



**ADAMAWA STATE GOVERNMENT
PROJECT FACILITATION FUND (PFF)**

BUSINESS AND FINANCIAL PLAN

DECEMBER, 2025

CONTENTS

1. STRATEGIC OVERVIEW	1
1.1 BACKGROUND AND RATIONALE FOR ESTABLISHING THE PFF	1
1.2 MISSION, VISION, AND STRATEGIC OBJECTIVES.....	1
1.3 EXPECTED OUTCOMES AND DEVELOPMENT IMPACT	2
1.4 STRATEGIC VALUE PROPOSITION AND ALIGNMENT WITH GOVERNMENT PRIORITIES	2
2. PIPELINE ALIGNMENT AND MARKET POSITIONING	3
2.1 LINKAGE WITH THE STATE PPP PIPELINE AND PRIORITY INVESTMENTS.....	3
2.2 ROLE OF THE FUND IN TRANSACTION DEVELOPMENT AND DELIVERY	4
2.3 ANTICIPATED VALUE-ADD AND CONTRIBUTION TO BANKABLE PROJECTS	4
3. INSTITUTIONAL AND GOVERNANCE FRAMEWORK.....	6
3.1 HOST INSTITUTION AND REPORTING STRUCTURE.....	6
3.2 GOVERNANCE ORGANS AND MANAGEMENT ROLES.....	6
3.3 ORGANIZATIONAL STRUCTURE AND STAFFING REQUIREMENTS	7
3.4 DELEGATION OF AUTHORITY AND DECISION-MAKING PROCESSES	8
4. FINANCIAL PLAN.....	9
4.1 FUND SIZE, CAPITALISATION, AND DURATION	9
4.2 FUNDING WINDOWS STRUCTURE, PURPOSE, AND ALLOCATION CRITERIA.....	9
4.4 FUND FLOW MAPPING AND DISBURSEMENT PROTOCOLS	10
4.5 FUNDING SOURCES (INTERNAL AND EXTERNAL)	11
4.6 LEVERAGE AND CO-FINANCING STRATEGY	11
4.7 TERMS OF SUPPORT (GRANTS, VIABILITY GAP SUPPORT, CONTINGENT LIABILITIES ETC.).....	12
4.8 FUNDING AND EXPENDITURE PLANS.....	12
4.9 MEDIUM-TERM FINANCIAL PROJECTIONS (BY SOURCE, WINDOW, AND USE OF FUNDS)	13
4.10 FUND SUSTAINABILITY STRATEGY	13
4.11 PROCEDURES FOR FINANCIAL PLAN APPROVAL AND REVISION.....	13
5. IMPLEMENTATION ROADMAP	15
5.1 OPERATIONALISATION TIMELINE AND MILESTONES	15
5.2 STAFFING PLAN, RECRUITMENT, AND CAPACITY REQUIREMENTS	16
5.3 ENGAGEMENT OF EXTERNAL ADVISORS, FUND MANAGERS, OR TRANSACTION EXPERTS.....	16
5.4 COORDINATION STRATEGY WITH MDAS, INVESTORS, AND DEVELOPMENT PARTNERS	17
6. RISK MANAGEMENT PLAN	18
6.1 RISK IDENTIFICATION AND CATEGORISATION	18
6.2 RISK MATRIX WITH LIKELIHOOD, IMPACT, AND MITIGATION MEASURES	18
6.3 OVERSIGHT AND COMPLIANCE MECHANISMS.....	20

7. MONITORING, EVALUATION, AND REPORTING FRAMEWORK	21
7.1 KPIS INPUTS, OUTPUTS, OUTCOMES, AND IMPACT METRICS	21
7.2 MEDIUM-TERM M&E PLAN	22
7.3 REPORTING CHANNELS, DISCLOSURE, AND TRANSPARENCY PROTOCOLS	22
7.4 FEEDBACK MECHANISMS FOR CONTINUOUS IMPROVEMENT	23
8. PIPELINE DEVELOPMENT AND ORIGINATION STRATEGY	24
8.1 PROJECT SCREENING AND PRIORITISATION CRITERIA	24
FLAGSHIP PROJECT DESIGNATION: THE MAYO BELWA MEAT PROCESSING PLANT	25
8.2 EARLY-STAGE PROJECT DEVELOPMENT AND READINESS ASSESSMENT	25
8.3 ENSURING A STEADY FLOW OF COMMERCIALY VIABLE TRANSACTIONS	26
9. CAPACITY DEVELOPMENT STRATEGY	27
9.1 CAPACITY-BUILDING PROGRAMS FOR MDAS	27
9.2 TECHNICAL SUPPORT FOR PROJECT PREPARATION AND MANAGEMENT	27
9.3 STRENGTHENING SYSTEMS, STANDARDS, AND OPERATIONAL EFFICIENCY	28
10. COMMUNICATIONS, VISIBILITY, AND STAKEHOLDER ENGAGEMENT PLAN	29
10.1 BRAND POSITIONING AND AWARENESS CREATION	29
10.2 INVESTOR AND MARKET ENGAGEMENT STRATEGY	29
10.3 TRANSPARENCY, PUBLIC COMMUNICATIONS, AND ACCOUNTABILITY APPROACH	30

LIST OF TABLES

Table 1.1: Rationale for PFF Establishment - - - - -	1
Table 1.2: Expected Outcomes of the PFF - - - - -	2
Table 2.1: Adamawa State Priority PPP Project Pipeline and PFF Alignment - - - - -	3
Table 2.2: PFF Intervention Matrix Across Project Lifecycle - - - - -	4
Table 3.1: Provisional PFF Reporting Structure - - - - -	6
Table 3.2: Key Governance Roles and Responsibilities - - - - -	7
Table 3.3: Delegation of Authority Matrix - - - - -	8
Table 4.1: Structural Composition and Functional Mandates of PFF Funding Windows - - - - -	9
Table 4.2: Strategic Matrix of PFF Funding Sources - - - - -	11
Table 4.3: Detailed Terms and Conditions for PFF Financial Support Instruments - - - - -	12
Table 4.4: Illustrative Five-Year Financial Deployment Plan (Amounts in NGN 'Million') - - - - -	12
Table 5.1: PFF Operationalisation Timeline and Key Deliverables - - - - -	15
Table 5.2: PFF Secretariat Staffing Structure and Competency Requirements - - - - -	16
Table 6.1: PFF Comprehensive Risk Assessment and Mitigation Matrix - - - - -	19
Table 7.1: PFF Comprehensive Results Framework and Key Performance Indicators - - - - -	21
Table 7.2: Medium-Term M&E Activity Schedule (2025-2028) - - - - -	22
Table 7.3: Structured Feedback Mechanisms for Learning and Adaptation - - - - -	23
Table 8.1: Project Prioritisation and Scoring Framework - - - - -	24
Table 8.2: PRD Diagnostic Verticals and Corresponding Support Interventions - - - - -	25
Table 9.1: Tiered Capacity-Building Framework for MDAs - - - - -	27
Table 9.2: Technical Support Domains and Knowledge Transfer Objectives - - - - -	28
Table 10.1: Investor Engagement Pathway for a Priority Project - - - - -	30

LIST OF FIGURES

Figure 2.1: PFF Pipeline Development Pathway	-	-	-	-	-	-	-	-	3
Figure 2.2: The PFF Value Chain - From Pipeline to Prosperity	-	-	-	-	-	-	-	-	5
Figure 3.1: Proposed PFF Organizational Structure	-	-	-	-	-	-	-	-	7
Figure 4.1: Interrelation of Funding Windows with Project Maturation Stages	-	-	-	-	-	-	-	-	10
Figure 4.2: Projected Transformation of PFF Capital Composition and Deployment Focus	-	-	-	-	-	-	-	-	13
Figure 5.1: Phased Implementation Pathway	-	-	-	-	-	-	-	-	15

LIST OF ACRONYMS / ABBREVIATIONS

ADIPA	Adamawa State Investment Promotion Agency
BRT	Bus Rapid Transit
CA	Contracting Authority
CAPEX	Capital Expenditure
CBN	Central Bank of Nigeria
CSO	Civil Society Organization
DFI	Development Finance Institution
DLI	Disbursement Linked Indicator
ESG	Environmental, Social, and Governance
ESIA	Environmental and Social Impact Assessment
EXCO	State Executive Council
FBC	Full Business Case
FCCL	Fiscal Commitments and Contingent Liabilities
FIRR	Financial Internal Rate of Return
FY	Financial Year
GDP	Gross Domestic Product
IGR	Internally Generated Revenue
IRR	Internal Rate of Return
KPI	Key Performance Indicator
LGA	Local Government Area
M&E	Monitoring and Evaluation
MDA	Ministry, Department, or Agency
MDB	Multilateral Development Bank
NGN	Nigerian Naira (₦)
OAF	Officer Administering the Fund
OBC	Outline Business Case
P&BC	Planning & Budget Commission
PDB	Project Development Blueprint
PDP	Project Development Plan
PPF	Project Facilitation Fund
PFS	Pre-Feasibility Study
PHC	Primary Healthcare Centre
PPIAF	Public-Private Infrastructure Advisory Facility
PPP	Public-Private Partnership
PPP&PC	PPP & Privatization Committee
PRA	Project Readiness Assessment
RFQ	Request for Qualification
SABER	State Action on Business Enabling Reforms (Programme)
SDP	State Development Plan
SPV	Special Purpose Vehicle
UKNIAF	United Kingdom Nigeria Infrastructure Advisory Facility
USD	United States Dollar (\$)
VfM	Value for Money
VGf	Viability Gap Funding
VTP	Vehicle Transit Park

1. STRATEGIC OVERVIEW

1.1 BACKGROUND AND RATIONALE FOR ESTABLISHING THE PFF

The Adamawa State Government has identified a critical gap in its capacity to prepare and advance investment-ready projects. Historically, the absence of a dedicated, structured, and financially segregated project preparation mechanism has hindered the state's ability to attract private capital and execute high-impact development initiatives. This deficiency has constrained economic diversification, slowed infrastructure development, and limited job creation.

In response, and in alignment with the national State Action on Business Enabling Reform (SABER) Programme supported by the World Bank, the Adamawa State Government is establishing the Project Facilitation Fund (PFF). The PFF will serve as a dedicated financial vehicle designed to fund early-stage project development activities, thereby de-risking investments and enhancing the bankability of priority projects. The Fund's creation is also a strategic step toward achieving Disbursement Linked Indicator 3 (DLI 3) under SABER, which emphasises the strengthening of state-level investment promotion and project preparation frameworks.

Table 1.1: Rationale for PFF Establishment

CHALLENGE IDENTIFIED	PROPOSED PFF SOLUTION
Lack of dedicated funding for project preparation	Provides earmarked financing for feasibility studies, business cases, and technical designs
Fragmented project development processes	Centralises coordination under the Adamawa State Investment Promotion Agency (ADIPA)
Weak pipeline of investment-ready projects	Systematically identifies, formulates, and appraises priority projects
Low private sector participation in infrastructure	Enhances project bankability and reduces investor risk through preparatory funding
Misalignment with SABER Programme objectives	Ensures compliance with DLI 3 requirements and access to performance-based financing

1.2 MISSION, VISION, AND STRATEGIC OBJECTIVES

Mission:

To catalyse sustainable economic growth in Adamawa State by financing the preparation and facilitation of bankable, priority projects that attract private investment and foster public-private collaboration.

Vision:

To position Adamawa State as a premier investment destination in Nigeria, recognised for its robust project pipeline, transparent processes, and enabling business environment.

Strategic Objectives:

- Project Development Financing:** To allocate resources for preliminary project activities, including feasibility analyses, technical studies, environmental impact assessments, and transaction advisory services.
- Pipeline Cultivation:** To support ADIPA in building and maintaining a continuous portfolio of viable, investment-ready projects aligned with the state's economic master plan.
- Investment Climate Enhancement:** To fund initiatives that improve the ease of doing business, modernise regulatory frameworks, and provide investor aftercare services.
- Sectoral Focus:** To prioritise projects within key growth sectors such as agribusiness, sustainable energy, tourism infrastructure, digital services, and light manufacturing.
- Compliance and Reporting:** To ensure adherence to SABER benchmarks, including the commitment to allocate no less than 3% of the state's projected capital expenditure for project preparation in the chosen financial year.

1.3 EXPECTED OUTCOMES AND DEVELOPMENT IMPACT

The operationalisation of the PFF is projected to yield measurable economic and developmental benefits for Adamawa State:

Table 1.2: Expected Outcomes of the PFF

OUTCOME AREA	KEY INDICATORS
Enhanced Investment Pipeline	Increase in number of bankable projects by 40% within 3 years
Private Capital Mobilisation	Attraction of minimum USD 50 million in private investment commitments by 2026
Job Creation	Generation of both direct and indirect employment across priority sectors
Improved Ease of Doing Business	Higher ranking in subnational business climate assessments
Institutional Strengthening	Enhanced capacity of ADIPA and MDAs in PPP project preparation and management
Fiscal Efficiency	Reduction in project failure rates and increased return on public preparatory expenditure

1.4 STRATEGIC VALUE PROPOSITION AND ALIGNMENT WITH GOVERNMENT PRIORITIES

The PFF offers a multifaceted value proposition to the Adamawa State Government, private investors, and development partners:

- For the State Government:** The PFF transforms the project preparation model from ad-hoc, underfunded initiatives to a structured, predictable, and professionally managed process. It ensures that public resources are allocated efficiently to projects with the highest developmental and financial returns.
- For Private Investors:** The Fund reduces entry barriers and due diligence costs by delivering standardised, well-prepared project dossiers. It signals the state’s commitment to credible project development and provides a clear gateway for engagement.
- For Development Partners:** The PFF offers a verifiable, transparent, and accountable mechanism for channeling technical and financial assistance, ensuring alignment with both state priorities and international best practices.

Alignment with Government Priorities:

The PFF is intrinsically linked to the core pillars of the Adamawa State Development Plan, which emphasises economic diversification, infrastructure modernization, and private sector-led growth. By focusing on sectors such as agribusiness, renewable energy, and tourism, the Fund directly contributes to the state’s strategic goals of food security, energy access, and sustainable tourism development. Furthermore, its governance under ADIPA ensures coherence with the state’s overarching investment promotion strategy.

Table 1.3: PFF Alignment with Adamawa State Strategic Pillars

STATE STRATEGIC PILLAR	PFF CONTRIBUTION	EXAMPLE PROJECT TYPES
Agricultural Transformation	Funds agri-processing and storage infrastructure projects	Grains aggregation centres, irrigation schemes
Energy Security and Access	Supports renewable energy and off-grid power solutions	Solar mini-grids for rural communities
Tourism and Cultural Development	Finances feasibility studies for eco-tourism and heritage sites	Hotel and conference facilities, park developments
Digital Economy Advancement	Prepares ICT infrastructure and e-governance projects	Technology parks, broadband expansion
Industrialisation and SME Growth	Facilitates light industrial zone development	Agro-allied industrial clusters

2. PIPELINE ALIGNMENT AND MARKET POSITIONING

2.1 LINKAGE WITH THE STATE PPP PIPELINE AND PRIORITY INVESTMENTS

The Adamawa State Project Facilitation Fund (PFF) is explicitly designed to serve as the primary financial engine for progressing the state’s identified Public-Private Partnership (PPP) project portfolio. The existing project pipeline, as catalogued by relevant Ministries, Departments, and Agencies (MDAs), provides a foundational portfolio of strategic initiatives requiring structured development to achieve bankability and market readiness.

The PFF will establish a formal, systematic linkage with this pipeline through a Project Intake and Prioritisation Framework. This framework will ensure that Fund resources are directed toward initiatives with the highest potential for developmental impact, financial viability, and alignment with the Adamawa State Development Plan. The current pipeline, as illustrated below, spans critical sectors including livestock, hospitality, transportation, tourism, and industrial development, representing a total indicative project value exceeding USD 77 million.

Table 2.1: Adamawa State Priority PPP Project Pipeline and PFF Alignment

SN	PROJECT TITLE	SECTOR	CURRENT STATUS	PROJECT VALUE (USD)	PFF'S PROPOSED ROLE AND SUPPORT WINDOW
1	Meat Processing Plant (Mayo Belwa)	Livestock	Implementation	\$52M	Window 3 (VGF): Potential completion financing or operational grant support to enhance viability.
2	Meat Processing Plant (Yola South)	Livestock	Planning	\$6M	Window 1: Finance detailed feasibility study, environmental impact assessment, and transaction structuring.
3	Yola International Hotel	Hospitality	Planning	\$6.5M	Window 1: Fund market analysis, financial modelling, and procurement advisory for a concession model.
4	Vehicle Transit Park	Transportation	Planning	\$3.9M	Window 1: Support site master planning, traffic studies, and commercial feasibility analysis.
5	Yola Amusement Park	Tourism	Planning	\$2M	Window 1: Finance architectural redesign, business case development, and investor packaging.
6	Free Trade Zone/Industrial Hub	Trade/Industry	Planning	\$6.5M	Window 1: Fund comprehensive feasibility study, regulatory analysis, and strategic investor outreach.

Figure 2.1: PFF Pipeline Development Pathway



2.2 ROLE OF THE FUND IN TRANSACTION DEVELOPMENT AND DELIVERY

The PFF is not merely a source of financing; it is an active facilitator and de-risking instrument throughout the transaction development lifecycle. Its role is multifaceted, intervening at precise stages to overcome common bottlenecks that cause project delays or failure.

1. **Pre-Feasibility and Conceptualisation Stage:** For projects in the "Planning" phase, the PFF, through Support Window 1, will finance critical upfront activities. This includes, but is not limited to, comprehensive feasibility studies, preliminary technical designs, market demand analysis, and initial financial modelling. This transforms a project concept into a structured investment proposition.
2. **Transaction Structuring and Documentation Stage:** The Fund will enable Contracting Authorities (CAs) to engage specialised legal, financial, and technical transaction advisors. This ensures that project agreements, risk allocation matrices, and procurement documents are crafted to international standards, protecting the state's interests while offering a fair and attractive proposition to the private sector.
3. **Financial Structuring and Viability Gap Support:** For projects that are socially desirable and strategically important but not fully commercially viable on a standalone basis, Support Window 3 will provide Viability Gap Funding (VGF). This may take the form of conditional grants, subordinated loans, or minority equity participation to improve the project's financial internal rate of return and attract senior debt from commercial lenders.
4. **Contingent Liability Backstopping:** Support Window 4 will provide a crucial safety net by offering liquidity support for unforeseen fiscal commitments and contingent liabilities arising from PPP agreements. This mechanism enhances the state's credibility and reduces the perceived sovereign risk for private partners.

Table 2.2: PFF Intervention Matrix Across Project Lifecycle

PROJECT PHASE	TYPICAL CHALLENGES	PFF INTERVENTION and WINDOW	INTENDED OUTCOME
Concept and Identification	Vague scope, no clear commercial model	Window 1: Financing for concept validation, pre-feasibility studies, and initial scoping.	Clearly defined project with preliminary viability.
Feasibility and Structuring	Lack of funds for detailed studies and advisory	Window 1: Procurement of transaction advisors for technical, legal, and financial work.	Bankable feasibility report and draft contract suite.
Procurement	Poorly packaged tender deterring quality bids	Window 1: Support for tender document preparation, bid process management, and evaluation.	Competitive procurement attracting reputable bidders.
Financial Close	Funding shortfall or risk allocation issues	Window 3: Provision of VGF to bridge viability gap and catalyse private finance.	Secured financing and signed project agreements.
Implementation	Unforeseen state payment obligations or defaults	Window 4: Contingent liquidity support as per agreed triggers in project agreement.	Project continuity and protection of state's credit.

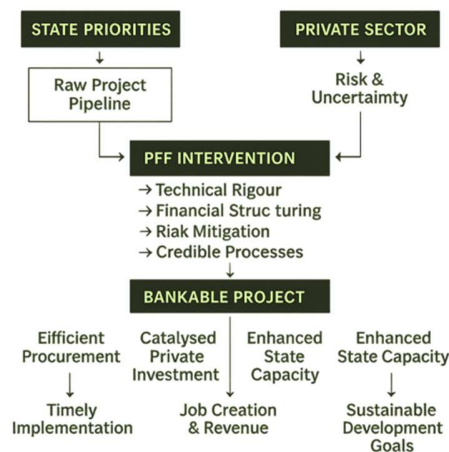
2.3 ANTICIPATED VALUE-ADD AND CONTRIBUTION TO BANKABLE PROJECTS

The establishment of the PFF is anticipated to deliver transformative value to Adamawa State's project landscape by systematically addressing the root causes of pipeline stagnation. Its contribution extends beyond capital provision to encompass enhanced quality, credibility, and speed of project delivery.

1. **Enhancement of Project Quality and Rigour:** By mandating and funding international-standard studies and advisory services, the PFF ensures that projects are underpinned by robust data, realistic assumptions, and optimal structuring. This significantly reduces the likelihood of contract renegotiation, failure, or suboptimal outcomes post-financial close.

2. **Acceleration of Project Timelines:** The dedicated and readily accessible funding mechanism eliminates protracted bureaucratic processes for securing study funds, which typically delay projects by 12-24 months. The PFF Secretariat will manage a streamlined application and approval process, ensuring swift deployment of resources.
3. **Mobilisation of Private Capital:** A professionally prepared project dossier significantly de-risks an investment from a private sector perspective. The PFF's role as a credible intermediary and its potential co-investment through VGF provides a strong signal to the market, crowding in commercial debt and equity. For instance, the USD 52M Meat Processing Plant could leverage PFF-supported structuring to attract specialised agri-processors and export financing.
4. **Strengthening of Institutional Capacity:** The process of developing projects with PFF support will embed skills and knowledge within MDAs like the Ministries of Livestock, Tourism, and Transportation. Through close collaboration with external advisors funded by the PFF, state officials will gain hands-on experience in modern project finance and PPP management.
5. **Improved Fiscal Management:** The PFF introduces discipline and transparency into project preparation expenditure. By centralising and tracking this spending, the state can better forecast its contingent liabilities, manage its fiscal commitments, and ensure that public funds are used to maximum effect in leveraging larger pools of private investment.

Figure 2.2: The PFF Value Chain - From Pipeline to Prosperity



3. INSTITUTIONAL AND GOVERNANCE FRAMEWORK

3.1 HOST INSTITUTION AND REPORTING STRUCTURE

The Adamawa State Project Facilitation Fund shall be constituted as a provisional financial instrument operating under the supervisory authority, administrative management, and coordinative purview of the Adamawa State Investment Promotion Agency (ADIPA). This institutional anchoring is strategically imperative for several reasons. ADIPA possesses the statutory mandate for investment advocacy, coordination, and facilitation within the state, making it the natural locus for a fund designed to prepare projects for investment. This arrangement ensures seamless alignment between project preparation activities and the broader investment promotion strategy of Adamawa State, preventing operational silos and duplicative efforts.

During its provisional phase, established by Executive Order, the PFF will function as a distinct but embedded unit within ADIPA's organizational architecture. The Fund shall maintain separate financial accounts and reporting lines to ensure fiduciary transparency and dedicated focus on its mandate. The ultimate reporting hierarchy culminates with the Governor of Adamawa State, ensuring high-level political oversight and accountability. The interim structure is designed to provide operational agility while laying the groundwork for eventual transition to a statutory body, as mandated by the Executive Order's directive to the Ministry of Justice to prepare enabling legislation within 90 days.

Table 3.1: Provisional PFF Reporting Structure

TIER	ENTITY/ROLE	PRIMARY FUNCTION VIS-À-VIS PFF	REPORTING RELATIONSHIP
Tier 1: Strategic Oversight	Governor of Adamawa State	Provides ultimate executive authority and political stewardship	Reports to the people of Adamawa State
Tier 2: Host and Supervisory	ADIPA Governing Board	Exercises overarching governance, approves major policies and annual plans	Reports to the Governor
Tier 3: Operational Governance	PFF Steering Committee (PPP and Privatization Committee)	Approves funding applications, monitors Fund performance, manages strategic risk	Reports to ADIPA Board
Tier 4: Fund Management	Officer Administering the Fund (OAF) / PFF Secretariat	Day-to-day management, application processing, financial administration, reporting	Reports to PFF Steering Committee
Tier 5: Implementation	Contracting Authorities (MDAs) / Project Companies	Project execution, utilization of funds, compliance with funding agreements	Reports to OAF/PFF Secretariat

3.2 GOVERNANCE ORGANS AND MANAGEMENT ROLES

Robust governance is paramount for the credibility, effectiveness, and sustainability of the PFF. A multi-tiered governance structure is proposed, delineating clear roles, responsibilities, and accountability lines.

- 1. PFF Steering Committee (PPP and Privatization Committee):** This committee, constituted from the ADIPA Board, shall serve as the primary governing organ for the Fund. It will be responsible for setting the strategic direction, approving operational guidelines, and making final decisions on significant funding applications (typically above a pre-defined threshold). Its composition will include senior representatives from key MDAs (Finance, Justice, Planning, and sector-specific ministries), the private sector, and independent financial experts to ensure balanced decision-making.
- 2. Officer Administering the Fund (OAF):** The OAF is the chief executive and accounting officer for the PFF. This role shall be held by the Director of Public-Private Partnerships and Privatization at ADIPA. The OAF bears responsibility for the Fund's daily operations, implementation of Steering Committee directives, management of the Secretariat, and ensuring compliance with all regulatory and fiduciary standards.

- PFF Secretariat:** The Secretariat constitutes the Fund's operational engine, staffed by dedicated personnel. It will execute core functions including application intake and screening, due diligence coordination, management of consultant contracts, disbursement monitoring, and performance reporting.

Table 3.2: Key Governance Roles and Responsibilities

GOVERNANCE ORGAN/ROLE	CORE RESPONSIBILITIES
PFF Steering Committee	<ul style="list-style-type: none"> - Approve the PFF's operational manuals and investment guidelines. - Review and approve funding applications exceeding a delegated threshold. - Monitor overall Fund performance and portfolio risk. - Approve annual budgets and work plans for the Secretariat. - Provide strategic guidance on fund-raising and stakeholder engagement.
Officer Administering the Fund (OAF)	<ul style="list-style-type: none"> - Overall management and administration of the PFF. - Serve as Secretary to the Steering Committee. - Recommend funding applications to the Steering Committee. - Manage the PFF Secretariat staff and budget. - Ensure rigorous financial controls and reporting.
PFF Secretariat	<ul style="list-style-type: none"> - Receive and conduct initial screening of all funding applications. - Coordinate independent technical and financial due diligence. - Prepare comprehensive appraisal memos for the OAF/Steering Committee. - Administer Funding Agreements and monitor compliance. - Prepare quarterly and annual performance reports.
Audit and Risk Sub-Committee	<ul style="list-style-type: none"> - Provide independent oversight of financial controls and audit functions. - Review risk management frameworks and compliance systems. - Liaise with external and internal auditors.

3.3 ORGANIZATIONAL STRUCTURE AND STAFFING REQUIREMENTS

The PFF Secretariat will be a lean, technically proficient unit. Initial staffing will be drawn through secondment from ADIPA and relevant MDAs (such as the Ministry of Finance and Ministry of Justice) to leverage existing institutional knowledge while ensuring a whole-of-government approach. This secondment model also serves as a critical capacity-building mechanism for the state's public service. Over time, dedicated recruitment may supplement the core team.

The proposed initial structure comprises the following key positions:

- Fund Manager (OAF):** Overall leadership.
- Investment Officer:** Responsible for project appraisal, due diligence, and portfolio monitoring.
- Finance and Administration Officer:** Manages accounts, disbursements, budgeting, and procurement.
- Legal Officer:** Ensures contractual compliance, reviews Funding Agreements, and provides legal advisory.
- Monitoring and Evaluation Officer:** Tracks project outcomes, Fund impact, and prepares performance reports.

Figure 3.1: Proposed PFF Organizational Structure



3.4 DELEGATION OF AUTHORITY AND DECISION-MAKING PROCESSES

A clear delegation of authority matrix is essential for operational efficiency and accountability. Decision-making powers will be tiered based on the financial magnitude and strategic significance of the commitment.

1. **Secretariat-Level Authority:** The OAF, within mandates set by the Steering Committee, may approve small-value grants or reimbursements for early-stage project preparation (e.g., preliminary feasibility studies below a set cap, such as \$25,000). The Secretariat manages the entire application processing workflow.
2. **Steering Committee Authority:** The Committee retains authority for:
 - Approval of all funding applications for Viability Gap Funding (Window 3).
 - Approval of large-ticket project preparation support (Window 1) above a delegated threshold.
 - Approval of any contingent liability support (Window 4).
 - Approval of the Fund's annual budget and operational plan.
3. **Decision-Making Process:** A standardized process will govern all applications:
 - **Submission:** Contracting Authorities submit completed application dossiers to the Secretariat.
 - **Screening and Due Diligence:** Secretariat conducts eligibility checks and commissions independent expert reviews.
 - **Appraisal and Recommendation:** Secretariat prepares an investment memo with a clear recommendation for the OAF.
 - **Review and Approval:** Based on delegation, the OAF or the Steering Committee reviews the memo and makes a final decision.
 - **Agreement and Disbursement:** Upon approval, a legally binding Funding Agreement is executed, governing disbursement in tranches linked to milestone achievement.

Table 3.3: Delegation of Authority Matrix

DECISION TYPE	FINANCIAL THRESHOLD/SCOPE	APPROVING AUTHORITY	MANDATORY CONSULTATION
Project Preparation Grant	Up to \$25,000 per project	Officer Administering the Fund (OAF)	PFF Secretariat Team
Project Preparation Grant	Above \$25,000 per project	PFF Steering Committee	OAF, Legal Officer
Viability Gap Funding (All forms)	Any amount	PFF Steering Committee	OAF, Finance Officer, External Advisor (if needed)
Contingent Liability Support	Any amount	PFF Steering Committee (with possible ex-post Governor/EXCO ratification for very large amounts)	Ministry of Finance, Ministry of Justice
PFF Secretariat Annual Budget	Full operational budget	PFF Steering Committee	ADIPA Board (for noting)
Approval of PFF Operational Manuals	N/A (Policy)	PFF Steering Committee	ADIPA Board, Ministry of Justice

4. FINANCIAL PLAN

4.1 FUND SIZE, CAPITALISATION, AND DURATION

The financial architecture of the Adamawa State Project Facilitation Fund is established upon a model of phased capitalisation, calibrated operational duration, and strategic resource allocation. The instrument is conceived to operate across an initial decadal timeframe, with a structured review scheduled at the conclusion of the fifth operational year. This ten-year horizon is deemed appropriate to accommodate the extended developmental lifecycle typical of substantive infrastructure undertakings, from initial conceptualisation through to financial closure and early operational phases, thereby allowing for a comprehensive assessment of the Fund's catalytic impact.

A total fund size target of N15,000,000,000 (Fifteen Billion Naira) is established. This target is derived from a synthesis of analytical benchmarks, including a proportionate scaling of similar sub-national project preparation facilities, the aggregate capital expenditure identified within the state's nascent Public-Private Partnership pipeline, and the imperative to deploy resources at a scale sufficient to meaningfully de-risk and advance a portfolio of priority investments. Capital contributions are envisaged to be sequenced, with an inaugural capitalisation tranche of N5,000,000,000 targeted for accumulation within the initial twenty-four months of operation, ensuring the Fund possesses immediate executable capacity.

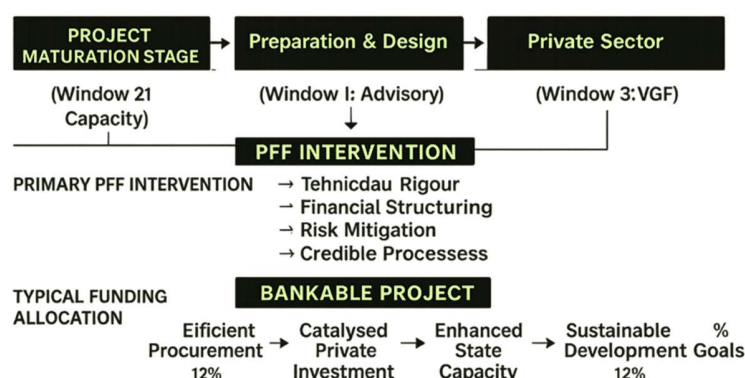
4.2 FUNDING WINDOWS STRUCTURE, PURPOSE, AND ALLOCATION CRITERIA

Operational efficacy necessitates the segmentation of the Fund's resources into distinct, purpose-specific windows. This compartmentalisation ensures strategic focus, simplifies monitoring and evaluation, and provides a transparent framework for allocating capital to address discrete challenges within the project development continuum.

Table 4.1: Structural Composition and Functional Mandates of PFF Funding Windows

DESIGNATED WINDOW	FORMAL TITLE	CORE OPERATIONAL PURPOSE	PERMISSIBLE APPLICATION OF FUNDS	GOVERNANCE CRITERIA FOR ALLOCATION
Window 1	Project Development and Structuring Facility	To defray costs associated with transforming project concepts into bankable investment propositions.	Technical feasibility analyses, environmental and social impact assessments, detailed engineering designs, legal structuring, transaction advisory services, pre-procurement documentation.	Proposals evaluated on strategic alignment, pipeline priority status, and the clarity of the proposed scope of work. Requires co-financing commitment from the sponsoring Ministry, Department or Agency.
Window 2	Institutional Capacity and Operational Support Facility	To underwrite the administrative functions of the PFF Secretariat and enhance the technical competency of relevant public sector entities.	Remuneration for seconded technical staff, procurement of specialised consultancy services, execution of capacity-building programmes, development of monitoring frameworks, general administrative overheads.	Annual allocation capped at a maximum of fifteen percent of the Fund's liquid assets. Expenditure must adhere to a pre-approved annual work plan and budget ratified by the Steering Committee.
Window 3	Viability Enhancement and Risk Capital Facility	To improve the financial robustness of strategically vital projects through direct capital participation, thereby catalysing broader private investment.	Subordinated debt instruments, minority equity acquisitions, conditional performance-linked grants, and other hybrid financial instruments designed to improve project economics.	Deployment contingent upon independent verification of project bankability and a demonstrable viability gap. Subject to rigorous Value-for-Money and state affordability analyses.
Window 4	Contingent Fiscal Liability Stabilisation Facility	To provide a conditional liquidity reserve for unforeseen state obligations arising from force majeure or specified default events within PPP contracts.	Short-term bridging finance activated upon the occurrence of a contractually defined contingent liability, certified by the State Ministry of Finance and the Office of the Attorney-General.	Not for recurring budget obligations or state contractor default. Activation requires joint certification and a pre-agreed repayment schedule from the contracting authority's future budgetary allocations.

Figure 4.1: Interrelation of Funding Windows with Project Maturation Stages



4.3 START-UP CAPITAL REQUIREMENTS (Minimum Commitment: $\geq 3\%$ of FY2025/FY2026 PPP Pipeline CAPEX)

The foundational credibility and operational launch of the PFF are inextricably linked to the provision of definitive start-up capital. In strict conformity with the stipulations of the State Action on Business Enabling Reforms (SABER) Programme, Disbursement Linked Indicator 3, the Adamawa State Government has enshrined its commitment through a budgetary appropriation.

The State Government has injected the sum of NGN 800,000,000 (Eight Hundred Million Naira) into the FY 2026 budget, specifically earmarked for project preparation. This allocation fulfills and exceeds the SABER requirement of a minimum contribution of three percent (3%) of the projected capital expenditure (CAPEX) for the state’s designated PPP pipeline for the applicable financial year.

This appropriation serves as the cornerstone of the Fund’s initial capitalisation. It provides unequivocal evidence of the government’s dedication to professionalising its project development apparatus and forms the basis upon which additional co-financing from development partners will be sought. These resources are to be primarily channelled through Window 1 to initiate detailed preparatory work on the priority project pipeline and through Window 2 to establish the operational capabilities of the PFF Secretariat.

4.4 FUND FLOW MAPPING AND DISBURSEMENT PROTOCOLS

To ensure fiscal integrity, accountability, and the disciplined deployment of resources, a rigorous fund flow and disbursement protocol will be instituted. All monetary assets of the PFF shall be held in a designated, interest-bearing treasury account managed under the fiduciary authority of the Adamawa State Investment Promotion Agency (ADIPA), with disbursement mandates requiring dual authorised signatures.

Disbursement Protocol Sequence:

1. **Steering Committee Authorisation:** Formal approval of a funding application, specifying the amount, window, and associated conditions.
2. **Execution of Funding Agreement:** A legally binding agreement is concluded between the PFF (via ADIPA) and the recipient Contracting Authority or Project Special Purpose Vehicle, detailing milestones, reporting obligations, and accountability mechanisms.
3. **Tranche-Based Disbursements:** Funds are released incrementally against verified achievement of pre-defined deliverables. For Window 1 support, an initial disbursement (e.g., 40%) may be released upon contract signing, with subsequent tranches linked to the submission and acceptance of draft and final reports.

4. **Independent Verification:** The PFF Secretariat, potentially assisted by third-party monitors appointed for larger engagements, certifies the satisfactory completion of each milestone before recommending further disbursement to the Officer Administering the Fund.
5. **Final Release for Window 3:** Viability Gap Funding is disbursed only upon presentation of incontrovertible evidence of financial close, including fully executed financing agreements and confirmation of equity contribution by private sponsors.

4.5 FUNDING SOURCES (INTERNAL AND EXTERNAL)

A diversified resourcing strategy is paramount to ensuring the Fund’s resilience and capacity to fulfil its mandate. The PFF will proactively engage a blend of domestic fiscal allocations and external development financing.

Table 4.2: Strategic Matrix of PFF Funding Sources

SOURCE CLASSIFICATION	PROVENANCE	FORM OF CONTRIBUTION	PROJECTED CONTRIBUTION (10-YR)	STRATEGIC NOTES
Domestic Public Allocations	Adamawa State Government Budget	Direct Grant Appropriations	50% (~NGN 7.5Bn)	Constitutes the core, non-dilutable capital base. Includes the foundational NGN 800m FY2026 allocation.
	Internally Generated Revenue (IGR) Surpluses	Potential supplementary allocations	Variable	Subject to annual fiscal performance and State Executive Council approval.
External Development Finance	World Bank (SABER Programme)	Performance-Based Grant (DLI 3)	25% (~NGN 3.75Bn)	Disbursement contingent on independent verification of PFF operationalisation and results.
	African Development Bank (AfDB)	Technical Assistance and Grant Funding	15% (~NGN 2.25Bn)	Targeted for institutional strengthening and specific sectoral project preparation.
	Other Bilateral Partners (e.g., FCDO, GIZ)	Untied Grant Funding	10% (~NGN 1.5Bn)	Sought through structured donor roundtables and alignment with partner country strategies.
Internal Revolving Proceeds	Fund-Generated Recoveries	Repayment of loans, sale of equity stakes, success fees	NGN 1.5Bn (Target)	Critical for long-term financial sustainability. Recycled to finance new cycles of project development.

4.6 LEVERAGE AND CO-FINANCING STRATEGY

The intrinsic objective of the PFF is to function as a catalytic instrument, mobilising multiples of private sector capital against each Naira of public funds deployed.

1. **Mandatory Counterpart Funding:** For applications to Window 1, the PFF will institute a mandatory co-financing requirement from the originating Contracting Authority. A minimum contribution of twenty-five percent (25%) of the total project preparation cost from the MDA’s budget will be stipulated, ensuring substantive commitment and institutional ownership.
2. **VGF as a Leverage Multiplier:** Capital deployed through Window 3 is strategically designed to attract senior commercial debt. The Fund’s participation as subordinated capital or patient equity is projected to catalyse a leverage ratio of at least 1:6. That is, for every N1.00 of VGF committed, an additional N6.00 in private finance is anticipated to be mobilised.
3. **Structured Blended Finance:** The PFF Secretariat will actively coordinate with development finance institutions to design blended finance facilities. In such structures, concessional PFF/donor funds can be deployed to absorb specific risks (e.g., construction cost overruns, demand shortfalls in initial years), thereby making the project palatable for commercial banks and institutional investors.

4.7 TERMS OF SUPPORT (GRANTS, VIABILITY GAP SUPPORT, CONTINGENT LIABILITIES ETC.)

The financial terms and conditions attached to PFF support are deliberately differentiated by window, reflecting the specific objective and incorporating principles of cost recovery where commercially appropriate.

Table 4.3: Detailed Terms and Conditions for PFF Financial Support Instruments

SUPPORT WINDOW	FINANCIAL INSTRUMENT	KEY TERMS and PARAMETERS	REPAYMENT / FINANCIAL CONSIDERATION
Window 1	Recoverable Advance	Full funding of approved consultancy and study costs.	Recoverable from Project Budget: The advance converts to a repayable obligation upon the project achieving financial close. Repayment is made by the Project SPV. If the project fails to proceed, the advance may be waived following a post-mortem review.
Window 2	Irrecoverable Operational Grant	Annual allocation for Secretariat functions.	No monetary repayment. Continued funding is contingent upon the Secretariat meeting key performance indicators outlined in its annual work plan.
Window 3	Subordinated Loan	Naira or USD-denominated. Interest: 5% p.a. (concessional). Tenor: 10 years with 3-year grace period.	Repayment commences after grace period, aligned with project cash flows. Secured by a second-ranking charge on project assets.
	Performance-Based Grant	Non-repayable disbursement.	Granted in tranches upon achievement of verified operational milestones (e.g., construction completion certificate, attainment of specified service levels).
	Preference Share Equity	Investment for a non-controlling, redeemable preference shareholding.	Dividend: 7% p.a. cumulative. Mandatory redemption by project sponsors after year 10 at 1.2x purchase price. Provides downside protection and capped upside.
Window 4	Contingent Standby Credit Facility	Short-term liquidity facility. Interest: CBN Monetary Policy Rate + 3%. Tenor: ≤ 18 months.	Repayable by the responsible MDA from its subsequent fiscal year budgetary allocation. Activation triggers automatic deduction from future MDA budgetary releases.

4.8 FUNDING AND EXPENDITURE PLANS

The financial deployment plan is phased to mirror the anticipated trajectory of the project pipeline's development, shifting emphasis from preparation to financial closure support over the medium term.

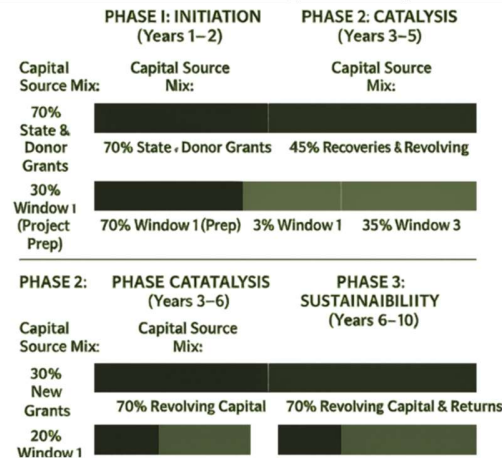
Table 4.4: Illustrative Five-Year Financial Deployment Plan (Amounts in NGN 'Million')

FINANCIAL LINE ITEM	YEAR 1 (2026)	YEAR 2 (2027)	YEAR 3 (2028)	YEAR 4 (2029)	YEAR 5 (2030)	CUMULATIVE
ANTICIPATED INFLOWS						
State Budget Allocation	800	700	600	500	400	3,000
World Bank SABER Grant	-	1,500	1,200	800	-	3,500
Other Donor Inflows	200	400	300	300	200	1,400
Internal Recoveries and Proceeds	-	50	200	400	600	1,250
Total Capital Inflow	1,000	2,650	2,300	2,000	1,200	9,150
PLANNED EXPENDITURES (By Window)						
Window 1 (Project Preparation)	650	1,500	1,000	600	300	4,050
Window 2 (Secretariat Operations)	200	250	300	350	400	1,500
Window 3 (VGF Deployments)	-	400	800	900	400	2,500
Window 4 (Contingency Reserve)	-	-	100	100	100	300
Total Expenditure	850	2,150	2,200	1,950	1,200	8,350
Net Annual Surplus/(Deficit)	150	500	100	50	0	800
Cumulative Fund Balance	150	650	750	800	800	

4.9 MEDIUM-TERM FINANCIAL PROJECTIONS (BY SOURCE, WINDOW, AND USE OF FUNDS)

The medium-term trajectory illustrates the evolution of the Fund from a grant-funded preparatory entity towards a financially sustainable facility with a revolving component.

Figure 4.2: Projected Transformation of PFF Capital Composition and Deployment Focus



4.10 FUND SUSTAINABILITY STRATEGY

The strategic end-state for the PFF is its transition into a perpetual, self-replenishing revolving fund. This will be achieved through the institutionalisation of robust cost-recovery mechanisms:

1. **Contractual Recovery of Development Costs:** All financial advances under Window 1 shall be governed by agreements stipulating mandatory reimbursement by the successful project entity upon the attainment of financial close. These recovered funds are directly reinvested into the PFF’s treasury.
2. **Returns on Risk Capital:** Financial instruments deployed under Window 3 are designed to generate returns. Subordinated loans will accrue interest, while equity/quasi-equity instruments will yield dividends and capital gains upon exit. A target portfolio-level internal rate of return of 8% in real terms is established for Window 3 activities.
3. **Transaction Success Fees:** A modest success fee, calculated as a percentage (e.g., 0.75%) of the total project investment cost, may be levied on projects that successfully reach financial close following material intervention by the PFF. This fee is payable by the project company.
4. **Replenishment from Fiscal Allocations and Donors:** While the proportion may diminish over time, strategic annual allocations from the state budget and engagement with development partners for subsequent programming phases will be pursued to top-up the Fund’s capital base and finance next-generation pipeline development.

4.11 PROCEDURES FOR FINANCIAL PLAN APPROVAL AND REVISION

This Financial Plan constitutes a governing document subject to formal endorsement and periodic review to maintain its strategic relevance and fiscal realism.

1. **Initial Ratification:** This comprehensive Business and Financial Plan requires formal ratification by the Adamawa State Executive Council, upon the recommendation of the ADIPA Governing Board and the State Ministry of Finance.

2. **Annual Budget Approval Cycle:** Derived from this master plan, the Officer Administering the Fund shall prepare and submit a detailed annual budget and operational plan to the PFF Steering Committee for approval prior to the commencement of each fiscal year.
3. **Structured Review Milestones:** A comprehensive independent financial and performance audit shall be commissioned at the conclusion of Year 3. The audit findings will inform a mandatory formal revision of the financial projections and strategy for the remainder of the ten-year horizon.
4. **Triggers for Ad-Hoc Revision:** The financial plan may be subject to interim revision under specific circumstances, including but not limited to: a material shift in the state's fiscal capacity, the successful securing of a major new funding source exceeding 20% of the fund size, or a significant macroeconomic disturbance affecting core assumptions.
5. **Authority for Amendment:** Any substantive amendment to the total fund size, the fundamental allocation ratios between windows, or the core sustainability strategy necessitates re-approval by the State Executive Council following a review by the ADIPA Board.

5. IMPLEMENTATION ROADMAP

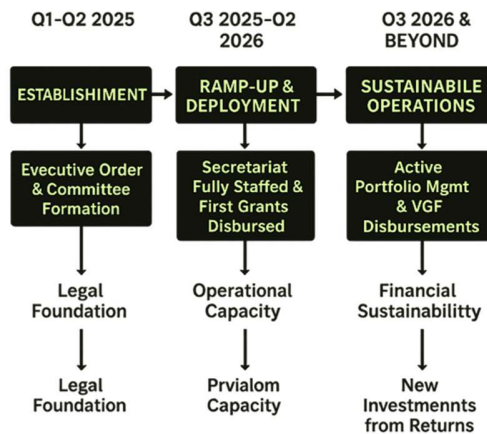
5.1 OPERATIONALISATION TIMELINE AND MILESTONES

The transition of the Project Facilitation Fund from a legal instrument into a fully functional financial entity necessitates a structured, phased implementation approach. The roadmap is segmented into three distinct phases: Establishment, Ramp-Up, and Sustainable Operations, spanning a period of thirty-six months from the date of Executive Order issuance.

Table 5.1: PFF Operationalisation Timeline and Key Deliverables

PHASE	TIMEFRAME	KEY MILESTONES and DELIVERABLES	RESPONSIBLE ENTITY
Phase 1: Institutional Establishment (Months 1-6)	Q1-Q2 2025	<ol style="list-style-type: none"> Promulgation of the Enabling Executive Order. Constitution of the PFF Steering Committee. Appointment of the Officer Administering the Fund (OAF). Securing of initial capital (NGN 800m FY2026 allocation). Development and approval of core operational manuals (Governance, Operations, Financial). 	Governor's Office, ADIPA Board, Ministry of Finance
Phase 2: Functional Ramp-Up and Initial Deployment (Months 7-18)	Q3 2025 – Q2 2026	<ol style="list-style-type: none"> Full staffing of the PFF Secretariat. Operationalisation of the dedicated treasury account. Formal launch and stakeholder sensitisation workshops. Issuance of first Call for Proposals for Window 1 support. Appraisal and approval of first three (3) project preparation grants. Engagement of first external technical advisors. Submission of the PFF Establishment Bill to the State House of Assembly. 	PFF Secretariat, OAF, Steering Committee
Phase 3: Sustainable Operations and Portfolio Growth (Month 19 onwards)	Q3 2026 – Beyond	<ol style="list-style-type: none"> Disbursement of first Viability Gap Funding (Window 3). Activation of the contingent liability facility (Window 4) protocols. First independent annual audit completed. Enactment of the PFF Establishment Law. Portfolio of ≥ 8 active projects under development. Securing of first major external donor co-financing agreement. First recovery of project preparation costs from a financially closed project. 	PFF Secretariat, Steering Committee, State Assembly

Figure 5.1: Phased Implementation Pathway



5.2 STAFFING PLAN, RECRUITMENT, AND CAPACITY REQUIREMENTS

The PFF Secretariat will be constituted as a lean, high-calibre unit with expertise spanning project finance, legal structuring, technical appraisal, and financial management. The initial staffing model prioritises secondment from within the Adamawa State public service to build institutional memory, supplemented by targeted external recruitment for specialised roles.

Table 5.2: PFF Secretariat Staffing Structure and Competency Requirements

POSITION	PROPOSED SOURCE	CORE COMPETENCIES and REQUIREMENTS	INDICATIVE TIMELINE FOR FILLING
Officer Administering the Fund (OAF)	Secondment from ADIPA (Director, PPP)	15+ years experience in infrastructure finance, PPPs, or fund management. Proven leadership and fiduciary oversight skills.	Month 1 (Appointed by Steering Committee)
Senior Investment Officer	External Recruitment	10+ years in project appraisal, financial modelling, and due diligence within a bank, DFI, or fund manager. CFA or equivalent preferred.	Month 3
Legal and Compliance Officer	Secondment from Ministry of Justice	8+ years in commercial law, contract negotiation, and regulatory compliance. Experience with PPP agreements is essential.	Month 3
Finance and Administration Officer	Secondment from Ministry of Finance/ADIPA	Professional accounting qualification (ACA, ACCA). Expertise in public fund management, budgeting, and procurement regulations.	Month 4
Monitoring and Evaluation Officer	External Recruitment	7+ years in results-based management, data analysis, and impact assessment, preferably in a development context.	Month 4
Project Development Associates (2)	Secondment from relevant MDAs (e.g., Works, Agriculture)	Sector-specific technical knowledge, project management fundamentals. Will receive intensive training.	Month 5

Capacity Building Programme: A mandatory, structured capacity development programme will be instituted for all seconded staff. This will include formal training in PPP project cycle management, financial analysis, risk assessment, and environmental and social safeguards, delivered in partnership with recognised institutions and development partners.

5.3 ENGAGEMENT OF EXTERNAL ADVISORS, FUND MANAGERS, OR TRANSACTION EXPERTS

Given the specialised nature of certain functions and the initial capacity constraints, the PFF will strategically engage external expertise on a selective, as-needed basis. The guiding principle is to supplement, not supplant, the core Secretariat team, using external advisors as a mechanism for skills transfer.

1. Panel of Transaction Advisors: The PFF will pre-qualify and establish a standing panel of vetted consultancy firms across three key disciplines:

- **Technical and Engineering Advisory**
- **Financial and Legal Advisory**
- **Environmental and Social Impact Advisory**

Contracting Authorities seeking Window 1 support will select advisors from this panel, with procurement managed by the PFF Secretariat to ensure quality and cost-effectiveness.

2. Outsourcing Assessment for Fund Management: A comprehensive review will be undertaken in Year 3 to evaluate the option of engaging a professional **Third-Party Fund Manager**. The decision will be based on a cost-benefit analysis, weighing factors such as:

- Management fees versus the cost of an expanded in-house team.
- The complexity and size of the investment portfolio.
- The ability to attract and retain top-tier investment talent within the public sector pay structure.
- The strategic imperative of building internal state capacity.

The OAF and Secretariat will manage the Fund, utilising external advisors for discrete project due diligence tasks.

5.4 COORDINATION STRATEGY WITH MDAS, INVESTORS, AND DEVELOPMENT PARTNERS

The PFF's success is contingent upon seamless collaboration with a diverse ecosystem of stakeholders. A proactive, structured engagement strategy will be implemented.

1. Coordination with Ministries, Departments, and Agencies (MDAs):

- **Formal Designation of PPP Focal Points:** Each MDA will be required to formally designate a senior official as its PPP/PFF Focal Point, responsible for pipeline identification and serving as the liaison with the Secretariat.
- **Quarterly Pipeline Review Meetings:** The Secretariat will convene regular meetings with focal points to review project progress, identify bottlenecks, and provide technical guidance.
- **Integrated Budgeting Guidance:** The PFF Secretariat will issue annual guidance to MDAs on incorporating project preparation co-financing requirements into their budget proposals.

2. Engagement with Private Investors and Financial Institutions:

- **Investor Outreach Programme:** The PFF, through ADIPA, will host annual "Project Pipeline Forums" to present bankable projects to a curated audience of domestic and international investors.
- **Deal Origination Collaboration:** Establish formal channels of communication with commercial banks, investment firms, and industry associations to receive unsolicited proposals that align with state priorities.
- **Transparent Project Data Room:** Develop a secure, online platform where pre-qualified investors can access key information on projects in the market-ready pipeline.

3. Partnership with Development Partners:

- **Structured Donor Coordination Group:** Establish a bi-annual coordination forum with all active development partners (World Bank, AfDB, bilateral agencies) to align support, avoid duplication, and explore co-financing opportunities for specific projects or windows.
- **Alignment with National Programmes:** Ensure PFF activities are deliberately aligned with and can draw upon technical assistance from national programmes like the SABER Programme and the UK-Nigeria Infrastructure Advisory Facility (UKNIAF).

6. RISK MANAGEMENT PLAN

6.1 RISK IDENTIFICATION AND CATEGORISATION

A systematic and proactive approach to risk management is fundamental to safeguarding the Fund's assets, ensuring the achievement of its strategic objectives, and maintaining stakeholder confidence. Potential risks have been identified across five core categories, each representing a distinct threat vector to the PFF's operational and financial integrity.

- 1. Strategic and Governance Risks:** Hazards emanating from deficiencies in the Fund's overarching strategic direction, policy framework, or governance structures.
- 2. Operational and Fiduciary Risks:** Perils arising from internal process failures, inadequate human resource capacity, non-compliance with procedures, or mismanagement of funds.
- 3. Financial and Credit Risks:** Threats related to the Fund's financial sustainability, including insufficient capitalisation, poor portfolio performance, defaults on repayable instruments, and adverse macroeconomic shifts.
- 4. Pipeline and Project Risks:** Challenges associated with the quantity, quality, and progression of the underlying project pipeline, which forms the basis for the Fund's activities.
- 5. External and Environmental Risks:** Factors outside the direct control of the Fund, including political interference, regulatory changes, force majeure events, and adverse social or environmental impacts from supported projects.

6.2 RISK MATRIX WITH LIKELIHOOD, IMPACT, AND MITIGATION MEASURES

The following risk matrix provides a granular assessment of identified risks, evaluating their probability of occurrence and potential severity of impact, and delineates corresponding mitigation strategies.

Table 6.1: PFF Comprehensive Risk Assessment and Mitigation Matrix

RISK CATEGORY	SPECIFIC RISK	LIKELIHOOD	IMPACT	PROPOSED MITIGATION MEASURES
Strategic and Governance	Political interference in project selection or fund management.	Medium	High	<ul style="list-style-type: none"> - Establish and strictly adhere to transparent, criteria-based project appraisal processes documented in the Operations Manual. - Ensure Steering Committee includes independent, non-political technical members. - All decisions and their rationale are formally minuted and made available for audit.
	Inadequate legal framework or delays in enacting the PFF Law.	Medium	High	<ul style="list-style-type: none"> - The Executive Order provides immediate provisional authority. - The Ministry of Justice is mandated to draft the law within 90 days; progress will be monitored by the Steering Committee. - Operational manuals will be designed to be compliant with anticipated legal provisions.
Operational and Fiduciary	Lack of qualified staff leading to poor due diligence and project monitoring.	High	High	<ul style="list-style-type: none"> - Implement the structured staffing and capacity-building plan (Section 5.2). - Mandate use of pre-qualified external technical experts for complex appraisals. - Institute a mandatory mentorship programme pairing seconded staff with experienced advisors.
	Fraud, corruption, or misappropriation of funds.	Medium	Catastrophic	<ul style="list-style-type: none"> - Implement robust financial controls: dual signatories, mandatory audits, segregation of duties. - All transactions above a threshold require Steering Committee approval. - Engage an independent internal auditor reporting to the Audit and Risk Sub-Committee. - Publish summary-level disbursement data periodically for public scrutiny.
Financial and Credit	Inadequate funding: failure to secure state allocations or donor co-financing.	Medium	High	<ul style="list-style-type: none"> - The NGN 800m FY2026 allocation is legally appropriated, securing the baseline. - Develop a proactive, multi-year resource mobilization strategy targeting specific donors. - Design the Fund to be partially revolving from inception to reduce long-term donor dependence.
	Default on repayable support (loans, recoverable grants) by project companies.	Medium	Medium	<ul style="list-style-type: none"> - Conduct rigorous, conservative credit analysis before approving any repayable support. - Structure VGF as subordinated instruments, ensuring senior lenders conduct primary due diligence. - Secure appropriate collateral or guarantees where feasible. - Establish a dedicated provision for impaired assets in the financial model.
Pipeline and Project	Weak or insufficient pipeline of viable PPP projects.	Low	High	<ul style="list-style-type: none"> - The PFF's mandate includes actively working with MDAs to identify and develop pipeline. - Window 1 resources are specifically designed to create the pipeline. - Conduct annual pipeline brainstorming workshops with all MDAs to generate new concepts.
	Projects fail to achieve financial close despite preparation support.	Medium	Medium	<ul style="list-style-type: none"> - Fund preparation in stages; cease funding if key viability milestones are not met. - Ensure early and continuous market sounding with potential investors during preparation. - Require MDAs to provide co-financing, increasing their commitment to success.
External and Environmental	Macroeconomic instability (FX volatility, high inflation) eroding fund value and project economics.	High	High	<ul style="list-style-type: none"> - Denominate large, long-term VGF support in Naira to match project revenue streams. - For USD-linked costs, require projects to demonstrate hedging strategies or affordability under stress scenarios. - Build contingency margins into financial projections.
	Materialisation of unanticipated contingent liabilities, draining Window 4.	Low	Catastrophic	<ul style="list-style-type: none"> - Conduct exhaustive risk allocation analysis during project structuring to minimize state exposure. - Require robust insurance and force majeure clauses in all PPP agreements. - Cap the total exposure of Window 4 as a percentage of the total fund. - Ensure rapid repayment mechanism from MDA budgets is contractually binding.

6.3 OVERSIGHT AND COMPLIANCE MECHANISMS

Effective risk mitigation is underpinned by a multi-layered system of oversight and compliance, ensuring accountability at every level of the Fund's operations.

1. Governance-Layer Oversight:

- a) **Steering Committee:** Bears ultimate responsibility for risk oversight. It will review a quarterly risk dashboard prepared by the Secretariat and the OAF, focusing on strategic, portfolio, and high-impact risks.
- b) **Audit and Risk Sub-Committee:** A dedicated sub-committee of the Steering Committee, including independent financial and risk management experts. Its mandate includes:
 - a. Reviewing the adequacy of the overall risk management framework.
 - b. Overseeing the internal and external audit processes.
 - c. Investigating any allegations of fraud or misconduct.
 - d. Reviewing compliance with all financial and operational policies.

2. Management-Layer Controls:

- a. **Officer Administering the Fund (OAF):** Accountable for the day-to-day management of risk. The OAF must certify the effectiveness of internal controls and ensure all Secretariat activities comply with approved manuals.
- b. **Internal Controls Framework:** A comprehensive system of authorisation limits, segregation of duties (e.g., separation of application appraisal, approval, and disbursement functions), and mandatory documentation for all transactions.
- c. **Compliance Officer Function:** The Legal and Compliance Officer is responsible for ensuring all Fund activities adhere to relevant state laws, donor agreements, and internal policies.

3. Independent Assurance Mechanisms:

- a. **Annual External Audit:** A reputable, independent audit firm will be contracted to conduct a full statutory audit of the Fund's financial statements and provide an opinion on the effectiveness of internal controls.
- b. **Performance and Impact Audits:** Periodic (e.g., every three years) independent evaluations will assess not just financial compliance but also the development effectiveness and economic impact of the Fund's portfolio.
- c. **Whistleblower Policy:** A secure, anonymous channel will be established for staff and external parties to report suspected fraud, corruption, or policy violations, with guaranteed protection from retaliation.

4. Reporting and Transparency Protocols:

- a. **Quarterly Performance Reports:** Submitted to the Steering Committee and shared with the ADIPA Board and the Ministry of Finance, detailing financial status, portfolio progress, and risk updates.
- b. **Annual Public Report:** A summarised version of the Fund's activities, financials, and key achievements will be published to ensure public accountability and maintain stakeholder trust.
- c. **Donor Reporting:** Strict adherence to all reporting requirements stipulated in grant or co-financing agreements with development partners.

7. MONITORING, EVALUATION, AND REPORTING FRAMEWORK

7.1 KPIS INPUTS, OUTPUTS, OUTCOMES, AND IMPACT METRICS

A comprehensive results framework will be instituted to track performance across the complete results chain, from resource deployment to long-term developmental effects. This framework employs Key Performance Indicators (KPIs) categorized according to standard international development taxonomy.

Table 7.1: PFF Comprehensive Results Framework and Key Performance Indicators

RESULTS LEVEL	DEFINITION	SELECTED KEY PERFORMANCE INDICATORS (KPIs)	BASELINE (2025)	TARGET (2028)
INPUTS	Financial, human, and technical resources deployed into the Fund.	<ol style="list-style-type: none"> 1. Total capital secured (NGN). 2. Percentage of state budget commitment ($\geq 3\%$ of pipeline CAPEX). 3. Number of full-time equivalent staff in PFF Secretariat. 4. Value of external technical assistance leveraged (NGN). 	<p>0</p> <p>0%</p> <p>0</p> <p>0</p>	<p>9.15Bn</p> <p>100%</p> <p>6</p> <p>500M</p>
ACTIVITIES and OUTPUTS	Direct products and services delivered by the Fund.	<ol style="list-style-type: none"> 1. Number of projects receiving preparation support (Window 1). 2. Number of Capacity Building workshops conducted for MDAs. 3. Number of bankable project dossiers produced. 4. Number of projects receiving Viability Gap Funding (Window 3). 5. Amount disbursed by support window (NGN). 	<p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>10</p> <p>8</p> <p>6</p> <p>3</p> <p>See 4.8</p>
OUTCOMES	Short-to-medium term effects of the Fund's outputs.	<ol style="list-style-type: none"> 1. Number of supported projects achieving Financial Close. 2. Total private investment mobilised against PFF support (Leverage Ratio). 3. Percentage of project preparation costs recovered from closed projects. 4. Improvement in MDA readiness score for PPP project management (survey-based). 5. Number of jobs created during project construction. 	<p>0</p> <p>0:1</p> <p>0%</p> <p>TBD</p> <p>0</p>	<p>4</p> <p>6:1</p> <p>$\geq 80\%$</p> <p>20% increase</p> <p>1,200</p>
IMPACT	Long-term, systemic changes attributable in part to the Fund.	<ol style="list-style-type: none"> 1. Contribution to State GDP growth from PFF-facilitated projects. 2. Increase in Adamawa State's subnational Ease of Doing Business ranking. 3. Improvement in key infrastructure access metrics (e.g., energy, transport). 4. Value of new state revenue streams generated from facilitated projects (taxes, fees). 	<p>State GDP Current Ranking Sector Baseline</p> <p>0</p>	<p>Measurable Contribution Top 10 in Nigeria Measurable Improvement Quantified Amount</p>

7.2 MEDIUM-TERM M&E PLAN

The Monitoring and Evaluation function will be systematic, evidence-based, and integrated into the Fund's annual operational cycle. The M&E plan is structured across three temporal horizons: ongoing monitoring, periodic reviews, and impact evaluation.

Table 7.2: Medium-Term M&E Activity Schedule (2025-2028)

M&E ACTIVITY	FREQUENCY	LEAD RESPONSIBILITY	KEY OUTPUT
Project-Level Progress Reviews	Quarterly	PFF Secretariat (M&E Officer)	Project Status Reports, Milestone Verification Certificates.
Financial Performance Tracking	Monthly	Finance and Administration Officer	Budget vs. Actual Reports, Cash Flow Statements.
Portfolio Risk Dashboard Update	Quarterly	OAF and Investment Officer	Updated Risk Matrix, Mitigation Action Tracker.
Annual KPI Performance Assessment	Annually (Q1)	M&E Officer with Secretariat input	Annual Performance Report with KPI scorecard.
Independent Financial Audit	Annually (Post FY)	External Audit Firm	Audited Financial Statements and Management Letter.
Stakeholder Satisfaction Survey	Bi-Annually	M&E Officer	Survey Analysis Report with actionable insights.
Mid-Term Evaluation	End of Year 3	Independent External Evaluators	Mid-Term Evaluation Report with recommendations.

7.3 REPORTING CHANNELS, DISCLOSURE, AND TRANSPARENCY PROTOCOLS

Transparent reporting is non-negotiable for maintaining the legitimacy of the Fund. A multi-directional reporting protocol will be established to ensure appropriate information flows to all stakeholders.

1. Internal Reporting:

- a. **To the PFF Steering Committee:** Comprehensive quarterly and annual reports covering financial performance, portfolio status, risk management, and KPI achievement.
- b. **To the ADIPA Board:** Summarised quarterly updates and a detailed annual report for noting and strategic guidance.

2. External Reporting to Government:

- a. **To the State Executive Council and Ministry of Finance:** Formal annual report, focusing on fiscal impact, leverage achieved, and alignment with state development priorities.
- b. **To the State House of Assembly:** An annual briefing document, as part of the state's accountability processes, once the PFF is established by law.

3. Public Disclosure and Transparency:

- a. **Annual Public Report:** A publicly accessible, non-technical summary of the Fund's activities, financials, key projects supported, and outcomes will be published on the ADIPA website.
- b. **Project Pipeline Dashboard:** A curated, public-facing online dashboard will display key non-confidential information about projects in the pipeline (sector, stage, estimated value), demonstrating transparency in project selection.
- c. **Procurement Transparency:** All tenders for consulting services above a defined value, funded by the PFF, will be advertised on public procurement platforms in line with the State's procurement law.

4. **Donor Reporting:** Customised reports fulfilling all monitoring and financial accountability requirements stipulated in individual grant or contribution agreements with development partners such as the World Bank (SABER).

7.4 FEEDBACK MECHANISMS FOR CONTINUOUS IMPROVEMENT

The PFF will institutionalise learning and adaptive management by creating structured channels for feedback from all stakeholder groups, ensuring the Fund evolves to meet changing needs and incorporates lessons learned.

Table 7.3: Structured Feedback Mechanisms for Learning and Adaptation

FEEDBACK CHANNEL	TARGET AUDIENCE	METHOD / FREQUENCY	PROCESSING and ACTION
Project Implementation Reviews	Contracting Authorities (MDAs), Transaction Advisors	Structured debrief meetings at key project milestones (e.g., post-feasibility, post-procurement).	Feedback on PFF processes, documentation, and support effectiveness is captured. Used to refine operational manuals and application tools.
Annual Stakeholder Forum	MDAs, Private Sector, Development Partners, CSOs	Annual convened conference or workshop.	Presentations on annual performance, open QandA, and thematic breakout sessions to gather broad-based input on Fund strategy and focus sectors.
Online Feedback and Grievance Portal	General Public, Potential Investors, Contractors	Dedicated section on ADIPA/PFF website for submitting comments, queries, or complaints.	Managed by the M&E Officer. All submissions are acknowledged, logged, and responded to within a defined period. Systemic issues are escalated to the OAF.
Post-Financial Close "Lessons Learned" Analysis	Project Teams (MDA and Private Partner), PFF Secretariat	Formal review workshop within 6 months of financial close for each project.	Focuses on the project development journey. Identifies what worked, what didn't, and generates specific recommendations for improving PFF support for future projects.
Staff and Management Retrospectives	PFF Secretariat	Quarterly internal review meetings focused on operational challenges and process bottlenecks.	Creates a safe space for internal critique. Leads to iterative improvements in internal workflows, templates, and coordination.

8. PIPELINE DEVELOPMENT AND ORIGINATION STRATEGY

8.1 PROJECT SCREENING AND PRIORITISATION CRITERIA

The Project Facilitation Fund requires a rigorously defined methodology for evaluating and sequencing candidate initiatives. This ensures judicious allocation of financial and technical resources towards ventures demonstrating the highest probability of achieving financial closure and delivering substantive developmental returns. The framework employs a two-tiered analytical filter: an initial Eligibility Gate followed by a Quantitative Priority Assessment.

Stage One: Mandatory Eligibility Verification

Prior to detailed evaluation, all submissions must satisfy non-negotiable qualifying conditions:

- **Conformity with State Development Objectives:** The initiative must align explicitly with sectoral priorities enumerated in the Adamawa State Development Plan and relevant masterplans (e.g., Agricultural Transformation Agenda).
- **Appropriateness of PPP Modality:** A compelling justification must exist for private sector involvement, demonstrating superior value-for-money relative to conventional public procurement.
- **Sponsoring Authority Undertaking:** The originating Ministry, Department, or Agency must furnish a binding commitment letter and evidence of budgeted counterpart funding for preparatory activities.
- **Absence of Fatal Flaws:** Preliminary verification must confirm no insurmountable legal impediments, land acquisition deadlocks, or regulatory prohibitions exist.

Stage Two: Multi-Factor Priority Scoring Mechanism

Projects passing the eligibility gate are subjected to a weighted scoring model. This analytical tool provides an objective, comparative ranking.

Table 8.1: Project Prioritisation and Scoring Framework

EVALUATION PILLAR	SPECIFIC METRIC	WEIGHTING	SCORING PROTOCOL (SCALE 1-5)
Developmental and Strategic Imperative (40%)	Socio-economic impact (employment, revenue generation, service access).	20%	5=Transformative multi-sector impact; 1=Marginal localized benefit.
	Environmental, Social, and Governance (ESG) compliance and sustainability.	10%	5=Exceeds international safeguards; 1=Significant unmitigated risks.
	Contribution to regional development balance and equity.	10%	5=Targets underserved Local Government Area; 1=Concentrates in developed zone.
Financial Robustness and Market Viability (35%)	Certainty and durability of revenue mechanism.	15%	5=Contractually guaranteed offtake; 1=Speculative merchant market exposure.
	Preliminary Financial Internal Rate of Return (FIRR).	10%	5=FIRR > hurdle rate + 400bps; 1=FIRR below benchmark.
	Proportional requirement for Viability Gap Funding.	10%	5=Minimal subsidy (<15% of CAPEX); 1=Subsidy-intensive (>40% of CAPEX).
Execution Feasibility and Institutional Capacity (25%)	Technical and managerial competence of the Contracting Authority.	10%	5=Proven PPP delivery unit; 1=No institutional experience.
	Transaction complexity and procurement duration.	10%	5=Standard template available; 1=Novel, untested structure.
	Advancement along the project preparation continuum.	5%	5=Pre-feasibility completed; 1=Conceptual stage only.
CUMULATIVE SCORE		100%	

The resultant score categorises projects as: Tier 1: Immediate Deployment ($\geq 80\%$), Tier 2: Conditional Progression (60-79%), or Tier 3: Requiring Further Development ($< 60\%$). Resources are committed sequentially according to this stratified pipeline.

Flagship Project Designation: The Mayo Belwa Meat Processing Plant

In consideration of strategic impact, scale, and alignment with immediate state fiscal commitment, the **Meat Processing Plant in Mayo Belwa** is formally designated as the **Flagship Project** for the PFF's inaugural operational phase. This designation is predicated on critical analytical factors:

1. **Demonstrative Scale and Impact:** Commanding a project value of **USD 52 million**, it represents the most substantial single investment in the current pipeline. Its successful implementation would catalytically transform the livestock value chain, stimulate rural economic development, and generate significant employment, offering a highly visible proof-of-concept for the PFF model.
2. **Strategic Alignment with State Priorities:** The project is central to the state's agricultural transformation and food security agendas, offering a tangible manifestation of strategic economic planning.
3. **Optimal Stage for PFF Intervention:** Its "Implementation" status presents a unique opportunity for the PFF to deliver immediate, tangible value. The state's pre-existing budgetary injection of **NGN 800 million for FY2026 project preparation** can be strategically channeled through the PFF as **Window 3 Viability Gap Funding**. This targeted support can address final capital requirements, optimize the financial structure, and de-risk the project for operational success, thereby securing an early and demonstrative achievement for the Fund.
4. **Portfolio Strategy:** Establishing this project as the flagship creates a balanced portfolio approach. While Window 3 resources are focused on catalysing the closure of this major asset, Window 1 resources can be simultaneously deployed to advance other high-potential projects in the "Planning" phase, such as the Yola International Hotel and the Free Trade Zone, ensuring a continuous and diversified pipeline.

8.2 EARLY-STAGE PROJECT DEVELOPMENT AND READINESS ASSESSMENT

Many prospective projects originate as underdeveloped concepts. The PFF will implement a formal Project Readiness Diagnostic (PRD) to systematically evaluate foundational elements and prescribe a bespoke development trajectory.

The PRD scrutinises five critical dimensions, diagnosing gaps and formulating a corrective action plan, the Project Development Blueprint (PDB).

Table 8.2: PRD Diagnostic Verticals and Corresponding Support Interventions

READINESS VERTICAL	DIAGNOSTIC INQUIRY	ILLUSTRATIVE PFF INTERVENTION
Policy and Strategic	Is the project championed at the political and administrative level?	Facilitate high-level stakeholder alignment workshops; produce policy briefs.
Commercial and Market	What is the evidence base for demand and revenue projections?	Commission market analysis and tariff studies; develop preliminary financial model.
Technical and Site	Are preliminary engineering designs and geotechnical surveys available?	Fund topographic surveys, environmental scoping studies, and concept design.
Regulatory and Permitting	Are the licensing requirements and timelines clearly understood?	Engage legal experts for permit mapping and regulatory gap analysis.
Institutional	Does the MDA possess the requisite skills and mandate to manage the PPP?	Deliver technical assistance for PPP unit establishment; contract management training.

8.3 ENSURING A STEADY FLOW OF COMMERCIALY VIABLE TRANSACTIONS

A sporadic and unpredictable project flow undermines the Fund's operational rhythm and investor confidence. A proactive, institutionalised origination function is therefore paramount to guarantee pipeline continuity.

1. Systematic Pipeline Generation with MDAs:

- **Sectoral Pipeline Clinics:** The PFF Secretariat will conduct bi-annual structured engagements with each key ministry. Using their sector strategies as a base, these clinics will systematically identify potential PPP opportunities, from asset refurbishment to new greenfield projects. *For example, a clinic with the Ministry of Livestock could evolve the existing meat processing plant concepts into additional linked projects, such as livestock feedstock production units (cold-chain logistics) facilities.*
- **Asset Registry and Monetisation Review:** Collaborate with the Ministry of Finance to audit state-owned commercial assets and identify underutilised properties suitable for development or concession, creating a secondary pipeline source.

2. Structured Private Sector Origination Channels:

- **Unsolicited Proposal Gateway:** Establish a transparent, rules-based mechanism for private sector to submit project ideas, with clear evaluation criteria, intellectual property protection, and a potential "Swiss Challenge" procurement path for approved concepts.
- **Pre-Tender Market Consultations:** For projects scoring highly in the PRD, organise structured consultations with pre-vetted industry consortia and financial institutions prior to tender launch. This validates commercial assumptions, refines the project structure, and builds early market interest.

3. Knowledge Management and Replication:

- **Project Archetype Library:** Develop standardised model structures, contractual frameworks, and technical specifications for recurring project types in Adamawa State (e.g., agro-processing hubs, rural renewable energy schemes). This dramatically reduces preparation time and cost for subsequent, similar projects, enabling a "production line" for pipeline development.
- **Dynamic Pipeline Management System:** Implement a digital platform to track every project from ideation to close. This system will provide real-time visibility on pipeline health, resource allocation, and blockages requiring management intervention.

4. Synergy with Investment Promotion:

The PFF's pipeline development is the essential upstream feeder for ADIPA's investment promotion mandate. A formal handover protocol will be established: once a project dossier is deemed "bankable" (post-PFF preparation), it is formally transferred to ADIPA's investment teams for active marketing, roadshows, and investor matchmaking, ensuring a seamless journey from concept to capital.

9. CAPACITY DEVELOPMENT STRATEGY

9.1 CAPACITY-BUILDING PROGRAMS FOR MDAS

The successful execution of the PFF's mandate is contingent upon a corresponding enhancement in the technical and managerial competencies within the sponsoring Ministries, Departments, and Agencies (MDAs). A systematic capacity-building initiative will be instituted to transform MDAs from passive implementers into sophisticated project originators and contract managers. This program will be structured across three progressive tiers of learning and application.

Table 9.1: Tiered Capacity-Building Framework for MDAs

TIER	TARGET AUDIENCE	PROGRAM FOCUS and CONTENT	DELIVERY METHOD and DURATION	EXPECTED COMPETENCY OUTCOME
Tier 1: Foundation and Awareness	Directors, Permanent Secretaries, and Senior Management across all MDAs.	PPP fundamentals, rationale, and strategic value. PFF overview: purpose, windows, and application process. Roles and responsibilities of the Contracting Authority.	Executive Briefings and Workshops (1-2 days).	Senior leadership demonstrates informed support for PPPs and can champion viable projects within their sectors.
Tier 2: Core Technical Proficiency	Designated PPP Focal Points, Project Directors, and technical officers from priority MDAs (e.g., Works, Agriculture, Tourism).	Detailed PPP project cycle: identification, screening, feasibility, procurement, negotiation, and contract management. Financial modelling basics, risk allocation principles, and value-for-money analysis.	Modular Training Courses (5-10 days total, delivered in segments). Practical case studies from relevant sectors.	Officers can independently manage the early stages of project development, prepare quality concept notes, and effectively interface with PFF Secretariat and transaction advisors.
Tier 3: Advanced Specialisation	Core teams from MDAs with active projects approaching procurement or financial close.	Advanced negotiation skills, management of complex financial models, performance monitoring, dispute resolution, and renegotiation frameworks.	Intensive workshops, simulation exercises, and "learning-by-doing" mentorship alongside engaged transaction advisors.	MDA teams possess the confidence and skill to lead procurement negotiations, manage the contract post-signing, and safeguard the state's interests throughout the project lifecycle.

This tiered approach ensures resources are efficiently targeted, building a broad base of awareness while deepening expertise where it is most critically needed for pipeline execution.

9.2 TECHNICAL SUPPORT FOR PROJECT PREPARATION AND MANAGEMENT

Beyond formal training, MDAs will receive hands-on, project-specific technical support financed through Window 1 of the PFF. This support bridges the gap between theoretical knowledge and practical application, ensuring international best practices are embedded directly into the state's project portfolio.

The technical support model follows a "Lead Advisor with Embedded Mentorship" structure. When a project is approved for Window 1 funding, the PFF Secretariat will procure a consortium of specialist transaction advisors (financial, legal, technical). A key contractual requirement for these advisors will be to implement a structured knowledge transfer program for the MDA team.

Table 9.2: Technical Support Domains and Knowledge Transfer Objectives

SUPPORT DOMAIN	ADVISOR'S PRIMARY TASK	MDA KNOWLEDGE TRANSFER OBJECTIVE
Financial and Commercial	Develop robust financial model, conduct VfM analysis, structure payment mechanism.	Ability to interpret model outputs, stress-test assumptions, and understand the fiscal commitment implications for the state.
Legal and Contractual	Draft PPP agreement, ancillary contracts, and tender documents.	Comprehension of key contractual provisions (e.g., termination, change in law, performance monitoring) and ability to negotiate non-financial clauses.
Technical and Environmental	Conduct feasibility studies, ESIA, and develop technical specifications.	Capacity to review technical designs, understand environmental and social safeguard requirements, and define output-based performance standards.
Procurement and Transaction	Manage the competitive tender process, evaluate bids.	Competence in running a fair, transparent, and efficient procurement process in line with state and national regulations.

This ensures that after the advisors complete their assignment, the MDA is not left dependent but is empowered to manage the project's next phases and apply learned skills to future initiatives.

9.3 STRENGTHENING SYSTEMS, STANDARDS, AND OPERATIONAL EFFICIENCY

Sustainable capacity transcends individual skills; it requires the institutionalisation of robust systems, standardised protocols, and quality assurance mechanisms. The PFF will drive the development and implementation of these foundational enablers across the PPP ecosystem in Adamawa State.

1. Development of Standardised Systems and Templates:

The PFF Secretariat, in collaboration with the Ministry of Justice and ADIPA, will develop and promulgate a suite of standardised documents. This "PPP Toolkit" will include:

- **Standardised PPP Contract Clauses:** A library of pre-approved, state-beneficial clauses for common project types, reducing legal drafting time and cost and ensuring consistency.
- **Project Preparation Templates:** Uniform templates for Concept Notes, Feasibility Study Reports, Outline Business Cases, and Full Business Cases.
- **Procurement Process Manuals:** Step-by-step guides for each stage of the PPP procurement process, aligned with the State's procurement law.

2. Establishment of Quality Assurance and Peer Review Mechanisms:

- **Project Review Panels:** For projects above a certain threshold, a mandatory internal review panel comprising senior officials from the PFF Secretariat, Ministry of Finance, and Ministry of Justice will be convened at key decision gates (e.g., before tender launch, before financial close) to provide cross-institutional scrutiny and assurance.
- **Checklist-Driven Processes:** All PFF and MDA processes, from application intake to disbursement, will be governed by detailed checklists to minimise errors and ensure procedural compliance.
- **Fostering a Community of Practice and Continuous Learning:**
- **PPP Practitioners' Forum:** Establish a quarterly forum where PPP focal points from all MDAs, PFF staff, and selected private sector experts convene to discuss challenges, share lessons learned, and review new policy developments.
- **Digital Knowledge Repository:** Create a secure, online repository hosted by ADIPA containing all training materials, standard documents, recorded webinars, and case studies, serving as a permanent resource for all government officials involved in PPPs.

4. Institutionalising Performance Metrics within MDAs:

The PFF will work with the State's Planning Commission to integrate key PPP pipeline metrics (e.g., "number of bankable projects developed," "value of private investment mobilised") into the performance evaluation frameworks of relevant MDAs. This aligns institutional incentives with the state's broader investment promotion objectives.

10. COMMUNICATIONS, VISIBILITY, AND STAKEHOLDER ENGAGEMENT PLAN

10.1 BRAND POSITIONING AND AWARENESS CREATION

The Project Facilitation Fund must be meticulously established within the public consciousness as a credible, professional, and indispensable instrument for economic transformation. Its brand identity will be constructed upon three foundational pillars: Credibility, Catalytic Action, and Collaboration. A strategic communications initiative will be deployed to engender recognition and trust among all constituent groups.

Core Brand Proposition: "The Adamawa State Project Facilitation Fund: De-risking Development, Catalysing Investment."

Key Messaging Pillars:

- **To the Public and Civil Society:** The PFF is a prudent steward of public resources, strategically deploying funds to prepare vital infrastructure projects that create jobs, improve services, and stimulate the local economy without imposing undue fiscal burdens.
- **To Ministries, Departments and Agencies (MDAs):** The PFF is a reliable partner and technical resource centre, providing the expertise and financing necessary to transform strategic concepts into implementable, bankable projects.
- **To the Private Sector and Investors:** The PFF is a professional interface and de-risking mechanism, assuring that projects brought to market are well-structured, transparently procured, and backed by credible government commitment.

Awareness Creation Activities:

- **Official Launch Event:** A high-profile launch ceremony presided over by His Excellency the Governor, featuring key stakeholders from government, development partners, financial institutions, and the private sector.
- **Dedicated Digital Platform:** A professional, dynamic subsection of the ADIPA website dedicated solely to the PFF. This will host all public documents, pipeline dashboards, application guidelines, and news updates.
- **Targeted Media Engagement:** A series of background briefings and editorial placements in national and regional financial and infrastructure publications to articulate the Fund's unique value proposition.
- **Visual Identity System:** Development of a distinct, professional logo and visual guidelines that reinforce the Fund's brand pillars, to be used across all communications materials, presentations, and reports.

10.2 INVESTOR AND MARKET ENGAGEMENT STRATEGY

Proactive and structured engagement with domestic and international capital providers is critical to fulfil the Fund's core objective of mobilising private investment. This strategy moves beyond passive advertising to active partnership cultivation.

1. Market Intelligence and Targeting:

- **Investor Mapping:** Develop a comprehensive database of potential investors, categorised by sectoral interest (agribusiness, energy, tourism), investment type (equity, debt, development finance), and geographic focus.

- **Deal-Specific Matching:** For projects reaching the "bankable dossier" stage, the PFF Secretariat, in close coordination with ADIPA's investment promotion team, will identify and directly approach a shortlist of the most suitable investors from the mapped database.

2. Structured Engagement Platforms:

- **Annual Adamawa Infrastructure Investment Summit:** A flagship event co-hosted by ADIPA and the PFF, presenting the state's priority project pipeline to a curated global audience. This will feature sector deep-dives, site visits, and pre-scheduled one-on-one meetings between project sponsors and investors.
- **Project-Specific Virtual Data Rooms:** For projects in the market, establish secure, comprehensive online data rooms containing all relevant technical, financial, and legal documentation, enabling efficient due diligence by pre-qualified bidders and lenders.
- **Investor Relations Function:** Designate a senior official within the PFF Secretariat as the primary point of contact for investor queries, ensuring consistent, accurate, and timely responses.

3. Building Credibility through Transparency:

The most effective investor engagement tool is demonstrable professionalism. Adherence to the following will be paramount:

- **Predictable and Fair Processes:** Strict adherence to published timelines and evaluation criteria for all procurements.
- **Clear Risk Allocation:** Project structures that allocate risks to the party best able to manage them, as demonstrated in the feasibility studies funded by the PFF.
- **Contract Sanctity:** A visible, unwavering government commitment to honouring signed PPP agreements, reinforced by the contingent liability mechanisms of Window 4.

Table 10.1: Investor Engagement Pathway for the Flagship Project: Mayo Belwa Meat Processing Plant

PROJECT STAGE	PFF/ADIPA ENGAGEMENT ACTIVITY	TARGET AUDIENCE	DESIRED OUTCOME
Project Optimization and VGF Structuring	Conduct targeted financial structuring workshops with potential technical operators and financiers.	Specialized agri-processing operators, commodity trading firms, development finance institutions (DFIs), commercial banks.	Validate operational model, optimize the plant's technical configuration and financial structure to maximize efficiency and commercial viability before final investment decision.
Financial Close Facilitation	Proactive facilitation and coordination between the project sponsors, equity investors, and debt providers to finalize the funding package.	Project Sponsors, Equity Investors, Lead Arrangers (Commercial Banks), DFIs (e.g., AfDB, AFD).	Secure all necessary debt and equity commitments, execute financing agreements, and achieve full financial close to enable commencement of construction/completion activities.
Commissioning and Operational Ramp-Up	Host a high-profile commissioning event and facilitate linkages with upstream (livestock suppliers) and downstream (off-takers, export markets) partners.	State Government, Traditional Rulers, Livestock Associations, Domestic and International Off-takers, Media.	Officially launch operations, secure sustainable supply chains, pre-secure sales agreements, and generate positive market visibility to ensure a strong operational start.
Long-Term Performance and Expansion	Establish a structured investor relations forum for periodic performance reviews and discussion of potential expansion phases.	Plant Operators, Equity Owners, Local Community Representatives, Ministry of Agriculture officials.	Monitor project outcomes against development targets (jobs, local procurement), address operational challenges collaboratively, and plan for future capacity expansion or value-added product lines.

10.3 TRANSPARENCY, PUBLIC COMMUNICATIONS, AND ACCOUNTABILITY APPROACH

The Fund's legitimacy is irrevocably tied to its commitment to transparency and accountability. A "Default to Disclosure" principle will be adopted, balancing the need for commercial confidentiality with the public's right to information.

1. Public Communications Protocol:

- **Annual Public Report:** A comprehensive, accessible document detailing the Fund's financial performance, portfolio highlights, development impact metrics, and lessons learned. This will be published online and presented in a public forum.
- **Pipeline Dashboard:** A publicly accessible, online dashboard displaying key non-confidential information about projects in the pipeline (sector, LGA, stage, estimated investment value). This demonstrates transparency in project selection and progress.
- **Proactive Disclosure of Policies:** All foundational documents Operational Manual, Governance Charter, Application Guidelines will be published on the PFF website.

2. Accountability Mechanisms:

- **Multi-Tiered Reporting:** As outlined in Section 7.3, regular reporting to the Steering Committee, ADIPA Board, State Executive Council, and development partners ensures oversight at all levels.
- **Independent Audit:** Results of the annual independent financial and performance audits will be summarised in the Annual Public Report.
- **Grievance Redress Mechanism:** A formal, accessible channel for stakeholders (including community members affected by projects) to submit complaints or queries regarding PFF-supported activities, with guaranteed response timelines.

3. Engagement with Civil Society and Media:

- **CSO Briefings:** Periodic briefings for civil society organisations and community-based groups on the Fund's activities and selected projects with significant social or environmental footprints.
- **Media Fact Sheets:** Development of clear, accurate fact sheets on the PFF and on major projects, distributed to media houses to facilitate informed reporting.
- **Responsive Public Inquiries:** Designated staff to handle and respond to information requests from the public and media in a timely manner, in accordance with relevant freedom of information principles.