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Public Private Partnership: A Viable Option for Rapid Infrastructural Development in Nigeria

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Abstract

Nigeria's infrastructure needs are acute; to get goods to store, the country needs more ports, railways, and roads. It also needs more electricity for homes, schools, and businesses, as well as more water and toilets to keep people healthy and modern communications services for all her citizens. However, all this involves funding. Like governments across the globe, to improve the way its services are provided, Nigerian government partners with the private sector for investment, strong technical expertise and building effective leadership capabilities. The need for rapid infrastructural development has grown over the years in Nigeria, and just like other developing nations, infrastructure and economic growth go hand in hand. A country that wants a strong economy needs to keep up with its infrastructure and related services. As a result, the private sector involvement becomes pertinent, and public-private partnerships have become the way to build up the country's infrastructure. Public-private partnership became necessary as more subtle options to access private sector assets in the provision and management of public infrastructures. The study adopted the principal agent theory and data for this study was generated through secondary sources, i.e. texts, newspaper, journals and online sources. The study posits that public-private partnerships should be carefully planned and put into action in a regulatory environment that is fair to both parties. This way, PPPs can make the most of limited public funds and bring new technologies and ideas from the private sector into public services. In this way, efficiency and sustainability are achieved while risk is shared between public and private actors based on their management skills. The study recommends that public-private partnerships should be carefully planned and the regulatory environment should be conducive for parties involved to ensure sustainability.

Keywords: Public-Private Partnership, Infrastructural Development, Nigeria

1. Introduction

Infrastructural development is a key driver of economic growth and national development. In Nigeria, infrastructure deficits in roads, transportation, power, water supply, health care and education have significantly limited productivity and quality of life (World Bank, 2020). The responsibility of providing these services has traditionally rested with the public sector. However, increasing demand, coupled with limited financial and administrative capacity, has made it difficult for the government to meet infrastructural needs effectively (African Development Bank, 2018). The emergence of public-private-partnerships represents a strategic response to these challenges, combining the strengths of both sectors to enhance infrastructural development. PPPs involve collaboration between government and private sector participants to

finance, construct and manage infrastructure projects.

Public-Private Partnership (PPP) bridges the gap between public need and private expertise, fostering collaborations between the public and private sectors to deliver essential services, infrastructure and public goods (Carbonara & Pellegrino 2018). The private sector injects valuable knowledge, efficiency and innovation into service delivery and infrastructure projects, while PPPs facilitate technology and information exchange between both sectors (Chileshe et al. 2022). It entails an agreement between the public sector (government) and the private sector (businesses). A large portion of the project's operational, technical, and financial risk is assumed by the private sector, which also offers public services and projects.

From Nigeria's point of view, they have a lot of infrastructure needs but not enough money to pay for them. PPP can help meet those needs. The PPP model was employed by the Nigerian government to expedite the construction of infrastructure. To monitor and control PPP agreements and projects started by Ministries, Departments, and Agencies (MDAs), the government established the Infrastructure Concession Regulatory Commission (ICRC) in 2005. The ICRC Act, a law passed in 2005, mandates that any federal government ministry, agency, business, or entity that offers financial support, builds, runs, or maintains infrastructure can make a deal with or give a concession to a properly qualified private project proponent in order to finance, build, run, or maintain any infrastructure that can be made profitable, or any federally owned development facility". (ICRC Act, 2005, Section 2).

According to Dibie (2014), David Osborne and Ted Gaebler made a distinction between "rowing" and "steering" when they talked about the role of government. These people thought that the government should steer society, but that it shouldn't have to row, or work directly with people to provide services. "Osborne and Gaebler suggested that a government's inability to steer is harmed by putting too many resources into rowing, on account of this, the Nigerian government started using PPP to deliver some services, letting the private sector take over. This made the delivery of public services and the building of infrastructure more efficient and effective.

As per the (ICRC, 2005 Section 1), the main reasons why governments take part in PPPs for building up infrastructure and spreading services are;

a) To get the most out of the resources we have and make services more efficient
b) To make the organization's current plans and policies better so that there are more ways to check for fairness and transparency.
c) To get more skilled workers who are competitive and focused on doing a good job.

d) To change sectors by shifting roles and incentives and making them more accountable.

This study seeks to examine public-private partnerships as a viable option for rapid infrastructural development in Nigeria and its impact in enhancing efficiency in service delivery.

1.1 Conceptual Clarifications of Public-Private Partnerships (PPP)

The phrase "PPP" refers to a number of different ways that public and private organisations can work together on infrastructure and other services. Public-Private Partnerships are contractual arrangements between a government and a private entity for the provision of services, where the private party participates in financing, design, construction, operation, or maintenance and risks, responsibilities are shared between both parties (World Bank, 2021). The government can support a PPP by investing money (which it can get from taxes), giving away assets, or making other promises or giving things in kind that help the partnership. The government also provides social responsibility, knowledge of the area, political support, and concern for the environment. As a partner, the private sector's job is to make the business run smoothly by using its knowledge of business, management, operations, and new ideas. PPPs are a structured collaboration where both sectors contribute resources and share outcomes. The public sector remains responsible for ensuring that services meet public needs, while the private sector contributes efficiency and investment (ICRC, 2005)

According to the OECD (2012), a PPP is an arrangement where the government and private entities, like operators or financiers, work together. Private companies collaborate with the public sector to fulfil service delivery objectives while also maximising their own financial gain. A lot of things determine how effective this alignment is.

A public-private partnership is an arrangement where the private sector and the government collaborate to redistribute resources that were previously managed by the public sector, according to the International Monetary Fund (IMF, 2004). Whenever resources and risks are shared between a public sector agency and a profit-driven private sector concern, it is considered a public-private partnership.

Olaopa (2012) states that a key aspect of New Public Management (NPM) involves the collaboration between the public and private sectors. The objective of NPM is to revamp the public sector in order to enhance service delivery. According to a statement by David Osborne and Ted Gaebler, as reported by Olaopa (2012), it is suggested that transferring the responsibility of delivering public services to private entities can lead to improved effectiveness, efficiency, equity, and accountability. The focus here is on achieving positive outcomes rather than simply advocating for the privatisation of government.

The Independent Assessment Panel (IEG) of Public-private partnerships, according to the World Bank, are agreements between a private company and a government organisation for the provision of a public good or service. In these collaborations, private parties assume major managerial and risk-taking responsibilities (StallWorthy et al., 2014; Romero, 2014).

PPP Practice in Nigeria

According to the Infrastructure Concession Regulatory Commission (Establishment, etc.) Act (2005) the ICRC is Nigeria's main PPP unit with a key objective to foster investment in the country's national infrastructure through private sector funding. The ICRC assists the federal government and its ministries and development agencies in implementing and establishing effective PPP processes. Section 2- Objectives of the Commission (ICRC Act 2005) include:

1. Developing a transparent, efficient and equitable process for managing all aspects of PPP project implementation and monitoring and applying this process consistently to all relevant projects.
2. Ensuring the efficient execution of any concession agreements or contracts entered into by the government.
3. Ensuring compliance with the ICRC Act.

The ICRC Act, which became law in 2005, is the main law in Nigeria for public-private partnerships (PPPs) and allows the private sector to take part in building infrastructure. Also, there are laws that set up the relevant MDAs that are allowed to enter into PPP contracts by the ICRC Act (S.1). There are also laws that set up sector regulators for each sector in Nigeria, such as Nigerian Electricity Regulatory Commission (NERC), National Environmental Standards and Regulations Enforcement Agency (NESREA), and others. The laws that set up these sectors are also part of the legal framework for PPPs. Other laws that are important to the PPP project, such as the Company and Allied Matters Act (CAMA), Nigerian Investment Promotion Commission (NIPC) Act, Central Bank of Nigeria (CBN) Act, and others.

The Federal Executive Council approved a National Policy on PPP in 2009. Its goal is to make it easier for the private sector to help build and maintain Nigeria's infrastructure.

Section 20 of the ICRC Act set up the ICRC; what the Commission does and what it can do; Sections 10, 19, 20, and 34 give people the power to inspect; Section 10 lays out general rules, policies, and guidelines (the Board's powers); Section 19: Hold on to all concession agreements; Section 20a: Make sure that the Act's rules are followed; Section 20b: Make sure that any concession agreements or contracts the Federal Government signs are carried out properly; Section 20c: Have the power to make rules; Clause 34

The Infrastructure Concession Regulatory Commission oversees the infrastructure assets owned by the Federal Government:

1. Public-Private Partnership (PPP) procurement should be regulated by: Helping MDAs set up PPP deals; Pre-contract regulation: Keeping track of all signed agreements and making sure they are followed according to their terms and conditions; After the Contract Regulations

2. Making rules and regulations public.

3. Helping MDAs build their skills and get PPP support

4. Working with state governments to make the national PPP framework last.

1.2 Contributions of Public-Private Partnership to Infrastructural Development in Nigeria

The PPP emerged as a robust and effective mechanism for driving economic growth, infrastructural development and service delivery across various sectors. When considering expansion businesses and governments alike can harness the advantages of the PPP model to achieve their goals more efficiently and effectively. Some of the benefits of utilizing PPP initiatives include;

1. Cost-effectiveness: Private investors bring their expertise and technology to bear on projects, allowing for more affordable implementation. This results in a superior product or service that is still reasonably priced.
2. Less time is consumed, and better monitoring is achieved: Projects utilising PPPs are finished faster and on time compared to those that are only supported and carried out by the public sector, thanks to a decrease in bureaucratic tendencies.
3. Risk Sharing with Private Partners: The party best suited to manage the project's funding, timeline, planning permits, community consultations, and similar issues is transferred to the project. This party is evaluated based on their expertise, quotations, and the project's immutability and benefit.
4. Deliver elastic services at reduced service costs: By partnering with the private sector, governments can execute more projects on a larger scale and more consistently, all without having to allocate more funds.
5. Enhanced service delivery: PPP allows the public and private sectors to play to their respective strengths, which means that the former can focus on policy and good governance and the later on the more intricate aspects of management, operation, construction, and design, leading to improved service delivery overall.
6. Promotes Infrastructural Development and Local Development: The masses begin to have a positive perception about the government as PPPs foster speedy execution of projects without having much impact on government budget yet

delivering quality infrastructure and rendering quality services.

7. Encourage cooperative growth by involving the private sector. Public-private partnerships (PPPs) mean that the private sector can make long-term investments with less risk thanks to government contracts. Because of this, these agreements allow private money to flow and create investment opportunities. They also support local businesses and job markets.
8. Eliminates corruption: PPPs reduces corruption in areas of awarding of contract and execution of project, as projects are duly awarded and executed on time.
9. Long-term sustainability: PPP projects are often structured as long-term relationships, extending beyond the initial construction phase to include operation and maintenance. This promotes a focus on sustainability, as private partners have a vested interest in maintaining the assets value over time. States therefore can benefit from infrastructure that remains viable and productive for years to come.
10. Promotes Innovation and Creativity: Private sector partners often possess specialized knowledge and experience, their innovative approaches to project design, implementation, and management can lead to more efficient processes and improved outcomes. This infusion of expertise can catalyze the development of state of the art infrastructure and services.

TABLE 1: Public-Private Partnership Terminologies

Commonly Used Terminology	Meaning
BOT - Build-Operate-Transfer	After building a facility, a private investor sells its products to the general public and then, when the contract is finished, returns the facility to the public.
BRT - Build-Rent-Transfer	A building is constructed by a private investor, who subsequently leases it out and turns it over at the conclusion of the lease.
BTO - Build-Transfer-Operate	The private sector builds and finances the project hands it over to the government upon completion, and then operates it under an agreement to recover costs.
Concession	The facility may or may not be built by the private vendor (concessionaire), but they are still free to manage it and charge users for its use.
DBB - Design-Bid-Build	A government organisation develops the structure, invites bids, and selects the best bidder to construct it.
DBFO - Design, Build, Finance and Operate	The building is designed by the government, and a private enterprise finances and manages it to recoup its expenses.
DBMF- Design, Construct, Maintain and Finance	The public sector provides the funding, the private sector constructs and maintains it, and the government plans it.
EPC Contract - Engineering, Procurement and Construction	A contract whereby the contractor completes an installation (such as a power plant) in accordance with the specifications, on schedule, and at a predetermined cost.
Franchise	The service provider (franchisee) may impose a service fee in order to utilise the pre-built infrastructure or service. The company owner provides a one-time payment to the government.

Lease/Maintain	A private vendor use the resources and rents the space..
Output specification	A government agency determines the "outputs," and the infrastructure is planned, funded, and constructed by a commercial vendor.
RLT - Rehabilitate-Lease-Transfer	A private vendor makes repairs to a building, leases the space to a government organisation, and vacates the property when the agreement expires.
ROT-Rehabilitate-Operate-Transfer	The building is restored by a private company, which operates it until it is profitable, at which point it is transferred.

Sources: Uwem and Abubakar (2013) quote Afolabi (2011) and the Centre for Sustainability in Mining and Industry (2012).

The study utilized the Principal-Agent Theory by Mike Jensen and William Meckling in 1976, which says that performance in the public sector can be improved by setting up contracts between different actors that are based on incentives. Principals will have a better chance of getting what they want, and agents will have a better understanding of their work programmes and objectives. Since it first came out in the 1970s, this theory has had a big impact on both the theory and practice of public policy and administration.

Grover (2008) said, " Any relationship where one party (the principal) contemplates a contract with another individual (the agent) in the hope that the agent will eventually act in a way that the principal desires (the agent-principal theory) is a logical description of such a relationship. There are very important reasons why the principal needs the agent to do certain things for it. Sometimes it's because the principal doesn't have the right skills or legal credentials, or they may think the job is too big or complicated for them to handle.

"Like public choice theory, agency theory says that people are logical, self-centered service maximizers," Olaopa (2008) says. This means that agents' and principals' interests may not always align. In addition, managing most principal-agent relationships is hard because there isn't enough information, the information isn't shared equally, and there are many unknowns. That's what the principal-agent theory says about how the public and private sectors work together. In PPPs, government agencies make a deal with the private sector to do some tasks that were previously done by the government, as long as the terms of the deal are met. The contract is only valid for a certain amount of time and ends when that time runs out. Also, both sides of a contract should be able to give and take from it. Still, the principal-agent theory, which is similar to the public choice theory, shows that the way government officials act can make the PPP arrangement less effective.

In Nigeria, government is beginning to recognize the need for PPPs as veritable tool for rapid infrastructural development. The table below shows some PPP projects that are currently going on in different parts of Nigeria:

Table 2: Selected PPP Projects Ongoing in Some Parts of Nigeria

S/N	➢ PROJECT AND DESCRIPTION	PHASE AND PROPOSED PPP MODEL	MDA
1	➢ 2nd Niger Bridge ➢ Asaba and Onitsha are connected by a new bridge and approach access road that crosses the Niger River.	Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
2	➢ The road from the Murtala Mohammed International Airport (MMIA) to Apakun Junction in Lagos is currently being improved and upgraded. ➢ Adapting the MMIA access road to handle a greater volume of traffic and offer easy access for both vehicles and pedestrians..	Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
3	➢ Fixing up and improving the Lagos-Iseyin-Kishi-Kaiama road ➢ Lagos and the Northwest Zone will be able to connect directly through the Lagos-Iseyin-Kishi_KaiamaRoad,Lot 1A.	Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
4	➢ The road connecting Kaiama, Bahana, Kaoje, Gwanbe, and Fokku Sokoto will be repaired and improved. ➢ The connection between the North West political zone and Lagos is finished by the New Alignment, which is Kaiama-Bahana-Kaoje-Gwanbe-Fokku-SokotoRoad. To link the Niger state border town of Bahana with the Kebbi state town of Kaoje, the road passes through Kaiama in Kwara state. Sokoto is the final destination. This newly-aligned road (Lot 1b) is approximately 650 km long.	Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
5	➢ Ibi, Taraba State, Bridge Across the Benue River ➢ A proposed 2.4-kilometer-long bridge across the Benue River in Ibi town would link Jos to Shendam, Ibi, Wukari, and Katsina. Currently, motorised ferries transport goods and services across the river.. This bridge would replace that.	- Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
6	➢ From the Enugu-Onitsha Dual Carriage at 9thMile Junction to Otukpa Junction in Benue state, the 9thMile-Otukpa-Otukpo Road, a 119 km single-lane road that crosses the Lokoja-Otukpo Road, is part of the dualization of Enugu (9th Mile). Otukpa Junction is linked to ObolloAfor by it.	Procurement Phase: Preparing an Outline Business Case on a Build Utilize Transfer Basis	FMW
7	➢ Repair and Widening of the Ilorin-Jebba-MokwaTegina-Birnin-Gwari Road ➢ The existing 233 km single carriageway trunk road (National Route No. R20) from Ilorin in Kwara State to Birnin-Gwari in Kaduna State will be widened and repaired.	- Procurement Phase: Preparing an Outline Business Case on a BOT Basis	FMW
7	➢ The Federal Government of Nigeria (FGN) Agro-Value Chain Infrastructure Centres need to be improved, run, and maintained. ➢ These are the 18 agro-industrial estates, 8 agro-processing centres, and 9 farmers markets that make up the scope. The goal is to get the private sector more involved in the Agricultural Transformation Agenda. In the country, the facilities are spread out across its 6 geopolitical zones.	Procurement Phase: Transaction Advisers engagement underway	FMW

8	➢ Mechanic village construction ➢ Six experimental modern mechanic villages, one in each of the six geopolitical zones of the country, will be established as part of the project to enhance the automotive value chain.	-Development Phase: Preparing the outline for the business case.	FMTI
9	➢ The Kiri Kiri Lighter Terminals 1 and 2 in Lagos will be upgraded and made more modern.	-Procurement Phase: Transaction Adviser engagement successfully concluded. PPP procurement activities currently underway. Rehabilitate Operate Transfer basis	FMT/NPA
11	➢ Management of the Narrow Gauge Railways in the Western and Eastern NRC Regions ➢ After repairing the Nigerian Railway Cooperation's Eastern and Western networks, enlisting a competent private sector partner to supply additional coaches and waggons and to operate and maintain them.	-The procurement phase is currently underway, with the engagement of a Transaction Adviser and ongoing activities related to PPP procurement. The project will be carried out on an operate, maintain, and transfer basis.	FMT/NIWA
12	➢ Maintenance and Operations of the NRC Narrow Gauge Railway in the West and East ➢ After the Nigerian Railway Cooperation's Eastern and Western networks have been repaired, they should be operated and maintained by a competent private sector partner. This partner should also supply additional coaches and waggons.	-Phase of Procurement: - Operate and Maintain the Supply	FMT/NRC
13	➢ The construction, operation, and maintenance of urban engineering infrastructure will be funded by the Abuja District Infrastructure Project, beginning with Mabushi in Abuja's district.	- Procurement Phase: Procuring a concessionaire that is currently awaiting approval	FCDA/FCTA
14	➢ On the red line, you can find Lot 2 of the Abuja Mass Transit Railway. ➢ Complete construction and operation of the Abuja Mass Transit Railway system's second lot. After passing through Garki, the red line continues on to the CBD's Eagle Square interchange centre and eventually the FCT's Nyanya-Karu axis. About 54 km is its length. Also, via the Gwarimpa FHA Estate, the Hilton Hotel, and Lot 1 of the light railway (the blue line is still under construction), it goes to sector center D.	-Development Phase: - Build Operate Transfer	FCDA/FCTA
15	➢ FCT Roads Network Development and Modernization - covering the following roads: ➢ 1. Umaru Musa Yar'adua Airport Expressway completion ➢ 2. Outer Northern Expressway ➢ 3. FCT Road 105 ➢ 4. FCT Road 106.	Reviewing the viability and options of the development phase.	FCDA/FCTA
16	➢ Concession of Strategic Grain Reserve Silo facilities: ➢ The country is home to 33 silos complexes that make up Scope.	-Development Phase: Currently in the process of procuring a Transaction Adviser	FMARD
17	➢ Construction of ten small and medium-sized dams producing 45 MW of power for the United States Department of Agriculture and Rural Development: Lot 1 is home to three dams: Oyan (10MW), Ikere Gorge (6MW), and Owena (450KW).	-Development Phase: Currently working on the preparation of the outline business case	FMP

	➢ Lots 2 and 3 comprise the Bakolori Dam in Zamfara State, 500KW in Kogi State, and 1MW in Nasarawa State. The third lot includes four dams in different states: four 10MW dams in Kano and one 10MW dam in Katsina; two 300KW dams in Katsina; and one 10MW dam in Kano and one 10MW dam in Kano State.		
18	➢ Gurara 1 Dam, Kaduna state, Multi-purpose component concession: ➢ Included in this are the rights to use the dam's hydropower, irrigation, and water supply systems.	- Development Phase: Currently working on preparing the outline case study for the irrigation and hydropower components.	FMWR
19	➢ Approximately 12,000 kilometres of 330 kilovolt and 132 kilovolt lines and 150 primary and secondary substations rated at 330 kilovolt, 132 kilovolt and 33 kilovolt are part of the PPP high voltage transmission project pipeline for TCN. All around the country, you can find these projects	Phase 1 (2017), Built Transfer (BT) or other	TCN
20	➢ Finished 60 ongoing projects for 330KV and 132KV transmission lines and 132KV/33kv substations. These projects span the entire country.	Phase 1 (2017), BT or other	TCN
21	➢ As part of the new 10GW Grid System Capacity, there are several projects for reactive compensation, along with the addition of 61 new 330KV and 132KV lines and the construction of 330KV/132KV and 132KV/33KV main and secondary substations. Multiple locations in Benin and Katampe, along with Kainji, Birnin Kebbi, Gusau, Lagos, Jos, Gombe, Damaturu, Awka, Ugwuaji, and Benin;	Phase1 (2017), BT, BOT, BOOT, BOO or other	TCN
22	➢ A total of forty new 330KV and 132KV lines, as well as primary and secondary substations rated at 330KV, 132KV, and 33KV, and a number of reactive compensation projects, are part of the new 13GW Grid System Capacity projects. Igando, Ugbegu, Zungeru, North Bank, Kaduna, and Makurdi are the sites of these projects.	Phase2 (2018), Phase1 (2017), BT, BOT, BOOT, BOO or other	TCN
23	➢ Several reactive compensation projects, new 16GW Grid System Capacity. Kano, Dutse, Damaturu, Jos, Samenaka, Asoada, and Degema are the places where these projects are situated.	Phase3 (2019), Phase1 (2017), BT, BOT, BOOT, BOO or other	TCN
24	➢ Introducing new projects to enhance the Grid System Capacity with an impressive 20GW. These projects include the addition of 33 new lines, with a mix of 330KV and 132KV lines, ➢ Main and secondary power distribution systems, as well as various reactive compensation initiatives. The following locations are home to these projects: Mambila, Makurdi, Birnin Kebbi, Arugungu, and Calabar.	Phase4 (2020), Phase1 (2017), BT, BOT, BOOT, BOO or other	TCN
25	➢ Commercial farming on 23,000 hectares (Ha) through the Bakalor Irrigation Project (PPP). Zamfara state is home to Bakalori Dam.	Development Phase	FMWR
26	➢ Jibiya Irrigation Project ➢ Agriculture on 3,000 acres of land for commercial purposes through public-private partnerships. Katsina State is home to Jibiya Dam.	-Phase of Development - Commercial Farming on 3000Ha of Farmland in collaboration with PPP	FMWR
27	➢ Middle Rima Valley Irrigation Project ➢ Using PPP for Commercial Farming on 1,118 Ha of Farmland	-Development Phase -Commercial Farming on 1,118Ha of Farmland through PPP	FMWR

28	➢ Dasin Hausa Dam ➢ The proposed Dasin Hausa dam on the Benue River is located approximately 30 kilometres upstream of Yola. It is the intention of the federal government to harness 150 MW of power from this dam.	Development Phase	FMWR
29	➢ Elele Prison Farm ➢ Pragmatic Partnership for Commercial Farming on 2,900 Ha of Farmland	-Development Phase -Commercial Farming on 2900Ha of Farmland	FMWR
30	➢ Potential for irrigation and hydropower lies in the Tede Dam Greenfield project.	Development Phase	FMWR
31	➢ Peremabiri Irrigation and Land Reclamation Commercial Using PPP to cultivate 1280 hectares of land	-Development Phase -Commercial Farming on 1280Ha of Farmland through PPP	FMWR
32	➢ Various-Use Dam; Owena Supply of waterReticulation and water treatment services provided through PPP	Development Phase	FMWR
33	➢ The Marina Waterfront and Parking Structure Development Project ➢ An exceptional marina strip development featuring office towers, marinas, cruise handling facilities, and more., is planned to be built on the FG-owned lands on Lagos Marina as part of the Marina Quayside Strip Project.	Development Phase	FMLHUD
34	➢ St. Gregory Road, Onikan-Ikoyi, Lagos, Ministry of Land Redevelopment	Development Phase	FMLHUD
35	➢ Building on Land Belonging to the Ministry, Offset to the National Stadium, Surulere, Lagos.	Development Phase	FMLHUD
36	➢ The Lagos–Ibadan Dual Carriageway: Reconstruction, Rehabilitation, and Expansion. The 127-kilometer-long Lagos–Ibadan Motorway is undergoing renewal and expansion.	-Procurement Stage — Currently, Traditional Procurement is being used for expansion, rehabilitation, and reconstruction. Further funding from the private sector is necessary for completion, operations, and maintenance.	FMW
37	➢ Building a bridge over the River Niger at Nupeko in Niger State	Phase of construction	FMW
38	➢ Bodo Bonny road features a bridge that spans across Opobo channel, connecting the mainland to the captivating Island of Bonny in Rivers state.	Phase of construction	FMW
39	➢ The Keffi-Akwanga-Lafia-Makurdi Road, which passes through Nassarrawa and Benue States, is a road that stands out for its distinctiveness.	Phase of construction	FMW
40	➢ Lokoja-Ajakuta-Ogbulafo- 9th Mile Road is a truly remarkable route.	Phase of construction	FMW
41	➢ Akwanga-Jos Road	Phase of construction	FMW
42	➢ Dualization of Enugu (9th Mile)-Otukpa-Lokoja	Phase of construction	FMW
43	➢ Phase 1: 2nd Lagos outer ring road; Tincan Island-IgandoLagos/Otta road interchange-Lagos/Ibadan Expressway	Phase of construction	FMW
44	➢ Phase 2: 2nd Lagos outer ring road; Lekki-Ikorodu Shagamu/Benin Expressway	Phase of construction	FMW
45	➢ Abuja-Kaduna-Kano Dual Carriage way	Phase of construction	FMW
46	➢ Lagos-Badagry-Seme Border Expressway	Phase of construction	FMW
47	➢ Shagamu-Benin-Asaba Expressway	Phase of construction	FMW

Source: Infrastructure Concession and Regulatory Commission, Abuja

PPP Challenges in Nigeria

The development of PPPs in Nigeria has been disappointingly slow, this pace of growth is disturbing, not only because of how much Nigeria stands to benefit from PPPs, but also in comparison to the rate of growth in other emerging economies. It is key that government demonstrates the political will to provide the requisite support base by creating a pro-active and realistic enabling law and environment. Unfortunately, this is hardly so, government services are generally not feasible and cannot be structured for bankability from the on-set. Converting them to bankable projects is expensive and an essential process that must be conducted to encourage private sector involvement. This stage of the process would include training civil servants, addressing social issues, re-planning policies and addressing social issues, re- planning policies and addressing political sensitivities. The cost of conceptualisation stage is a significant bane of PPP projects and can account for 5% -10% of the total cost of the project. Other challenges bedeviling PPPs in Nigeria include; lack of effective regulatory and institutional framework, corruption, conflicting regulations, debt crisis, inadequate public acceptance, non-availability of long-term funding, political instability and dearth of visionary leadership constitute constraints on effective implementation.

Furthermore, despite the sustained, high and broad-based growth recorded in the country and the contribution of the private sector to this, lack of a conducive environment remains a dampening factor (FGN, 2013). Ojebode (2016) stated that an unattractive enabling environment created by, for example, political and macro-economic instability; inadequate legal, financial and regulatory frameworks; and/or subjective and opaque procurement practices.

Therefore, the regulatory environment serves as both an enabler and a constraint in PPP effectiveness. Weak regulatory systems may lead to delayed payments, contractual disputes, and opportunistic behavior by private partners. Shaoul et al. (2010) caution that inadequate monitoring can allow private entities to prioritize profit maximization over service quality.

In many developing countries, including Nigeria, limited institutional capacity has been identified as a major challenge to PPP effectiveness. Public institutions often lack the technical skills required for complex contract negotiation, actuarial analysis, and performance monitoring. This creates an imbalance in the partnership, giving private actors a disproportionate advantage in decision-making processes.

Political instability is another critical determinant of PPP effectiveness. PPP arrangements are long-term contractual relationships that require policy continuity, stable governance structures, and sustained government commitment. Frequent

changes in political leadership, policy reversals, and administrative restructuring can disrupt PPP programmes, delay funding, and weaken private sector confidence. A stable political environment encourages investor confidence and institutional stability. Conversely, inconsistent policy direction can disrupt partnership agreements and discourage private sector participation.

1.4 Strategies for Enhancing PPP Operations and Administration in Nigeria

PPP is a way to get the private sector to take on some or all the risks of a project. There are different levels of public and private involvement that can be set up. To combine two or more of the main project phases (design, construction, operation, and maintenance) into one project that is usually run by a group of private companies, a number of PPP vehicles have been created. When projects are done under PPP agreements, the overall costs may be lower, the quality of the design and construction may be higher, and service delivery may be more efficient. At the same time, there are some risks that come with using a PPP arrangement. To make sure that the savings that are hoped for with a PPP are achieved, thorough analysis must be carried out at the start and end of the project.

The dilemma for governments is making good use of limited public funds. Unfortunately, many governments fail to meet their goals in this area. This is because the government usually do not have incentives built into its systems and organisation to be efficient. As a result, it isn't good at building and running infrastructure efficiently. Adding these kinds of incentives to a public sector that is already well-established is hard, but not impossible. For example, developed countries have shown that they can be efficient while keeping many important services in the public domain. When people in the private sector make an investment or sign a contract, they clearly want to make as much money as possible. One big way they do this is by making investment operations more efficient. The infrastructure services will probably work better if the PPP is set up in a way that lets the operator reach this goal. Improving the efficiency of operations and services also makes it more likely that those services will be able to stay in business and be offered at reasonable prices, even after the private operators' profit goals are met.

PPP lets the government give operational tasks to private companies that are good at what they do, while keeping and improving the focus on the main jobs of the public sector, like overseeing and regulating. If this plan is carried out correctly in Nigeria, it should lead to better and cheaper service for consumers and lower overall costs for the government. While the government still pays for some of the costs of running or investing, this should still be the case. This is because the nation's cost obligation is likely to be intended, confined, and set up in a way that makes sense for their overall financing plan.

According to Ugwu (2012), public-private partnerships offers the government huge relief from the biting effects of the ongoing global economic crisis even as it gives the private sector a greater stake in the management of the country's economy, specifically in the area of infrastructure provision and management.

A strong and coherent regulatory environment is a fundamental prerequisite for the effectiveness of PPP arrangements. Regulation provides the legal and operational framework that defines the roles, responsibilities, and obligations of both public and private partners. It also establishes standards for service delivery, financial management, risk sharing, and accountability mechanisms.

Political factors significantly influence PPP sustainability. Political will, leadership commitment, and policy continuity are essential for maintaining long-term partnership arrangements (Hodge & Greve, 2007). PPP contracts often extend beyond electoral cycles; thus, regime changes can introduce uncertainty. Also, in reaching any PPP agreement, the major stakeholders (workers, customers, public and private partners) should be involved in the process, so as to allay fears of job loss and prohibitive user charges. This inclusive process, according to Adekunle et al (2012), will help in preventing post-concession protests as witnessed after the handover of Tafawa Balewa Square, Lagos and the old Domestic Terminal of Murtala Mohammed International Airport to new private sector managers.

Similarly, an effective Legal Framework is key for the implementation of PPP within the state. Sometimes, state laws may limit clarity regarding the formation and management of public and private sector partnerships. A functional legal framework is essential to enable private sector participation in an efficient and effective manner.

Finally, Economic conditions, including revenue generation capacity, inflation rates, poverty levels, and fiscal stability, influence PPP performance. PPP projects often depend on government payment commitments, which may be threatened during economic downturns (IMF, 2004).

Economic sustainability refers to the financial viability of PPP arrangements over the long term.

1.5 Conclusion and Recommendations

PPPs have been very helpful for developed countries and developing countries like Nigeria in infrastructural development. Public-private partnerships (PPPs) are a way for government to get private expertise and/or capital to improve infrastructure and services. Even though there are more PPP projects in Nigeria now (about 50 are being carried out right now and another 60 are in the planning stages), many of them have not lived up to their full potential. Some were rushed through and weren't well thought out; others are now stuck in legal battles. These issues can be traced back to the fact that Nigeria's PPP laws and rules aren't clear, and key stakeholders need more information to properly plan, structure, and carry

out complicated PPPs. However, PPPs should be used correctly and efficiently for them to improve service delivery and speed up the building of infrastructure. As a result, this paper recommends the following:

- Public-private-partnerships should be carefully planned and put into action in a regulatory environment that is fair. This way, PPPs can make the most of limited public funds and bring new technologies and ideas from the private sector into public services. In this way, efficiency and sustainability are achieved while risk is shared between public and private actors as a result of their management skills.
- The government of Nigeria should make it easier for private investors to do business while also making sure that people's needs are met. Reforms in certain areas can also be useful.
- Government should further discover best global practices that are important for structuring deals, writing contracts, communicating with stakeholders, and reaching out to investors. Because each government has its own skills and knowledge, the partnership will work better when both sides have those.
- It is important for both the government and private investors to be transparent and accountable. This will help build trust and make sure that the basic needs of the people who are supposed to benefit from these partnerships are met.

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