



## THE PRESIDENCY

### INFRASTRUCTURE CONCESSION REGULATORY COMMISSION

Plot 1270 Ayangba Street Area 11 Garki Abuja, Nigeria; Tel: +234- 09-4604900.;

email: [info@icrc.gov.ng](mailto:info@icrc.gov.ng)

A PPP over Federal Government Infrastructure would **typically** follow the steps below:

1. Project identification by Ministries, Departments and Agencies (**MDA**)
2. MDA's should involve and engage with the Infrastructure Concession Regulatory Commission (ICRC) prior to commencing PPP to ensure viability and bankability of proposed projects.
3. MDA's should consult and engage with the Federal Ministry of Finance (**FMoF**) prior to commencing PPP projects, in order to minimize the risk and contingent liabilities arising from such projects.
4. A **Transaction Adviser** (TA) would be engaged by the MDA through competitive bidding process as required under the Public Procurement Act of 2007, to produce the report that would show the bankability of the project. This report is called an **Outline Business Case** (OBC)<sup>1</sup>
5. The MDA would thereafter forward the OBC to the ICRC for **review**. Subject to assessment, ICRC would issue an OBC Certificate of Compliance to the MDA or decline issuance and advise the MDA accordingly.
6. The MDA would then submit the OBC along with ICRC OBC Certificate of Compliance to the **Federal Executive Council** (FEC) through the line Minister for **Approval**.
7. If the project is approved by FEC, the MDA's TA would commence a **procurement process** leading to a competitive bidding process from which a preferred **PPP Project Proponent (Investor)** will emerge.
8. **Negotiations** would thereafter ensue, leading to the conclusion of a **Full Business Case** (FBC)<sup>2</sup> document and submission of the FBC to ICRC for **review**. Subject to assessment, ICRC would issue an FBC Certificate of Compliance to the MDA or decline issuance and advise the MDA accordingly.
9. The MDA would again submit the FBC along with the ICRC Certificate of Compliance to **FEC** through the line Minister, for **Approval**.
10. If the FBC is approved by FEC, this would be followed by the signing of a contract between the MDA and the preferred **PPP Project Proponent (Investor)**. ICRC will thereafter **take custody** of the contract as required under the Section 20 of the ICRC Act.
11. Eventually, for the project to take off, the preferred **PPP Project Proponent (Investor)** must achieve **Financial Close**<sup>3</sup>
12. The MDA is required under Section 12 of the Act to supervise the project diligently. On the other hand the ICRC and the MDA are required, under Section 10 of the Act, to conduct regular joint **Inspections** of the Project until the end of the contract.

---

1. Outline Business Case: A document prepared by the MDA's TA that aims to establish the need for the project and its outline parameters and scope, including costs and bankability demonstration.

2. Full Business Case: A document prepared by the MDA's TA prior to financial closure and award of contract, which provides all the information needed to support a decision to award a contract and commit actual funding, as well as provide a basis for the necessary project management, monitoring evaluation and benefits realization.

3. Financial Close: The time when the financial documentation and covenants have been executed with lenders to the project, and conditions precedent have been satisfied or waived. It is now permissible to draw money for project execution.