

Public-Private Partnership and Infrastructural Development in Nigeria

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Abstract. This paper examines the role of public-private partnership in infrastructural development in Nigeria. The high level of infrastructural deficit with its concomitant effect on socio-economic development in Nigeria has made the government to search for an alternative means of providing infrastructure for the teeming population and not only that, there is also problem of inadequate resources on the part of the government as well as the penchant of some public officials to divert public fund to private pockets. All these factors made the federal government of Nigeria to adopt the public-private partnership model to provide infrastructure for the use of the people. It is expected that when there is high level of infrastructural development in the country, there would be increase in economic activities amongst the populace which would invariably contribute positively to their well being. This paper is qualitative in nature because data for the study were sourced through secondary means. The paper adopts the historical/descriptive method of data analysis. A combination of social contract theory and principal-agent theory were used as the theoretical framework. The paper recommends amongst others that adequate legal framework be put in place in the implementation of public-private partnership projects to guide against abandonment when there is leadership change in the country.

Keywords: public-private partnership, infrastructural development, socio-economic development, populace.

1. Introduction

All over the world, it has become increasingly clear that the responsibilities of government have become so enormous without adequate and corresponding resources to cater for these responsibilities. As a result of this and other factors, governments across the globe have been in constant search for the effective and efficient means of delivering services to the people. It is in line with this that Nigeria government adopted the PPP model to enhance infrastructural development. The federal government in 2005 setup the infrastructure concession and regulatory commission (ICRC) to properly regulate and supervise the PPP agreements and projects initiated by its ministries, departments and agencies, MDA's. The ICRC Act 2005 provides that "any federal government ministry, agency, corporation or body involved in financing, construction, operation or maintenance of infrastructure, by whatever name called, may enter into a contract with or grant concession to any duly pre-qualified project proponent in the private sector for the financing, construction, operation or maintenance of any infrastructure that is financially viable or any development facility of the federal government in accordance with the provision of this Act".

It is not possible for government alone to provide all needed infrastructure considering the cost of doing so and other responsibilities for the

government. This explains why the government of Nigeria adopted the public-private partnership model in the provision of infrastructure. Public-private partnership can be said to be the governments' involvement of the private sector one way or the other in the delivery of services. It is a contractual arrangement between the government and the private sector in the delivery of services. It has to do with the government provision of services through the private sector.

David Osborne and Ted Gaebler cited in Dibia (2014:73-74) have made a distinction between "steering" and "rowing" when considering the role of government. They argue that the role of government should be one of steering society, and that in order to steer society, government does not need to row for it, work directly itself to deliver services. According to Dibia, "Osborne and Gaebler suggest that a government's excessive allocation of resources to rowing inhibits its ability to steer. Ultimately, they suggest that government would be able to steer better if it also allowed others to row". It is on this basis that Nigerian government had to adopt the public-private partnership in the delivery of some services so that while the private sector provides some services hitherto provided by government, government would divert its time and resources in providing other services particularly those that cannot be left to the private sector to provide. The arrangement would make government to be more effective and efficient in the performance of its functions.

2. Public-Private Partnership: A Conceptual Clarification

Public-Private Partnership is a recent development in the management of public sector particularly in developing countries like Nigeria. The concept came into being as a result of the reforms that greeted the public sector in recent times. The need to have an effective and efficient public sector necessitated the reforms. Public-Private Partnership therefore is one of the new strategies introduced in public sector management to bring about improved public service delivery. This view was corroborated by Olaopa (2012:149) when he asserted that "indeed, partnership between the private and the

public sectors is just another component of New Public Management (NPM) aimed at reforming public sector organizations for better public service delivery. The idea behind this is that partnership between the two sectors of the economy- the private and the public sectors- could help to further improve the attainment of the common goal of development and high attainment of the common goal of development and high quality service delivery which ultimately will be in the mutual interest of all concerned".

Public-Private Partnership does not amount to privatizing government. Government still exists to perform its functions to the citizens. Public-Private Partnership is just a strategy adopted by government to get the private sector involved in the delivery of public service. This is as a result of the belief that there would be efficiency and effectiveness in service delivery by so doing. This explains why David Osborne and Ted Gaebler cited in Olaopa (2012:149) asserted that "it makes sense to put the delivery of many public services in private hands (whether for profit or non-profit), if by doing so a government can get more effectiveness, efficiency, equity or accountability. But we should not mistake this for some grand ideology of privatizing government". Public-Private Partnership does not amount to privatization of government or elimination of government and its role. What then is Public-Private Partnership? The concept "Public-Private Partnership" has attracted a plethora of definitions from different scholars. Akintoye et al cited in Anayo and Okon (2011:90) consider Public-Private Partnerships to be any "contractual arrangement between a public sector agency and a for-profit private sector concern, whereby resources and risks are shared for the purpose of delivery of a public service or development of public infrastructure". In this vein, Anayo and Okon (2011:90) opined that Public-Private Partnership refers to a long-term contractual relationship between the public and private sector agencies, specifically targeted towards financing, designing, implementing, and operating infrastructure facilities and services that were traditionally provided by the public sector. These collaborative ventures are built around the expertise and capacity of the project

partners and are based on a contractual agreement, which ensures appropriate and mutually agreed allocation of resource, risks and returns. According to Okoli cited in Amujiri (2011:112), “PPP is an arrangement where the government enters into a form of agreement or memorandum of understanding with companies or individuals to provide for the public. The nature of the agreement or understanding, the composition or membership of the partnership, the sharing of responsibilities or profits, and the contribution of funds and other inputs are clearly spelt out in the agreement or memorandum of understanding abinitio, and they also depend critically on the projects or services to be executed or rendered.

The Canadian Council for Public-Private Partnerships gives a clear definition of Public-Private Partnership as “a cooperative venture between the public and private sectors, built on the expertise of each partner, that best meets clearly defined the public needs through the appropriate allocation of resources, risks and rewards”. To the Organization for Economic Cooperation and Development (OECD) “Public-Private Partnership is an agreement between the government and one or more private partners (which may include the operators and the financiers) according to which the private partners deliver the service in such a manner that the service delivery objectives of the government are aligned with the profit objectives of the private partners and where the effectiveness of the alignment depends on a sufficient transfer of risk to the private partners. On this note, it is very obvious that there is a symbiotic relationship between government and the private sector organization engaged in public-private partnership in the sense that each of the partners is expected to benefit in relation to its objectives and goals for engaging in such partnership.

According to Okoye & Oghoghomeh (2011: 3-4) PPP is a contract between a public sector institution or municipality and a private party, in which the private party assumes substantial financial, technical and operational risks in the design, financing, building and operation of a public project. According to Ferreira and Khatami cited in Okoye & Oghoghomeh

(2011:3-4) PPP is a good option for improving public service delivering in developing countries because:

- It provides significant subcontracting opportunities for small enterprises where early cash flow benefits can be derived as delivery commences
- It creates job opportunities for economic growth and development
- Through subcontracting and procurement mechanisms, PPP can involve a full spectrum, large and small enterprises and bring tangible local economic benefits to targeted groups of people.
- The long-term nature of PPP provides an opportuned instrument to grow equity and management over-time. Risk is clearly identified in PPP, clearly costed, appropriated and allocated so the participants know in advance what they are committing to.
- There is an increasingly strongly demand for professionals as transaction advisors to both public institutions and private parties in PPP
- Return on equity to the private party is competitive where risk is properly assumed
- Principal equity sponsors in a PPP are often also first-tier sub contractors, building initiatives for optimal risk management
- The formation of private consortium in the form of special purpose vehicles (SPV) for many PPPs, facilitates long-term beneficial partnership between new enterprises management both at the private party (SPVS) and sub contracting levels.

3. Types of Public-Private Partnership

There are various types of PPP and they include the following:

Build-operate-and Transfer (BOT): Under this type of PPP, the private partners build a facility to the specifications agreed to by the public agency, operate the facility for a specified period of time under a contract or franchise

agreement with the agency of government and then transfers the facility to the agency at the end of the specified period of time. Since the private sector investor took construction risk, operating risk and social and environmental risk in ensuring the coming into being of the facility, the private investor is expected to make profit in return. It is expected that the private investor would have his gain or benefit after which he would transfer ownership of the facility to the government at the expiration of the time stated in the contract. According to Oluwasanmi and Ogidi (2014:4) “under this model, the contractor may be a developer and financier who will build and own the property with the agreement that the client will possess the property in the future. This model is usually used for specialized facilities like hospitals, schools and housing”.

Build-own-operate (BOO): In this type of PPP, the private investor funds, builds, owns, and operates an infrastructure in perpetuity. What the public entity partner does is just to provide avenues for delivering the facility/project. In this, there is no transfer of ownership from the private entity to the government.

Rehabilitate, Operate and Transfer (ROT): This has to do with an agreement between the public sector and the private entity or investor where the private sector investor is allowed to rehabilitate existing public infrastructure, operate it for an agreed period of time and transfer ownership to government at the expiration of the contract. The private sector investor is expected to recoup cost of investment as well as profit.

Design, Construct, Maintain and Finance (DCMF): Under this arrangement, government takes responsibility for the design and the finances of the facility, while the private sector do the construction and maintenance of facility, with returns to government based on some agreed sharing formula.

Lease/Maintain: Is a typical arrangement whereby private vendor pays rent for use of facility owned by government. The vendor is responsible for the maintenance of the facility.

Built-Rent-Transfer (BRT): This is a model where private investor builds a facility, rents it out to recoup investment, and thereafter transfer

the facility to the authority (government) at the end of contract duration.

Operation License (OL): In this type of PPP, the private entity is granted license under an agreement to operate a public service for a specific period.

Operation and Maintenance (OM): In this model, the operation and maintenance function of the projects, usually existing, is contracted to the party that has the experience, resources and technology to carry out the function, ownership and management remains with the initiator.

Lease-Develop-Operate (LDO) or Build-Develop-Operate (BDO): Under these partnerships arrangement, the private party leases or buys an existing facility from a public agency, invests its own capital to renovate, modernize, and/or expand the facility; and then operates it under a contract with the public agency. A number of different types of municipal transit facilities have been leased and developed under LDO and BDO arrangements. Aliyu et al (2013:67)

Outsourcing: This is another form of Public-Private Partnership. Oriakhi and Okoh cited in Okoye and Oghoghomeh (2011:4) see outsourcing as the contracting out of the delivery of goods and services (fully or partially) to a private sector entity under a contract that typically involves no equity and capital. Here, public ownership of the assets are retained, while the management and operation are contracted out”. According to Emei (2004) “outsourcing is very common among private and public sector organizations, because of the growing demand for consultancy services as a result of their specialized skills. Most public sector organizations outsource their human resource function while most private sector organizations outsource their purchasing function, human resource function and even marketing function”.

4. Theoretical Framework

Two theoretical frameworks were adopted in this paper and they are: Social contract theory and Parent-agent theory.

4.1 Social Contract Theory

The major proponents of the social contract theory are; Thomas Hobbes, John Locke and J.J. Rousseau. The basic thrust of this theory is the fact that people who hitherto did not have government or lived under an organized state decided to form the state in order for the state to provide their basic needs. This was corroborated by Anifowoshe (2015:95) when he said that “according to the social contract theory, the state was created by a number of individuals voluntarily entering into a contract, the terms of which provided a political authority. As a voluntary association, however, it differed from any other because it provided for the exercise of sovereignty, the supreme power to control by coercive means, if need be, the conduct of its members”. To Appadorai (1975:19), “the substance of the social contract theory is this: the state is the result of an agreement entered into by man who originally had no governmental organization. The history of the world is thus divisible into two clear periods: the period before the state was instituted and the period after. In the first period, there being no government, there was no law which could be enforced by a coercive authority. Men lived; it was said, in a state of nature, in which they were subject only to such regulations as nature was supposed to prescribe. But there was no human authority to formulate these rules precisely or to enforce them. After sometime, they decided to set up a government thereby; they parted with their natural liberty and agreed to obey the laws prescribed by the government”. While there may be divergences in the opinions of the major proponents of this theory regarding how men lived in the state of nature without the coercive agency of a government, why they decided to establish a government, who were parties to the contract, and what terms of that contract were, they agreed on its essential idea, viz; that the state is a human creation, the result of a contract”.

It is to be made clear that when the people in the state of nature were no longer comfortable with the kind of live they were living, a situation where might was right and the stronger/strongest amongst them devouring the weaker/weakest at

will, that they decided to have an agreement to have a state that would protect their lives and property. It is on this note Delistle C. Burns cited in Akindele (1998:47) while defining representative democracy said it is a system whereby “all (i.e. people) elected a few to do for them what they could not do together”. The people having decided to have the state must also decide those who would man or run the affairs of the state and in doing that, they are expected to have at the back of their mind those that would effectively take care of their interest by making life meaningful for them.

This scenario explains why the social contract theory was chosen as a theoretical framework in this study. As far as this paper is concerned, it offers explanations regarding the fact that the state has obligation to the citizens in respect of providing them with basic and necessary services. Though it does not offer explanation of the modus-operandi of how the services would be rendered neither does it tell us why the Public-Private Partnership model for service delivery should be adopted, this explains why another theoretical framework was chosen for this paper. The next theoretical framework to be examined and treated is the parent-agent theory.

4.2 Principal-Agent Theory

According to Grover (2008:134-135), “the principal-agent model expresses analytically any relationship in which one party, the principal, considers entering into a contractual agreement with another, the agent, in the expectation that the agent will subsequently choose actions that produce outcomes desired by the principal. The employer (the principal) seeks to purchase the skills of an employee (the agent) to perform the organization’s task”. The government agency (the principal) hires another organization (the agent) to help in the attainment of the principal’s goals. There are various reasons why the principal rely on the agent to perform certain functions on its behalf. It may be that the principal lack the requisite knowledge or the legal certification that the agent has, or they may find the task too large or complex to perform alone.

According to Olaopa (2008:50), “agency theory, like public choice theory, assumes that individuals are rational self-interested utility maximizers. Hence, the interests of agents and principals are bound to conflict. Moreover, the management of many principal-agent relationships is complicated by incomplete information, asymmetrical information, and various uncertainties”. To Grover, regardless of the reason for relying on an agent, the principal faces two problems:

- Adverse selection
- Moral hazard

Under the issue of adverse selection, emphasis is on the difficulty and complexities involved in getting the agents that would perform the task of the principal. Not only is it difficult to get the right information about the qualification and the expertise of the agent that would do the job. Government representatives out of reasons best known to them could decide to engage an agent that may not have the requisite qualification and expertise simply because the agent agreed to collect low pay and disregard an agent who has the entire prerequisite needed to do a good job because the charge is a bit high. According to Grover, the adverse selection theory contends that principals tend to hire lower-quality agents than desired. On the issue of moral hazard which is another problem the principal in the Public-Private Partnership faces has to do with inaccurate information about the performance of the agent. The representative of the principal asked to monitor and verify the job being done by the agent could come up with a sterling report about the performance of the agent even when the reverse is the case. Just as we have seen in the public choice theory which has to do with the fact that man is motivated by self-interest, the representatives of the principal engaged in monitoring and verification of jobs done by the agent could collect bribe from the agent and give necessary approval to the job of the agent even when the job is below expectation and required standard.

The principal-agent theory offers explanation concerning the nitty-gritty of the relationship

The table below shows the ongoing PPP Projects in different parts of Nigeria.

between the public sector agency and the private sector entity in a partnership. Under this arrangement, the public sector agency is the principal while the private sector entity is the agent. In the public-private partnership, the public sector agency enters into a contract with the private sector investment to carry out some functions hitherto carried out by the government based on agreed terms. The contract to be entered into is for a specific duration which ceases to exist at the expiration of the duration of the contract. It is expected that there should be mutual benefits by both parties involved in a contract. Just like public choice theory, the principal-agent theory also exposes the challenges in the implementation of the PPP arrangement because of the attitude of the representative of the government.

5. Public-Private Partnership and Infrastructural Development in Nigeria: An Assessment

In order for the Nigerian government to boost the level of infrastructure in Nigeria, it adopted the public-private partnership model. This is as a result of government realization that there can be no development without the development of infrastructure.

Nigerian government over the years have provided infrastructure through the public-private partnership model. While some of the PPP contract succeeded, others failed along the line due to various reasons. According to Aminu Diko, the Director-General of the Infrastructure Concession and Regulatory Commission, previous PPP projects such as the Lagos-Ibadan expressway concessioned to Bicourtney in 2009, the Lagos International Trade Fair Complex concessioned to Auli Nigeria Limited since 2007 and a host of others failed due to disagreement between the parties. He further stated that work has stopped on the Murtala Mohammed International Airport Lagos, concessioned in 2008 due to disagreement between government and the concessionaire, which has now moved to the court of law.

2013 PPP Project List Up-Date			
S/N	PROJECT AND DESCRIPTION	PHASE AND PROPOSED PPP MODEL	MDA
1	<u>2nd Niger Bridge</u> A Greenfield bridge and associated approach access road over the River Niger connecting Asaba and Onitsha	-Implementation Phase -Build Operate Transfer	Fed. Min. of Works
2	<u>Rehabilitation and Upgrade of the Murtala Mohammed International Airport (MMIA) Road to Apakun Junction, Lagos</u> Expansion of MMIA access road from a 4-lane dual carriage to an 8-lane road with vehicular and pedestrian bridges at appropriate locations	-Procurement Phase: Selection of preferred bidder concluded - Build Operate Transfer basis	Fed. Min. of Works
3	<u>Rehabilitation and Upgrade of Lagos-Isevin-Kishi-Kaiama Road</u> The Lagos-Iseyin-Kishi_Kaiama Road, Lot 1A- will provide direct connectivity between Lagos and the North-West Zone. The road passes through Kaiama in Kwara state to link a new alignment (Lot 1B) at Bahana, in Niger state. Road is approximately 450km long.	-Development Phase: Outline Business Case Preparation -Build Operate Transfer basis	Fed. Min. of Works
4	<u>Rehabilitation and Upgrade of Kaiama-Bahana-Kaoje-Gwanbe-Fokku Sokoto Road</u> The Kaiama-Bahana-Kaoje-Gwanbe-Fokku-Sokoto Road (New Alignment) completes the connection between Lagos and the North West geo-political zone. The road passes through Kaiama in Kwara state to link Bahana, a border town in Niger state and Kaoje in Kebbi state and terminate in Sokoto town. This new alignment road (Lot 1b) is approximately 650km long.	-Development Phase: Outline Business Case Preparation -Build Operate Transfer basis	Fed. Min. of Works
5	<u>River Benue Bridge @ Ibi, Taraba State</u> This proposed bridge across River Benue at Ibi town is about 2.4km long and lies on the Jos-Shendam-Ibi-Wukari-Katsina Ala road. This bridge would replace current movement of goods and services across the river by motorized ferry	-Development Phase: Outline Business Case Preparation -Build Operate Transfer basis	Fed. Min. of Works
6	<u>Dualization of Enugu (9th Mile)-</u> The 9 th Mile-Otukpa-Otukpo Road is a 119km long single carriage road from the Enugu-Onitsha Dual Carriage at 9 th Mile Junction connecting Obollo Afor to Otukpa Junction in Benue state and intersecting the Lokoja-Otukpo Road.	-Development Phase: Outline Business Case preparation -Build Operate Transfer basis	Fed. Min. of Works
7	<u>Rehabilitation and Dualization of Ilorin-Jebba-Mokwa-Tegina-Birnin-Gwari Road</u> Rehabilitation and dualization of the existing 233km single carriageway trunk road (National Route No. R20) from Ilorin in Kwara State to Birnin-Gwari, Kaduna state.	-Procurement Phase: Outline Business Case preparation -Build Operate Transfer Basis	Fed. Min. of Works
8	<u>Upgrade, Operations and Maintenance of Federal Government of Nigeria (FGN) Agro-Value Chain Infrastructure Centres</u> Scope consists of 18 Nos. Agro-Industrial Estates, 8 Nos. Agro-Processing Centers and 9 Nos. Farmers Markets. Aim is to provide for greater private sector participation in the Agricultural Transformation Agenda. The facilities are located across the 6 geo-political zones of the country	Procurement Phase: Engagement of Transaction Advisers in progress	Fed. Min. of Agriculture
9	<u>Development of Mechanic Villages</u> The project is aimed at developing the automotive value chain via the provision of 6 pilot modern mechanic villages in the nation's 6 geopolitical zones.	-Development Phase: Outline Business Case preparation	Fed. Min. of Trade & Investment (National Automotive Council)
10	Upgrade and Modernization of Kiri kiri Lighter Terminals 1 and 2, in Lagos Scope is significant modernization, operations and maintenance of the existing Kiri Kiri lighter terminals 1 and 2 on PPP basis.	-Procurement Phase: Engagement of Transaction Adviser completed. PPP procurement activities in progress. -Rehabilitate Operate Transfer basis	Fed. Min. of Transport and the Nigeria Ports Authority
11	Operations and Maintenance of Onitsha Inland Water Port in Anambra State Engagement of a competent private sector partner to operate and maintain the recently completed and commissioned inland port	-Procurement Phase: Engagement of Transaction Adviser completed and PPP procurement activities in progress -Operate Maintain Transfer Basis	Fed. Min. of Transport/National Inland Water Authority
12	Operations and Maintenance of Western and Eastern NRC Narrow Gauge Railway Engagement of a competent private sector partner to supply additional coaches and wagons and operate/maintain post	-Procurement Phase: -Supply Operate and Maintain	Fed. Min. of Transport/Nigerian Railway Cooperation

	rehabilitation the Eastern and Western network of the Nigerian Railway Cooperation		
13	Abuja District Infrastructure Project Mabushi, Districts Financing, construction, operation and maintenance of urban engineering infrastructure starting with Mabushi, district of Abuja	Procurement Phase: Procurement of concessionaire awaiting approval	Federal Capital Development Authority (FCDA)/ Federal Capital Territory Administration (FCTA)
14	Abuja Mass Transit Railway Lot 2 (Red Line) Development and operation of lot 2 of the Abuja Mass Transit Railway system. The red line is circa 54km long and commences from Garki to the interchange centre at the Eagle Square in the Central Business District, and spans to Nyanya- Karu axis of the FCT. It also goes to sector centre D through Hilton Hotel, Gwarimpa FHA Estate and the light railway Lot 1 (Blue line currently under construction)	-Development Phase: - Build Operate Transfer	FCDA/FCTA
15	<u>FCT Roads Network Development and Modernization covering the following roads</u> 1. Umaru Musa Yar'adua Airport Expressway completion 2. Outer Northern Expressway 3. FCT Road 105 4. FCT Road 106	-Development Phase viability and Options review	FCDA/FCTA
16	<u>Concession of Strategic Grain Reserve Silo facilities:</u> Scope consists of 33 Nos. silos complexes located across the country	-Development Phase: Procurement of Transaction Adviser in progress	Fed. Ministry of Agriculture and Rural Development
17	<u>Development of 45MW of Hydropower from 10 different small & medium dams:</u> Lot 1 (10MW Oyan Dam Ogun State, 6MW Ikere Gorge Dam Oyo State and 450KW Owena Dam Ondo State) Lot 2 (3MW Bakolori Dam Zamfara state, 500KW Kampe Dam Kogi State and 1MW Doma Dam Nasarawa state) Lot 3 (4MW Jibia Dam Katsina state, 300KW Zobe Dam Katsina stata, 10MW Tiga Dam Kano state and 10MW Challawa Dam Kano state)	-Development Phase: Preparation of outline business case in progress	Fed. Ministry of Power
18	<u>Concession of the Multi-purpose components of the Gurara 1 Dam, Kaduna state:</u> This consists of the concession for the hydropower, irrigation, water supply and other components of the dam	- Development Phase: Preparation of outline business case for the irrigation and hydropower components in progress	Fed. Ministry of Water Resources

2014 PPP Pipeline Project List Up-Date			
S/N	PROJECT AND DESCRIPTION	PHASE AND PROPOSED PPP MODEL	MDA
1	<u>PPP High Voltage Transmission Projects Pipeline for TCN</u> Refurbishing/Replacement where necessary for Transmission Assets measuring approximately 12,000km of 330KV & 132KV lines and 150 330KV/132KV & 132KV/33KV primary/secondary substations. These projects are located nationwide	Phase 1 (2017), Built Transfer (BT) or other	Transmission Company of Nigeria (TCN)
2	Completion of 60 on-going 330KV & 132KV transmission lines and 330KV/132KV and 132KV/33kv substations projects. These projects are located nation wide	Phase 1 (2017), Built Transfer (BT) or other	Transmission Company of Nigeria (TCN)
3	New projects for 10GW Grid System Capacity consisting of 61 new 330KV & 132KV lines and 330KV/132KV & 132KV/33KV primary/secondary substations together with multiple reactive compensation projects. These projects are located in Kainji, Birnin Kebbi, Gusau, Lagos, Jos, Gombe, Damaturu, Awka, Uguwaji, Benin & Katampe	Phase1 (2017), Built Transfer (BT), Build Own Transfer (BOT), Build Own Operate Transfer (BOOT), Build Own Operate (BOO) or other	Transmission Company of Nigeria (TCN)
4	New projects for 13GW Grid System Capacity consisting of 40 new 330KV & 132KV lines and 330KV/132KV & 132KV/33KV primary/secondary substations together with multiple reactive compensation projects. These projects are located in Makurdi, Apir, North Bank, Igando, Ugbegu, Zungeru, & Kaduna	Phase2 (2018), Built Transfer (BT), Build Own Transfer (BOT), Build Own Operate Transfer (BOOT), Build Own Operate (BOO) or other	Transmission Company of Nigeria (TCN)

5	New projects for 16GW Grid System Capacity consisting of 32 new 330Kv & 132KV lines and 330KV/132KV & 132KV/33KV primary/secondary substations together with multiple reactive compensation projects. These projects are located in Kano, Dutse, Damaturu, Jos, Samenaka, Asoada & Degema	Phase3 (2019), Built Transfer (BT), Build Own Transfer (BOT), Build Own Operate Transfer (BOOT), Build Own Operate (BOO) or other	Transmission Company of Nigeria (TCN)
6	New projects for 20GW Grid System Capacity consisting of 33 new 330KV & 132KV lines and 330KV/132KV & 132KV/33KV primary/secondary substations together with multiple reactive compensation projects. These projects are located in Mambila, Makurdi, Birnin Kebbi, Arungu & Calabar	Phase4 (2020), Built Transfer (BT), Build Own Transfer (BOT), Build Own Operate Transfer (BOOT), Build Own Operate (BOO) or other	Transmission Company of Nigeria (TCN)
7	Bakalor Irrigation Project Commercial Farming on 23,000Ha through PPP. Bakalori Dam is located in Zamfara state	Development Phase	Federal Ministry of Water Resources
8	Jibiya Irrigation Project Commercial Farming on 3000Ha of Farmland through PPP. Jibiya Dam is located in katsina State	-Development Phase -Commercial Farming on 3000Ha of Farmland through PPP	Federal Ministry of Water Resources
9	Middle Rima Valley Irrigation Project Commercial Farming on 1,118Ha of Farmland through PPP	-Development Phase -Commercial Farming on 1,118Ha of Farmland through PPP	Federal Ministry of Water Resources
10	Dasin Hausa Dam Dasin Hausa is a dam projected for the Benue River about 30km upstream from the city of Yola. The Federal Government wants to develop 150mw of electricity from this dam	Development Phase	Federal Ministry of Water Resources
11	Elele Prison Farm Commercial Farming on 2900Ha of Farmland through PPP	-Development Phase -Commercial Farming on 2900Ha of Farmland	Federal Ministry of Water Resources
12	Tede Dam Greenfield project with potentials for irrigation and hydropower	Development Phase	Federal Ministry of Water Resources
13	Peremabiri Irrigation and Land Reclamation Commercial Farming on 1280Ha of Farmland through PPP	-Development Phase -Commercial Farming on 1280Ha of Farmland through PPP	Federal Ministry of Water Resources
14	Owena Multi-purpose Dam Water supply Provision of water treatment and reticulation via PPP	Development Phase	Federal Ministry of water Resources
15	Development of the Marina Car Park and the Marina Water front The Marina Quayside Strip Project seeks to develop the FG owned lands on Lagos Marina in a world class marina strip development with office towers, marinas, cruise handling facilities, etc.	Development Phase	Federal Ministry of Lands, Housing and Urban Development
16	Redevelopment of the Ministry's Land on St.Gregory Road, Onikan-Ikoyi, Lagos	Development Phase	Federal Ministry of Lands, Housing and Urban Development
17	Development of Ministry's Land behind the National Stadium, Surulere, Lagos.	Development Phase	Federal Ministry of Lands, Housing and Urban Development
18	Reconstruction, Rehabilitation and Expansion of Lagos-Ibadan Dual Carriageway Expansion and Redevelopment of the 127km Lagos to Ibadan Expressway	-Procurement Phase -Reconstruction, Rehabilitation and Expansion is in progress via Traditional Procurement. Additional private sector finance required for completion and to operations & maintain	Federal Ministry of Works
19	Construction of a Bridge over River Niger at Nupeko, Niger State	Development Phase	Federal Ministry of Works
20	Bodo Bonny road with a bridge across Opobo channel to the Island of Bonny in Rivers state	Development Phase	Federal Ministry of Works
21	Keffi-Akwanga-Lafia-Makurdi Road (Nassarawa and Benue States)	Development Phase	Federal Ministry of Works
22	Lokoja-Ajakuta-Ogbulafo- 9th Mile Road	Development Phase	Federal Ministry of Works
23	Akwanga-Jos Road	Development Phase	Federal Ministry of Works
24	Dualization of Enugu (9th Mile)-Otukpa-Lokoja	Development Phase	Federal Ministry of

			Works
25	Phase 1: 2nd Lagos outer ring road; Tincan Island-Igando-Lagos/Otta road interchange-Lagos/Ibadan Expressway	Development Phase	Federal Ministry of Works
26	Phase 2: 2nd Lagos outer ring road; Lekki-Ikorodu Shagamu/Benin Expressway	Development Phase	Federal Ministry of Works
27	Abuja-Kaduna-Kano Dual Carriage way	Development Phase	Federal Ministry of Works
28	Lagos-Badagry-Seme Border Expressway	Development Phase	Federal Ministry of Works
29	Shagamu-Benin-Asaba Expressway	Development Phase	Federal Ministry of Works
30	River Benue Bridge @ Ibi, Taraba state This proposed bridge across River Benue at Ibi town is about 2.4km long and lies on the Jos-Shendam-Ibi-Wukari-Katsina Ala road. This bridge would replace current movement of goods and services across the river by motorized ferry	Development Phase	Federal Ministry of Works
31	Ibom Deepsea Port An integrated, multi-purpose deep sea port in Akwa Ibom State	Development Phase	Federal Ministry of Transport, Nigerian Ports Authority and Akwa Ibom State Government
32	Badagry Deepsea port An integrated, multi-purpose deep sea port in Badagry, Lagos state	Development Phase	Federal Ministry of Transport, Nigerian Ports Authority and Lagos State Government
33	<u>Inland Container Depot, Gombe</u> Dry Port Gombe State.	Development Phase	Federal Ministry of Transport and Nigerian Shipper's Council
34	<u>Greenfield Highspeed Land Railway Lines across Nigeria</u> *Lagos-Shagamu-Ijebu-Ode-Ore-Benin City (300km) (standard gauge) *Benin-Agbor-Ogwashi Uku-Asaba-Onitsha-Nnewi-Owerri-Aba with additional line from Onitsha-Enugu-Abakaliki (500km) (standard gauge) *Ajaokuta (Eganyi)-Obajana-Jakura-Baro-Abuja with additional line from Ajaokuta-Otukpo (533km) (standard gauge) *Zaria-Funtua-Tsafe-Gusau-Kaura-Namoda-Sokoto-Illela-Birnin Koni (520km) (standard gauge) *Lagos-Ibadan-Oshogbo-Baro-Abuja (615km) (high speed)	Development Phase	Federal Ministry of Transport
35	<u>Development of 23 Industrial development Centres Across Nigeria</u> Redevelopment of 23 Industrial Development Centres (IDCs) into Industrial Clusters	Development Phase	Federal Ministry of Trade & Industry (Small and Medium Enterprises Development Agency)
36	<u>National Trade and International Business Centre Project</u> This project is a twenty-five (25) storey brown field project in Lagos. The facility built around 1959 occupies approximately 8,100sq meters and also with a parking lot of 2,650 sq meters. The building is planned to be remodeled to an international business center.	Development Phase	Federal Ministry of Trade and Investment (Tafawa Balewa Square Management Board)
37	<u>National Stadium Lagos</u> Renew of Facilities & Management of the national stadium by the private sector on PPP basis	Development Phase	National Sports Commission
38	<u>National Stadium Athletes Hostel, Abuja</u> Completion and management of Athletes Hostel	Development Phase	National Sports Commission
39	<u>Calabar-Kano Gas Pipeline</u> The Nigerian Gas Master Plan proposes major expansion of gas infrastructure to increase gas supply and delivery. Strategic pipelines will link the eastern and western gas networks and deliver gas to northern Nigeria	Development Phase	Federal Ministry of Petroleum Resources/NNPC
40	<u>National Theatre Masterplan Complementary Facilities Realization</u> -Four Start Hotel, Multi Level Car Park, High Rise Office	Development Phase	Federal Ministry of Culture, Tourism and National

	Building, Theme/Aquatic Park and Theatre Restoration		Orientation/National Theatre Management
41	Abuja Medical Mall Provision of World Class Medical Facilities and Services	Development Phase	Federal Ministry of Health
42	Development of Mechanic Villages The project is aimed at developing the automotive value chain via the provision of 6pilot modern mechanic villages in the nation's geopolitical zones	Development Phase	Federal Ministry of Trade & Investment (National Automotive Council)
43	Development of Olokola Deep Seaport FGN determination to transform the maritime sector and increase the operational capacities of the Nigerian ports	Development Phase	Federal Ministry of Transport/NPA
44	Development of Lekki Deep Seaport FGN determination to transform the Maritime sector and increase the operational capacities of the Nigerian ports	Procurement Phase	Federal Ministry of Transport/NPA

Source: Infrastructure Concession and Regulatory Commission, Abuja

6. Challenges of Public-Private Partnership in Nigeria

Public-Private Partnership arrangement can be considered to be a policy of the government whereby the government decides to enter into a contract with the private sector to provide service hitherto provided exclusively by the government. It is noted that every policy has its own challenges so the PPP arrangement is not an exception and the challenges often come out at the implementation stage. The challenges can emanate from both the public and private sectors. According to Eminue (2005:296-297) "it is not enough to have well-designed policies and programmes; these policies and programmes must be effectively implemented and systematically monitored and evaluated after they have been adopted. But experience with policy implementation in third world countries is that there is usually a yawning gap between intentions and results, between expectations and actual performance". According to Ikelegbe cited in Eminue (2005:297) "poor, callous and haphazard implementation and abandonment including such problems as poor programme leadership, poor management, poor citizenship cooperation, poor inter-agency and inter-governmental indiscipline, contractual failures and problems of overlapping jurisdiction, problems within the implementing organizations agencies etc".

To Olaopa (2012:161) "the challenges that spring from public private partnership are as diverse and numerous as there are countries that adopt it. It could range from institutional to legal and political challenges. A major challenge is

the crafting of appropriate and workable institutions that will help facilitate a conducive atmosphere for functional public-private partnership". Furthermore, he posited that the challenges to viable public-private partnership could also be of legal nature. Part of the necessary ingredients of a fertile and fruitful environment for productive partnership is a good comprehensive legal mechanism to guide the operation of the partnership. Contract of any kind is susceptible to disagreement which may lead to litigation, it is expected that when there is disagreement or conflict the court is there to the rescue but in Nigeria the judiciary is still enmeshed in one form of challenge or the other to the extent that it is difficult to rely on it for fair, objective and speedy resolution of conflict involving parties in dispute or conflict.

Another challenge to public-private partnership is political in nature. This made Olaopa to posit that; the political challenges to public-private partnership are equally important. There must be a conducive political environment without which nothing reasonable could be achieved. Here, the political leadership is the key element. In the absence of a willing political leadership, the whole reform ideas would have been still-born in the first place. It is very obvious that the nature of politics played in Nigeria to a very large extent is responsible for the underdevelopment of Nigeria. Virtually everything is highly politicized to the extent that there is too much politics with little development. According to Ake (1996:28) "the high value placed on political power has created an obsessive preoccupation with politics which has greatly impeded our economic progress. The

struggle for power has been so absorbing that all other considerations including economic development are much lower priorities". This condition no doubt creates a condition of political instability which to a very large extent constitutes a major challenge to the effectiveness of the PPP arrangement.

Closely related to the above is political patronage, a condition where political leaders in positions of authority enter into a contract on PPP arrangement with political cronies as a way of compensating them even when they don't have what it takes to execute the services they are meant to do. This automatically leads to the failure of the PPP arrangement.

Furthermore, the issue of corruption and lack of transparency constitute a major challenge to the implementation of the PPP programme. According to Okoye and Oghoghomeh citing Wikipedia "another problem of implementation of PPP is the lack of transparency in the attraction of the private sector into a hitherto public concern. In most cases, these projects are handed over to politically preferred bidders through a memorandum of understanding (MOU). Criticisms from the public on the mode of attracting private participation into public service delivery usually lead to delays, and could depress viable investors' interest because of lack of clarity on the bidding criteria and the evaluation process.

7. Conclusion

The enormity of responsibilities for Nigerian government with inadequate resources, dearth of skilled manpower, the penchant of some public servants to steal government money amongst others necessitated the adoption of the public-private partnership model of service delivery. From the paper, we discovered that the public-private partnership model of service delivery has become a worldwide phenomenon; virtually all countries and governments across the world have adopted it as a means of service delivery. Public-Private Partnership on its own cannot guarantee effective and efficient service delivery. The effectiveness and efficiency of the public-private partnership lies in the effective

and efficient implementation by those concerned in its implementation.

Considering the relationship between efficient and effective service delivery and the increase in the citizens' economic activities and well-being, it behooves on the government to try as much as possible to put machinery in motion to provide effective and efficient services to the people. The advantages derivable from effective and efficient service delivery is enormous because it brings about enhanced infrastructural development with its attendant positive effects on the health of the people, job creation, increase in disposable income of the citizens as a result of increase economic activities. More money would still go to the government in the form of tax from the citizens.

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