KOGI STATE INVESTMENT PROMOTION & PUBLIC PRIVATE PARTNERSHIP AGENCY

KOGI STATE GOVERNMENT

PUBLIC PRIVATE PARTNERSHIP POLICY HANDBOOK

Kogi State Investment Promotion and Public Private Partnership Agency

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1. INTRODUCTION

Kogi State aims to attract investment, expand infrastructure and create economic growth through private sector partnerships. Public Private Partnerships (PPPs) allow the State to leverage private capital, technology, and managerial expertise to deliver critical public infrastructure, stimulate industrial development, enhance service delivery, and expand economic opportunities. This PPP Policy Handbook provides clear guidelines for Ministries, Departments and Agencies (MDAs), investors, development partners, and the public on how PPPs are initiated, structured, procured, financed, and managed in the State. It also provides sector-specific guidance to ensure clarity, transparency, and investor confidence.

2. OBJECTIVES OF PPP

- Mobilize private investment for infrastructure and industrial growth
- Reduce pressure on State budgets through risk-sharing
- Promote innovation, efficiency and technology transfer
- Create job and expand value chains
- Strengthen governance and accountability in project delivery

3. PPP PRINCIPLES & GOVERNANCE

All PPP projects MUST comply with Government PPP standards:

- Value for Money (best outcome over the project life)
- Competitive Procurement
- Stakeholder Inclusiveness
- Fiscal Responsibility
- Environmental & Social Sustainability
- Transparency & Public Accountability

No public private partnership shall be initiated or executed by any MDA without formal approval from **Kogi State Investment Promotion and Public Private Partnership Agency**, in accordance with the Kogi State Investment Promotion & Public Private Partnership Law (2022).

4. LEGAL & INSTITUTIONAL FRAMEWORK

Lead Agency:

- **Kogi State Investment Promotion and Public Private Partnership Agency (KOSIPPPPA)** is the Single-entry point for all investments including public private partnership proposals and deals. It is the One-Stop-Shop for investment midwifing, facilitation, negotiation and coordination in Kogi State. KOSIPPPPA approves project concepts and issues PPP Compliance Certificates.

Roles of Key Government Bodies

- Executive Council: Final project approval
- Ministry of Finance: Fiscal risk assessment
- MDAs: Project owners
- Attorney-General: Legal vetting
- State Internal Revenue Service & Bureau of Public Procurement: Applicable revenue and registration oversight functions
- Bureau of Lands: land administration
- Ministry of Commerce & Industry: business premises registration
- Kogi State Utility Management and Compliance Agency (KUIMCA)/Kogi State ICT Agency: digital infrastructure management
- Judiciary: small claims court administration

5. GOVERNMENT STANDARD PPP PROCESS FLOW (KOSIPPPPA)

Stage 1 – Project Identification
Stage 2 – Concept Note, Proposal and Screening
Stage 3 – Feasibility/Bankability Study
Stage 4 – Transaction Structuring
Stage 5 – Procurement & Selection of Private Partner
Stage 6 – Negotiation & Contract Signing
Stage 7 – Financial Close
Stage 8 – Implementation (Groundbreaking & Monitoring)
Stage 9 – Project Commissioning & Aftercare Service

6. STEPS IN COMPETITIVE BIDDING

1. Prequalification
2. Request for Proposals (RFP)
3. Bid Submission
4. Bid Evaluation (technical + financial)
5. Due Diligence
6. Preferred Bidder Selection
7. Negotiation
8. Contract Award

7. APPROVED PPP MODELS

- Build-Operate-Transfer (BOT)
- Build-Own-Operate (BOO)
- Design-Build-Finance-Operate (DBFO)
- Lease/Concession
- Joint Venture (JV)
- Land-for-Equity PPP
- Special Purpose Vehicles (SPVs)
- Management/Operation & Maintenance (O&M) Contract

8. REQUIRED APPROVALS

- PPP Concept Approval – KOSIPPPPA
- PPP Compliance Certificate issued at Outline Business Case Before Procurement & Full Business Case when Preferred is Selected (KOSIPPPPA)
- Feasibility Study Approval – PPP Steering Committee (KOSIPPPPA)
- Transaction Approval – ExCo
- Contract Approval – Governor/Attorney-General

9. SECTOR-SPECIFIC PPP GUIDELINES

9.1 TRANSPORT & INFRASTRUCTURE (Roads, Bridges, Ports, Logistics)

Eligible PPP Types:

- Toll road concessions
- Inland waterway port concessions (Lokoja River Port, Oguma Jetty)
- Logistics parks & truck transit terminals
- Ferry operations PPP
- Bus mass transit PPPs
- Bridge BOT projects

Key Requirements:

- Traffic demand study
- Tolling framework (where applicable)
- Road safety & maintenance key performance indicators (KPIs)
- Environmental/waterway impact assessment

9.2 AGRICULTURE & AGRO-INDUSTRIAL PROCESSING

Priority Value Chains:

- Cashew (Kogi is Nigeria's No. 1 producer and produces 40% of Nigeria's total output)
- Rice (Kogi produces 32% of rice paddy output in Nigeria)
- Oil palm, maize & soybeans
- Livestock & poultry
- Fishery and aquaculture

PPP Models:

- Agro-processing concessions/JVs
- Farm estate PPP
- Out-grower schemes
- Irrigation scheme PPP
- Warehousing & cold chain PPP

Mandatory Features:

- Land allocation through KOSIPPPPA/Bureau of Lands
- Environmental and Social Impact Assessment (ESIA)
- Community social responsibility plan
- Value chain integration

9.3 MINING & SOLID MINERALS (Limestone, Iron Ore, Coal, Feldspar, Gold, etc)

PPP Models:

- Mining development JV
- Processing/beneficiation plant PPP
- Quarry concessions
- Transport corridor PPPs for mineral evacuation

Government Requirements:

- Compliance with Mining Cadastral Office
- Community Development Agreement (CDA)
- Health, Safety and Environmental (HSE) management plan
- Local content policy

9.4 ENERGY (Renewable: solar, hydro, biomass, green hydrogen)

PPP Models:

- Solar Independent Power Plants (IPP) PPP
- Gas-based power PPP
- Waste-to-energy concessions
- Green hydrogen & ammonia (industrial corridor)
- Rural electrification mini-grids

Key Conditions:

- Power Purchase Agreement (PPA) compliance
- Grid interconnection plan
- Tariff methodology
- NERC/KERK regulatory alignment

9.5 WATER SUPPLY (Urban, Rural, Industrial)

PPP Models:

- Water treatment & distribution BOT
- Metering PPP
- Urban water reticulation
- Sewage & wastewater PPP

Requirements:

- Water quality standards
- Community access guarantees
- Lifeline tariff policy

9.6 INDUSTRIAL PARKS, FREE TRADE ZONES & SPECIAL ECONOMIC ZONES

Applicable to:

- Ajaokuta Economic Corridor
- Kogi-Hunan Free Trade Zone (4,000 hectares)
- Gas-based industrial zones
- Special Agro-industrial Processing Zones

Models:

- Anchor investor schemes
- Developer PPP (private developer designs, builds, finances, and operates)
- Operator Concession
- Land-for-equity JV model

Minimum Standards:

- Masterplan approval
- Utility infrastructure obligations
- Investor onboarding procedures
- Environmental & social impact management framework

9.7 ICT & DIGITAL INFRASTRUCTURE

PPP Focus Areas:

- Fibre optic backbone deployment
- Data centres
- Smart city infrastructure
- Government cloud services
- State ICT hubs & innovation parks

PPP Requirements:

- Infrastructure sharing compliance
- Cybersecurity standards
- Digital inclusion policy

9.8 HOUSING & URBAN RENEWAL

Eligible Models:

- Affordable housing PPP
- Urban renewal schemes/gated community model
- Land swap PPP
- Mixed-use estate development

Conditions:

- Social housing model (affordable for low-income earners, informal workers and vulnerable groups.
- Building code compliance
- Land title regularisation

9.9 HEALTHCARE PPP

Applicable Projects:

- Hospital equipment leasing
- Specialist centre PPP

- Diagnostics concession
- Telemedicine PPP to deliver healthcare services to remote and underserved areas.
- Health insurance platform PPP

Mandatory Requirements:

- Clinical quality standards
- Service affordability
- Patient feedback mechanisms

9.10 EDUCATION PPP

Eligible Areas:

- School infrastructure
- Hostels & student accommodation
- Digital learning PPP
- Technical & vocational training centres
- Research incubation parks

Key Requirements:

- Quality assurance framework
- Admission/fee protection
- Teacher training partnership

9.11 TOURISM, CULTURE & HOSPITALITY

PPP Focus Areas:

- Mount Patti tourism development
- Museums, cultural centres
- Waterfront recreation PPP
- Hotels & resorts
- Event centres

Standards:

- Tourism masterplan compliance
- Safety & hospitality standards
- Local community benefit plan

10. FISCAL & FINANCIAL POLICY FOR PPPs

- All fiscal commitments must be approved by Ministry of Finance
- State guarantees must pass affordability tests
- PPP financing may combine State equity, land contributions, grants, or Development Finance Institutions (DFIs)

11. RISK MANAGEMENT FRAMEWORK

Risks must be allocated to the party best able to manage them.

Category:

- Construction
- Market/demand
- Regulatory
- Environmental & social
- Force majeure

Risk Sharing Tools

- Guarantees (limited, conditional)
- Viability Gap Funding (VGF)
- Revenue support mechanisms
- Insurance requirements

12. ENVIRONMENTAL & SOCIAL SAFEGUARDS

All PPPs must comply with:

- Kogi State Environmental Protection Law
- Federal Ministry of Environment Law
- IFC Performance Standards on environmental and social sustainability.

- ESIA / Resettlement Action Plan (where needed)
- Health, Safety and Environment (HSE) plans

All PPPs must comply with:

- Kogi State Environmental Protection Laws
- Federal Ministry of Environment regulations
- International safeguards (IFC, World Bank Environmental and Social Framework)

Mandatory requirements include:

- Environmental and Social Impact Assessment (ESIA)
- Resettlement Action Plan (if necessary)
- Health, Safety and Environment (HSE) plans
- Gender and Inclusivity considerations

13. STAKEHOLDER ENGAGEMENT

- Early and continuous engagement with communities
- Public hearing for major projects
- Investor relations desk at KOSIPPA
- Grievance redress mechanisms

14. DISPUTE RESOLUTION

- First: Amicable negotiation
- Second: Mediation
- Third: Arbitration (local preferred)
- Final: Courts including Small Claims Court for quick and affordable commercial dispute resolution within 60 days

15. TRANSPARENCY, REPORTING & PUBLIC DISCLPSURE

KOSIPPPPA shall publish annually:

- Approved PPP project list
- Procurement results

- Signed PPP contracts (redacted for commercially sensitive parts)
- Fiscal exposure/commitment & contingent liabilities
- Performance reports of concessionaires/PPPs

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