

EDITORIAL BOARD

Editor-in-Chief

James Odaudu

Editor:

Sani Datti

Sub-Editor:

Taiwo Hassan

Correspondents:

Christiana N. Johnson

Bose Danjuma

Ejiro Barne

Cameraman:

Rufai Kolawole Rasheed

HIGHLIGHTS

Pg 3 ▶ NCAA SHUTS DOWN MAST OVER 4.7 BILLION DEBT

Pg 4 ▶ NCAA APPROVES FLIGHT OPERATIONS AT ANAMBRA AIRPORT

Pg 4 ▶ SERVICE DELIVERY: FAAN COLLABORATES WITH PEBC ON CAPACITY BUILDING FOR STAKEHOLDERS

Pg 5 ▶ NAMA CONDUCTS MOCK EXERCISE ON VOLCANIC ASH ERUPTION

Pg 5 ▶ METEOROLOGICAL INSTITUTE MATRICULATES ITS FIRST SET OF 144 STUDENTS

NIGERIA TO HOST ICAO AIR SERVICES NEGOTIATION (ICAN2022)



■ Aviation Minister, Senator Hadi Sirika with his team at a Bilateral Consultative Meeting with the USA at the ICAO Air Services Negotiation Event (ICAN) 2021, in Colombia

The Federal Government of Nigeria is to host ICAO Air Services Negotiation in the year 2022. This followed its consideration as a good candidate at this year event in Bogota, Colombia. The Minister of Aviation, Sen Hadi Sirika accepting the offer said “I will like to personally send the greeting of Mr President Muhammad Buhari to you all

and especially the Government and people of Colombia.

“On behalf of our nation Nigeria, it is more than an honour that we are considered as a good candidate that will host ICAN 2022.

“We accept this offer and I can assure you that you will have a very good time to see the culture, history, traditions, people and

contd. in pg 2

NAMA IMPLEMENTS FREE ROUTING AIRSPACE (FRA)



■ MD NAMA Capt. Fola Akinkuotu speaking at stakeholders' sensitization forum held at Sheraton Hotel, Lagos

In its efforts towards enhancing airspace efficiency and reducing operational cost to airlines, Nigerian Airspace Management Agency (NAMA) has commenced the implementation of Free Routing Airspace (FRA), as the agency has enjoined airline operators in Nigeria to take advantage of new technologies being deployed by the agency as these would enhance their operational efficiency.

The Managing Director of NAMA, Capt. Fola Akinkuotu disclosed this at a stakeholders' sensitization forum held at Sheraton Lagos Hotel, Ikeja said Nigeria had earlier in October 2021 notified the global aviation community of its intent to commence the implementation of the Free Routing Airspace concept in December, 2021.

He said “the journey to the implementation of the Free Routing Airspace in Nigeria started two years ago, following the decision and recommendations of the International Civil Aviation Organization (ICAO) AFI (African- Indian Ocean) Region that member states should develop necessary strategies towards implementation of FRA in their respective states and regions. ICAO

contd. in pg 2

...NIGERIA TO HOST ICAO AIR SERVICES NEGOTIATION (ICAN2022)

contd. from pg 1

places in Nigeria just like you did during ICAO World Aviation Forum (IWAFF/3) and the ICAO Workshop on Remotely Piloted Aircraft Systems (RPAS) sometimes ago in Nigeria”

Commending ICAO on the events, he said “imagine travelling to 70 or more countries negotiating air services agreements and concluding on certain agreements. It is a very noble idea by ICAO to have a one-stop-shop for all of us to sit here and share common visions, negotiate, and of course, arrive at mutual agreements and understanding for effective management of civil aviation around the world”.

Sirika said civil aviation is in a difficult

circumstance because of the global pandemic (COVID 19) facing the world, but as the tradition by civil aviation, it has always survived it, citing Spanish flu, 9/11 and many other pandemics.

ICAO Air Negotiation (ICAN) events provide states with a central meeting place to conduct multiple and bilateral (regional and plurilateral) air services negotiations or consultations.

It offers a forum for the participants to learn about current trends, discuss and exchange experiences, as well as provide excellent networking opportunities.

According to Sirika, the proposed

hosting of ICAN 2022 also underscores Nigeria’s rising profile within the aviation world.

He said the hosting of ICAN by the country, coming after it hosted the IWAFF/3 and the ICAO Symposium on Remotely Piloted Aircraft Systems (RPAS) is a clear indication of the Organisation’s confidence in Nigeria’s aviation management, and an endorsement by the world body of its reform programmes for the sector.

He reiterated that the confidence shown by ICAO would further push the commitment of the government to the full and successful implementation of its roadmap to reposition the sector.

...NAMA IMPLEMENTS FREE ROUTING AIRSPACE (FRA) *contd. from pg 1*

in collaboration with International Air Transport Association (IATA) supported this push by developing the FRA concept of operations, conducting FRA gap analysis as well as providing guidance in the development of the FRA implementation checklist.

“After several meetings, workshops and coordination among contiguous FIRs (Flight Information Regions), the FRA concept is surely transforming from an abstract idea to concrete reality and that has been largely the Nigerian experience as the nation successfully commenced FRA implementation on the 2nd of December, 2021.”

“FRA was first conceptualized about 13 years ago in Europe, being the first region in the world to have

implemented a full FRA concept beginning from 2008. However, in the entire ICAO AFI Region, Nigeria is the second country, after Mauritius to implement this globally new concept.”

Explaining further, the NAMA boss said FRA basically accords airspace users over Kano FIR the opportunity to migrate from the conventional fixed Air Traffic Service (ATS) route network to flight plannable direct routes between a published FRA significant boundary entry point to a published FRA significant boundary exit point, thereby optimizing airspace utilization.

He listed the benefits of FRA to airspace users to include: Savings in terms of distance covered per route segment; Savings in terms of time

required to cover one route leg; Fuel savings per route leg as well as carbon emission reduction per route segment per volume of airspace.

Capt. Akinkuotu who spoke to airline operators beseeched them to take advantage of new technologies being deployed by the agency as these would enhance their operational efficiency recalling that in the last couple of years, NAMA had deployed several next-generation tools like the Performance-Based Navigation (PBN) Approaches, Controller-Pilot Data Link Communication (CPDLC), Instrument Landing System (ILS) Category II and III, etc but noted that some Nigerian airlines were not taking advantage of them, stressing that NAMA would continue to strive to ensure that Nigeria has, not only a safe airspace but also a profitable aviation industry.

The Free Routing concept is associated with ICAO Aviation System Block Upgrade – ASBU modules B1-FRTO, i.e. Introduction of free routing in defined airspace, where the flight plan is not defined as segments of a published route network or track system to facilitate adherence to the user-preferred profile.

The sensitization forum was well-attended as it attracted representatives from the Nigerian Civil Aviation Authority (NCAA), IATA, Airline Operators of Nigeria (AON), Max Airlines, Air Peace, Emirates Airlines, United Airlines, Arik Air among others.



Participants at the stakeholders’ sensitization forum at Sheraton Lagos Hotel, Ikeja

NCAA SHUTS DOWN MAST OVER 4.7 BILLION DEBT

...The action is to ensure safety in Aviation in Nigeria - DG

As part of the Federal Government effort to recover debt, the Nigeria Civil Aviation Authority has shut down Glo telecommunications company mast in Abuja over the non-payment of outstanding debt of 4.7 billion. The action was taken to enforce regulation and to ensure the safety of aviation in Nigeria.

The Director-General, Captain Musa Nuhu in accompany of Minister of Aviation Sen. Hadi Sirika and NCAA staff said "The action we have taken is for the safety of aviation in Nigeria, it's our responsibility that any mast of a certain height, we are supposed to regulate it and to ensure its properly cover and it is no threat to any low flying aircraft like helicopters, drone and not necessary passengers' flights."

He said the agency mapped out all masts with a certain height and put in the chart and the process of doing that requires money and those erected supposed to pay for it, saying all the communication service providers except Glo have been complying with this. The company have paid only 500 Million out of the 5.2 billion owing, the outstanding debt now is 4.7 billion Naira.

Capt. Nuhu said, "when I resumed office, I have seen over 10-15 correspondences in the past written to Glo, we reached out to them we start speaking we give them a bill they raised a point and we review the bill to be fair to them, although it comes down a bit, we asking them for a payment plan but they walked way, adding that it is government money



Minister of Aviation talking with staff of Glo telecommunications company in Abuja over the nonpayment of outstanding debt

and we don't have authority to waive a dim".

He added that "None of the communication service providers has that amount overdue for payment. I think this start in 2007, is not something that starts today. This has been going on for almost 15years, we don't like shutting down things like that but we have to take this drastic action because of the financial situation and pressure from different sectors of governments like the Federal Ministry of Aviation, Fiscal Responsibility Commission, Auditor General, Accountant General and different committees in the National Assembly".

"We keep carrying this debt in our account year in and year out, we are under tremendous pressure, we need to sort this out and clean those things so that we can get them off our records. We have taken this action to get their attention so that they can come and make some payment. They made a little payment they can make an additional payment and give us a concrete payment plan and how the rest of the money can be paid. He explained.

The Minister of Aviation Sen. Hadi Sirika said he was there to give the agency moral support in its effort to recover debt from the Glo communication company.



Director-General, NCAA Captain Musa Nuhu addressing the press during the enforcement of non-payment of debt at Glo Regional Switchover office in Abuja

NCAA APPROVES FLIGHT OPERATIONS AT ANAMBRA AIRPORT

The Nigerian Civil Aviation Authority (NCAA) has given clearance to the Anambra State Government to start operations at its airport commissioned recently.

This came weeks after the Airport was inaugurated by the state government but the NCAA did not approve flight operations due to adverse security reports.

The NCAA in a letter by the Director-General, Capt. Musa Nuhu, dated December 1, 2021, entitled, 'Approval for opening Anambra International Cargo Airport', and addressed to

Governor Willie Obiano urged the state government to adhere strictly to safety, security, and COVID-19 requirements at the airport at all times.

Nuhu noted that NCAA's decision not to approve the airport for flight operations after the commissioning, was due to adverse security reports which were conveyed to the governor on October 28, vide a letter.

The NCAA DG noted that the operation shall be Visual Flight Rules (VFR) only, meaning sunrise to sunset, adding that, "whenever outstanding requirements are met, all restrictions will be removed."



■ Nigerian Civil Aviation Authority

SERVICE DELIVERY: FAAN COLLABORATES WITH PEBEC ON CAPACITY BUILDING FOR STAKEHOLDERS

As part of ongoing efforts to improve on the quality of service delivery at the nation's airports, the Federal Airports Authority of Nigeria (FAAN), in collaboration with the Enabling Business Environment Secretariat of the Presidential Enabling Business Environment Council (PEBEC) has organised a training program for leaders and frontline officers of major stakeholders at the airports.

The training program is aimed at continuous sensitization of the stakeholders and building capacity for airport personnel on the need to always give the best quality services possible to passengers and other airport users.

Delivering the welcome address, the Managing Director of FAAN, Captain Rabiul Yadudu enjoined participants to always display the highest level of discipline and professionalism in the line of duty. He added that airport officials are ambassadors of the nation, and should see and conduct themselves in like manner.

Furthermore, Captain Yadudu reminded participants that as heads of their various agencies, they are expected to take the message back to their personnel in the interest of the nation.

He noted that the Federal Government is taking seriously

issues of extortion and corruption at the nation's airports, and any official caught perpetuating any untoward act will henceforth be apprehended and sanctioned accordingly.

In her remarks, the Special Adviser to the President on Ease of Doing Business, Dr (Mrs.) Jumoke Oduwale noted that inefficiency and corruption are the banes of socio-economic development in the nation.

She charged participants to shun indiscipline, corruption and extortion, as such acts are capable of

tarnishing the image of the nation. Dr Oduwale encouraged participants to embrace ethical behaviours, personal values and pride.

The training program was attended by the Regional General Manager, MMA, Mrs Victoria Shin-Aba, the Comptroller of Immigration MMA, the Controller of Customs, MMA, the Commissioner of Police, Airport division, the Deputy Director of State Security Services, MMA, amongst other top officials at the Murtala Mohammed Airport, Lagos.



■ Managing Director of FAAN, Captain Rabiul Yadudu

NAMA CONDUCTS MOCK EXERCISE ON VOLCANIC ASH ERUPTION

The Nigerian Airspace Management Agency (NAMA) has conducted a mock exercise on Volcanic Ash Eruption for the re-certification of Nnamdi Azikiwe International Airport (NAIA), Abuja.

The exercise was in compliance with the requirements of the International Civil Aviation Organisation (ICAO).

During the exercise, emergency routings and necessary resources were put in place in case there is heavy volcanic Ash out of the route for the aircraft to follow.

The mock exercise aimed at practising how to handle volcanic eruptions and how it affects aviation. Volcanic ash eruption, if it occurs,

could cause flight delays for many weeks.

The mock exercise involved IDDO Airline flight with registration number AB-RSC crashed due to a volcanic Ash cloud at the left base of RWY 04, opposite Iddo village. The aircraft was coming from Calabar to Abuja had 13 passengers on board with three crew. Only one passenger died while the rest were rescued alive.

The critical stakeholder agencies that participated in the simulation exercise and rescue include National Hospital, FMC Jabi, FAAN Clinic, Federal Fire Service, FCT Fire Service, FAAN ARFF, FCT Police, Iddo Police, FRSC HQ, FRCN, NEMA, NSCDC, FMOH and Red

Cross.

The exercise was a huge success, however, criticism from the observers have been put into consideration to improve what was on the ground.



METEOROLOGICAL INSTITUTE MATRICULATES ITS FIRST SET OF 144 STUDENTS

Meteorological Institute of Science and Technology (MIST) in Katsina State has matriculated 144 students as the first set of intakes for the diploma course run by the institution

In his remarks, the Hon. Minister of Aviation, Sen. Hadi Sirika said that the matriculation of 114 students of the institution was very crucial in the task to combat climate change impact, and urged the students to be focused and work hard to live up to the expectation of being part of the future pool of competent experts in meteorology and climate science that would not only sustain the current momentum but to also assist in building resilient communities for climate change and its variabilities.

"the severe thunderstorms with attendant wind shear frequently ravaging the airspace as well as temperature fluctuations necessitated capacity building to develop resilience and adaptable requisite knowledge" he added.

He said, "It is important I inform this gathering that the school is currently working with the National Board for Technical Education (NBTE) to secure approval for the commencement of Higher National Diploma (HND) programmes before



■ Hon. Minister of Aviation, Sen. Hadi Sirika flanked by DG Nimet, Prof. Mansur Bako Matazu and representative of the Katsina state Governor, Special Adviser on higher education, Bashir Ruwan Godiya at the matriculation of 144 students as the first set of intakes for the diploma course run by the Meteorological institution, Katsina state

the graduation of our matriculating students."

He commended Governor Aminu Bello Masari for allowing a laudable partnership in establishing the institute and requested for the state government's consideration for additional space behind the MIST facility to build students' accommodation.

While congratulating the students,

Governor Aminu Bello Masari, who was represented by his special adviser on higher education, Bashir Ruwan Godiya, warned the school to shun all forms of social vices and commit themselves to studies to build a solid system for science and technology in the state.

Also speaking at the event, the

contd. in pg 6

...METEOROLOGICAL INSTITUTE MATRICULATES ITS FIRST SET OF 144 STUDENTS

contd. from pg 5

Director-General of the Nigerian Meteorological Agency (Nimet), Professor Mansur Bako Matazu, also appreciated the efforts of the Executive Governor of Katsina State and the Honourable Minister of Aviation towards the realization of the institute, adding that Meteorology is a specialized discipline that requires the utmost attention of its students and therefore promised to ensure that, the institute churns out the best Meteorologists that can compete favourably with their counterparts everywhere around the world. Earlier, the Registrar of the institute, Dr Bishir Gambo, said a total of 114 students were being matriculated as the first set of intakes for the diploma course run by the institution.

He said the institute which was established in 2019 will continue to expand its curriculum, infrastructure, and academic programs to meet up with contemporary demands for capacity building in the meteorological and climate services sector.



■ Cross-section of the matriculated student during a procession

Frequently Asked Questions (FAQs) About Airport Concession

1. Why concession these airports?

The delivery of this project helps Nigeria achieve its objective in terms of air transport value chain growth by developing and profitably managing customer-centric airport facilities for safe, secure and efficient carriage of passengers and goods at world-class standards.

Nigeria is Africa's largest economy and most populous nation, with a broad range of investment and tourism opportunities. Investing in and continuously developing the asset up for concession is key to unlocking these opportunities. Our airports have huge potential, but they are currently operating at a suboptimal level due to a myriad of factors that will be addressed through their concession.

2. Why are you not concessioning all the airports?

Infrastructure concessions are very complex and sensitive programmes. They often requiring years of planning and preparation to secure the requisite inputs and approvals from the relevant regulatory bodies. We are starting with the most strategic assets because successful delivery of this concession programme will give all stakeholders the confidence required to consider

other possibilities in the sector.

3. What parts or sections of the 'airport' are to be concessioned?

The concession applies to the non-aeronautic assets of the airports located in the Passenger and Cargo terminals. They are thus comprised of the assets from the entry door of the airport to the point of embarking a plane, and from deplaning to the exit doors. This space commonly referred to as the Passenger terminal is comprised of retail spaces, waiting and seating areas, airport and airline lounges, baggage collection, check-in counters as well as administrative offices. The Cargo terminals are comprised of the facilities between the point of entry and up to loading and offloading points, including administrative offices within said facilities.

4. Are you selling the airports?

No, there shall be no change in the ownership structure of the airports involved in this programme. What has been mandated by the Federal Executive Council is a Concession programme. A concession is governed by a concession agreement whereby two parties – A private sector investor and a Public sector owner of an asset enter

into an agreement that gives the Private sector investor the right to operate said asset for a specific business and within the Governments jurisdiction, subject to certain terms that are agreed upon by both parties during the negotiation and contracting phase. It is thus a form of Public-Private Partnership whereby there is no transfer of equity between the contracting parties.

5. Is there a conflict between this concession programme and the terms of the EXIM Bank loan agreement entered into between the FG and the Peoples Republic of China which has seen CCECC build new passenger terminals in Lagos, Abuja, Kano, Port Harcourt and Enugu Airport?

There is no conflict. China Civil Engineering Construction Corporation (CCECC) was contracted to deliver a number of infrastructure projects throughout Nigeria in 2013. The Passenger Terminal development works are a small part of this, and the Federal Government has every intention to service its obligation.

6. Why are you concessioning as opposed to selling or fully privatising these facilities?

The Passenger and Cargo terminals of each airport, although separated for the purpose of the concession programme, are within the various federal airport complexes and as such, are of tremendous national importance from an economic and security perspective. We believe it remains in Nigeria's best interest to maintain ownership for this reason. Furthermore, as is often the case with large, multifaceted infrastructure developments, the scale of investment required to build the airport complexes envisaged in the aviation sector roadmap will require the support of the Sovereign Wealth Fund in a way that an outright privatisation will not allow at this time.

7. Why concession only the passenger terminals?

We are not. The cargo terminals for all the four (4) airports will also be part of the programme.

8. Who are the ideal concessionaires/ partners?

We are looking for partners who have the financial, technical and operational capabilities to manage these assets profitably and responsibly.

9. How will you select the successful bidders?

The Infrastructure Concession Regulatory Commission (ICRC) – the institution that oversees all concession and Public-Private-Partnerships in Nigeria has clearly laid out processes governing a transaction like this. The Transaction Advisors – a coalition of independent and reputable organisation have been mandated by the Ministry of Aviation (having received approval from the Bureau of Public Procurement for their appointment) to drive this process transparently, ensuring that regulations laid out by the ICRC are followed whilst also ensuring that Nigeria gets the best partner(s) and deal

possible given the unique attributes of the assets to be concessioned.

10. When will the public procurement process go live?

We now have OBC Certificates of Compliance from the Infrastructure Concession Regulatory Commission. We are currently finalizing the documents required for the procurement phase, after which we will commence the next stage of the process, i.e. publishing a Request for Qualifications (RFQ) – a critical phase of the public procurement process. The RFQ will give interested parties, local and international, ample time to prepare their submissions. Once the deadline for submission has been crossed, we will then begin the pre-qualification process. Only Pre-qualified parties will be invited to respond to a Request for Proposal (RFP), which will also be published as per ICRC guidelines and general best practice in Public Procurement.

11. Will you invite foreign firms to participate?

We are looking for partners who have the financial, technical and operational capabilities to manage these assets profitably and responsibly. We envisage a competitive process and as such we will be advertising broadly. All qualified companies or consortiums shall be allowed to submit proof of relevant qualifications once we have published a request for qualifications (RFQ).

12. What is the tenure of the concession?

Infrastructure concessions of this nature come with a significant financial obligation which any responsible concessionaire will no doubt be keen to recoup. To this end we envisage a minimum of twenty (20) to thirty (30) years for the programme, which may be extended depending on performance and Nigeria's best interests. That said – the duration is not set in stone and will be subject to negotiation and then final approval by the Federal Executive Council.

13. How might issues related to the MM2 concession affect this process?

These are two entirely independent concession programmes and as such we are not at liberty to comment or join issues. We do however hope that all stakeholders appreciate that the concession programme we are focused on right now operates in an environment of enhanced Governance with enabling structures and processes. At the time the MM2 Concession programme was initiated on there was no ICRC. We are now operating in a much more evolved and mature environment as regards governance related to infrastructure concession programmes.

14. How much does the FG intend to generate through this process?

A typical airport concession transaction might rely on a deal structure comprised of an investment commitment by the concessionaire for a minimum duration, an annual concession fee and a share of net operating income.

These are prized aviation assets and as such we expect to generate a significant amount of direct investment in what we intend to be an equitable deal for all parties. That said, the initial or short-term objective is to deliver significant cost savings to the Federal Government. FAAN will no longer be solely responsible for maintenance, investments and day to day management into these airports.

15. Is this concession programme legal?

The concession programme, its stakeholders and the Transaction advisors appointed to deliver it have followed all relevant laws and procedures. The Infrastructure Concession Regulatory Commission (ICRC) – the institution that regulates all infrastructure concession programmes and Public-Private-Partnerships in Nigeria has clearly laid out processes governing a transaction like this. The Transaction Advisors – a coalition of independent and reputable organisation have been mandated by the Ministry of Aviation (having received approval from the Bureau of Public Procurement for their appointment) to drive this process transparently, ensuring that procedures prescribed out by the ICRC are followed to the letter. The Ministry of Aviation has also supported the process by consulting widely with all stakeholders, paying particular attention to organised labour who are a critical stakeholder group and very much supportive of this process.

16. Can the Ministry of Aviation / FAAN procure PPPs directly?

In Nigeria, all Federal Government Ministries, Departments and Agencies (MDAs) as well as State Governments can legally procure PPP projects.

17. Has the National Council on Privatisation (NCP) approved this programme? OR Is there overlapping jurisdiction with BPE?

The National Council on Privatisation, which is chaired by His Excellency, Vice-President Yemi Osinbajo, is a policymaking and advisory council enabled by the Public Enterprise (Privatisation and Commercialisation) Act of 1999. It operates through a secretariat - the Bureau of Public Enterprise (BPE). BPE's function is thus to implement the NCP's policies on privatisation and commercialisation. This programme is a concession programme that follows the principles of Public-Private-Partnerships (PPP). This model will see concessionaires sign contracts for the management, development, operation and maintenance of these airports with the Federal Government of Nigeria. There will be no change in the ownership structure of the assets to be concessioned.

ICRC and BPE share information and collaborate regularly (The Director-General, ICRC, is a member of the NCP's Technical Committee). Infrastructure concession programmes are complex transactions involving several stakeholders. In this particular case there is no overlapping jurisdiction with the BPE. The BPE

implements the privatisation and commercialisation policies of the National Council on Privatisation. This is not a privatisation project because we are not transferring any ownership of equity in these airports. The mandate is to deliver private sector participation in the management, development, operation and maintenance of the Passenger and Cargo terminals of airports that will remain under the ownership and overall management of the Federal Airports Authority of Nigeria. The Infrastructure Concession Regulatory Commission (ICRC) Act 2005 is the Act of law governing Public-Private-Partnerships involving infrastructure in Nigeria. The ICRC's enabling act permits Government Ministries, Departments and Agencies, under the guidance of the ICRC, to engage private sector organisations for the development, financing and operation of infrastructure assets. This Act, being a more recent and specific law created especially for the purpose of regulating infrastructure concessions, supersedes the Public Enterprise (Privatisation and Commercialisation) Act of 1999.

18. What potential issues do you foresee based on the FAAN Act 2004, provisions of the Act No. 52 of 1999 (Amended) and Decree No.9 of 1996?

There are no limitations placed on the intended outcomes of this concession process vis-à-vis the FAAN Act 2004 and subsequent amendments.

19. Are there any plans to amend FAAN's enabling legislation to unbundle the organisation as has been proposed by some lawmakers?

We are aware of some proposals to this effect that consider unbundling FAAN with a view to repositioning it as an asset manager. We are unable to comment further at this stage.

20. Have there been broad-based stakeholder consultations?

The Ministry has from the very start worked in partnership with all relevant stakeholders within and outside of government. ICRC's process allows the Ministry some discretion as regards participation of external stakeholders and this was exercised at the Honourable Ministers request when he invited organised labour to participate in the Project Delivery Team. The decision to bring Labour into the Project Delivery Team came about as a result of a deep appreciation of role Labour has to play in delivering the best possible outcome for the Nation. The Ministry continues to engage proactively with all relevant stakeholders in spite of the challenges caused by the ongoing COVID-19 global pandemic.

21. Is the FMA handling the process?

The process is driven by the Transaction advisor who are comprised of independent and reputable private sector companies appointed by the Ministry of Aviation, having gone through a rigorous process as laid out by the Bureau

of Public Procurement (BPP). The Transaction advisor has been mandated to manage the technical aspects of the process – working with key stakeholders such as ICRC, FAAN and the Ministry of Aviation to design and deliver the concession programme. The Transaction advisor will continue to work independently with oversight from the Ministry of Aviation and ICRC. Their recommendations will then be submitted to ICRC and the Ministry of Aviation before being forwarded for review and final approval by the Federal Executive Council.

22. What role will FEC, ICRC, BPP and the Presidency play in this process?

FEC – The Federal Executive Council is the final approving body for this programme.

ICRC – The ICRC regulates all infrastructure concessions and public-private-partnerships involving infrastructure in Nigeria and as such has oversight of this process in partnership with the Ministry of Aviation.

BPP – The Bureau of Public Procurement has no role to play at this point having concluded its role by having oversight of the public procurement process that led to the appointment of the Transaction advisor.

BPE – The Bureau of Public Enterprise has no role to play in this process as there will be no change in the ownership structure of the assets involved in this concession programme.

The Presidency – President Muhammadu Buhari (GCFR) chairs the Federal Executive Council.

National Council on Privatisation – The NCP implements its policies through the BPE, which has no role to play in this process as this is a Concession / Public-Private-Partnership and not Privatisation. There will be no change in the ownership structure of these assets.

23. Will preference be given to indigenous investors?

We are focused on driving a transparent and competitive process that will deliver the very best long-term partner(s) and outcomes for Nigeria. There are not many companies with the qualifications, experience and financial resources required to run assets like the ones up for concession so whilst we do expect Nigerian companies, or consortiums comprised of groups of Nigerian investors, we expect the process to receive significant attention from the international community, perhaps in partnership with qualified and capable local companies and investors.

24. What role will FAAN play once the assets are handed over to Private sector management?

The Federal Airport Authority of Nigeria (FAAN) remains responsible for overseeing the management of Nigeria's airports. FAAN will continue to play this role broadly.

25. Will the FG continue to invest in these airports?

The concessionaires will be responsible for the day-to-

day management of the airport passenger and cargo terminals. The FGN, as the owner and partner to the concessionaires will make strategic investments in these assets alongside others from the private sector and development finance sector. Any investment contributions made by the FGN will be based on robust medium to long-term investment and expenditure plans to be developed by the concessionaires with oversight from the Ministry of Aviation.

26. Will the airports be concessioned to one or several private sector partners?

We envisage a competitive process and our focus is on partnering with the right organisation(s).

27. Will this process affect incumbent operators and tenants within the affected facilities?

All tenants within the assets subject to the concession have entered into legal agreements with FAAN. FAAN will ensure that it respects and acts within the rules articulated in agreements with tenants and operators within the assets.

28. What are the implications of this process for national security?

There are no national security implications. The Federal Airports Authority, Nigerian Civil Aviation Authority, Nigerian Aerospace Management Agency and all other public authorities tasked with collaborating with the Nations security apparatus will continue to perform their duties in close collaboration with the concessionaires. All relevant agencies have been carried along including the National Security Advisor.

29. Why has the FMA decided to maintain direct control and management of the aeronautical assets of the airports?

At this time, we feel it is best to focus on the non-aeronautical assets of the airports.

30. What are the timelines for completion of this process?

From the date of publication of the Request for Qualifications (RFQ) we envisage 6 – 8 months to transaction close.

31. Will the Government bundle Tier 2 airports into this deal at any stage?

ICRC has issued OBC Certificates of Compliance for four (4) assets only. These airports are Murtala Mohammed International Airport - Lagos, Nnamdi Azikiwe Airport – Abuja (International & Domestic), Port Harcourt Airport (International & Domestic) and Mallam Aminu Kano Airport (International & Domestic). Our scope is thus limited to these specific airports.

32. What is the current status of the dispute involving Bi-Courtney?

This programme is exclusively focused on the concession effort at hand. If you have specific questions about this particular concession programme we would be happy to answer them.

33. Does the FG intend to dissolve FAAN?

No, the FAAN will continue to play its role as statutorily required. Any material changes to FAAN will need to come via an act of law.

34. Who are the transaction advisors for this programme?

The Transaction advisors (TAs) is comprised of a team of seasoned executives put forward by Dentons (a multinational law firm with global operations), Infrata (a global infrastructure investment advisory firm), Proserve Energy and Infrastructure Consulting Services (an indigenous advisory firm focusing on energy and infrastructure projects), Templars (a leading law firm headquartered in Nigeria) and Rebel Group (a global leader in infrastructure, transportation and mobility advisory services).

35. How were the transaction advisors recruited?

The Transaction advisors, comprised of independent and reputable private sector companies, were appointed by the Ministry of Aviation, having gone through a rigorous process as laid out by the Bureau of Public Procurement (BPP). BPP's laid down process for good governance in public procurement is available on their website.

36. Do the transaction advisors have the requisite experience to drive this programme?

All members of the Transaction advisory team have a proven track record of delivering positive outcomes in complex infrastructure projects. Their credentials were rigorously interrogated by the Ministry of Aviation, BPP, ICRC and the FEC. The international partners who form a core part of the team have deep aviation sector experience spanning several countries.

37. Why is FMA working with foreign transaction advisors?

The international partners who form a core part of the transaction advisory team have deep aviation sector experience spanning several countries. Their vast network of relationships is comprised of some of the most credible investors and operators of major infrastructure assets, which includes airports, anywhere in the world.

38. Have there been expressions of interest prior to the formal launch of this process?

There has always been some level of interest in these assets.

39. How does the FMA aim to demonstrate transparency and good governance?

The FMA has thus far demonstrated that it places great emphasis in transparency and good governance. FMA widely publicised its intention to seek approval to concession these airports as far back as 2017. It also went through BPP's rigorous public procurement process which culminated in the appointment of the Transaction advisors. FMA's intention to deliver the most transparent infrastructure concession programme to date is also evidenced by the extensive stakeholder engagement carried out prior to making its OBC submission to ICRC. FMA also publicised the issuance and handover of the OBC Compliance Certificates to the Ministry by the ICRC. FMA is briefing you right now and will continue to brief you as we approach and achieve key milestones. We invite you to visit www.faan.gov.ng for regular updates.

40. How much does the FG think it can generate through this process?

We expect to generate significant cost savings and operating income over the period of the concession. Airports continue to be prized assets in the global logistics sector which is projected to grow.

41. Will the Central Bank give these new investors assurances for capital importation and repatriation?

The Federal Government of Nigeria will work closely with the successful bidders to ensure that they have access to whatever resources and support required to successfully run these assets on behalf of Nigeria.

42. Where can we go to find up to date information on this programme?

We invite you to visit www.faan.gov.ng for regular updates.

43. What is the prescribed process for Infrastructure concessions in Nigeria?

Each sector will have its own peculiarities; however, the broad process is as follows:

There are 4 phases: Project Identification, Project Development and Preparation, Procurement and Implementation.

I. PPP Project Identification

- i. ICRC receives a concept note from a government Ministry, Department or Agency (MDA)
- ii. If approved, a Steering Committee, Project Delivery Team and PPP Project officer are set up
- iii. The project is put into the pipeline for approval for the Federal Executive Council (FEC)

II. PPP Project Development and Preparation

- i. Initiating organization approaches BPP, begins the process of recruiting Transaction Advisers through a public procurement process regulated by BPP
- ii. Transaction advisors approved and receive their mandate
- iii. Outline Business Case (OBC) is drafted
- iv. ICRC reviews the OBC and issues a certificate of

- compliance
v. Ministry of Finance assesses risk and liabilities

III. PPP Procurement

- i. Publishing a Request for Qualifications (RFQ)
- ii. Pre-qualification
- iii. Tendering process - Request for Proposal (RFP) and Bid submission
- iv. Bid evaluation and recommendations
- v. Negotiate concession agreements and other documentation
- vi. The submission of the Full Business Case (FBC) to the ICRC and issuance of the certificate

- vii. Full Business Case certificate presented to the FEC for approval
- viii. Signing of the PPP Contract

IV. PPP Implementation

- i. Financial Close is achieved and work begins with regular inspections of the project by the ICRC and MDA in accordance to law.

James Odaudu

Director, Public Affairs, Ministry of Aviation
jamesaduku@gmail.com



MINISTRY OF AVIATION ENSURING BETTER FLYING ENVIRONMENT





MINISTRY OF AVIATION



Aviationnews

All correspondence should be addressed to:

Public Affairs Division,
Ministry of Aviation,
Federal Secretariat Phase I,
Shehu Shagari Way,
Central Business District,
FCT - Abuja

 @FMAVIATIONNG
 FMAVIATIONNG
 FMAVIATIONNG
 info@aviation.gov.ng
 www.aviation.gov.ng