of the bankable study and bidding.

The NBCC February 2020 breakfast session also featured a panel session moderated by Mr. Olufemi Awoyemi, FCA Founder /Chairman Proshare Nigeria Limited.

[https://www.proshareng.com/news/Chamber%20of%20Commerce/PPPs-Have-Attracted-\\$8bn-Into-The-Nigerian-EconomyEngr-Chidi-IzuwahDGICRC/49502](https://www.proshareng.com/news/Chamber%20of%20Commerce/PPPs-Have-Attracted-$8bn-Into-The-Nigerian-EconomyEngr-Chidi-IzuwahDGICRC/49502)

February 27, 2020

How FG is addressing infrastructure deficit in power sector- ICRC Boss

Engr. Chidi Izuwah, the Director-General, the Infrastructure Concession Regulatory Commission (ICRC) on Monday, commended the Federal Government's approach towards addressing the infrastructure gaps in the power sector.

Izuwah who spoke to newsmen in Dadin-Kowa community said the Public-Private Partnership (PPP) project idea of the Federal Government to develop infrastructure in the dam had yielded the needed result.

According to him, the same model was used for the three major dams in the country which are now regarded as the main achievements in power sector reforms.

He stated that the challenges in the power sector as well as other sectors needed such initiative if the country must make progress in

terms of infrastructural development; stressing that government alone cannot address the infrastructural deficits in the power sector and other sectors.

“The Dadin-Kowa Dam project has faced challenges in the past but the Federal Government under President Muhammadu Buhari has leveraged the PPP initiative to address. I can tell you with what I have seen, I am extremely joyful.

“I am very proud that this hydro power plant has been completed after several years. This is additional improvement in the infrastructural revolution in the power sector.

“ If you look at our power sector, the three major hydro power plants, Jebba, Kainji and Shiroro were concessioned and those are the most successful aspects of the power reforms.

“Only last week, the contract for the refurbishment of a major turbine in Jebba was signed by mainstream that's what the FG is doing to improve infrastructure deficit in the power sector.”

Izuwah added that the Dadin-Kowa hydro-power dam would impact positively on the economy of the North-east in terms of industrialization while creating jobs for the people of the sub-region. He stated that part of the assessment visit was to initiate ways of bringing all stakeholders in the power sector together to ensure that the hydro-power dam was connected to the national grid for use.

“We need power and here we have stranded

power, so part of my visit is to see how to get all the stakeholders together to ensure that this stranded power is connected to the national grid. No available megawatts shouldn't go into the national grid to improve the lives of Nigerians; so we have started making the necessary contacts in that regard,” he stressed.

Our correspondent reports that Mr Christopher Cyril, the Managing Director of Mabon Energy Limited, the company handling the project commended the ICRC's role towards ensuring the completion of the project while soliciting more support towards ensuring that the dam is put to use as soon as possible.

<https://www.ournigeria.news/how-fg-is-addressing-infrastructure-deficit-in-power-sector-icrc-boss/>

WORKSHOPS TRAININGS SUMMITS

CONFERENCES SYMPOSIUMS



Courtesy Visit of Prof. Pat Utomi to the Commission, 15th January, 2020



ICRC Monitoring visit to Port Harcourt Terminals A & B on 16th January 2020



Courtesy Visit to the Hon. Minister of Interior, Mr. Rauf Aregbesola in Abuja on 21st January 2020



ICRC monitoring visit to Dadin Kowa Hydroelectric power project, Gombe State. 24th January, 2020



Monitoring visit to Gombe State silos project on 27th, January, 2020



Monitoring visit to Warehouse in a box Project in Oshodi, Lagos. 5th February 2020

Monitoring visit to Naval Dockyard Defence Jetty in Victoria Island, Lagos. 5th February 2020



Courtesy Visit by ICRC management to the Managing Director of the Rural Electrification Agency on 6th February, 2020





DG and management of the ICRC During a Courtesy Visit by the Director General of the Financial Reporting Council of Nigeria to the Commission on 6th February 2020



Capacity Building & Sensitization for Staff of the Ministry of Police Affairs on 19th February 2020



Signing Ceremony for Jenna Hydro Power a plant, 19th February, 2020



Capacity Building/Sensitization for Nigeria Police Force in Abuja on 24th – 25th February 2020



Inspection of Maintenance, Repair & Overhaul (MRO) facility site in Lagos, 24th February, 2020



University of Port Harcourt Teaching Hospital monitoring visit to discuss the proposed procurement of staff accommodation Project via PPPs on 24th February 2020





Courtesy Visit to the Hon. Minister of Communications & Digital Economy, Dr. Aliyu Pantami, 25th February 2020



Monitoring visit to Ibom Deep Seaport in Akwa Ibom State on 30th February 2020



Visit of members of Corvinus Foundation to the Commission on 3rd March 2020



Capacity Building Programme for Project Delivery Team of the Nigeria Immigration Service in Abuja on 2nd – 3rd March 2020



Basic PPP Training for ICRC Corp Members on 11th March 2020



ICRC mediation meeting between Bua Ports and Terminals Ltd (Concessionaire) and NPA over the concession of Port Harcourt Port Terminal B. 13th March 2020



Consultative Meeting with Honourable Minister of Youth & Sports, Mr. Sunday Dare on PPP Projects in the Ministry on 18th March 2020



Basic PPP Training for Federal Ministries of Mines & Steel Development and Niger-Delta Affairs, 18th March, 2020

Health & Wellbeing



Essential Nutrients and Why Your Body Needs them



macro-nutrients.

1. Protein

Protein is having its moment, and not just in the workout community. But all of the hype is for a good reason. Protein is essential for good health. Protein provides the building blocks of the body, and not just for muscle. Every cell, from bone to skin to hair, contains protein. A

Essential nutrients are compounds that the body can't make or can't make in sufficient quantity. According to the World Health Organization Trusted Source, these nutrients must come from food, and they're vital for disease prevention, growth, and good health.

While there are many essential nutrients, they can be broken into two categories: macronutrients and micro-nutrients. Macronutrients are eaten in large amounts and include the primary building blocks of your diet — protein, carbohydrates, and fat — which provide your body with energy. Vitamins and minerals are micro-nutrients, and small doses go a long way. There are six main groups of essential micro-nutrients and

startling 16 percent of the average person's body weight is from protein. Protein is used primarily for growth, health, and body maintenance. All of your hormones, antibodies, and other important substances are composed of protein. Protein is not used to fuel the body unless necessary.

Proteins are made of up different amino acids. While the body can create some amino acids on its own, there are many essential amino acids that can only come from food. You need a variety of amino acids for your body to function properly. The good news is that you don't need to eat all of the amino acids at once. Your body can create complete proteins from the foods you eat throughout the day.

Healthy sources

While meat, fish, and eggs are good sources of essential amino acids, you can also get protein from plant sources like beans, soy, nuts, and some grains. Exactly how much protein you need daily depends on a variety of factors including how active you are, and your age. Despite the growing popularity of high-protein diets, there haven't been enough studies to prove that they're healthier or can influence weight loss, according to the Mayo Clinic.

2. Carbohydrates

Don't let the low-carb craze fool you. Carbohydrates are necessary for a healthy body. Carbs fuel your body, especially your central nervous system and brain, and protect against disease, according to the Mayo Clinic. Carbohydrates should make up 45 to 65 percent of your total daily calories, according to the Dietary Guidelines for Americans Trusted Source.

Healthy sources

Before you reach for the white bread or pasta, keep in mind that the type of carb you eat matters. Some carbs are healthier than others. Opt for whole grains, beans, and fiber-rich vegetables and fruits instead of refined grains and products with added sugar.

3. Fats

Fats often get a bad rap, but recent research has shown that healthy fats are an important part of a healthy diet.

According to Harvard Medical School, fat supports many of your body's functions such as vitamin and mineral absorption, blood clotting, building cells, and muscle movement.

Yes, fat is high in calories, but those calories

are an important energy source for your body. The Dietary Guidelines for Americans Trusted Source recommends that 20 to 35 percent of your daily calories come from fat, but the World Health Organization Trusted Source suggests keeping it under 30 percent of your calories.

Including healthy fats in your diet can help you to balance your blood sugar, decrease your risk of heart disease and type 2 diabetes, and improve your brain function. They're also powerful anti-inflammatories, and they may lower your risk of arthritis, cancer, and Alzheimer's.

Healthy sources

The most famous unsaturated fats are omega-3 and omega-6 fatty acids. Unsaturated fats are important for your body as they provide essential fatty acids your body can't make. You



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can find these healthy fats in nuts, seeds, fish, and vegetable oils (like olive, avocado, and flaxseed). Coconut oil provides plant-based fats in the form of medium-chain triglycerides which impart health benefits like faster utilization by organs as fuel and appetite control.

Avoid trans fats and limit your intake of saturated animal-based fats like butter, cheese, red meat, and ice cream.

4. Vitamins

Vitamins are vital for warding off disease and staying healthy. The body needs these



helps with nerve signal transmission, maintaining healthy blood pressure, and muscle contraction and relaxation. Iron supports your red blood cells and hormone creation, while zinc boosts your immune system and wound healing.

6. Water

You can go for weeks without food, but you can't last more than a few days without water. Water is absolutely crucial for every system in your body. It's also the main thing you are made of. About 62 percent of your body weight is water.

Water improves your brain function and mood. It acts a shock absorber and a lubricant in the body. It also helps flush out toxins, carry nutrients to cells, hydrate the body, and prevent constipation.

Even mild dehydration can make you feel tired and impair your concentration and physical performance.

Healthy sources

You don't have to chug water to stay hydrated. Fruits and vegetables can also be a great source. Munch on some spinach or watermelon to stay hydrated.

The best way to know if you're properly hydrated is the color and volume of your urine. If your urine isn't frequent and pale yellow or nearly clear, you need more water.

Takeaway

Eating a varied diet full of fruits, vegetables, healthy proteins and fats, and whole grains is the best way to get enough of these six essential nutrients plus the important category of phyto-nutrients — the beneficial chemicals in colorful plants that prevent disease. These micro-nutrients and macro-nutrients are vital for your body to function normally and stay healthy.

micronutrients to support its functions. There are 13 essential vitamins that the body needs to function properly, including vitamins A, C, B6, and D.

Each vitamin plays an important role in the body, and not getting enough of them can cause health problems and disease. Many Americans do not get enough of many essential vitamins. Vitamins are essential for healthy vision, skin, and bones.

Vitamins may lower the risk of lung and prostate cancer, and they're powerful antioxidants. Vitamins like vitamin C boost the immune system and help the body heal.

Healthy sources

If you eat a varied, well-balanced diet full of vegetables and fruits, and have a normal and healthy functioning digestive tract, you likely don't need to take vitamin supplements.

5. Minerals

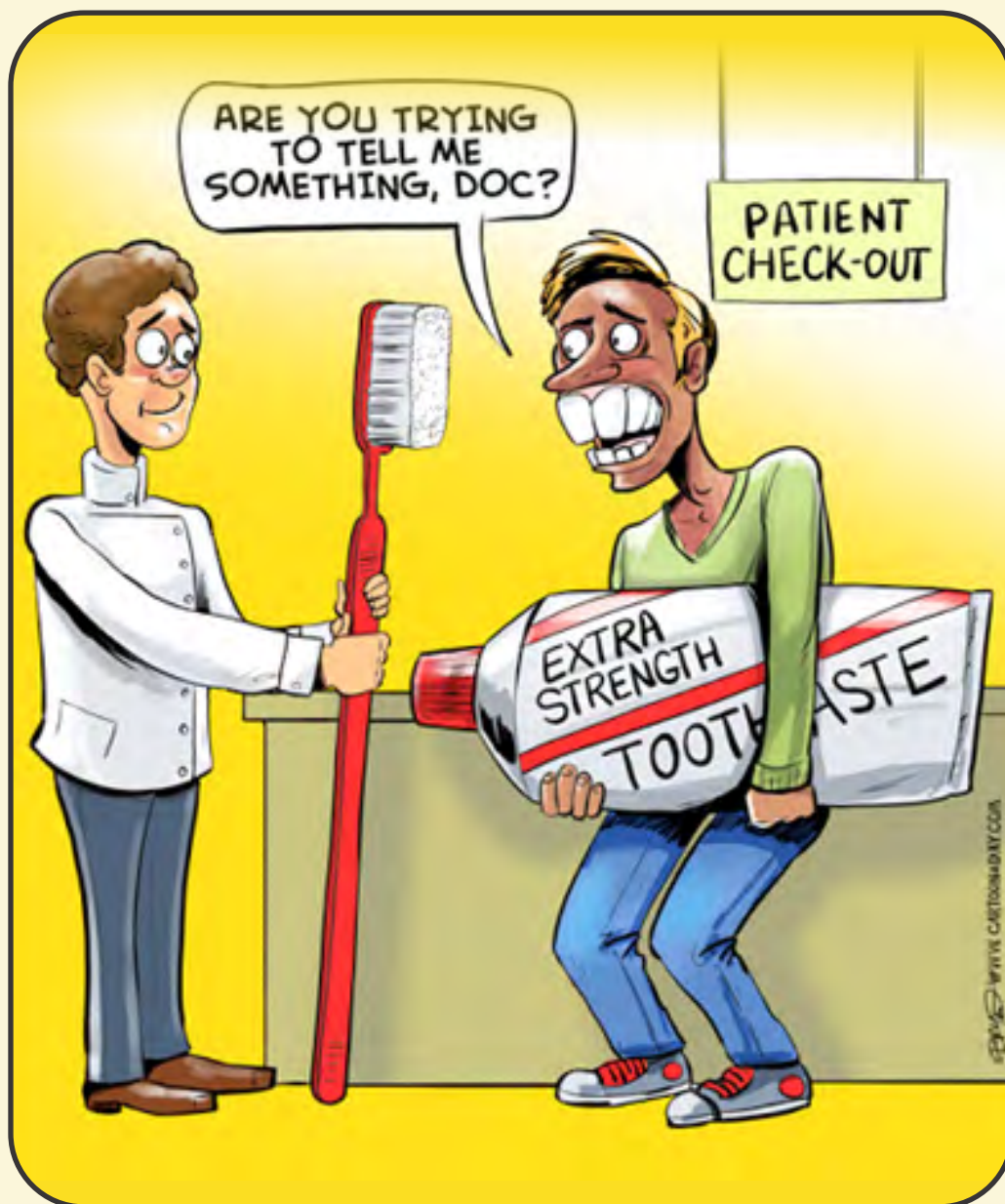
Much like vitamins, minerals help support the body. They're essential for many body functions, including building strong bones and teeth, regulating your metabolism, and staying properly hydrated. Some of the most common minerals are calcium, iron, and zinc.

In addition to strengthening bones, calcium

On a Lighter



Note



About The Publication

ICRC-Bulletin is a quarterly newsletter of the Infrastructure Concession Regulatory Commission under the Presidency of the Federal Republic of Nigeria. This newsletter is a useful tool for communication and is part of the Commission's thrust to engage staff and stakeholders by providing timely, accurate and knowledgeable information on its activities.

We value your views, contributions and opinion. For enquiries, comments and suggestions on this issue, you may email us at **info@icrc.gov.ng**

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Strategic Objective

To mobilize and accelerate private investments in national infrastructure by enabling the Federal Government of Nigeria through her Ministries, Departments, and Agencies (MDAs) to establish and implement effective Public Private Partnerships (PPPs).



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