

2ND QUARTER 2022 3PUCF MEETING REPORT

ICRC REITERATES NEED FOR VIABLE PROJECTS THROUGH PPP



Ag. DG delivering his address at the 2nd Quarter 3PUCF Meeting

The Infrastructure Concession Regulatory Commission (ICRC), has reiterated the need for viable and bankable projects that will be delivered through PPP, especially in the critical sectors.

The Acting Director-General, ICRC, Mr. Michael Ohiani, said this at the 2nd Quarter Public Private Partnership Units Consultative Forum (3PCUF) held 2nd June 2022 in Abuja.

The meeting was sponsored by the Nigerian Ports Authority (NPA).

Ohiani said the government had given the ICRC and Ministries Departments and Agencies (MDAs) the task to deliver more than 80 percent of all infrastructure projects through the Public Private Partnership (PPP).

He said the task was in line with the 2021-2025 mid term expenditure framework of the National Development Plan (NDP).

“Although, we all have committed to this, it is now more pertinent to identify and push forward the projects which will offer better value for money to the economy and the citizens through PPP.”

Ohiani said the ICRC had continued to record successes in the issuance of Outline Business Case (OBC) and Full Business Case (FBC) Compliance Certificates on some important projects.

The acting director-general said that the Commission had issued a total number of 127 OBC and 50 FBC Compliance Certificates for some projects.

He said some of these projects include the issuance of FBC compliance certificate to the Federal Ministry of Transportation through the Nigerian Railway Corporation.

This according to him, is to Secure Ticketing Solution for the Lagos -Ibadan Standard Train service and the Warri-Itakpe Standard Train service.

“The NNPC through the NNPC Medical Services Limited (NMSL) has commenced PPP projects to develop five multi-specialist hospitals in five locations which include, Maiduguri, Port Harcourt, Lagos, Kaduna and Abuja.

“It also proposes to establish an Intravenous Fluid Plant in Kano through PPP methodology”.

“The Federal Ministry of Health through the Port Health Department has received an OBC compliance certificate for the decontamination and fumigation project for vessels arriving at all seaports in Nigeria.

“The Federal Ministry of Industry, Trade and Investment (FMITI) is going digital with an OBC compliance certificate for the Digital Industry Trade and Investment Platform.”

Ohiani said that the Federal Capital Territory (FCT) had received an OBC compliance certificate for a project to maximise revenue from water bills in the Territory through the introduction of state-of-the-art water meters.

He said the Nigeria Police Force (NPF) had received OBC compliance certificates to redevelop dilapidated property and barracks across the country. This Ohiani said includes properties in Ikeja, Falomo and Ijeh in Lagos, as well as Guzape in Abuja.

The acting director-general said that an OBC compliance certificate was issued to the NPF to revive its almost comatose airwing facilities to deliver better services through PPP.

Ohiani said the Federal Ministry of Health/UCH Ibadan had received an OBC compliance certificate to renovate and upgrade the School of Nursing students’ hostel in the hospital.

“There are currently 77 PPP projects at implementation (post-contract) stage and 194 projects at development and procurement (pre-contract) stages”.

He said the commission was also in the process of publishing the 2022 Pipeline of Eligible PPP Projects in line with the ICRC Act.

The Managing Director, NPA, Mr Mohammed Bello-Koko in his remarks, said the 3PUCF encouraged the showcasing of Nigeria’s PPPs.

Bello-Koko, represented by the NPA General Manager on PPP, Mrs Ugo Madubike, said the forum was an avenue for MDAs to share experiences, rub minds on their achievements, and challenges relating to PPP procurements in Nigeria.

He said the global infrastructure gap had caused the government to turn to alternative infrastructure investment strategies, including PPPs, as a way to boost productivity.

Bello-Koko said in doing so, the government could leverage risk transfer to the private sector to address infrastructure deficits caused by expanding economies and population growth.

He said the NPA had recorded improvements in operational efficiency and customer satisfaction with no fewer than 26 PPP concessions and other joint venture arrangements.

“The impact of PPP can be seen in the following areas, more efficient port services, upsurge in cargo throughput, reduction in cargo dwell time in the ports, and improved vessel turn-around time.”

” Other impacts are improved infrastructure through rehabilitation, updating and brownfield development; response time to dredging and hydrographic survey, as well as correct defects to navigational aids, has reduced.”

The NPA boss called on the government to make clear demarcations on the roles and functions of MDAs to ensure ease of doing business.

He said there was the need to heighten the advocacy level in the areas of capacity building, discourage political interference, and clarify ambiguities in PPP.

“Above all, there is the need to encourage synergy between the public and private sectors,” he said.

Dr Folashade Yemi- Esan, Head of the Civil Service of the Federation, commended the ICRC for the work they were doing in the area of PPP.

Yemi-Esan, represented by Mrs Agalasi Ehigie, Director, Infrastructure Management, OHCSF, expressed the hope that Nigeria moved forward in getting the infrastructure the country required.

“We pray that the projects get actualised, so the purpose for which these projects are undertaken will be fulfilled, so the government will be able to serve the citizens in the way it is supposed to,” she said

The World Bank’s PPP Knowledge Lab defines a PPP as “a long-term contract between a private party and a government entity.

It is aimed at providing a public asset or service, in which the private party bears significant risk and management responsibility, and remuneration is linked to performance.”

<https://nnn.ng/icrc-reiterates-need-viable/>